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Dated: October 03, 2016

Reliance Capital Limited

(the “Company” or the “Issuer”)

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710

Tel.: +91 22 3303 1000, Fax: +91 22 3303 6664, Website: www.reliancecapital.co.in

Corporate Identity Number: L65910MH1986PLC165645

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INFORMATION MEMORANDUM OF PRIVATE PLACEMENT FOR ISSUE OF 5,000 RATED, LISTED, SECURED, REDEEMABLE, PRINCIPAL PROTECTED NON-CONVERTIBLE MARKET LINKED DEBENTURES (“NCDs”/“DEBENTURES”), OF FACE VALUE OF INR 1,00,000/- (RUPEES ONE LAKH ONLY) EACH AGGREGATING TO INR 50,00,00,000 (RUPEES FIFTY CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION AGGREGATING TO INR 25,00,00,000 (RUPEES TWENTY FIVE CRORE ONLY) ON A PRIVATE PLACEMENT BASIS (THE “ISSUE”).

NEITHER THE ISSUER NOR ANY OF ITS PROMOTERS OR DIRECTORS HAS BEEN DECLARED AS A WILFUL DEFAULTER.

RISKS IN RELATION TO ISSUE

There has been no formal market for the securities of the Issuer. No assurance can be given regarding an active or sustained trading in the securities of the Issuer or regarding the price at which the securities will be traded after listing.

GENERAL RISKS

Investment in the Debentures involves a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment if the Debentures are not held till maturity or for any reason have to be sold or redeemed before the Final Redemption Date (as defined below). Before taking an investment decision, Investors must rely on their own examination of the Issuer and the offer including the risks involved. The Debentures have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of Investors is invited to the statement of risk factors set out in this disclosure document of private placement in relation to the issue of Debentures on private placement basis (“**Information**

Memorandum”). This Information Memorandum has not been submitted, cleared or approved by SEBI. It should be clearly understood that the Issuer is solely responsible for the correctness, adequacy and disclosure of all relevant information herein.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information as regards to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Information Memorandum is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Any person placing reliance on any other source of information would be doing so at their own risk.

CREDIT RATING

CARE PP-MLD AAA (Credit watch) by CREDIT ANALYSIS & RESEARCH LTD. (“CARE”), for borrowings upto on aggregate amount of Rs.1000,00,00,000(Rupees One Thousand Crore Only).

Instruments with this rating are considered to have highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The rating(s) of any Series is not a recommendation to buy, sell or hold securities and investors should take their own decisions. CARE’s ratings are opinions on credit quality and are not recommendations to buy sell or hold any security. CARE has based its ratings on information obtained from sources believed by them to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most issuers’ securities rated by CARE have paid a credit rating fee, based on the amount and type of securities issued. The rating may be subject to revision or withdrawal at any time by the rating agency on the basis of new information. Each rating should be evaluated independently of any other rating. The rating agency has a right to suspend, withdraw/revise the rating at any time on the basis of new information

MEMORANDUM OF PRIVATE PLACEMENT

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus. This is only an information brochure, in the form of a single initial disclosure document, intended for private use and should not be construed to be a prospectus and/or an invitation to the public for subscription to Debentures under any law for the time being in force. This Information Memorandum is in compliance with the applicable requirements of the regulatory authorities and has been prepared giving details as on June 30, 2016. The Issuer however retains the right, at its sole and absolute discretion, to change the ‘GENERAL TERMS AND CONDITIONS’.

RBI DISCLAIMER

The Reserve Bank of India (“**RBI**”) does not accept any responsibility or guarantee about the present position as to the financial soundness of the Company or for the correctness of any of the statements or representations made or opinions expressed by the Company and for discharge of liability by the Company.

LISTING

The above NCDs of the Company are proposed to be listed on the Wholesale Debt Market (“**WDM**”) Segment of BSE Limited (“**BSE**”).

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REGISTRAR AND TRANSFER AGENT	DEBENTURE TRUSTEE
 <p>Karvy Computershare Private Limited Unit: Reliance Capital Limited Karvy Selenium, Tower – B, Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25, Financial District, Nanakramguda, Hyderabad500032 Tel. : +91 40 6716 1500 Fax: +91 40 6716 1791 E- mail: rclinvestor@karvy.com</p>	 <p>Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) The IL & FS Financial Centre, Plot C-22, G Block, BandraKurla Complex, Bandra East, Mumbai 400051 Tel. : +91 22 26 53 3333 Fax : +91 22 2653 3297 Website: www.itclindia.com</p>
RATING AGENCY	
 <p>Credit Analysis & Research Ltd. 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai 400 022 Tel.: +91 22 6754 3456 Fax: +91 22 6754 3457 Website: www.careratings.com E-mail: care@careratings.com</p>	
VALUATION AGENCIES	
 <p>CRISIL Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076 Tel. : +91223342 3000; Fax : +91223342 3810</p>	 <p>Credit Analysis & Research Ltd. 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai 400 022 Tel.: +91 22 6754 3456; Fax: +91 22 6754 3457 Website: www.careratings.com E-mail: care@careratings.com</p>
ISSUE SCHEDULE	
<p>Issue Open Date : October 03, 2016 Issue Close Date / Pay-in Date : October 04, 2016</p> <p>The Company reserves the right to change the above Issue Schedule, with the understanding that the Issue Close Date / Pay-in Date may be rescheduled, at the sole discretion of the Company, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Issue Close Date / Pay-in Date shall be communicated to each investor in the allotment advice (“Allotment Advice”).</p>	

GENERAL DISCLAIMER

THIS INFORMATION MEMORANDUM IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS. THE ISSUE OF DEBENTURES IN ONE OR MORE SERIES, TO BE LISTED ON THE [WDM] SEGMENT OF [BSE] IS BEING MADE STRICTLY ON A PRIVATE PLACEMENT BASIS. MULTIPLE COPIES HEREOF GIVEN TO THE SAME ENTITY SHALL BE DEEMED TO BE GIVEN TO THE SAME PERSON AND SHALL BE TREATED AS SUCH. IT DOES NOT CONSTITUTE AND SHALL NOT BE DEEMED TO CONSTITUTE AN OFFER OR AN INVITATION TO SUBSCRIBE TO THE DEBENTURES TO THE PUBLIC IN GENERAL. APART FROM THIS INFORMATION MEMORANDUM, NO INFORMATION MEMORANDUM OR PROSPECTUS HAS BEEN PREPARED IN CONNECTION WITH THE OFFERING OF THIS ISSUE OR IN RELATION TO THE ISSUER NOR IS SUCH AN INFORMATION MEMORANDUM REQUIRED TO BE REGISTERED UNDER THE APPLICABLE LAWS. ACCORDINGLY, THIS INFORMATION MEMORANDUM HAS NEITHER BEEN DELIVERED FOR REGISTRATION NOR IS IT INTENDED TO BE REGISTERED.

THIS INFORMATION MEMORANDUM HAS BEEN PREPARED TO PROVIDE GENERAL INFORMATION ABOUT THE ISSUER TO POTENTIAL INVESTORS TO WHOM IT IS SPECIFICALLY ADDRESSED AND WHO ARE WILLING AND ELIGIBLE TO SUBSCRIBE TO THE DEBENTURES. THIS INFORMATION MEMORANDUM DOES NOT PURPORT TO CONTAIN ALL THE INFORMATION THAT ANY POTENTIAL INVESTOR MAY REQUIRE. NEITHER DOES THIS INFORMATION MEMORANDUM NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE DEBENTURES PURPORT TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION AND ANY RECIPIENT OF THIS INFORMATION MEMORANDUM SHOULD NOT CONSIDER SUCH RECEIPT A RECOMMENDATION TO PURCHASE ANY DEBENTURES. EACH POTENTIAL INVESTOR CONTEMPLATING THE PURCHASE OF ANY DEBENTURES SHOULD MAKE ITS OWN INDEPENDENT INVESTIGATION OF THE FINANCIAL CONDITION AND AFFAIRS OF THE ISSUER, AND ITS OWN APPRAISAL OF THE CREDITWORTHINESS OF THE ISSUER.

POTENTIAL INVESTORS SHOULD CONSULT THEIR OWN FINANCIAL, LEGAL, TAX AND OTHER PROFESSIONAL ADVISORS AS TO THE RISKS AND INVESTMENT CONSIDERATIONS ARISING FROM AN INVESTMENT IN THE DEBENTURES AND SHOULD POSSESS THE APPROPRIATE RESOURCES TO ANALYSE SUCH INVESTMENT AND THE SUITABILITY OF SUCH INVESTMENT TO SUCH INVESTOR'S PARTICULAR CIRCUMSTANCES.

THE INFORMATION RELATING TO THE COMPANY CONTAINED IN THIS INFORMATION MEMORANDUM IS BELIEVED BY THE COMPANY TO BE ACCURATE IN ALL RESPECTS AS OF THE DATE HEREOF.

IT IS THE RESPONSIBILITY OF POTENTIAL INVESTORS TO ALSO ENSURE THAT THEY WILL SELL/TRANSFER THESE DEBENTURES IN STRICT ACCORDANCE WITH THIS INFORMATION MEMORANDUM AND OTHER APPLICABLE LAWS, SO THAT THE SALE DOES NOT CONSTITUTE AN OFFER TO THE PUBLIC WITHIN THE MEANING OF THE COMPANIES ACT. NONE OF THE INTERMEDIARIES OR THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE UNDERTAKE TO REVIEW THE FINANCIAL CONDITION OR AFFAIRS OF THE ISSUER DURING THE LIFE OF THE ARRANGEMENTS CONTEMPLATED BY THIS INFORMATION MEMORANDUM OR HAVE ANY RESPONSIBILITY TO ADVISE ANY INVESTOR OR POTENTIAL INVESTOR IN THE DEBENTURES OF ANY INFORMATION AVAILABLE WITH OR SUBSEQUENTLY COMING TO THE ATTENTION OF THE INTERMEDIARIES, AGENTS OR ADVISORS.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED OR INCORPORATED BY REFERENCE IN THIS INFORMATION MEMORANDUM OR IN ANY MATERIAL MADE AVAILABLE BY THE ISSUER TO ANY POTENTIAL INVESTOR PURSUANT HERETO AND, IF

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GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER. THE INTERMEDIARIES AND THEIR AGENTS OR ADVISORS ASSOCIATED WITH THIS ISSUE HAVE NOT SEPARATELY VERIFIED THE INFORMATION CONTAINED HEREIN OR ANY OTHER INFORMATION (WRITTEN OR ORAL) TRANSMITTED OR MADE TO ANY POTENTIAL INVESTOR IN THE COURSE OF EVALUATION OF THE ISSUE. ACCORDINGLY, NO REPRESENTATION, WARRANTY OR UNDERTAKING, EXPRESS OR IMPLIED, IS MADE AND NO RESPONSIBILITY OR LIABILITY OR DUTY OF CARE IS OR WILL BE ACCEPTED BY ANY SUCH INTERMEDIARY AND/OR ANY OF ITS AFFILIATES AS TO THE ACCURACY, FAIRNESS OR COMPLETENESS OR OTHERWISE OF THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE ISSUER. ACCORDINGLY, ALL SUCH INTERMEDIARIES ASSOCIATED WITH THIS ISSUE SHALL HAVE NO LIABILITY IN RELATION TO THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE ISSUER IN CONNECTION WITH THE ISSUE.

NEITHER THE SOLE ARRANGER NOR ANY OTHER INTERMEDIARIES NOR ANY OF THEIR AFFILIATES OR THEIR RESPECTIVE DIRECTORS, EMPLOYEES, OFFICERS OR AGENTS SHALL BE LIABLE FOR ANY DIRECT, INDIRECT OR CONSEQUENTIAL LOSS OR DAMAGE SUFFERED BY ANY PERSON AS A RESULT OF RELYING ON ANY STATEMENT IN OR OMISSION FROM THIS INFORMATION MEMORANDUM OR IN ANY OTHER INFORMATION OR COMMUNICATIONS MADE IN CONNECTION WITH THE DEBENTURES OR THE ISSUE.

THE CONTENTS OF THIS INFORMATION MEMORANDUM ARE INTENDED TO BE USED ONLY BY THOSE POTENTIAL INVESTORS TO WHOM IT IS DISTRIBUTED. IT IS NOT INTENDED FOR DISTRIBUTION TO ANY OTHER PERSON AND SHOULD NOT BE REPRODUCED OR TRANSMITTED IN ANY MANNER WHATSOEVER BY THE RECIPIENT.

EACH COPY OF THIS INFORMATION MEMORANDUM AND THE APPLICATION FORM WILL BE SERIALLY NUMBERED AND THE PERSON TO WHOM A COPY OF THE INFORMATION MEMORANDUM IS ADDRESSED WOULD ALONE BE ENTITLED TO APPLY FOR THE DEBENTURES. NO INVITATION IS BEING MADE TO ANY PERSON OTHER THAN THOSE TO WHOM APPLICATION FORMS ALONG WITH THIS INFORMATION MEMORANDUM HAVE BEEN ADDRESSED. ANY APPLICATION BY A PERSON TO WHOM THE INFORMATION MEMORANDUM AND/OR THE APPLICATION FORM HAS NOT BEEN ADDRESSED BY THE ISSUER SHALL NOT BE ELIGIBLE TO INVEST IN THE ISSUE AND SUCH APPLICATION SHALL BE REJECTED WITHOUT ASSIGNING ANY REASON.

THE PERSON WHO IS IN RECEIPT OF THIS INFORMATION MEMORANDUM MUST MAINTAIN UTMOST CONFIDENTIALITY REGARDING THE CONTENTS OF THIS INFORMATION MEMORANDUM AND MUST NOT REPRODUCE, REPLICATE, TRANSMIT OR DISTRIBUTE IN WHOLE OR PART OR MAKE ANY ANNOUNCEMENT IN PUBLIC OR TO A THIRD PARTY REGARDING ITS CONTENTS, WITHOUT THE PRIOR WRITTEN CONSENT OF THE ISSUER. NOTWITHSTANDING THE FOREGOING, A DEBENTURE HOLDER MAY PROVIDE THIS INFORMATION MEMORANDUM TO A POTENTIAL INVESTOR FOR THE SOLE PURPOSE OF TRANSFERRING THE DEBENTURES.

EACH PERSON RECEIVING THIS INFORMATION MEMORANDUM ACKNOWLEDGES THAT:

- SUCH PERSON HAS BEEN AFFORDED AN OPPORTUNITY TO REQUEST AND TO REVIEW AND HAS RECEIVED AND REVIEWED THIS INFORMATION MEMORANDUM AND ALL ADDITIONAL INFORMATION CONSIDERED BY AN INDIVIDUAL TO BE NECESSARY TO VERIFY THE ACCURACY OF OR TO SUPPLEMENT THE INFORMATION HEREIN; AND

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- SUCH PERSON HAS NOT RELIED ON ANY INTERMEDIARY THAT MAY BE ASSOCIATED WITH THE ISSUANCE OF THE DEBENTURES IN CONNECTION WITH ITS INVESTIGATION OF THE ACCURACY OF SUCH INFORMATION OR ITS INVESTMENT DECISION.

THE ISSUER DOES NOT UNDERTAKE TO UPDATE THE INFORMATION MEMORANDUM TO REFLECT SUBSEQUENT EVENTS AFTER THE DATE OF THE INFORMATION MEMORANDUM AND, THUS, IT SHOULD NOT BE RELIED UPON WITH RESPECT TO SUCH SUBSEQUENT EVENTS WITHOUT FIRST CONFIRMING ITS ACCURACY WITH THE ISSUER. NEITHER THE DELIVERY OF THIS INFORMATION MEMORANDUM NOR ANY SALE OF DEBENTURES MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CONSTITUTE A REPRESENTATION OR CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ISSUER SINCE THE DATE HEREOF.

THIS INFORMATION MEMORANDUM DOES NOT CONSTITUTE, NOR MAY IT BE USED FOR OR IN CONNECTION WITH, AN OFFER OR SOLICITATION BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED OR TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SOLICITATION. NO ACTION IS BEING TAKEN TO PERMIT AN OFFERING OF THE DEBENTURES OR THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM IN ANY JURISDICTION WHERE SUCH ACTION IS REQUIRED. THE DISTRIBUTION OF THIS INFORMATION MEMORANDUM AND THE OFFERING AND SALE OF THE DEBENTURES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS INFORMATION MEMORANDUM COMES ARE REQUIRED TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

ELIGIBILITY OF THE ISSUER TO COME OUT WITH THE ISSUE

THE ISSUER, ITS DIRECTORS AND ITS SUBSIDIARIES HAVE NOT BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTIONS PASSED BY SEBI.

DISCLAIMER CLAUSE OF SEBI AND THE STOCK EXCHANGE

AS REQUIRED, A COPY OF THE INFORMATION MEMORANDUM FOR ISSUE OF DEBENTURES PURSUANT TO THIS INFORMATION MEMORANDUM AGGREGATING UP TO INR 50,00,00,000 (RUPEES FIFTY CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION AGGREGATING TO INR 25,00,00,000 (RUPEES TWENTY FIVE CRORE ONLY) ON PRIVATE PLACEMENT BASIS IS BEING FILED WITH THE WDM SEGMENT OF THE BSE IN TERMS OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED BY THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2012 AS AMENDED FROM TIME TO TIME; THE GUIDELINES FOR ISSUE AND LISTING OF STRUCTURED PRODUCTS/MARKET LINKED DEBENTURES 2011 ("STRUCTURED PRODUCTS GUIDELINES"); THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AND APPLICABLE REGULATIONS ISSUED BY THE RESERVE BANK OF INDIA.

AS PER THE PROVISIONS OF THE SEBI DEBT REGULATIONS, A COPY OF THIS INFORMATION MEMORANDUM HAS NOT BEEN FILED WITH OR SUBMITTED TO SEBI. HOWEVER, IN COMPLIANCE WITH THE COMPANIES ACT, 2013 AND THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, WE WILL SUBMIT A COPY OF THIS INFORMATION MEMORANDUM TO SEBI WITHIN A PERIOD OF 30 DAYS OF ITS CIRCULATION. IT IS DISTINCTLY UNDERSTOOD THAT THIS INFORMATION MEMORANDUM SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PURPOSE FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS INFORMATION

MEMORANDUM.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE INFORMATION MEMORANDUM TO BSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE INFORMATION MEMORANDUM HAS BEEN CLEARED OR APPROVED BY BSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS INFORMATION MEMORANDUM, NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE BSE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER.

THE ISSUER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS INFORMATION MEMORANDUM ARE ADEQUATE AND IN CONFORMITY WITH SEBI DEBT REGULATIONS AND THE STRUCTURED PRODUCT GUIDELINES IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

DISCLAIMER IN RESPECT OF JURISDICTION

ISSUE OF THESE DEBENTURES WILL BE MADE IN INDIA TO INVESTORS AS SPECIFIED UNDER CLAUSE "CATEGORIES OF INVESTORS" OF THIS INFORMATION MEMORANDUM, WHO SHALL BE SPECIFICALLY APPROACHED BY THE ISSUER. THIS INFORMATION MEMORANDUM IS NOT TO BE CONSTRUED OR CONSTITUTED AS AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE TO DEBENTURES OFFERED HEREBY TO ANY PERSON TO WHOM IT IS NOT SPECIFICALLY ADDRESSED. THE DEBENTURES ARE GOVERNED BY AND SHALL BE CONSTRUED IN ACCORDANCE WITH THE EXISTING INDIAN LAWS. ANY DISPUTE ARISING IN RESPECT THEREOF WILL BE SUBJECT TO THE EXCLUSIVE JURISDICTION OF THE COURTS AND TRIBUNALS OF MUMBAI.

DISCLAIMER IN RELATION TO THE VALUATION AGENCY

The Valuation Agency appointed for each type of Debentures (as defined in SUMMARY TERM SHEET below) will publish the valuation of NCDs on its website at least once every calendar week. The valuation shall be available on the website of the applicable Valuation Agency. The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on the website of the Issuer at (<http://www.reliancecapital.co.in/Valuation.html>)

Upon request by any Debenture Holder (as defined below) for the valuation of the NCDs, the Issuer shall provide them with the latest valuation.

Where the Valuation Agency is CRISIL Limited (CRISIL):

Debenture Valuation reflects CRISIL's opinion on the value of the Debenture on the valuation date and does not constitute an audit of the Issuer by CRISIL. The Valuation is based on the information provided by the Issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the Valuation is based. CRISIL specifically states that the Valuation is an indicative value of the Debenture on the valuation date and can be different from the actual realizable value of the Debenture. The Valuation does not comment on the market price or suitability for a particular investor. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the issuers / users / investors of the Valuation.

Where the Valuation Agency is Credit Analysis & Research Ltd. (CARE):

Market Linked Debenture Valuation provided by CARE reflects CARE’s opinion on the value of the Market Linked Debenture on the valuation date and does not constitute an audit of the Issuer by CARE. The Valuation is based on the information as set out in this Information Memorandum and the Terms of the Issue or obtained by CARE from sources it considers reliable. CARE does not guarantee the completeness or accuracy of the information on which the Valuation is based. CARE specifically states that the Valuation is an indicative value of the Debenture on the valuation date and can be different from the actual realizable value of the Debenture. The Valuation does not comment on the market price of the Market Linked Debentures or suitability for a particular investor.

Definitions / Abbreviations/ Terms Used	
Articles of Association	Articles of Association of Reliance Capital Limited (RCL)
Board of Directors	Board of Directors of RCL
BSE	BSE Limited
Certificate of Registration	The Certificate of Registration obtained from the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934
CDSL	Central Depository Services (India) Limited
Company / Issuer	Reliance Capital Limited (“RCL”)
Companies Act	Companies Act, 1956, as amended (without reference to the sections thereof that have ceased to have effect upon notification of sections of the Companies Act, 2013) (the “ Companies Act, 1956 ”) read with the applicable provisions of the Companies Act, 2013, to the extent notified and in effect (the “ Companies Act, 2013 ”), and together with the Companies Act, 1956, the “ Companies Act ”)
Debentures / Debt Instruments / NCDs	Rated, Listed, Secured, Redeemable, Principal Protected Non-Convertible Market Linked Debentures issued / proposed to be issued pursuant to this Information Memorandum
Debenture Holders	Persons who are for the time being holders of the Debentures and whose names are last mentioned in the Debentures / Register of Debenture Holders and shall include Beneficiaries
Debenture Trust Deed	Shall mean the debenture trust deed(s) between the Issuer and Vistra ITCL (India) Limited(formerly IL & FS Trust Company Limited) (“ Debenture Trustee ”) for the creation of security in favour of the Debenture Trustee for the benefit of the Debenture Holders
Debenture Trustee	Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited)
Depositories	CDSL and NSDL
DP	Depository Participant as defined under the Depositories Act, 1956
FY	Financial Year
INR / Rs. / Rupees	Currency of Republic of India
Investors	Those persons who fall under the category of eligibility to whom this Information Memorandum may be sent with a view to offering the Debentures on private placement basis
Issue	The issue of 5,000 Rated, Listed, Secured, Redeemable, Principal Protected Non-Convertible Market Linked Debentures of Rs.1,00,000/- (Rupees One Lakh Only)each aggregating to INR 50,00,00,000 (Rupees Fifty Crore Only) with an

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Definitions / Abbreviations/ Terms Used	
	option to retain oversubscription aggregating to INR 25,00,00,000 (Rupees Twenty Five Crore Only) on a Private Placement Basis
Issuer Group	The Issuer or any of its holding, subsidiary, associate, affiliate or group entities
Letter of Allotment / Allotment Advice	Letter addressed by or on behalf of the Issuer to an Investor stating therein, <i>inter-alia</i> , that the Investor's application has been accepted for allotment for the number of Debentures mentioned in such advice and the application money paid by it has been accordingly adjusted towards payment of the allotment money on the number of Debentures being allotted to it
Memorandum	Memorandum of Association of the Company
MCA	Ministry of Corporate Affairs, Government of India
NBFC	Non-Banking Financial Company
NPA	Non Performing Asset
NSDL	National Securities Depository Limited
RBI	Reserve Bank of India
RBI Private Placement Directions	Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs- vide RBI circular No. RBI/2014-15/475, DNBR (PD) CC No.021/03.10.001/2014-15 dated February 20, 2015 and RBI Notification No. RBI/2012-13/560 DNBD(PD) CC No. 330 /03.10.001/2012-13 dated June 27, 2013
RTA	Registrar and Transfer Agent
SEBI	Securities and Exchange Board of India
SEBI Debt Regulations	SEBI (Issue and Listing of Debt Securities) Regulations, 2008 as amended by the SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2012 as amended from time to time
Security Documents	The Debenture Trust Deed(s). Security documents entered into / to be entered into for the creation of security in favour of the Debenture Trustee for the benefit of the Debenture Holders
Structured Product Guidelines	Guidelines for Issue and Listing of Structured Products/ Market Linked Debentures, 2011
Valuation Agency	CRISIL Limited (CRISIL) or Credit Analysis & Research Ltd. (CARE), as defined in SUMMARY TERM SHEET
WDM	Wholesale Debt Market Segment of BSE Limited
Wilful Defaulter	Wilful Defaulter means an issuer who is categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such

**FORM NO. PAS-4
PRIVATE PLACEMENT OFFER LETTER**

[Pursuant to Section 42 of Companies Act, 2013 and Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

The table below sets out the disclosure requirements as provided in PAS-4 and the relevant pages in this Information Memorandum where these disclosures, to the extent applicable, have been provided.

Sr. No.	Particulars	Page No.
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a.	Name, address, website and other contact details of the company indicating both registered office and corporate office;	24
b.	Date of incorporation of the company;	36
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	26
d.	Brief particulars of the management of the company;	37
e.	Names, addresses, DIN and occupations of the directors;	34
f.	Management's perception of risk factors;	13
g.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of –	
	(i) statutory dues;	Nil
	(ii) debentures and interest thereon;	Nil
	(iii) deposits and interest thereon;	Nil
	(iv) loan from any bank or financial institution and interest thereon.	Nil
h.	Names, designation, address and phone number, email ID of the nodal/compliance officer of the company, if any, for the private placement offer process;	24
2.	PARTICULARS OF THE OFFER	
a.	Date of passing of board resolution;	
b.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	44
c.	Kinds of securities offered (i.e. whether share or debenture) and class of security;	
d.	Price at which the security is being offered including the premium, if any, alongwith justification of the price;	
e.	Name and address of the valuer who performed valuation of the security offered;	
f.	Amount which the company intends to raise by way of securities;	
g.	Terms of raising of securities:	

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Sr. No.	Particulars	Page No.
	(a) duration;	
	(b) rate of dividend;	
	(c) rate of interest;	
	(d) mode of payment;	
	(e) repayment;	
h.	Proposed time schedule for which the offer letter is valid;	
i.	Purposes and objects of the offer;	
j.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	
k.	Principle terms of assets charged as security, if applicable;	
3.	DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC.	
a.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Nil
b.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Annexure II
c.	Remuneration of directors (during the current year and last three financial years);	34
d.	Related party transactions entered during the last three financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided	Annexure 7
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of circulation of offer letter and of their impact on the financial statements and financial position of the company and the corrective steps taken and proposed to be taken by the company for each of the said reservations or qualifications or adverse remark	Nil
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of offer letter in the case of company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the offer letter and if so, section-wise details thereof for the company and all of its subsidiaries	Nil
g.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	Annexure III
4.	FINANCIAL POSITION OF THE COMPANY	
a.	The capital structure of the company in the following manner in a tabular form-	29
(i)(a)	the authorised, issued, subscribed and paid up capital (number of securities,	

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	description and aggregate nominal value);	
(b)	size of the present offer;	As per Summary Term Sheet
(c)	paid up capital	Not Applicable
	(A) after the offer;	
	(B) after conversion of convertible instruments (if applicable)	
(d)	share premium account (before and after the offer)	Not Applicable
(ii)	the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration	29
	Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the offer letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;	29
b.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of circulation of offer letter;	Annexure XV
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RISK FACTORS

Data contained throughout the Information Memorandum has been supplied by the Company and the same has not been verified from any independent sources (including the original source documents). This data is the responsibility of the Company alone. Its accuracy and completeness cannot be guaranteed and its reliability cannot be assured.

Although the legal advisors and all intermediaries associated with this Information Memorandum believe that the data used herein is correct, complete and reliable, in absence of independent verification, neither the legal advisors nor any of the intermediaries are or can be held responsible for the correctness, completeness or the adequacy of the data contained herein.

The Issuer believes that the following factors may affect its ability to fulfill its obligations under the Debentures issued under the Information Memorandum. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

In addition, certain factors which are material for the purpose of assessing the market risks associated with the Debentures issued under the Information Memorandum are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in Debentures issued under the Information Memorandum, but the inability of the Issuer, as the case may be, to pay interest, or other amounts on or in connection with any Debentures may occur for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Debentures are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

The Debentures are sophisticated instruments, can involve a high degree of risk and are intended for sale only to those Investors capable of understanding the risks entailed in such instruments. Potential investors are strongly recommended to consult with their financial, legal, tax and other professional advisors before making any investment decision.

The following are the risks envisaged by the management and Investors should consider the following risk factors carefully for evaluating the Company and its business before making any investment decision. Unless the context requires otherwise, the risk factors described below apply to the Company only. The risks have been quantified wherever possible. If any one of the following stated risks actually occur, the Company's business, financial conditions and results of operations could suffer and therefore the value of the Company's debt securities could decline.

Note: The risk factors herein are not exhaustive and unless specified or quantified in the relevant risk factors, the Company is not in a position to quantify the financial or other implications of any risk mentioned hereinbelow:

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PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THESE KEY RISKS ASSOCIATED WITH THE DEBENTURES. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE DEBENTURES OR YOUR DECISION TO PURCHASE THE DEBENTURES.

THIS INFORMATION MEMORANDUM IS NOT, AND DOES NOT PURPORT TO BE, INVESTMENT ADVICE.

The Debentures being structured debentures are sophisticated instruments which involve a significant degree of risk and are intended for sale only to those Investors capable of understanding the risks involved in such instruments. Please note that both the return on the Debentures and the return of the Principal Amount in full are at risk if the Debentures are not held till or for any reason have to be sold or redeemed before the Final Redemption Date. The Debentures are a principal protected product only upon maturity.

The Debentures are structured and are complex and an investment in such a structured product may involve a higher risk of loss of a part of the initial investment as compared to investment in other securities unless held till Final Redemption Date. The Debenture Holder shall receive at least the Face Value of the Debenture only if the Investor holds and is able to hold the Debentures till the Final Redemption Date. Prior to investing in the Debentures, a prospective investor should ensure that such prospective investor understands the nature of all the risks associated with the investment in order to determine whether the investment is suitable for such prospective investor in light of such prospective investor's experience, objectives, financial position and other relevant circumstances. Prospective investors should independently consult with their legal, regulatory, tax, financial and/or accounting advisors to the extent the prospective investor considers necessary in order to make their own investment decisions.

An investment in Debentures where the payment of premium (if any), and/or coupon and/or other consideration (if any) payable or deliverable thereon is determined by reference to one or more equity or debt securities, indices, baskets, formulas or other assets or basis of reference will entail significant risks not associated with a conventional fixed rate or floating rate debt security. Such risks include, without limitation, changes in the level or value of the relevant underlying equity or debt securities or basket or index or indices of equity or debt securities or other underlying asset or basis of reference and the Debenture Holder may receive a lower (or no) amount of premium, coupon or other consideration than the Debenture Holder expected. The Company has no control over a number of matters that are important in determining the existence, magnitude and longevity of such risks and their results, including, but not limited to, economic, financial and political events. In addition, if an index or formula used to determine any amounts payable or deliverable in respect of the Debentures contains a multiplier or leverage factor, the effect of any change in such index or formula will be magnified. In recent times, the values of certain indices, baskets and formulae have been volatile and volatility in those and other indices, baskets and formulas may occur in the future.

(a) Model Risks

Investment in the Debentures is subject to model risk. The Debentures are created on the basis of complex mathematical models involving multiple derivative exposures which may or may not be hedged and the actual behavior of the securities selected for hedging may significantly differ from the returns predicted by the mathematical models.

(b) Uncertain trading markets and liquidity risk

Investors should be prepared to hold the Debentures until maturity as Investors may not be able to liquidate or sell any or all of the Debentures as and when they require or at an amount equal to or more than the invested amount. There is currently no active or liquid secondary trading market for these Debentures. The Company cannot assure Debenture Holders that a trading market for the Debentures will ever develop or, if developed that such market will be sustained. Many factors

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independent of the credit worthiness of the Company affect the trading market of the Debentures. These factors include:

- (i) the complexity and volatility of the index or formula or other basis of reference applicable to the Debentures;
- (ii) the method of calculating the principal, premium and coupon, if any, or other consideration, if any, in respect of the Debentures;
- (iii) the time remaining to the maturity of the Debentures;
- (iv) the outstanding amount of the Debentures;
- (v) the redemption features of the Debentures;
- (vi) the amount of other debt securities linked to the index or formula or other basis of reference applicable to the Debentures;
- (vii) the general political and economic conditions prevailing in India;
- (viii) the global macroeconomic scenario; and
- (ix) the level, direction and volatility of market interest rates generally.

There can be no assurance that anyone intends to make a market in the Debentures, or that if anyone does so, that they will continue to do so, or that a market-maker in the Debentures (if any) will offer an amount equal to or greater than the invested amount, or that if a market-maker does offer a price for the Debentures which is equal to or greater than the invested amount, that it will continue to do so. In addition, certain Debentures may be designed for specific investment objectives or strategies and, therefore, may have a more limited secondary market and experience more price volatility than conventional debt securities. Further, the transfer of the Debentures can only be made in accordance with the relevant transfer and selling restrictions set out herein. This may further limit the liquidity of the Debentures. Debenture Holders may not be able to sell the Debentures readily or at prices that will enable them to realize their anticipated yield. Therefore, it may be difficult to liquidate or sell the Debentures before maturity, or if liquidated/sold, investors may only realise an amount that is at a significant discount to the invested amount paid by the investor. Liquidity on these investments is relatively less than similar grade non-structured fixed coupon debentures. Mark to market valuations on the Debentures may not be available or provided to Investors on any regular basis prior to the maturity of the Debentures. As there is no liquid market for the Debentures, it may be difficult to obtain reliable information about the value of the Debentures and the extent of the risks to which it is exposed.

While the Company intends under ordinary market conditions to indicate and/or procure indication of prices for any such Debentures there can be no assurance as to the prices that would be indicated or that the Company will offer and/or cause to purchase any Debentures. The price given, if any, will be affected by many factors including, but not limited to, the remaining term and outstanding Principal Amount of the Debentures, the level of the Reference Value (defined below), fluctuations in interest rates and/or in exchange rates, volatility in the Reference Value used to calculate the amount of any coupon or principal payments, and credit spreads. Consequently, prospective investors must be prepared to hold the Debentures until the redemption or maturity of the Debentures. Trading levels of any Debentures will be influenced by, among other things, the relative level and performance of the applicable Reference Value and the factors described above.

No Investor should purchase Debentures unless such investor understands and is able to bear the risk that such Debentures may not be readily saleable and/or that the value of such Debentures will fluctuate over time, that such fluctuations may be significant and that such investor may lose all or even a substantial portion of its investment in the Debentures if the Debentures are not held till or for any reason have to be sold or redeemed before the final maturity date

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(c) Investment in the Debentures which are linked to shares or indices is not the same as investing directly in the shares or indices underlying the Debentures.

An investment in the Debentures which are linked to shares or indices is not an investment directly in the shares or the indices themselves. An investment in the Debentures entitles the holder to certain cash payments calculated by reference to the shares or indices to which the Debentures are linked. The Debenture Holder will have no beneficial interest in the shares or basket of shares constituting the index to which the Debentures are linked and accordingly will not have voting rights in those shares. The Debenture Holders will not have the right to receive the underlying shares or basket of shares and thus will not be able to dispose of some but not all of such shares at any point in time. Subject to the applicable conditions of the Debentures, the Debenture Holder may have no right to receive dividends or other distributions. The Debentures will not represent a claim against the company of any shares, and, in the event of any loss, a Debenture Holder will not have recourse under the Debentures against such companies, or against any securities issued by such companies.

Similarly, the Debenture Holders will not have the right to receive the stocks underlying any index or basket of indices underlying the Debentures at any point in time.

In the case of Debentures relating to shares, no issuer of such shares will have participated in the preparation of the Information Memorandum or in establishing the terms of the Debentures and the Company will not make any investigation or enquiry in connection with such offering with respect to the information concerning any such Company contained in the Information Memorandum or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant Deemed Date of Allotment (including events that would affect the accuracy or completeness of the publicly available documents described in this paragraph that would affect the trading price of the share will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning the Company of such share could affect the trading price of the share and therefore the trading price of the Debentures.

Moreover, the Company has no ability to control or predict any actions of the issuer of such shares, including any corporate actions of the type or redemption that would require the Company to adjust the payment to the Debenture Holders upon exercise of the Debentures. The issuer of such shares is not involved in the offering of the Debentures in any way and has no obligation to consider a Debenture Holder's interest in a Debenture in taking any corporate actions that might affect the value of the Debentures. None of the money that the Debenture Holder pays for the Debentures will go to the issuer of any shares. In particular, factors related to the underlying shares or indices to which the Debentures are linked which are beyond the relevant company's control include, but are not limited to: (i) the market price or value of such share, index or basket of shares or indices; (ii) the volatility (frequency and magnitude of changes in price) of such share, index or basket of shares or indices; (iii) the dividend rate on such shares; (iv) geopolitical conditions and economic, financial and political, regulatory or judicial events that affect stock markets generally and which may affect the market price of such share, index or basket of shares or indices; and (v) the creditworthiness, including changes in credit ratings and credit spreads of the relevant issuer of such shares.

The return on an investment in the Debentures may differ from the return an investor might earn on a direct investment in the shares or indices over a similar period: Debenture Holders should be aware that:

- (a) they may lose all or a substantial portion of their investment in case of an early redemption and/or if the Debentures are not held till maturity;
- (b) the market price of such Debentures may be very volatile;
- (c) they may receive no interest;
- (d) the relevant underlying shares or index may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other shares or indices;
- (e) if the relevant underlying shares or index is linked to Debentures with a multiplier greater than one or contains some other leverage factor, the effect of changes in such underlying shares

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or indices on principal or interest payable is likely to be magnified; and

- (f) the timing of changes in the relevant underlying shares or index may affect the actual yield to the Debenture Holders, even if the average level is consistent with their expectations.

(d) *The composition of the stocks underlying the index to which a Debenture may be linked may change over time*

The composition of the stocks underlying any index to which the Debentures are linked may change over time. The index sponsor may, in its sole discretion, add, delete or substitute the stocks underlying the index or make other methodological changes required by certain corporate events relating to the stocks underlying the index, such as stock splits and dividends, spin-offs, rights issuances and mergers and acquisitions that could change the value of the index. There may be additions to the index to which the Debenture Holders may not want exposure, or deletions of stocks to which they would want exposure. The Company does not have any control over the composition or calculation of the index, and the Debenture Holders should not place undue reliance on the creditworthiness, business plans or prospects or other factors relating to any particular issuer of stocks underlying the index as of the date hereof.

(e) *No Claim against reference asset*

Debenture Holders do not have any interest in or rights to the underlying assets, indices or securities to which Debentures relate.

(f) *Leverage Risk*

Borrowing capital to fund the purchase of the Debentures (leveraging) can significantly increase the risks of the investment such that if the value of the Debentures decreases on a market to market basis, leveraging will magnify that decrease in value. Any statement on the potential risks and return on the Debentures does not take into account the effect of any leveraging. Investors must factor in and consider the potential impact of, amongst other things, the cost of funding and possibility of margin calls due to a decrease in the daily mark to market value of the Debentures prior to their maturity. Investors considering borrowing capital to leverage their investment in the Debentures should obtain further detailed information as to the applicable risks from their lender.

(g) *Interest Rate Risk of the Debentures*

Investors are exposed to the movement of interest rates whenever their Debentures are redeemed, tendered or sold prior to maturity. Movements in interest rates will have an impact upon the value of the Debentures. As interest rates move upwards, the value of the Debentures generally falls. Moreover, the longer the tenor of the Debentures, the more sensitive the Debentures will be to interest rate changes.

(h) *Compounding of Risks*

An investment in the Debentures involves multiple risks and such investment should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the applicable reference securities, indices, commodities, rates, etc., the risks associated with such investments and the terms and conditions of the Debentures. More than one risk factor may have simultaneous effects with regard to the Debentures such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect, which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Debentures.

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(i) The secondary market for the Debentures may be non-existent or the Debentures may be illiquid

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Any such Debenture so purchased may be required to be held or resold or surrendered for cancellation. To the extent that an issue of Debentures becomes illiquid, an Investor may have to hold the Debenture until redemption to realize value.

Under the terms and conditions of the Debentures, the Issuer or its affiliates may purchase Debentures at such times, in such manner and for such consideration as they may deem appropriate. Such Debentures may be resold or surrendered for cancellation, or held and then resold or surrendered for cancellation, and, if cancelled, may not be reissued by the Issuer, all at such time and in such manner as it may deem appropriate. Investors should not therefore make any assumption as to the number of Debentures in issue at any one time or in the future.

(j) Market Factors in relation to the reference asset/underlying**1) Valuation of the underlying**

An investment in the Debentures involves risk regarding the value of the underlying. The value of the underlying may vary over time and may increase or decrease by reference to a variety of factors which may include corporate actions, macroeconomic factors and/or speculation.

2) The historical performance of the underlying is not an indication of future performance

The historical value (if any) of the underlying does not indicate the future performance of the underlying.

3) The value of the underlying will affect the value of the Debentures

The value of the underlying on any day will affect the value of the Debentures on such day. Changes in the composition of the underlying and factors (including those described in these Risk Factors) which either affect or may affect the value of the underlying will affect the value of the Debentures.

4) Market Value

The market value of the Debentures during their term depends primarily on the value and the volatility of the underlying and the level of interest rates for instruments of comparable maturities. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer Investors protection against such market volatility.

5) Certain Hedging Considerations

Certain risks apply to purchasers that acquire the Debentures for hedging purposes. Investors intending to purchase the Debentures for the purpose of hedging their exposure to the underlying or any constituents should recognise the risks of utilising the Debentures in such manner. No assurance is or can be given that the value of the Debentures will correlate with movements in the value of the underlying or any constituents and the composition of the underlying or any basket constituents may change over time. Furthermore, it may not be possible to liquidate the Debentures at a price which directly reflects the value of the underlying or any constituents. Therefore, there can be no assurance as to the level of any correlation between the return on an investment in the Debentures and the return on a direct investment in the underlying or any constituents.

Hedging transactions in order to limit the risks associated with the Debentures might not be successful.

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6) No affiliation with issuers/publishers of underlying assets

The Issuer for any underlying single share or basket shares, the publisher of an underlying index, or any specified entity may not be an affiliate of the Issuer, unless otherwise specified in the relevant offer document. The Issuer or its subsidiaries may presently or from time to time engage in business with any issuer of the underlying shares, or any specified entity, including entering into loans with, or making equity investments in, such issuer of the underlying shares, or specified entity, or its affiliates or subsidiaries or providing investment advisory services to the issuer of the underlying shares, or specified entity, including merger and acquisition advisory services. Moreover, the Issuer does not have the ability to control or predict the actions of the issuer of the underlying shares, index publisher, or specified entity, including any actions, or reconstitution of index components, of the type that would require an adjustment of the payout to the investor at maturity. No issuer of the underlying shares, index publisher, or specified entity, for any issuance of Debentures is involved in the offering of the Debentures in any way or has any obligation to consider the Debenture Holder's interest as an owner of the Debentures in taking any corporate actions that might affect the value of the Debentures. None of the money a Debenture Holder pays for the Debentures will go to the issuer of the underlying shares, or specified entity, for such Debentures.

Internal Risk Factors**(a) Debenture Redemption Reserve**

No Debenture Redemption Reserve (DRR) is being created for the present issue of NCDs.

As per Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, NBFCs registered with RBI under Section 45-IA of the RBI (Amendment) Act, 1997, need not create DRR on the issue of privately placed debentures.

(b) Credit Risk

The Company carries the risk of default by borrowers and other counter-parties.

Any lending and investment activity is exposed to credit risk arising from the risk of repayment default by the borrowers and counter-parties. The Company has institutionalized a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and also constantly evaluates the changes and developments in sectors to which it has substantial exposure. The Company also undertakes a periodic review of its entire asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon. As on March 31, 2016, the Company has net Standalone NPAs of Rs. 372 crore. In addition, the Company follows a conservative provisioning and write-off policy, which is in line with what is prescribed by RBI.

(c) Contingent Liabilities

Company's contingent liabilities could adversely affect its financial condition.

(d) NPAs

If the level of NPAs in the Company's portfolio were to increase, its business would suffer.

As on March 31, 2016, the Company has net Standalone NPAs of Rs. 372 crore and its provisioning norms fully comply with the RBI guidelines/directives. The Company believes that its overall financial profile, capitalization levels and risk management systems, provide significant risk mitigation

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(e) Interest Rate Risk

The Company's business is also dependent on interest income from its operations.

The Company is exposed to interest rate risk principally as a result of lending to customers at interest rates and in amounts and for periods, which may differ from its funding sources (bank borrowings and debt offerings). The Company seeks to match its interest rate positions to minimise interest rate risk. Despite these efforts, there can be no assurance that significant interest rate movements will not have an effect on its results of operations. Interest rates are highly sensitive to many factors beyond its control, including the monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. Due to these factors, interest rates in India have historically experienced a relatively high degree of volatility.

(f) Access to Capital Markets and Commercial Borrowings

The Company's growth will depend on its continued ability to access funds at competitive rates.

With the growth of its business, the Company is increasingly reliant on funding from the debt capital markets and commercial borrowings. The market for such funds is competitive and its ability to obtain funds at competitive rates will depend on various factors including its ability to maintain its credit ratings. While its borrowing costs have been competitive in the past due to its credit rating and the quality of its asset portfolio, if the Company was unable to access funds at an effective cost that is comparable to or lower than its competitors, the Company may not be able to offer competitive interest rates for its loans. This may adversely impact its business, its future financial performance. The value of its collateral may decrease or the Company may experience delays in enforcing its collateral when its customers default on their obligations to us, which may result in failure to recover the expected value of collateral and adversely affect its financial performance.

(g) Operational and Systems Risk

The Issuer is faced with operational and systems risks, which may arise as a result of various factors viz. improper authorisations, inappropriate documentation, failure in maintenance of proper security policies, frauds, inadequate training and employee errors. Further, there can also be a strike, lock-out, an obligation of the Company becoming illegal or impossible in whole or in part, or any breakdown, failure or malfunction beyond the control of the Company of any telecommunication or computer system including, without limitation unavailability of any communication system, systems outages breakdowns, breach or virus in the processes or payment and delivery mechanism, security risk in terms of handling information technology related products which involve risks like computer hacking, unauthorised access to computer data and storage devices, computer crashes, data loss, breach of confidentiality, network security, etc.

(h) Credit Risk of Issuer

While, the repayment of sums due at maturity is provided by the Issuer, Investors should be aware that receipt of any coupon payment and principal amount at maturity on the Debentures is subject to the credit risk of the Issuer. Investors assume the risk that the Company will not be able to satisfy their obligations under the Debentures and Investor may or may not recover all or part of the Principal Amount in case of default by the Issuer. Any stated credit rating of the Company reflects the independent opinion of the referenced rating agency as to the creditworthiness of the rated entity but is not a guarantee of credit quality of the Company. Any downgrading of the credit ratings of the Company or its parent or affiliates, by any rating agency could result in a reduction in the value of the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Company, the payment of sums due on the Debentures may be substantially reduced or delayed.

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(i) Potential Conflicts of Interest

Investors should ensure that they understand and accept the identities of the parties and the roles they play in relation to the Debentures, as disclosed in this Information Memorandum.

The Company and its affiliates have no obligation to disclose such information or activities; provided that the Issuer will make every good faith effort not to take advantage of any price-sensitive information. By purchasing or holding any Debentures, the Debenture Holder acknowledges that the Issuer, its affiliates and their respective officers and respective directors may engage in any such activities without regard to the Information Memorandum or the effect that such activities may directly or indirectly have on the Debentures and the Debenture Holder irrevocably waives any claim that it may have in respect thereof. In particular the following situations may arise:

a) Transactions Involving the underlying

The Issuer and its affiliates may from time to time engage in transactions involving the underlying for their proprietary accounts and for accounts under their management. Such transactions may have a positive or negative effect on the value of the underlying and consequently upon the value of the Debentures.

b) Issuing of other debentures in respect of the underlying

The Issuer and its affiliates may issue other debentures in respect of the underlying and the introduction of such competing products into the market place may affect the value of the Debentures.

c) Market-Making for the underlying

The affiliates of the Issuer may, in certain cases, act as a market-maker for the underlying, which might in particular be the case when any of such affiliates has also issued the underlying. By such market-making, such affiliate will, to a large extent, determine the price of the underlying, and consequently influence the value of the Debentures itself.

d) Acting as underwriter or otherwise for the issuer of underlying

The affiliates of the Issuer may also act as underwriter in connection with future offerings of the underlying or may act as financial adviser to the issuer of an underlying. Such activities could present certain conflicts of interest and may affect the value of the Debentures.

e) Obtaining of Non-public Information

The Issuer and/or its affiliates may acquire non-public information with respect to the underlying, and neither the Issuer nor any of its affiliates undertakes to disclose any such information to any Debenture Holder.

External Risk Factors**a. Material changes in regulations to which the Company is subject could cause the Company's business to suffer**

NBFCs in India are subject to detailed supervision and regulation by RBI though currently NBFCs not accepting public deposits are exempt from most of such provisions. In addition, the Company is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. RBI also requires the Company to make provisions in respect of NPAs. The provision made is equal to or higher than that prescribed under the prudential norms. Any changes in the regulatory framework affecting NBFCs including the provisioning for NPAs or capital

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adequacy requirements could adversely affect the profitability of the Company or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

In addition, the Company is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles.

b. Risk of competition in lending and resource raising could cause the Company's business to suffer

Despite increasing competition, the Company has already established a strong presence in the securities market. Currently, the business operations of the Company mainly focus on investment activities, etc. The Company may also engage in providing credit in all forms in various markets. The management believes that the Company's brand equity, reach and strategic alliances along with its resource base would provide the necessary strength to perform well in a competitive market.

c. A slowdown in economic growth in India could cause the Company's business to suffer

The Company's performance and the quality and growth of its assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect its business, including its ability to grow its asset portfolio, the quality of its assets, and its ability to implement its strategy. India's economy could be adversely affected by a general rise in interest rates, or various other factors affecting the growth of industrial, manufacturing and services sector or general down trend in the economy.

d. Political instability or changes in the government could delay further liberalization of the Indian economy and adversely affect economic conditions in India generally, which could impact the Company's financial results and prospects

Since 1991, successive Indian governments have pursued policies of economic liberalization.

The role of the central and state governments in the Indian economy as producers, consumers and regulators has remained significant. The leadership of India has changed a number of times since 1991. The current central government, which came to power in May 2014, is led by the Bharatiya Janata Party in coalition with several political parties. Although the current government has announced policies and taken initiatives that support the economic liberalization policies that have been pursued by previous governments, the rate of economic liberalization may be affected by the coalition nature of the government. If there was to be any slowdown in the economic liberalisation, or a reversal of steps already taken, it could have an adverse effect on the Company's business. Financial difficulties and other problems in certain financial institutions in India could cause the Company's business to suffer. The Company is exposed to the risks of the Indian financial system, which in turn may be affected by financial difficulties, trends and problems faced by certain Indian financial institutions. The problems faced by individual Indian financial institutions and any instability in, or difficulties faced by, the Indian financial system generally could create adverse market perception about Indian financial institutions, banks and NBFCs. This in turn could adversely affect the Company's business, its future financial performance and business prospects.

e. Terrorist and other acts of violence or war involving India and other countries could adversely affect the financial markets and the Company's business

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets and may also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence. In addition, adverse social, economic and political events in India could have a negative impact on the Company. Such incidents could also create a perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on the Company's business.

Capital

f. Market Risk (Product Demand) and Force Majeure Events

The Company is in the business of providing of financial services. The overall demand for the Company's products is linked to the macro-economic parameters like GDP growth, capital markets and liquidity. Any adverse movement on these factors will have an adverse impact on the business of the Company. The performance may also be affected by political and economic developments and natural disasters like earthquakes, flood, drought, act of God, etc. These factors may affect the capital markets as well as reliability of the Issuer's assets. Interest rate volatility exposes the Issuer to market risks arising out of maturity rate/ interest rate mismatches, which may have an impact on its financial results.

g. Legality of Purchase

A prospective investor of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that prospective Investor with any law, regulation or regulatory policy applicable to it.

h. Taxation

Each Debenture Holder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Debentures. The Issuer will not pay any additional amounts to Debenture Holders to reimburse them for any tax, assessment or charge required to be withheld or deducted by the Issuer from payments in respect of the Debentures.

i. Disclaimer in relation to Valuation

The valuations as may be provided by the Valuation Agency, on the website of the Issuer and the Valuation Agency or otherwise do not represent the actual price of the Debentures that may be received upon sale or redemption of Debentures. They merely represent the Valuation Agency's computation of the valuation which may in turn be based on several assumptions. **A Debenture Holder understands and is aware that the valuation is not in any manner reflective of the actual returns that can be obtained by such Investor on the Debentures.**

i. Other Information about the Issuer**1 Name and address of the registered office of the Issuer**

Reliance Capital Limited

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710

Tel. : +91 22 3303 1000 Fax: +91 22 3303 6664

Website: www.reliancecapital.co.in

2 Name and address of the office of the Issuer

Reliance Capital Limited

Reliance Centre, North Wing, 6th Floor, Off Western Express Highway, Santacruz (East),

Mumbai 400 055

3 Name and address of Compliance Officer of the Issuer

Shri V. R. Mohan - President & Company Secretary

H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710

Tel. : +91 22 3303 1000

E-mail: mohan.vellore@relianceada.com

4 Name and address of the Chief Financial Officer of the Issuer

Shri Amit Bapna - Chief Financial Officer

H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710

Tel. : +91 22 3303 1000

E- mail: amit.bapna@relianceada.com

5 Name and address of the Arrangers of the Issue

Not Applicable

6 Name and address of the Debenture Trustee of the Issue

Vistra ITCL (India) Limited

(formerly IL & FS Trust Company Limited)

The IL & FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex,

Bandra East, Mumbai 400 051

7 Name of the Registrar of the Issue

Karvy Computershare Private Limited

Karvy Selenium, Tower – B, Plot No. 31 & 32, Survey No. 116/22, 115/24, 115/25,

Financial District, Nanakramguda, Hyderabad 500 032

8 Name of the Credit Rating Agency of the Issue

Credit Analysis & Research Ltd.

4thFloor, Godrej Coliseum,

Somaiya Hospital Road,

Off Eastern Express Highway,

Sion (East), Mumbai 400 022

Capital**9 Name and address of the Auditors of the Issuer****(A) Statutory Auditors**

- | | |
|---|--|
| a B S R & Co. LLP
Chartered Accountants
Lodha Excelus, 1 st Floor,
Apollo Mills Compound,
N.M. Joshi Marg, Mahalaxmi,
Mumbai 400 011 | b Pathak H.D. & Associates
Chartered Accountants
814-815, Tulsiani Chambers,
212, Nariman Point,
Mumbai 400 021 |
|---|--|

(B) Internal Auditors

S M M P & Associates
(formerly Shyam Malpani & Associates)
Chartered Accountants
307, Chartered House, 297/299,
Dr. Cawasji Hormasji Street,
Near Marine Lines Church,
Mumbai 400 002

Capital

ii. A brief summary of the business / activities of the Issuer and its line of business.**Consolidated Financial Performance - Overview**

The consolidated performance of the Company is as follows:

RCL's consolidated income from operations for the financial year ended March 31, 2016, was Rs. 9,998 crore (US\$ 1.5 billion) Profit after tax, minority interest, share of profit of associates and sale of subsidiaries and one time provisioning, for the year was Rs. 1,101 crore (US\$ 167 million)

Resources and Liquidity

As of March 31, 2016, the consolidated net worth of the Company stood at Rs. 15,390 crore (US\$ 2.3 billion), the consolidated total assets were Rs. 67,112 crore (US\$ 10.2 billion).

Reliance Nippon Life Asset Management (RNLAM)

Reliance Nippon Life Asset Management Limited is the largest asset manager in India managing Rs. 2,87,431 crore (US\$ 43.6 billion) as on March 31, 2016, across mutual funds, pension funds, managed accounts, hedge funds and real estate fund. RNLAM's income from its operations for the year ended March 31, 2016, was at Rs. 1,314 crore (US\$ 199 million). Profit before tax for the year ended March 31, 2016, was Rs. 502 crore (US\$ 76 million).

Reliance Mutual Fund

Reliance Mutual Fund (RMF) is amongst the top 3 mutual funds in India in terms of Assets Under Management, with a market share of 12 per cent as on March 31, 2016. The AAUM of RMF for the quarter ended March 31, 2016, stood at Rs. 1,58,408 crore (US\$ 24.0 billion).

RMF has created a wide distribution network in nearly 170 branches with over 48,000 empanelled distributors. The number of investor folios in RMF stood at 59 lakh as on March 31, 2016. The number of Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP) investor accounts in RMF were at 15 lakh as on March 31, 2016.

Reliance Nippon Life Insurance (RNLI)

Reliance Nippon Life Insurance currently offers a total of 35 products that fulfil the savings and protection needs of customers. Of these, 26 are targeted at individuals and 9 at group businesses. Reliance Life is committed to emerging as a transnational Life Insurer of global scale and standard and attaining leadership rankings in the industry within the next few years.

RNLI is amongst the leading private sector life insurers with a private sector market share of 4 per cent, in terms of new business premium. (Source: Financial Year 2015-16 data, IRDAI website). The total net premium for the year stood at Rs. 4,371 crore (US\$ 662 million). The new business premium income for the year ended March 31, 2016, was Rs. 1,558 crore (US\$ 236 million). For the year ended March 31, 2016, the renewal premium was Rs. 2,840 crore (US\$ 430 million).

New Business Achieved Profit (NBAP) margin for the year ended March 31, 2016, was 28.8 per cent.

Capital

The total funds under management were at Rs. 15,970 crore (US\$ 2.4 billion) as on March 31, 2016. The number of policies sold during the year was approximately 4 lakh. The distribution network stood at over 800 branches at the end of March 2016.

Reliance Commercial Finance (RCF)

Reliance Commercial Finance (RCF) offers a wide range of products which include Small and Medium Enterprises (SME) loans, Loans Against Property (LAP), Infrastructure financing, Agriculture loans and Supply Chain financing. The focus in this business continues to be on asset backed lending and productive asset creation. The aim of RCF is not only credit growth per se, but also the quality of credit sourced. In line with this, the Company has been disbursing only secured asset backed loans and has wound up the unsecured loans portfolio.

The disbursements for the year ended March 31, 2016, were Rs. 8,138 crore (US\$ 1.2 billion). As of March 31, 2016, the Assets Under Management (including securitized portfolio) was Rs. 15,157 crore (US\$ 2.3 billion). During the year, the Company securitized loans of Rs. 3,848 crore (US\$ 583 million). The Net Interest Income for the year ended March 31, 2016, was at Rs. 655 crore (US\$ 99 million). As on March 31, 2016, the outstanding loan book was Rs. 10,940 crore (US\$ 1.7 billion). This loan book is spread over 55,600 customers from top 44 Indian cities. The gross non-performing assets were at Rs. 477 crore (US\$ 72 million). RCF achieved a profit before tax of Rs. 312 crore (US\$ 47 million).

Reliance Home Finance (RHF)

Reliance Home Finance Limited (RHFL), a 100 per cent subsidiary of Reliance Capital, provides a wide range of loan solutions like home loans, LAP, Construction finance, flexi LAP, and Affordable housing. RHFL also provides property solutions' services that help customers find their dream homes / property along with financing.

The disbursements for the year ended March 31, 2016, were Rs. 3,922 crore (US\$ 594 million). As of March 31, 2016, the Assets Under Management (including securitised portfolio) was Rs. 7,358 crore (US\$ 1.1 billion). The Total Income for the year ended March 31, 2016, was at Rs. 815 crore (US\$ 124 million). As on March 31, 2016, the outstanding loan book was Rs. 6,792 crore (US\$ 1.0 billion). This loan book is spread over 18,200 customers from top 43 Indian cities. The gross non-performing assets were at Rs. 63 crore (US\$ 10 million). RHF achieved a profit before tax of Rs. 137 crore (US\$ 21 million).

Broking businesses

Reliance Capital's broking business is carried out by its subsidiaries viz. Reliance Securities Limited, a leading retail broking house in India that provides customers with access to equities, equity options and commodities futures, wealth management services, portfolio management services and mutual funds. The focus is on the key business verticals of equity broking and wealth management. As of March 31, 2016, the business had approx. 775,000 equity broking accounts and achieved average daily turnover of Rs. 1,894 crore (US\$ 287 million) for the year. In wealth management business, the client needs are assessed to create customized financial investment opportunities. The customized individual portfolios are based on their diverse investment needs and risk profiles. In wealth management, the AUM rose by 87 per cent to over Rs. 2,552 crore (US\$ 387 million) as on March 31, 2016. Reliance Commodities, the commodity broking arm of Reliance Capital, is the one of the leading retail broking houses in India, providing customers with access to

Capital

commodities market. As of March 31, 2016, the business had over 64,200 commodity broking accounts and recorded average daily commodities broking turnover of Rs. 336 crore (US\$ 51 million). The broking business achieved revenues of Rs. 187 crore (US\$ 28 million) for the year ended March 31, 2016.

Distribution business ('Reliance Money')

The distribution business of Reliance Capital, branded as 'Reliance Money' is a comprehensive financial services and solutions provider, providing customers with access to mutual funds, life and general insurance products, and other financial products. As on March 31, 2016, Reliance Money had a distribution network of over 150 branches across India. Reliance Money achieved revenues of Rs. 66 crore (US\$ 10 million) for the year ended March 31, 2016.

Reliance General Insurance

Reliance General Insurance (RGI) offers insurance solutions for auto, health, home, property, travel, marine, commercial and other specialty products. RGI is amongst the leading private sector general insurance players in India with a private sector market share of 7.0 per cent. During 2015-16, gross direct premium of the total general insurance industry increased by 14 per cent to Rs. 91,564 crore (US\$ 14 billion). During 2015-16, gross direct premium of the private Indian general insurance industry increased by 13 per cent to Rs. 39,693 crore (US\$ 6 billion) (Source: IRDAI website).

RGI's gross written premium for the year ended March 31, 2016 was Rs. 2,868 crore (US\$ 435 million). Profit before tax for the year ended March 31, 2016, stood at Rs. 99 crore (US\$ 15 million). The distribution network comprised of over 125 branches and 20,500 agents at the end of March 31, 2016. At the end of March 31, 2016, the investment book increased by 7 per cent to Rs. 5,381 crore (US\$ 815 million).

Reliance Asset Reconstruction

Reliance Asset Reconstruction Company Limited (Reliance ARC) is in the business of acquisition, management and resolution of distressed debt / assets. The focus of this business continues to be on the distressed assets in the SME and retail segments.

The Assets Under Management as on March 31, 2016, was Rs. 1,488 crore (US\$ 225 million). Its own investment in NPAs was Rs. 225 crore (US\$ 34 million) as on March 31, 2016.

In addition to the above, the subsidiaries and associates of RCL and the details of branches as on June 30, 2016 are given in Annexure I.

Capital
iii Corporate Structure
a. Details of Share Capital as on June 30, 2016:-

Share Capital	(Rs. in crore)
Authorised Share Capital	
30,00,00,000 Equity Shares of Rs. 10 each	300.00
10,00,00,000 Preference Shares of Rs. 10 each	100.00
Total	400.00
Issued and Subscribed Share Capital	
25,39,77,006 Equity Shares of Rs. 10 each	253.98
Paid-up Share Capital	
25,26,32,800 Equity Shares of Rs. 10 each	252.63
Add: Shares Forfeited	0.53
Total	253.16

- b.(i) The details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration:

Date of Allotment	No. of equity shares	Face Value (Rs.)	Issue Price	Form of Consideration (Cash, other than cash, etc.)	Nature of allotment
05-03-1986	7,000	10	10	Cash	Shares issued upon incorporation
14-06-1990 & 21-06-1990	1,99,93,000	10	10	Cash	1 st Public Issue
28-08-1992	18,70,000	10	10	Cash	Shares issued upon amalgamation
10-02-1993	2,18,77,500	10	40	Cash	1 st Rights Issue 1992 with a ratio of 1:1
18-07-1994 & 29-10-1994	2,74,00,000	10	50	Cash	Preferential Allotment to Promoters
20-01-1995 & 17-02-1995	4,33,97,592	10	140	Cash	Public Issue 1995
29-03-1995	1,40,01,970	10	50	Cash	Rights Issue 1995

Capital

Date of Allotment	No. of equity shares	Face Value (Rs.)	Issue Price	Form of Consideration (Cash, other than cash, etc.)	Nature of allotment
11-07-1995	42,790	10	50	Cash	Allotment of Rights kept in abeyance
13-11-1995	13,280	10	50	Cash	
09-02-1996	9,620	10	50	Cash	
29-06-1996	12,400	10	150	Cash	
31-03-1997	25,298	10	50	Cash	
04-11-1996	-1,23,400	-	-	Cash	Forfeiture of equity shares relating to Public Issue of 1990 and Rights Issue 1992
27-04-2000	-12,61,455	-	-	Cash	Forfeiture of equity shares relating to Public and Rights Issue 1995
27-04-2000 to 29-07-2003	40,649	-	-	Cash	Forfeiture of equity shares annulled
21-07-2005	1,62,60,001	10	228	Cash	Preferential Allotment to FIIs
02-08-2005	6,00,00,000	10	228	Cash	Preferential Allotment to Promoters
22-08-2005	38,00,000	10	228	Cash	Allotment to Promoter upon Conversion of warrants on preferential basis
31-03-2006	1,55,00,000	10	228	Cash	Allotment to Promoter upon Conversion of warrants on preferential basis

Capital

Date of Allotment	No. of equity shares	Face Value (Rs.)	Issue Price	Form of Consideration (Cash, other than cash, etc.)	Nature of allotment
07-08-2006	6,11,56,521	10	10	-	Allotment pursuant to amalgamation of Reliance Capital Ventures Ltd. (RCVL) with the Company
07-08-2006	-6,00,89,966	-	-	Cash	Less: Shares extinguished due to amalgamation of RCVL with the Company
30-01-2007	2,17,00,000	10	228	Cash	Allotment to Promoter upon Conversion of warrants on preferential basis
12-03-2015	70,00,000	10	530	Cash	Preferential Allotment to Sumitomo Mitsui Trust Bank

b.(ii) Equity Share Capital History of the Company as on June 30, 2016, for the last five years: -

Date of Allotment	No. of equity shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash, other than cash, etc.)	Nature of Allotment	Cumulative			Remarks
						No. of equity shares	Equity Share Capital (Rs. in crore)	Equity Share Premium (Rs. in crore)	
upto 30-6-2011	24,56,32,800	10	-	Cash	-	24,56,32,800	246	3,291	-
12-3-2015	70,00,000	10	530	Cash	Preferential Allotment	70,00,000	7	3,655	-

The Company has not made any allotment of equity shares in the last one year preceding the date of this offer letter.

Capital
c. Details of any Acquisition or Amalgamation in the last 1 year:-

The Board of Directors of Reliance Capital Limited at their meeting held on February 25, 2016 has approved the transfer of its commercial finance division into a separate wholly owned subsidiary i.e. Reliance Commercial Finance Limited (formerly Reliance Gilts Limited) with effect from Appointed Date i.e. April 1, 2016, subject to requisite approvals.

d. Details of any Re-organization or Re-construction in the last 1 year:-

The Company has not entered into any re-organisation or re-construction in the last one year.

e. Details of the shareholding of the Company as on the latest quarter end:-

i. Shareholding pattern of the Company as on last quarter end i.e. June 30, 2016
Please refer Annexure IV
ii. List of top 10 holders of equity shares of the Company as on the latest quarter end i.e. June 30, 2016
Please refer Annexure V

f. Details regarding the directors of the Company:-

Sr. No.	Name Designation DIN Occupation	Age	Address	Director of the Company since	Details of other directorship
1.	Shri Anil D. Ambani Chairman DIN 00004878 Industrialist	57	39, 'Sea Wind', Cuffe Parade, Colaba, Mumbai 400 005	19/06/2005	1. Reliance Communications Limited 2. Reliance Infrastructure Limited 3. Reliance Power Limited 4. Reliance Innoventures Private Limited 5. Reliance Inceptum Private Limited 6. Reliance Project Ventures and Management Private Limited 7. Reliance Communications Enterprises Private Limited 8. Indian School of Business (Section 8 Company) 9. Reliance Telecom Infrainvest Private Limited 10. Reliance Defence Technologies Private Limited 11. Reliance Defence Limited 12. Reliance Defence and Engineering Limited
2.	Shri Amitabh Jhunjunwala Vice Chairman DIN 00045174 Company Director	60	A - 212, NCPA Apartments, 21 st Floor, Nariman Point, Mumbai 400 021	7/03/2003	1. Reliance Anil Dhirubhai Ambani Group 2. Reliance Defence and Engineering Limited
3.	Shri Rajendra Prabhakar Chitale Independent	55	131/B, Tanna Residency Bay View, Opp. Siddhivinayak	19/06/2005	1. Reliance Nippon Life Insurance Company Limited 2. Reliance General Insurance Company Limited 3. Reliance Defence and Engineering Limited 4. Limited

Capital

Sr. No.	Name Designation DIN Occupation	Age	Address	Director of the Company since	Details of other directorship
	Director DIN 00015986 Chartered Accountant		Temple, 392, V. S. Marg, Prabhadevi, Mumbai 400 025		5. The Clearing Corporation of India Limited 6. Ambuja Cements Limited 7. Hinduja Global Solutions Limited 8. Hinduja Ventures Limited 9. Chitale Advisory Services Private Limited 10. Chitale Consulting Private Limited 11. JM Financial Asset Management Limited Intuit Consulting Private Limited
4.	Dr. Bidhubhusan Samal Independent Director DIN 00007256 Corporate Director	73	1101, Lokhandwala Galaxy, Junction of K. K. & N.M Joshi Marg, Mumbai 400 011	30/10/2009	1. Industrial Investment Trust Limited 2. IITL Projects Limited 3. MayFair Hotels & Resorts Limited 4. Vipul Limited 5. World Resorts Limited 6. Capital Infraprojects Private Limited 7. MRG Hotels Private Limited 8. T. K. International Limited 9. Future Generali India Life Insurance Company Limited 10. IITL Marketing Management Private Limited
5.	Shri Vijayendra Nath Kaul Independent Director DIN 03070263 Professional	73	W-75 G/F, Greater Kailash II, New Delhi 110 048	30/04/2010	-
6.	Smt. Chhaya Virani Independent Director DIN 06953556 Professional	62	407, Panchsheel, C Road, P. M. Shukla Marg, Churchgate, Mumbai 400 020	30/09/2014*	1. Reliance Infratel Limited 2. Reliance General Insurance Company Limited 3. Reliance Capital Pension Fund Limited
7.	Shri Soumen Ghosh Executive Director & Group CEO DIN 01262099 Service	57	1501, Lodha Aria, 6/207 Tokersey Jivraj Rd, Sewree, Mumbai 400 015	29/05/2015	1. Reliance General Insurance Company Limited 2. Reliance Nippon Life Asset Management Limited 3. Reliance Nippon Life Insurance Company Limited 4. Reliance Home Finance Limited 5. Reliance Capital Pension Fund Limited 6. Reliance Exchangenext Limited 7. Reliance AIF Management Company Limited 8. ANZBAI (Mumbai) Business Forum 9. Reliance Commercial Finance Limited 10. Reliance Securities Limited
8.	Shri Jai Anmol Ambani Executive Director DIN 07591624 Business	24	39, 'Sea Wind', Cuffe Parade, Colaba, Mumbai 400 005	27/09/2016	-

*Designated as Independent Director w.e.f. May 29, 2015.

Capital

None of our directors appear in the RBI defaulter list and/or ECGC defaulter list.

g. Details of change in directors since last three years:-

Name Designation DIN	Date of Appointment / Resignation	Director of the Company since (in case of resignation)	Remarks
Smt. Chhaya Virani Independent Director 06953556	30/09/2014	-	Appointment
Shri Soumen Ghosh Executive Director & Group CEO 01262099	29/05/2015	-	Appointment
Shri Jai Anmol Ambani Additional Director Executive Director 07591624	23/08/2016 27/09/2016	-	Appointment

h. Remuneration of directors (during the current year and last three financial years):-

(Rs. In lakh)

Name of Directors	2015-16	2014-15	2013-14
Shri Anil D. Ambani	-	-	-
Shri Amitabh Jhunjhunwala	-	-	-
Shri Rajendra P. Chitale	15.00	15.00	15.00
Dr. Bidhubhusan Samal	15.00	15.00	15.00
Shri V. N. Kaul	15.00	15.00	15.00
Smt. Chhaya Virani	7.50	-	-
Shri Soumen Ghosh	729.98	-	-
Shri Jai Anmol Ambani	-	-	-

During the quarter ended June 30, 2016, Shri Soumen Ghosh, Executive Director & Group CEO of the Company has been paid remuneration of Rs. 1.82 crore as per terms of his appointment approved by the shareholders by a resolution passed at the General Meeting held on September 30, 2015.

All non-executive directors are entitled for sitting fees for attending each meeting of the Board and its committees.

i. Key Operational and Financial Parameters (Standalone) for the last three audited years

(Rs. in crore)

Parameters	2015-16	2014-15	2013-14
Networth	13,131	12,387	11,458
Total Debt of which –			
- Non Current Maturities of Long Term Borrowing	13,615	14,101	12,128
- Short Term Borrowing	3,812	3,772	6,754
- Current Maturities of Long Term Borrowing	4,117	3,880	4,077
Net Fixed Assets	179	214	182
Non Current Assets	28,278	24,669	27,597
Cash and Bank balances	1,670	731	1,848

Capital

(Rs. in crore)

Parameters	2015-16	2014-15	2013-14
Current Investments	137	994	467
Current Assets	6,090	9,095	6,421
Non-Current Liabilities	180	162	130
Current Liabilities	1,349	1,206	1,792
Assets Under Management	25,404	19,656	17,946
Off Balance Sheet Assets			
Interest / Finance Income	3,006	2,939	2,801
Interest Expense	2,297	2,357	2,279
Provisioning & Write-offs	138	282	79
PAT	977	747	409
Gross NPA (%)	2.24%	2.09%	1.88%
Net NPA (%)	1.68%	1.62%	1.41%
Tier I Capital Adequacy Ratio (%)	19.99	19.05	12.20
Tier II Capital Adequacy Ratio (%)	4.77	4.81	4.11
Dividend (%)	100%	90%	85%
Dividend	279	257	225
Interest Coverage Ratio (Cash profit after tax plus interest paid/interest paid)	1.54	1.51	1.26

Gross Debt Equity Ratio of the Issuer (Standalone):

Before the issue of the Debentures	1.64:1*
After the issue of the Debentures	1.65:1**

* As on March 31, 2016.

** Based on issuances upto March 31, 2016 and proposed issue under this Information Memorandum

Key Operational and Financial Parameters (Consolidated) for the last three audited years

(Rs. in crore)

Parameters	2015-16	2014-15	2013-14
Networth	15,390	13,546	12,484
Total Debt of which –			
- Non Current Maturities of Long Term Borrowing	18,057	16,697	14,178
- Short Term Borrowing	4,755	4,792	7,134
- Current Maturities of Long Term Borrowing	5,223	4,650	4,265
Net Fixed Assets (including Goodwill)	5,516	532	483
Non Current Assets	44,478	31,505	31,684
Cash and Bank balances	3,335	1,624	2,663
Current Investments	4,543	2,468	2,020

Capital

(Rs. in crore)

Parameters	2015-16	2014-15	2013-14
Current Assets	9,239	11,311	8,678
Non-Current Liabilities	13,700	195	140
Current Liabilities	9,786	7,113	6,876
Assets Under Management	3,43,996	2,74,113	2,24,396
Off Balance Sheet Assets			
Interest / Finance Income	4,241	3,885	3,683
Interest Expense	2,821	2,642	2,501
Provisioning & Write-offs	175	282	229
PAT	1,101	1,001	747
Gross NPA (%)	1.49%	2.11%	1.79%
Net NPA (%)	1.13%	1.91%	1.36%
Dividend	452	431	315
Interest Coverage Ratio (Cash profit after tax plus interest paid/interest paid)	1.51	1.54	1.44

Gross Debt Equity Ratio of the Issuer (Consolidated):

Before the issue of the Debentures	1.82:1*
After the issue of the Debentures	1.83:1**

* As on March 31, 2016.

** Based on issuances upto March 31, 2016 and proposed issue under this Information Memorandum

- j. **A brief history of the issuer since its incorporation giving details of its activities including any reorganisation, reconstruction or amalgamation, changes in its capital structure (authorised, issued and subscribed) and borrowings, if any:**

History

The Company was incorporated on March 5, 1986 in the State of Gujarat under the provisions of the Companies Act, 1956 under the name "Reliance Capital & Finance Trust Limited". Subsequently, the name of the Company was changed to "Reliance Capital Limited" with effect from January 6, 1995. The Company shifted its registered office from the State of Gujarat to the State of Maharashtra pursuant to the order of the Company Law Board, Western Region Bench, Mumbai dated November 2, 2006 and registered the same with the Registrar of Companies, Maharashtra, Mumbai on November 20, 2006.

The details of Scheme of Amalgamation / Arrangement are as under:

- (i) In 1992, pursuant to a Scheme of Arrangement under the Companies Act 1956, Arasina Hotels Limited has been amalgamated with the Company. The Scheme of Amalgamation was sanctioned by the Hon'ble High Court of Gujarat and the Hon'ble High Court of Karnataka vide their orders dated August 4, 1992 and August 7, 1992, respectively.
- (ii) In 2006, pursuant to a Scheme of Arrangement under the Companies Act, 1956, Reliance Capital Ventures Limited has been amalgamated with the Companyw.e.f. Effective Date i.e.

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July, 17, 2006. The Scheme of Amalgamation was sanctioned by the Hon'ble High Court of Gujarat at Ahmedabad and the Hon'ble High Court of Judicature at Bombay by orders dated June 22, 2006 and June 23, 2006, respectively.

- (iii) In 2011, pursuant to a Scheme of Amalgamation under the Companies Act 1956, Reliance Commercial Finance Private Limited has been amalgamated with the Company w.e.f. Appointed Date i.e. April 1, 2010. The Scheme of Amalgamation was sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated April 29, 2011.
- (iv) In 2012, pursuant to a Scheme of Amalgamation under the Companies Act 1956, Viscount Management Services (Alpha) Limited has been amalgamated with the Company w.e.f. Appointed Date i.e. October 1, 2011. The Scheme of Amalgamation was sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated January 20, 2012.
- (v) In 2013, pursuant to a Scheme of Amalgamation under the Companies Act 1956, Emerging Money Mall Limited and Reliance Equities International Private Limited have been amalgamated with the Company w.e.f. Appointed Date i.e. March 31, 2013. The Scheme of Amalgamation was sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated March 22, 2013.
- (vi) The Board of Directors of Reliance Capital Limited at their meeting held on February 25, 2016 has approved the transfer of its commercial finance division into a separate wholly owned subsidiary i.e. Reliance Commercial Finance Limited (formerly Reliance Gilts Limited) with effect from Appointed Date i.e. April 1, 2016, subject to requisite approvals.

The authorised share capital of the Company was modified from time to time by passing requisite resolutions at the meeting of the members. The details of the authorised share capital at the time of incorporation at its subsequent modifications are as under:

(In Rs.)

Date of Modification	Equity Share Capital	Preference Share Capital	Unclassified Capital	Total Authorised Capital
Upon incorporation	125,00,00,000	-	-	125,00,00,000
February 12, 1994	200,00,00,000	-	-	200,00,00,000
December 30, 1994	200,00,00,000	100,00,00,000	100,00,00,000	400,00,00,000
July 19, 2005	300,00,00,000	100,00,00,000	-	400,00,00,000

The details of issued, subscribed and paid-up share capital and any changes thereto are provided as equity share capital history under the heading corporate structure of the Company.

The details of borrowing i.e. secured and unsecured are provided as the annexures to this Document.

k. Brief particulars of the management of the Company
Board of Directors

Shri Anil D. Ambani, 57 years, is the Chairman of the Company. He is the President of the Dhirubhai Ambani Institute of Information and Communication Technology, Gandhinagar, Gujarat.

With a master's degree from the Wharton School of the University of Pennsylvania, Shri Ambani is credited with having spearheaded the Reliance Group's first forays into the overseas capital markets

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with international public offerings of global depository receipts, convertibles and bonds. Shri Ambani has been associated with a number of prestigious academic institutions in India and abroad:

- Member of Wharton Board of Overseers, the Wharton School, U.S.A.
- Member of the Presidents Global Counsel, New York University, U.S.A.
- Member of Advisory Board of Warwick Business School, UK.
- One of the Founders of Indian School of Business (ISB), Hyderabad. ISB has established formal partnership with International Business Schools- Wharton and Kellogg.

The Prime Minister of India nominated Shri Ambani as the Co-Chair from the Indian side of the India-China CEO Forum, Member of the US-India CEO Forum, Member of the Indo- French CEO Forum, Member of the Indo-Canada CEO Forum and Member of Indo-Russia CEO Forum.

Shri Amitabh Jhunjhunwala, 60 years, is a Fellow Chartered Accountant. He has had a wide exposure in developing, strategising and overseeing businesses in financial services, power, telecommunication and entertainment sectors. Currently, he oversees and leads businesses in financial services and entertainment sectors of the Reliance Group. He has experience in the areas of finance, commercial, banking, accounts and general management. Shri Jhunjhunwala is the Group Managing Director of Reliance Group. He is the Vice Chairman of the Company.

Shri Rajendra P. Chitale, 55 years, a law graduate and an eminent Chartered Accountant, is a Managing Partner of Chitale & Associates (one of India's leading boutique structuring and tax advisory firm) and M. P. Chitale & Co. (one of the India's leading accounting and consulting firms). He has served as a member of the Insurance Advisory Committee of the Insurance Regulatory and Development Authority of India (IRDA), the Working Group on Insurance, Pensions, Small Savings, etc., Financial Sector Legislative Reforms Commission, Government of India, the Takeover Panel of the Securities & Exchange Board of India, Investor Education & Protection Fund Committee, Government of India, the Advisory Committee on Regulations of the Competition Commission of India and the Maharashtra Board for Restructuring of State Enterprises, Government of Maharashtra. He has served as a director on the boards of Life Insurance Corporation of India, Unit Trust of India, Small Industries Development Bank of India, National Stock Exchange of India Limited, Asset Reconstruction Company (India) Limited, SBI Capital Markets Limited and National Securities Clearing Corporation Limited.

Dr. Bidhubhusan Samal, 73 years, Master in Agriculture (Gold Medalist) and doctorate in Economics from Kalyani University, West Bengal. He is also a Post Graduate Diploma holder in Bank Management from the National Institute of Bank Management, Pune. He has more than 30 years of work experience in the field of Banking, Securities Markets and Industrial Finance. He has served as Chairman and Managing Director of Allahabad Bank, Chairman and Managing Director of Industrial Investment Bank of India and as Member of the Securities Appellate Tribunal.

Shri V. N. Kaul, 73 years, is a former Comptroller and Auditor General of India (C&AG) who was awarded Padma Bhushan in 2014. He has been Vice Chairman of the United Nations Independent Audit Advisory Committee, New York, from 2008 to 2011. Prior to his appointment as C&AG, Shri Kaul held senior positions in Government and in the United Nations. In Government he was, *inter-alia*, Secretary to the Government of India in the Ministries of Petroleum and Natural Gas, Chemicals and Fertilizers and Coal. Earlier he served as Principal Secretary, Finance and Secretary, Commerce and Industry in Madhya Pradesh. He has served as a director in many private and public sector companies

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and he has been on the Governing Boards of International Bodies.

From 1991 to 1998 he was seconded to the United Nations - ESCAP, Bangkok as Advisor, Trade Policy and Negotiations for Asia - Pacific Region.

Shri Kaul holds a Masters degree from the University of Delhi and later he was on a Colombo Plan fellowship at the University of Manchester, U.K. He is currently a member of the Eminent Persons Advisory Group (EPAG), constituted by the Competition Commission of India, to give broad inputs and advice on larger issues impacting markets and competition. He is also a member of the Oversight Committee constituted to advise and oversee the process of monetization of immovable property of Air India.

Smt. Chhaya Virani, 62 years, graduated from Mumbai University with a bachelors' degree in Arts. She also acquired a bachelors' degree in legislative laws from the Government Law College in 1976. She is a partner in M/s. ALMT Legal Advocates and Solicitors.

Shri Soumen Ghosh, 57 years, is a Chartered Accountant from England and a Mechanical Engineer. He worked as the Regional CEO of Middle East and India Sub Continent region of Allianz, a German insurance company and as CEO of Bajaj Allianz Life and General Insurance. He is the Executive Director & Group CEO of the Company.

Shri Jai Anmol Ambani, 24 years, studied in Cathedral and John Connon School, Mumbai, till Xth (2007) and thereafter completed his schooling from Seven Oaks School, United Kingdom, in 2009.

Shri Anmol completed his undergraduate studies – BSC in Management - from Warwick Business School, UK. He has 2 years of experience in financial services. He is an Executive Director of the Company.

Key Managerial Personnel

Shri Amit Bapna, 41 years, is the Chief Financial Officer of the Company. He has been with Reliance Capital since 2004 and with the Group since 1999. As CFO, he provides financial direction, oversight and control for Reliance Capital and Group companies and strategic leadership for Treasury. He has over seventeen years of experience in varied business environments-manufacturing and financial services.

He earlier worked in the capacity of CFO of Reliance Capital Asset Management Limited and Reliance Consumer Finance where he played a key role and had been a significant contributor to the exponential growth of our Asset management business and has brought in operational & process disciplines, which has been invaluable to the Consumer Finance business.

Prior to that he worked in the Corporate Treasury of Reliance Industries Limited. Amit is a Chartered Accountant by qualification.

Shri V. R. Mohan, 62 years, is the President & Company Secretary of the Company. He has been associated with the Reliance Group since March, 1982.

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He was instrumental in incorporating Reliance Capital in 1986 and has been associated with the company since then. He has over three decades of experience in the areas of corporate secretarial, legal, finance, and managerial functions.

He is a law and commerce graduate from the University of Mumbai.

I. Details regarding the auditors of the Company
1. Details of the statutory auditors of the Company:-

Name	Address	Auditor since
BS R & Co. LLP	Lodha Excelus, 1 st Floor, Apollo Mills Compound, N.M. Joshi Marg, Mahalaxmi, Mumbai 400 011	June 9, 2006
Pathak H.D. & Associates	814-815, Tulsiani Chambers, 212, Nariman Point, Mumbai 400 021	September 27, 2016

2. Details of change in auditor since last three years:-

Name	Address	Date of Appointment / Resignation	Auditors of the Company since (in case of resignation)	Remarks
Chaturvedi & Shah	714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai 400 021	September 27, 2016	June 9, 2006	Retires pursuant to the provisions of Section 139 of the Act with the Rules made thereunder
Pathak H.D. & Associates	814-815, Tulsiani Chambers, 212, Nariman Point, Mumbai 400 021	September 27, 2016	-	Appointed to hold office until the conclusion of 35 th Annual General Meeting of the Company

m. Details of borrowings of the Company, as on the latest quarter end i.e. June 30, 2016:

- 1. Details of Secured Loan Facilities**
Please refer Annexure VI
- 2. Details of Unsecured Loan Facilities**
Please refer Annexure VIII
- 3. Details of Non-Convertible Debentures (NCDs)**
Please refer Annexure IX
- 4. List of Top 10 Debenture Holders as on June 30, 2016**
Please refer Annexure X

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5. **The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued**
Please refer Annexure XI
 6. **Details of Commercial Paper**
Please refer Annexure XII
 7. **Details of Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on June 30, 2016**
NIL
 8. **Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past 5 years**
NIL
- n. **Details of Promoters of the Company: -**
Details of Promoter Holding in the Company as on the latest quarter end i.e. June 30, 2016
Please refer Annexure XIII
- o. **Abridged version of Audited Consolidated and Standalone Financial Information (like Profit & Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.**
Please refer Annexure XIV – XIVA, XIVB, XIVC and XIVD.
- p. **Abridged version of Latest Limited Review Consolidated and Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditor qualifications, if any.**
Please refer Annexure XV
- q. **Details of debt securities issued and sought to be listed including face value, nature of debt securities mode of issue i.e. private placement.**
The Company proposes to issue and list NCDs of Face Value of Rs. 1,00,000/- (Rupees One Lakh Only) each, and these would be issued in dematerialized form. The Issue is on private placement basis. The detailed features of the NCDs are given in the SUMMARY TERM SHEET.
- r. **Issue Size**
The Issue of Debentures is INR 50,00,00,000 (Rupees Fifty Crore Only) with an option to retain oversubscription aggregating To INR 25,00,00,000 (RUPEES TWENTY FIVE CRORE ONLY) (For details please refer SUMMARY TERM SHEET)
- s. **Minimum Subscription Size**
The minimum subscription size for this Issue is Rs.25 (Twenty Five) Lakhs and in multiples of Rs.1 (One) lakh thereafter.
- t. **Utilisation of Issue Proceeds / Objects of the issue**
The NCDs have been issued to raise resources to meet the ongoing funding requirements for the Company's business activities, for general corporate purposes and refinancing of the existing debt obligations of the Company. The issue proceeds shall be utilized for the said.

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u. A statement containing particulars of the dates of, and parties to all material contracts, agreements involving financial obligations of the Issuer.

By very nature of its business, the Company is involved in large number of transactions involving financial obligations and, therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts/documents referred below (not being contracts entered into in the ordinary course of the business carried on by the Company) which are or may be deemed to be material, have been entered into by the Company. Copies of these contracts /documents shall be available for inspection at the registered office of the Company between 10.00 a.m. and 5.00 p.m. on all days except Saturdays, Sundays and public holidays.

Sr. No.	Material contracts / documents
1)	Memorandum and Articles of Association of the Company.
2)	Certificate of Registration issued by the Reserve Bank of India under Section 45 IA of the RBI Act 1934.
3)	Certified copy of the resolution under Section 180(1)(c) of the Companies Act, 2013 passed by the members of the Company by way of postal ballot held on July 9, 2014.
4)	Certified copy of the resolution under Section 42 of the Companies Act, 2013 passed by the members of the Company on September 27, 2016.
5)	Certified true copy of the resolution of the Board of Directors of the Company for raising the debentures in its meeting held on August 14, 2015.
6)	Certified true copy of the resolution of the Board of Directors of the Company for issuance of Information Memorandum in its meeting held on August 13, 2016.
7)	Financial Statements of financial year 2013-14, 2014-15 and 2015-16.
8)	Copy of consent letter of Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) to act as debenture trustee for the proposed issue.
9)	Copy of the Debenture Trust Deed(s) to secure debentures under this Information Memorandum.
10)	Copy of credit rating letter along with credit rationale of Credit Analysis & Research Ltd.
11)	Copy of consent letter of Karvy Computershare Private Limited to act as Registrar & Transfer Agent for the proposed issue.
12)	Copy(ies) of the Agreement(s) with Depository(ies).

v. Any material event/development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event, etc.) at the time of issue which may affect the issue or the investor’s decision to invest / continue to invest in the debt securities.

There are no material event/development having an implication on the financials/credit quality. There are no litigations by or against the Company whose likely outcome will have a material adverse effect on the operations of the Company. Further, there are no outstanding litigations or defaults which pertain to matters which are likely to affect the operations and finances of the Company including disputed tax liabilities, prosecution under any enactment in respect of Schedule V to the Companies Act. There are no penalties that have been imposed on the Company by any statutory authority.

w. Particulars of any outstanding ~~borrowings taken/debt securities issued where taken/issued~~ (i) ~~for consideration other than cash, whether in whole or part,~~ (ii) ~~at a premium or discount, or~~ (iii) ~~in pursuance of an option.~~

Please refer Annexure IX.

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- x. An undertaking that the Issuer shall use a common form of transfer.**
Please refer to the 'GENERAL TERMS AND CONDITIONS'.
- y. Redemption amount, period of maturity, yield on redemption.**
The details of redemption amount, maturity period and yield on redemption are given in the 'Summary Term Sheet'.
- z. Information relating to terms of offer or purchase**
Please refer to 'Summary Term Sheet' and 'GENERAL TERMS AND CONDITIONS'.
- aa. The discount at which such offer is made and the effective price for the investor as a result of such discount.**
Please refer to Summary Term Sheet.
- ab. Servicing behavior on existing debt securities, payment of due interest on due dates on term loans and debt securities.**
The payment of interest & repayment of principal is made on the respective due dates.
- ac. That the permission/consent from the prior creditor for a second or paripassu charge being created in favor of the trustees to the proposed issue has been obtained.**
The Company has obtained permission / consent from the existing lenders and trustees for the holders of debentures who hold charge on the Company's properties, for a pari passu charge in favor of the Debenture Trustee to the proposed issue of NCDs.
- ad. The names of the debenture trustee(s) shall be mentioned with a statement to the effect that debenture trustee(s) has given his consent to the issuer for his appointment under regulation 4(4) and also in all the subsequent periodical communications sent to the holders of debt securities.**
The debenture trustee for the proposed issue is Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited). The Company has obtained consent from debenture trustee for the proposed issuances. The copy of the consent letter from the Debenture Trustee has been annexed at Annexure – 2.
- ae. The detailed rating rationale(s) adopted (not older than one year on the date of opening of the issue)/credit rating letter issued (not older than one month on the date of opening of the issue) by the rating agencies shall be disclosed.**

Credit Analysis & Research Ltd. ("CARE") having its head office at 4thFloor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai 400 022, Tel.: +91 22 6754 3456, Fax: +91 22 6754 3457, has assigned "CARE AAA" (Triple A) (Credit Watch) rating to these debentures.

Please refer to Credit Rating Letter from CARE, attached as Annexure – 1 for the rating rationale.
- af. Names of all the recognized stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange.**

The Debentures are proposed to be listed on the designated stock exchange i.e. Wholesale Debt Market (WDM) segment of BSE Limited.
- ag. Payment and invocation details if the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent.**
Not Applicable

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ah. Security creation

The Security has been / will be created vide Debenture Trust Deed(s) for allotment of the Debentures as per each issue under this Information Memorandum.

In case of delay in execution of the Debenture Trust Deed and charge documents (where applicable), the Company will refund the subscription with agreed rate of interest or will pay penal interest of at least 2% p.a. over the coupon rate (if applicable as per the Summary Term Sheet) till these conditions are complied with at the option of the investor.

ai. Default in payment

In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of at least @ 2% p.a. over the coupon rate (if applicable as per Summary Term Sheet) will be payable by the Company for the defaulting period

aj. Delay in listing

In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, the Company will pay penal interest of at least 1 % p.a. over the coupon rate (if applicable as per the Summary Term Sheet) from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor. The investor should make the necessary claim on the Company for the same.

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PART A – SUMMARY TERM SHEET		
Sr. No.	Particulars	Details
1.	Security Name	Reliance Capital Limited Market Linked Debentures Series B/382 (“ Debentures ”)
2.	Issuer / Company	Reliance Capital Limited
3.	Type of Instrument / Kind of Security	Rated, Listed, Secured, Redeemable Non-Convertible, Principal Protected Market Linked Debentures
4.	Series Number	RCL MLD Series B/382
5.	Board Resolution for raising the Debentures	August 14, 2015
6.	Board Resolution for issuance of Information Memorandum	August 13, 2016
7.	Shareholders’ General Meeting Resolution Dated	September 27, 2016
8.	Nature of instrument	Secured
9.	Seniority	Senior The Debentures Holders shall have a pari-passu first charge over the Security created among the Trustee and the other lenders
10.	Mode of Issue	Private Placement
11.	Eligible Investor(s)	As mentioned in “Eligible Investors” on page 94 of the Information Memorandum
12.	Listing	The Issuer proposes to submit the listing document relating to the Debentures issued under this Information Memorandum to the Wholesale Debt Market (“WDM”) Segment of the BSE Limited (“BSE”) within 15 (fifteen) days of the Date of Allotment
13.	Rating of the Instrument	CARE PP-MLD AAA (Credit watch) by Credit Analysis & Research Ltd. (“CARE”)
14.	Principal Amount / Face Value per Debenture	INR 1,00,000/- (Rupees One Lakh Only)
15.	Minimum Application and in multiples of thereafter	Minimum application shall be for 25 (Twenty Five) Debenture(s) and in multiples of 1 (One) thereafter.
16.	Issue size / Amount which the Company intends to raise	INR 50,00,00,000 (Rupees Fifty Crore Only) (i.e. 5,000 Debentures)
17.	Option to retain oversubscription (amount)	INR 25,00,00,000 (Rupees Twenty Five Crore Only)
18.	Utilisation of Issue Proceeds / Objects of the Issue	The Debentures have been issued to raise resources to meet the ongoing funding requirements for the Company’s business activities, for general corporate purposes and refinancing of the existing debt obligations of the Company

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PART A – SUMMARY TERM SHEET

Sr. No.	Particulars	Details
19.	Details of utilization of the Proceeds	The Issue Proceeds shall be utilized in accordance with the “Utilisation of Issue Proceeds / Objects of the Issue” provision above
20.	Interest on Application Money	Not Applicable
21.	Default Interest Rate	Please refer to the “Default in payment” section page 44 of the Information Memorandum
22.	Call Option (Redemption at the Option of the Company)	Not Applicable
23.	Put Option (Redemption at the Option of Debenture holders)	Not Applicable but see point 46 below
24.	Issue Timing / Proposed Time Schedule 1. Issue Open Date 2. Issue Close Date / Pay in Date 3. Deemed Date of Allotment	October 03, 2016 October 04, 2016 October 04, 2016 The Company reserves the right to change the above Issue Schedule, with the understanding that the Issue Close Date / Pay-in Date may be rescheduled, at the sole discretion of the Company, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Issue Close Date / Pay-in Date shall be communicated to each investor in the allotment advice (“ Allotment Advice ”).
25.	Issuance mode of the Instrument	These debentures would be issued only in Dematerialized form (Demat) through authorized DP
26.	Trading mode of the Instrument	Demat mode only
27.	Settlement mode of the Instrument	RTGS / NEFT / Fund Transfer to the bank details as per Depository records
28.	Depository(ies)	NSDL and CDSL
29.	Business Day Convention	Please refer to the “Effect of Holidays” section on page 98 of the Information Memorandum
30.	Record Date	15 days prior to each Coupon Payment / Final Redemption Date / Contingent Early Redemption Date (if applicable).
31.	Security	(i) a first paripassu legal mortgage and charge over the Company’s Gujarat Immovable Property (for details refer Annexure VII hereto); and (ii) a first paripassu charge on all present and future book debts and business receivables of the Company (except security towards securing outstanding term loan and cash credit limits more specifically described in Annexure VII hereto). Business receivables include current assets and investments.

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PART A – SUMMARY TERM SHEET

Sr. No.	Particulars	Details
32.	Security Cover	The Company shall maintain a minimum asset cover of 100% at all times.
33.	Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects	Nil
34.	Transaction Documents	<ol style="list-style-type: none"> 1. Debenture Trust Deed(s); 2. Information Memorandum; 3. Rating letter from CARE; 4. Consent letter of Karvy Computershare Private Limited to act as Registrar & Transfer Agent for the proposed issue; 5. Tripartite agreement(s) between the Company, Depository(ies) and the Registrar and Transfer Agent; and 6. Uniform Listing Agreement.
35.	Conditions Precedent to Disbursement	Not applicable
36.	Condition Subsequent to Disbursement	Not applicable
37.	Events of Default	Please refer to the “Main events of default and remedies under the Debenture Trust Deed” section on page 104 of the Information Memorandum
38.	Provisions related to Cross Default Clause	Not Applicable
39.	Role and Responsibilities of Debenture Trustee	Please refer to the “Main events of default and remedies under the Debenture Trust Deed” section on page 104 of the Information Memorandum
40.	Governing Law and Jurisdiction	Please refer to the “Governing Law and Jurisdiction” section on page 107 of the Information Memorandum
41.	Payment Details	Settlement Bank : HDFC Bank Limited Branch : Fort Account Number : 00600310031360 Account Name : Reliance Capital Limited RTGS / IFSC Code : HDFC0000060
42.	Registrar and Transfer Agent	Karvy Computershare Private Limited
43.	Trustees	Vistra ITCL (India) Limited
44.	Placement Fee	For each of the Debenture applied for, a placement Fee of up to 3.00% of the Issue Price may be payable to the distributor (if any) by the Investor over and above the Issue Price. Note: For each of the Debenture applied for, the Issuer shall collect the Placement Fee, in addition to the Issue Price of the Debenture, from the

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PART A – SUMMARY TERM SHEET

Sr. No.	Particulars	Details
		Investor and credit such Placement Fee to the account of the distributor (if any). For the avoidance of doubt such Placement Fee is not and should not be construed as payment of commission as mentioned under section 40 of the Companies Act, 2013 and the rules made thereunder.
45.	Early Redemption for Extraordinary Reason, Illegality and <i>Force Majeure</i>	<p>If, for reasons beyond the control of the Company, the performance of the Company's obligations under the Debentures is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Company, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Company may at its discretion and without obligation to do so, redeem and/or arrange for the purchase of all but not some of the Debentures, by giving notice of not less than 5 (five) Business Days to the Debenture Holders which notice shall be irrevocable and shall specify the date upon which the Debentures shall be redeemed (such date on which the Debentures become immediately due and payable, the "Early Redemption Date").</p> <p>Provided however that if the Company believes or is advised that it is necessary to only redeem and/or arrange for the purchase of the Debentures held by only certain class of Debenture Holders to overcome or mitigate any such force majeure, then the Company may without obligation to do so, redeem and/or arrange for the purchase of only such number of the Debentures actually held by such class of Debenture Holders at the relevant time.</p> <p>If the Debentures are bought by the Company, the Company will, if and to the extent permitted by applicable law, pay to each Debenture Holder in respect of each of the Debentures held by such Debenture Holder an amount equal to the Early Redemption Amount of a Debenture notwithstanding the illegality or impracticability, as determined by the Company in its sole and absolute discretion.</p>
46.	Premature Exit	<p>At the request of an Investor, the Company shall at its discretion and without being obliged to do so, arrange for the buyback ("Premature Exit") of such number of Debentures as the Investor shall request.</p> <p>Such Premature Exit shall occur at a price which shall take into consideration the market value of the Debentures, all costs incurred by the Company as a result of the Investor's request to early terminate the relevant number of Debentures (including costs of unwinding any hedge).</p> <p>Provided that, the price computed above may be further reduced by such amount not exceeding 10.00% of the face value of the Debentures, to be determined by the Company at its sole discretion.</p> <p>A request for Premature Exit by an Investor shall not be considered if made within 06 (six) months from the Deemed Date of Allotment.</p>

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PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE FOR TYPE I DEBENTURES

I.i	Issue Price per Debenture/ Price of the Debenture & Justification	100.00% of Principal Amount (Face Value) (The security is being issued at par, with the Coupon Amount / Rate and Coupon Payment Frequency as mentioned below which is in accordance with the prevailing market conditions at the time of issue)
I.ii	Discount at which security is issued and the effective yield as a result of such discount	Not applicable
I.iii	Initial Valuation Date	October 4, 2016 The Initial Valuation Date may be rescheduled, at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Initial Valuation Date shall be communicated to each investor in the Allotment Advice.
I.iv	Contingent Early Redemption	Contingent Early Redemption is deemed to have occurred if the "Contingent Early Redemption Condition" is satisfied. Should a Contingent Early Redemption occur, the Debenture will be redeemed in whole, but not in part, on the Contingent Early Redemption Date at an amount equal to 100% of Principal Amount + Contingent Early Redemption Amount Please refer to "Coupon Amount / Rate" below for the definition of "Contingent Early Redemption Amount".
I.v	Contingent Early Redemption Condition	The Contingent Early Redemption Condition is satisfied when each of the Reference Stocks (and not just one or more Reference Stocks) has been removed from the Reference Stock Basket. A Reference Stock(i) is deemed to be removed from the Reference Stock Basket if the closing level of Reference Stock(i) on a Contingent Early Redemption Observation Date is at or above its respective Trigger Level(i) (irrespective of subsequent price movement of such Reference Stock) For avoidance of doubt, the Contingent Condition shall be satisfied only when the last remaining Reference Stock/s in the Reference Stock Basket is/are removed from the Reference Stock Basket.
I.vi	Contingent Early Redemption Date	2 (two) months after the Contingent Early Redemption Observation Date on which the Contingent Early Redemption Condition was satisfied
I.vii	Final Valuation Date	The Reference Stock futures expiry date in the month of September 2019 (i.e. September 26, 2019, provided that, if such date is not a scheduled Reference Stock futures expiry date, then the Reference Stock futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)
I.viii	Final Redemption Date / Final Maturity Date (applicable only if the Contingent Early Redemption Condition is not satisfied)	February 4, 2020 Since the Deemed Date of Allotment, Initial Valuation Date/ Fixing Date may be rescheduled at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the respective dates mentioned herein, this could result in change in the Final Redemption Date / Final Maturity Date. The actual Final Redemption Date / Final Maturity Date shall be communicated

Capital

		to each investor in the Allotment Advice.																	
I.ix	Tenor (applicable only if the Contingent Early Redemption Condition is not satisfied)	1,218 (One Thousand Two Hundred and Eighteen) days from the Deemed Date of Allotment																	
I.x	Redemption Amount (applicable only if the Contingent Early Redemption Condition is not satisfied)	If Contingent Early Redemption has not occurred, then on the Final Redemption Date / Maturity Date, each Debenture Holder will receive per Debenture held an amount equal to 100% of Principal Amount only																	
I.xi	Redemption Premium / Discount	Not applicable																	
I.xii	Coupon Type / Basis	Reference Stock Basket Linked																	
I.xiii	Reference Stocks (each of the Reference Stocks taken all together = "Reference Stock Basket")	<table border="1"> <thead> <tr> <th>S. No. (i)</th> <th>Reference Stock(i)</th> <th>Exchange / Symbol</th> <th>Initial Level(i)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>ICICI Bank Limited</td> <td>Exchange: National Stock Exchange Symbol: ICICIBANK</td> <td rowspan="4">Official Closing Level of the Reference Stock on the Initial Valuation Date</td> </tr> <tr> <td>2</td> <td>Larsen & Toubro Limited</td> <td>Exchange: National Stock Exchange Symbol: LT</td> </tr> <tr> <td>3</td> <td>NTPC Limited</td> <td>Exchange: National Stock Exchange Symbol: NTPC</td> </tr> <tr> <td>4</td> <td>Power Grid Corporation of India Limited</td> <td>Exchange: National Stock Exchange Symbol: POWERGRID</td> </tr> </tbody> </table>	S. No. (i)	Reference Stock(i)	Exchange / Symbol	Initial Level(i)	1	ICICI Bank Limited	Exchange: National Stock Exchange Symbol: ICICIBANK	Official Closing Level of the Reference Stock on the Initial Valuation Date	2	Larsen & Toubro Limited	Exchange: National Stock Exchange Symbol: LT	3	NTPC Limited	Exchange: National Stock Exchange Symbol: NTPC	4	Power Grid Corporation of India Limited	Exchange: National Stock Exchange Symbol: POWERGRID
S. No. (i)	Reference Stock(i)	Exchange / Symbol	Initial Level(i)																
1	ICICI Bank Limited	Exchange: National Stock Exchange Symbol: ICICIBANK	Official Closing Level of the Reference Stock on the Initial Valuation Date																
2	Larsen & Toubro Limited	Exchange: National Stock Exchange Symbol: LT																	
3	NTPC Limited	Exchange: National Stock Exchange Symbol: NTPC																	
4	Power Grid Corporation of India Limited	Exchange: National Stock Exchange Symbol: POWERGRID																	
I.xiv	Trigger Levels	For each Reference Stock(i), the Trigger Level(i) shall be 105.00% of its Initial Level (i.e. $1.05 * \text{Initial Level}(i)$, for each Reference Stock (1) to (4)) Trigger Levels as defined herein shall be communicated to each investor in the Allotment Advice																	
I.xv	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable																	
I.xvi	Coupon Payment Dates/Frequency	If the "Contingent Early Redemption Condition" is satisfied, then on the Contingent Early Redemption Date; or If the "Contingent Early Redemption Condition" is not satisfied, then on the Final Redemption Date/Final Maturity Date																	
I.xvii	Observation Dates	<u>Contingent Early Redemption Observation Dates</u> The Reference Stock futures expiry dates in the months of September 2017, December 2017, March 2018, June 2018, September 2018, December 2018, March 2019, June 2019, and September 2019 which are expected to be as																	

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		<p>below* :</p> <ul style="list-style-type: none"> i September 28, 2017 ii December 28, 2017 iii March 29, 2018 iv June 28, 2018 v September 27, 2018 vi December 27, 2018 vii March 28, 2019 viii June 27, 2019 ix September 26, 2019 <p>* Provided that, if any such date is not a scheduled Reference Stock futures expiry date, then the Reference Stock futures expiry date as notified by the National Stock Exchange for that month will be considered as the observation date.</p>
I.xviii	Coupon Amount / Rate ("Contingent Early Redemption Amount")	<p>100% of Principal Amount * (Contingent Coupon) * (Day-count / 365)</p> <p>Where, Contingent Coupon = 16.25%</p> <p>Day-count = Number of calendar days in the period starting from the Initial Valuation Date up to (and including) the Contingent Early Redemption Observation Date on which the Contingent Early Redemption Condition is satisfied</p>
I.xix	Valuation Agency	<p>The Valuation Agency i.e. CRISIL Limited will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at http://crisil.com/capital-markets/ml-d-valuations.html</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on its website at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx</p> <p>The cost of valuation shall be in the range of 0.05% p.a. to 0.15% p.a. of issue size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for the the Debentures will be published on the website of the Issuer at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx and the website of the Valuation Agency at http://crisil.com/capital-markets/ml-d-valuations.html</p> <p>Upon request by any Debenture Holder for the valuation of the Debentures, the Issuer shall provide them with the latest valuation.</p>

Disclosure of Cash Flows for the Type I Debentures as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Reliance Capital Limited
Principal Amount / Face Value per Debenture	Rs. 1,00,000/- (Rupees One Lakh Only)
Issue Date	October 03, 2016
Date of Allotment	October 04, 2016
Final Redemption Date (applicable only if the Contingent Early Redemption does not occur)	February 4, 2020
Coupon Rate	Market Linked
Frequency of Coupon Payment with	As specified in "Provisions Relating To Coupon (If Any) And Redemption

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specified dates	Amount Payable” above, if the “Contingent Early Redemption Condition” is satisfied, the Debentures will be redeemed in whole, but not in part, on the Contingent Early Redemption Date at an amount equal to 100% of Principal Amount + Contingent Early Redemption Amount	
	S.No.	Contingent Early Redemption Observation Date
	i	September 28, 2017
	ii	December 28, 2017
	iii	March 29, 2018
	iv	June 28, 2018
	v	September 27, 2018
	vi	December 27, 2018
	vii	March 28, 2019
	viii	June 27, 2019
ix	September 26, 2019	
Day Count Convention	Not Applicable	

For the purpose of this illustration we have only considered 1 (one) “Contingent Early Redemption Observation Date” against a total of 9 (nine) “Contingent Early Redemption Observation Dates”

- a) Applicable if Contingent Early Redemption Condition is satisfied on the fifth Contingent Early Redemption Observation Date, i.e. September 27, 2018

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	November 27, 2018	784	INR 32,188
Principal Redemption	November 27, 2018	784	INR 1,00,000
Total			INR 1,32,188

- b) Applicable if Contingent Early Redemption Condition is never satisfied

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	February 4, 2020	1,218	Nil
Principal Redemption	February 4, 2020	1,218	INR 1,00,000
Total			INR 1,00,000

Note: Payment dates are subject to change as per holidays declared in that particular year. Payment convention as specified in SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 shall be followed.

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Scenario Analysis for Type I Debentures

The scenario analysis set out below is an illustrative representation of the returns on the Debentures in the following scenarios.

A. Tabular Representation

Table 1: Assuming that the Contingent Early Redemption Condition is satisfied on the sixth Contingent Early Redemption Observation Date

Contingent Early Redemption Observation Date:		December 27, 2018							
Contingent Early Redemption Date:		February 27, 2019							
Reference Stock(i)	Performance of Reference Stock on the Contingent Early Redemption Observation Date (vs. its respective Initial Level)								
	On Sep 28, 2017	On Dec 28, 2017	On Mar 29, 2018	On Jun 28, 2018	On Sep 27, 2018	On Dec 27, 2018	On Mar 28, 2019	On Jun 27, 2019	On Sep 26, 2019
ICICIBANK	97%	90%	92%	105%					
LT	107%								
NTPC	120%								
POWERGRID	90%	80%	82%	87%	92%	108%			
Stocks that have been removed from the Reference Stock Basket	<i>LT, NTPC</i>	<i>LT, NTPC</i>	<i>LT, NTPC</i>	<i>LT, NTPC, ICICIBANK</i>	<i>LT, NTPC, ICICIBANK</i>	<i>LT, NTPC, ICICIBANK & POWERGRID</i>			

Since all the Reference Stocks have been removed from the Reference Stock Basket on the sixth Contingent Observation Date, the Contingent Early Redemption Amount shall be calculated as:

Contingent Early Redemption Amount = Principal Amount * 16.25% * (Day-Count/365) = 36.240%

If Initial Investment Amount = INR 100,00,000

Then, amount paid on the Contingent Early Redemption Date = INR 136,24,000

Annualized return on debenture = 13.75%

Table 2: Assuming that the Contingent Early Redemption Condition is never satisfied, and the Final Redemption Amount is paid on the Final Redemption Date, i.e. February 4, 2020

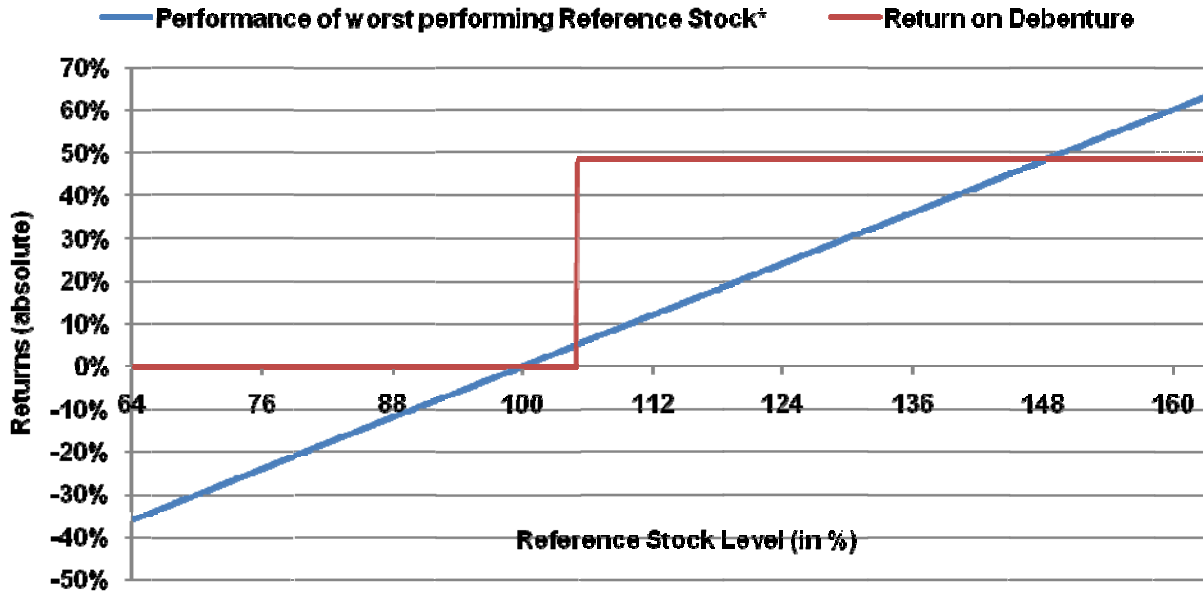
Scenario	Performance of worst performing Reference Stock*	Coupon Amount / Rate	Initial Investment Amount (in INR)	Final Redemption Amount (in INR)	Return on Debenture (annualized)
Rising Market Conditions	+2%	0.00%	100,00,000	100,00,000	Nil
Stable Market Conditions	-10%	0.00%	100,00,000	100,00,000	Nil
Falling Market Conditions	-30%	0.00%	100,00,000	100,00,000	Nil

* The worst performing Reference Stock refers to the Reference Stock with the lowest performance among the Reference Stocks that have not been removed from the Reference Stock Basket prior to the ninth Contingent Early Redemption Observation Date

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B. Graphical Representation

The graph below illustrates that the Contingent Early Redemption Event has occurred on the ninth Contingent Early Redemption Observation Date, i.e. September 26, 2019



* The worst performing Reference Stock refers to the Reference Stock with the lowest performance among the Reference Stocks that have not been removed from the Reference Stock Basket prior to the ninth Contingent Early Redemption Observation Date

NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes.

Capital
**PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE
FOR TYPE II DEBENTURES**

II.i	Issue Price per Debenture/ Price of the Debenture & Justification	98.80% of Principal Amount (Face Value) (The Debenture is being issued at 98.80% of the Principal Amount with the Coupon Amount / Rate and Coupon Payment Frequency mentioned herein which is in accordance with the prevailing market conditions at the time of issue)
II.ii	Discount at which security is issued and the effective yield as a result of such discount	The Debenture is being issued at 98.80% of the Principal Amount. Please refer to "Coupon Amount / Rate" below
II.iii	Initial Valuation Date	October 3, 2016
II.iv	Final Valuation Date	The Nifty 50 Index futures expiry date in the month of September 2018 (i.e. September 27, 2018, provided that, if such date is not a scheduled Nifty 50 Index futures expiry date, then the Nifty 50 Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)
II.v	Final Redemption Date / Final Maturity Date	January 4, 2019
II.vi	Tenor	822 (Eight Hundred and Twenty Two) Days from the Deemed Date of Allotment
II.vii	Redemption Amount	On the Final Redemption Date / Final Maturity Date, each Debenture Holder will receive per Debenture held an amount equal to 100% of Principal Amount + Coupon Amount
II.viii	Redemption Premium / Discount	Not Applicable
II.ix	Coupon Type / Basis (a) Reference Index (b) Index Sponsor	Reference Index Linked Nifty 50 Index India Index Services & Products Limited (IISL)
II.x	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable
II.xi	Coupon Payment Dates/ Frequency	On the Final Redemption Date / Final Maturity Date Only

<p>II.xii</p>	<p>Observation Dates</p>	<p>Each Initial Performance Observation Date, and each Subsequent Performance Observation Date as under:</p> <p><u>Initial Performance Observation Dates:</u></p> <p>The Initial Valuation Date and the Nifty 50 Index futures expiry dates in the months of October 2016 and November 2016, which are expected to be as below*:</p> <table border="1" data-bbox="660 539 1377 808"> <thead> <tr> <th>Initial Performance Observation Date (j)</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>j = 1</td> <td>October 3, 2016 (i.e. the Initial Valuation Date)</td> </tr> <tr> <td>j = 2</td> <td>October 27, 2016</td> </tr> <tr> <td>j = 3</td> <td>November 24, 2016</td> </tr> </tbody> </table> <p><u>Subsequent Performance Observation Dates:</u></p> <p>The Nifty 50 Index futures expiry dates in the months of July 2018 to September 2018 (both inclusive), which are expected to be as below*:</p> <table border="1" data-bbox="643 1032 1396 1272"> <thead> <tr> <th>Subsequent Performance Observation Date (i)</th> <th>Date</th> </tr> </thead> <tbody> <tr> <td>i = 1</td> <td>July 26, 2018</td> </tr> <tr> <td>i = 2</td> <td>August 30, 2018</td> </tr> <tr> <td>i = 3</td> <td>September 27, 2018</td> </tr> </tbody> </table> <p>* Provided that, if any such date is not a scheduled Nifty 50 Index futures expiry date, then the Nifty 50 Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the relevant observation date.</p>	Initial Performance Observation Date (j)	Date	j = 1	October 3, 2016 (i.e. the Initial Valuation Date)	j = 2	October 27, 2016	j = 3	November 24, 2016	Subsequent Performance Observation Date (i)	Date	i = 1	July 26, 2018	i = 2	August 30, 2018	i = 3	September 27, 2018
Initial Performance Observation Date (j)	Date																	
j = 1	October 3, 2016 (i.e. the Initial Valuation Date)																	
j = 2	October 27, 2016																	
j = 3	November 24, 2016																	
Subsequent Performance Observation Date (i)	Date																	
i = 1	July 26, 2018																	
i = 2	August 30, 2018																	
i = 3	September 27, 2018																	
<p>II.xiii</p>	<p>Coupon Amount / Rate</p>	<p>Principal Amount * 310.00% * Perf</p> <p>Where,</p> <p>“Perf” = Min [Cap Level, Max (0, Final Level / Initial Level - 1)]</p> <p>“Cap Level” = 10.00%</p> <p>“Final Level” = $\frac{1}{3} \times \sum_{i=1}^3 Level(i)$</p> <p>“Level(i)” = Official Closing Level of the Reference Index on the relevant Subsequent Performance Observation Date(i)</p> <p>“Initial Level” = $\frac{1}{3} \times \sum_{j=1}^3 Level(j)$</p> <p>“Level(j)” = Official Closing Level of the Reference Index on the relevant</p>																

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		Initial Performance Observation Date(j)
II.xiv	Valuation Agency	<p>The Valuation Agency i.e. CRISIL Limited will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at http://crisil.com/capital-markets/mld-valuations.htm</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on its website at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx</p> <p>The cost of valuation shall be in the range of 0.05% p.a. to 0.15% p.a. of issue size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for the the Debentures will be published on the website of the Issuer at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx and the website of the Valuation Agency at http://crisil.com/capital-markets/mld-valuations.htm</p> <p>Upon request by any Debenture Holder for the valuation of the Debentures, the Issuer shall provide them with the latest valuation.</p>

Disclosure of Cash Flows for Type II Debentures as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Reliance Capital Limited
Principal Amount / Face Value per Debenture	Rs.1,00,000/- (Rupees One Lakh only)
Issue Date	October 03, 2016
Date of Allotment	October 04, 2016
Final Redemption Date	January 4, 2019
Coupon Rate	Market Linked
Frequency of Coupon Payment with specified dates	On the Final Maturity Date/ Final Redemption Date only
Day Count Convention	Not Applicable

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	January 4, 2019	822	Market Linked
Principal Redemption	January 4, 2019	822	INR 1,00,000
Total			INR 1,00,000 + Market Linked Coupon

Note: Payment dates are subject to change as per holidays declared in that particular year. Payment convention as specified in SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 shall be followed.

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Scenario Analysis for Type II Debentures

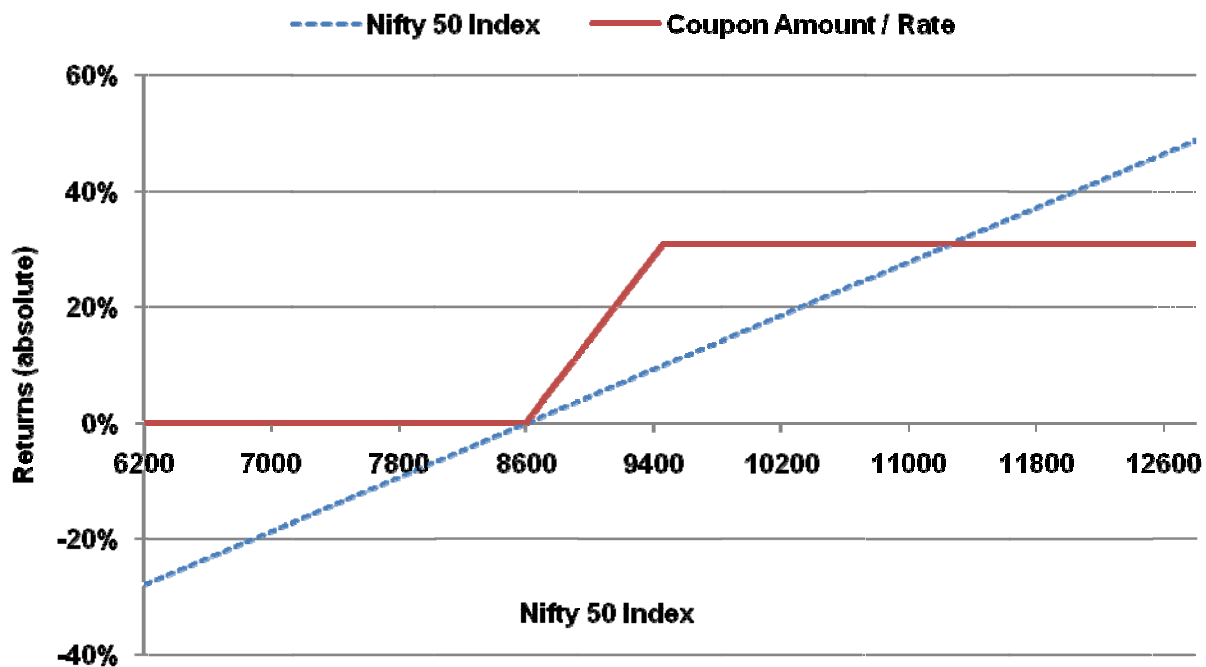
The scenario analysis set out below is an illustrative representation of the returns on the Debentures in the following scenarios. (Assuming Initial Level of the Reference Index is 8,600)

A. Tabular Representation

Scenarios	Initial Level	Final Level	Performance of Reference Index	Coupon Amount / Rate	Initial Investment Amount* (in INR)	Redemption Amount (in INR)	Return on Face Value of Debenture (Annualized)
Rising Market Conditions	8,600	11,180	30.00%	31.00%	98,80,000	131,00,000	12.74%
	8,600	10,320	20.00%	31.00%	98,80,000	131,00,000	12.74%
	8,600	9,460	10.00%	31.00%	98,80,000	131,00,000	12.74%
Stable Market Conditions	8,600	9,030	5.00%	15.50%	98,80,000	115,50,000	6.61%
	8,600	8,772	2.00%	6.20%	98,80,000	106,20,000	2.71%
	8,600	8,686	1.00%	3.10%	98,80,000	103,10,000	1.36%
Falling Market Conditions	8,600	7,740	-10.00%	0.00%	98,80,000	100,00,000	Nil
	8,600	6,880	-20.00%	0.00%	98,80,000	100,00,000	Nil
	8,600	6,020	-30.00%	0.00%	98,80,000	100,00,000	Nil

* The Initial Investment Amount is the Principal Amount (after taking into account the applicable discount)

B. Graphical Representation



NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes.

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**PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE
FOR TYPE III DEBENTURES**

III.i	Issue Price per Debenture/ Price of the Debenture & Justification	100.00% of Principal Amount (Face Value) (The security is being issued at par, with the Coupon Amount / Rate and Coupon Payment Frequency as mentioned below which is in accordance with the prevailing market conditions at the time of issue)
III.ii	Discount at which security is issued and the effective yield as a result of such discount	Not applicable
III.iii	Initial Valuation Date	October 4, 2016 The Initial Valuation Date may be rescheduled, at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Initial Valuation Date shall be communicated to each investor in the Allotment Advice.
III.iv	Final Valuation Date	The Nifty 50 Index futures expiry date in the month of December 2017 (i.e. December 28, 2017, provided that, if such date is not a scheduled Nifty 50 Index futures expiry date, then the Nifty 50 Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)
III.v	Final Redemption Date / Final Maturity Date	April 20, 2018 Since the Deemed Date of Allotment, Initial Valuation Date/ Fixing Date may be rescheduled at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the respective dates mentioned herein, this could result in change in the Final Redemption Date / Final Maturity Date. The actual Final Redemption Date / Final Maturity Date shall be communicated to each investor in the Allotment Advice.
III.vi	Tenor	563 (Five Hundred and Sixty Three) days from the Deemed Date of Allotment
III.vii	Redemption Amount	On the Redemption Date / Final Maturity Date, each Debenture holder will receive per Debenture held an amount equal to 100% of Principal Amount + Coupon Amount
III.viii	Redemption Premium / Discount	Not applicable
III.ix	Coupon Type / Basis (a) Reference Index (b) Index Sponsor	Reference Index Linked Nifty 50 Index India Index Services & Products Limited (IISL)
III.x	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable
III.xi	Coupon Payment Dates/ Frequency	Final Redemption Date / Final Maturity Date Only
III.xii	Observation Dates	The Initial Observation Date and each Subsequent Observation Date, as under: <u>Initial Observation Date:</u> The Initial Valuation Date (i.e. October 04, 2016)

		<p>Subsequent Observation Dates:</p> <p>The Nifty 50 Index futures expiry date in the months of October 2017 to December 2017 (both inclusive), which are expected to be as below*:</p> <table border="1" data-bbox="644 383 1190 589"> <thead> <tr> <th>S.No. (i)</th> <th>Subsequent Observation Date(i)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>October 26, 2017</td> </tr> <tr> <td>2</td> <td>November 30, 2017</td> </tr> <tr> <td>3</td> <td>December 28, 2017</td> </tr> </tbody> </table> <p>* Provided that, if any such date is not a scheduled Nifty 50 Index futures expiry date, then the Nifty 50 Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the observation date.</p>	S.No. (i)	Subsequent Observation Date(i)	1	October 26, 2017	2	November 30, 2017	3	December 28, 2017
S.No. (i)	Subsequent Observation Date(i)									
1	October 26, 2017									
2	November 30, 2017									
3	December 28, 2017									
III.xiii	Coupon Amount / Rate	<p>A) If Final Level >= Initial Level, Principal Amount * Rebate A</p> <p>Or</p> <p>B) If Final Level < Initial Level, Principal Amount * Rebate B</p> <p>Where,</p> <p>“Rebate A” = 13.17%</p> <p>“Rebate B” = 13.09%</p> <p>“Final Level” = $\left(\frac{1}{3}\right) \times \sum_{i=1}^3 Level(i)$</p> <p>“Level(i)” = Official Closing Level of the Reference Index on the Subsequent Observation Date(i)</p> <p>“Initial Level” = Official Closing Level of the Reference Index on the Initial Observation Date</p>								
III.xiv	Valuation Agency	<p>The Valuation Agency i.e. CRISIL Ltd. Or Credit Analysis and Research Ltd shall be appointed by the Issuer, and communicated to each Investor in the Allotment Advice</p> <p>In case of CRISIL Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at http://crsil.com/capital-markets/mld-valuations.html</p> <p>In case of Credit Analysis and Research Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on its website at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx</p> <p>The cost of valuation shall be in the range of 0.05% p.a. to 0.15% p.a. of issue size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for the the Debentures will be published on the website of the Issuer at http://www.reliancecapital.co.in/Valuation-of-market-</p>								

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	<p>linked-debentures.aspx and the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/ or http://crisil.com/capital-markets/mld-valuations.html</p> <p>Upon request by any Debenture Holder for the valuation of the Debentures, the Issuer shall provide them with the latest valuation.</p>
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Disclosure of Cash Flows for the Type III Debentures as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Reliance Capital Limited
Principal Amount / Face Value per Debenture	Rs. 1,00,000/- (Rupees One Lakh Only)
Issue Date	October 03, 2016
Date of Allotment	October 04, 2016
Final Redemption Date	April 20, 2018
Coupon Rate	Market Linked
Frequency of Coupon Payment with specified dates	On the Final Maturity Date/ Final Redemption Date only
Day Count Convention	Not Applicable

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	April 20, 2018	563	Market Linked
Principal Redemption	April 20, 2018	563	INR 1,00,000
Total			INR 1,00,000 + Market Linked Coupon

Note: Payment dates are subject to change as per holidays declared in that particular year. Payment convention as specified in SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 shall be followed.

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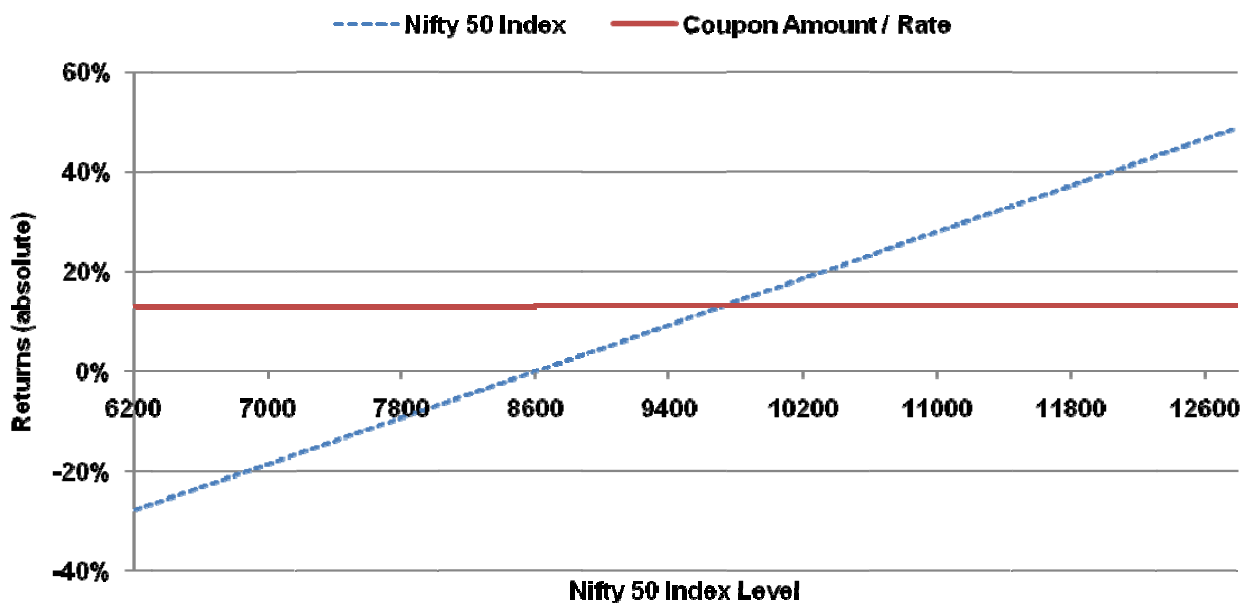
Scenario Analysis for Type III Debentures

The scenario analysis set out below is an illustrative representation of the returns on the Debentures in the following scenarios. (Assuming Initial level of the Reference Index is 8,600)

A. Tabular Representation

Scenarios	Initial Level	Final Level	Performance of the Reference Index	Coupon Amount / Rate	Initial Investment Amount (in INR)	Redemption Amount (in INR)	Return on Debenture (Annualized)
Rising Market Conditions	8,600	11,180	30.00%	13.17%	100,00,000	113,17,000	8.35%
	8,600	10,320	20.00%	13.17%	100,00,000	113,17,000	8.35%
Stable Market Conditions	8,600	9,030	5.00%	13.17%	100,00,000	113,17,000	8.35%
	8,600	8,600	0.00%	13.17%	100,00,000	113,17,000	8.35%
Falling Market Conditions	8,600	7,740	-10.00%	13.09%	100,00,000	113,09,000	8.30%
	8,600	6,450	-25.00%	13.09%	100,00,000	113,09,000	8.30%

B. Graphical Representation



NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes.

Capital
**PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE
FOR TYPE IV DEBENTURES**

IV.i	Issue Price per Debenture/ Price of the Debenture & Justification	100.00% of Principal Amount (Face Value) (The security is being issued at par, with the Coupon Amount / Rate and Coupon Payment Frequency as mentioned below which is in accordance with the prevailing market conditions at the time of issue)
IV.ii	Discount at which security is issued and the effective yield as a result of such discount	Not applicable
IV.iii	Initial Valuation Date	October 04, 2016 The Initial Valuation Date may be rescheduled, at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Initial Valuation Date shall be communicated to each investor in the Allotment Advice.
IV.iv	Final Valuation Date	The NSE Bond futures expiry date in the month of September 2017 (i.e. September 28, 2017, provided that, if such date is not a scheduled NSE Bond futures expiry date, then the NSE Bond futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)
IV.v	Final Redemption Date / Final Maturity Date	January 4, 2018 Since the Deemed Date of Allotment, Initial Valuation Date/ Fixing Date may be rescheduled at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the respective dates mentioned herein, this could result in change in the Final Redemption Date / Final Maturity Date. The actual Final Redemption Date / Final Maturity Date shall be communicated to each investor in the Allotment Advice.
IV.vi	Tenor	457 (Four Hundred and Fifty Seven) days from the Deemed Date of Allotment
IV.vii	Redemption Amount	On the Redemption Date / Final Maturity Date, each Debenture holder will receive per Debenture held an amount equal to 100% of Principal Amount + Coupon Amount
IV.viii	Redemption Premium / Discount	Not applicable
IV.ix	Coupon Type / Basis (a) Reference Index (b) Index Sponsor	Reference Index Linked Nifty 10 yr Benchmark G-Sec (Clean Price) index India Index Services & Products Limited (IISL)
IV.x	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable
IV.xi	Coupon Payment Dates/ Frequency	Final Redemption Date / Final Maturity Date Only
IV.xii	Observation Dates	The Initial Observation Date and each Subsequent Observation Date, as under: <u>Initial Observation Date:</u> The Initial Valuation Date (i.e. October 04, 2016)

		<p>Subsequent Observation Dates:</p> <p>The NSE Bond futures expiry date in the months of July 2017 to September 2017 (both inclusive), which are expected to be as below*:</p> <table border="1" data-bbox="644 383 1190 591"> <thead> <tr> <th>S.No. (i)</th> <th>Subsequent Observation Date(i)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>July 27, 2017</td> </tr> <tr> <td>2</td> <td>August 31, 2017</td> </tr> <tr> <td>3</td> <td>September 28, 2017</td> </tr> </tbody> </table> <p>* Provided that, if any such date is not a scheduled NSE Bond futures expiry date, then the NSE Bond futures expiry date as notified by the National Stock Exchange for that month will be considered as the observation date.</p>	S.No. (i)	Subsequent Observation Date(i)	1	July 27, 2017	2	August 31, 2017	3	September 28, 2017
S.No. (i)	Subsequent Observation Date(i)									
1	July 27, 2017									
2	August 31, 2017									
3	September 28, 2017									
IV.xiii	Coupon Amount / Rate	<p>A) If Final Level >= Initial Level, Principal Amount * Rebate A</p> <p>Or</p> <p>B) If Final Level < Initial Level, Principal Amount * Rebate B</p> <p>Where,</p> <p>“Rebate A” = 10.18%</p> <p>“Rebate B” = 10.12%</p> <p>“Final Level” = $\left(\frac{1}{3}\right) \times \sum_{i=1}^3 Level(i)$</p> <p>“Level(i)” = Official Closing Level of the Reference Index on the Subsequent Observation Date(i)</p> <p>“Initial Level” = Official Closing Level of the Reference Index on the Initial Observation Date</p>								
IV.xiv	Valuation Agency	<p>The Valuation Agency i.e. CRISIL Ltd. Or Credit Analysis and Research Ltd shall be appointed by the Issuer, and communicated to each Investor in the Allotment Advice</p> <p>In case of CRISIL Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at http://crsil.com/capital-markets/mld-valuations.html</p> <p>In case of Credit Analysis and Research Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on its website at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx</p> <p>The cost of valuation shall be in the range of 0.05% p.a. to 0.15% p.a. of issue size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for the the Debentures will be published on the website of the Issuer at http://www.reliancecapital.co.in/Valuation-of-market-</p>								

Capital

	<p>linked-debentures.aspx and the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/ or http://crisil.com/capital-markets/mld-valuations.html</p> <p>Upon request by any Debenture Holder for the valuation of the Debentures, the Issuer shall provide them with the latest valuation.</p>
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Disclosure of Cash Flows for the Type IV Debentures as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Reliance Capital Limited
Principal Amount / Face Value per Debenture	Rs. 1,00,000/- (Rupees One Lakh Only)
Issue Date	October 03, 2016
Date of Allotment	October 04, 2016
Final Redemption Date	January 4, 2018
Coupon Rate	Market Linked
Frequency of Coupon Payment with specified dates	On the Final Maturity Date/ Final Redemption Date only
Day Count Convention	Not Applicable

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	January 4, 2018	457	Market Linked
Principal Redemption	January 4, 2018	457	INR 1,00,000
Total			INR 1,00,000 + Market Linked Coupon

Note: Payment dates are subject to change as per holidays declared in that particular year. Payment convention as specified in SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 shall be followed.

Capital

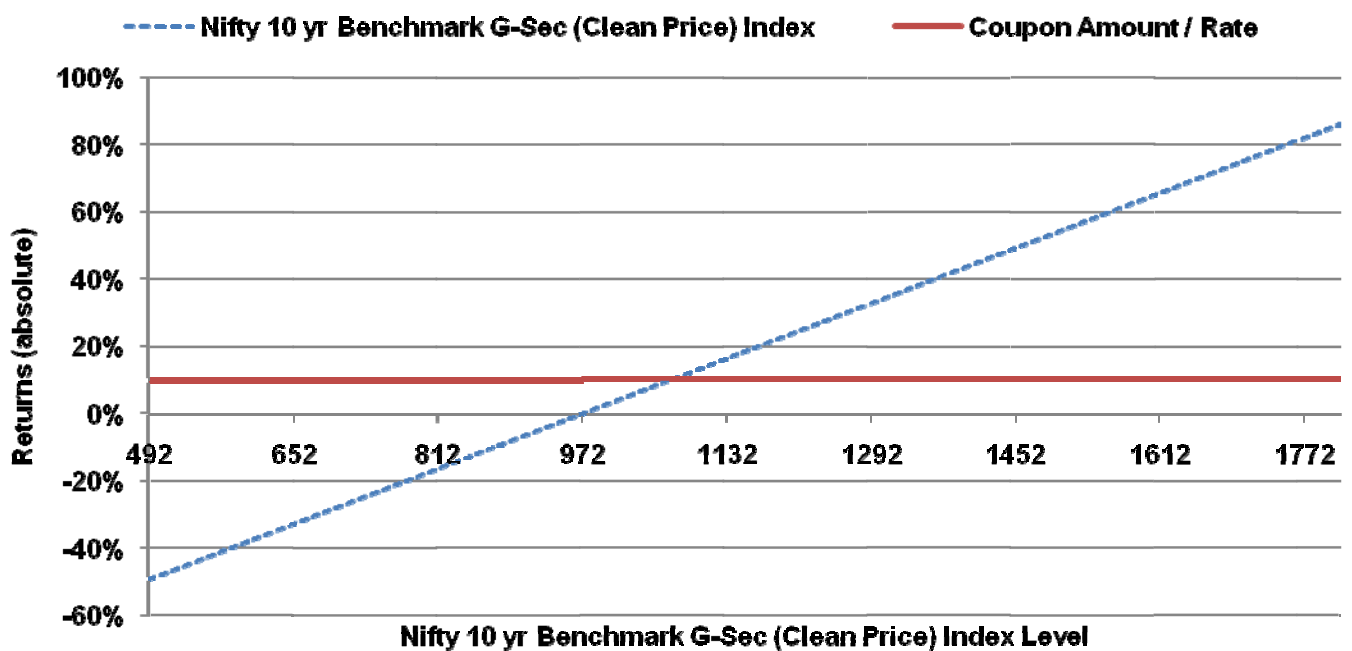
Scenario Analysis for Type IV Debentures

The scenario analysis set out below is an illustrative representation of the returns on the Debentures in the following scenarios. (Assuming Initial level of the Reference Index is 972)

A. Tabular Representation

Scenarios	Initial Level	Final Level	Performance of the Reference Index	Coupon Amount / Rate	Initial Investment Amount (in INR)	Redemption Amount (in INR)	Return on Debenture (annualised)
Rising Market Conditions	972	1,264	30.00%	10.18%	100,00,000	110,18,000	8.05%
	972	1,166	20.00%	10.18%	100,00,000	110,18,000	8.05%
Stable Market Conditions	972	1,021	5.00%	10.18%	100,00,000	110,18,000	8.05%
	972	972	0.00%	10.18%	100,00,000	110,18,000	8.05%
Falling Market Conditions	972	875	-10.00%	10.12%	100,00,000	110,12,000	8.00%
	972	729	-25.00%	10.12%	100,00,000	110,12,000	8.00%

B. Graphical Representation



NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes.

Capital
**PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE
FOR TYPE V DEBENTURES**

V.i	Issue Price per Debenture/ Price of the Debenture & Justification	100% of Principal Amount (Face Value) (The security is being issued at par, with the Coupon Amount / Rate and Coupon Payment Frequency as mentioned below which is in accordance with the prevailing market conditions at the time of issue)
V.ii	Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
V.iii	Initial Valuation Date / Fixing Date	October 04, 2016 The Initial Valuation Date / Fixing Date may be rescheduled, at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Initial Valuation Date / Fixing Date shall be communicated to each investor in the Allotment Advice.
V.iv	Final Valuation Date	The NSE Bond futures expiry date in the month of January 2018 (i.e. January 25, 2018, provided that, if such date is not a scheduled NSE Bond futures expiry date, then the NSE Bond futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)
V.v	Final Redemption Date / Final Maturity Date	March 19, 2018 Since the Deemed Date of Allotment , Initial Valuation Date/ Fixing Date may be rescheduled at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the respective dates mentioned herein, this could result in change in the Final Redemption Date / Final Maturity Date. The actual Final Redemption Date / Final Maturity Date shall be communicated to each investor in the Allotment Advice.
V.vi	Tenor	531 (Five Hundred and Thirty One) days from the Deemed Date of Allotment
V.vii	Redemption Amount	On the Final Redemption Date / Final Maturity Date, each Debenture Holder will receive per Debenture held an amount equal to 100% of Principal Amount + Coupon Amount
V.viii	Redemption Premium / Discount	Not Applicable
V.ix	Coupon Type / Basis (a) Reference Index (b) Index Sponsor	Reference Index Linked Nifty 10 yr Benchmark G-Sec (Clean Price) index India Index Services & Products Limited (IISL)
V.x	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
V.xi	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable
V.xii	Coupon Payment Dates/ Frequency	Final Redemption Date / Final Maturity Date Only

Capital

V.xiii	Observation Dates	<p>The Initial Observation Date, and each Subsequent Performance Observation Date, as below.</p> <p>Initial Observation Date: The Initial Valuation Date (i.e. October 04, 2016)</p> <p>Subsequent Observation Dates: The NSE Bond futures expiry dates in the months of November 2017 to January 2018 (both inclusive), which are expected to be as below *:</p> <table border="1" data-bbox="644 562 1198 741"> <thead> <tr> <th>S.No. (i)</th> <th>Subsequent Observation Date(i)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>November 30, 2017</td> </tr> <tr> <td>2</td> <td>December 28, 2017</td> </tr> <tr> <td>3</td> <td>January 25, 2018</td> </tr> </tbody> </table> <p>* Provided that, if such date is not a scheduled NSE Bond futures expiry date, then the NSE Bond futures expiry date as notified by the National Stock Exchange for that month will be considered as the observation date.</p>	S.No. (i)	Subsequent Observation Date(i)	1	November 30, 2017	2	December 28, 2017	3	January 25, 2018
S.No. (i)	Subsequent Observation Date(i)									
1	November 30, 2017									
2	December 28, 2017									
3	January 25, 2018									
V.xiv	Coupon Amount / Rate	<p>A) If Final Level >= 50% of Initial Level (i.e. 0.50 * Initial Level), Principal Amount * Rebate A Or,</p> <p>B) If Final Level < 50% of Initial Level (i.e. 0.50 * Initial Level), Nil</p> <p>Where,</p> $\text{"Final Level"} = \frac{1}{3} \times \sum_{i=1}^3 \text{Level}(i)$ <p>“Level(i)” = Official Closing Level of the Reference Index on the Subsequent Observation Date(i)</p> <p>“Initial Level” = Official Closing Level of the Reference Index on the Initial Observation Date</p> <p>“Rebate A” = 12.18%</p>								
V.xv	Valuation Agency	<p>The Valuation Agency i.e. CRISIL Ltd. Or Credit Analysis and Research Ltd shall be appointed by the Issuer, and communicated to each Investor in the Allotment Advice</p> <p>In case of CRISIL Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at http://crsil.com/capital-markets/mld-valuations.html</p> <p>In case of Credit Analysis and Research Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on its website at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx</p> <p>The cost of valuation shall be in the range of 0.05% p.a. to 0.15% p.a. of issue</p>								

Capital

	<p>size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for the the Debentures will be published on the website of the Issuer at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx and the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/ or http://crisil.com/capital-markets/mld-valuations.html</p> <p>Upon request by any Debenture Holder for the valuation of the Debentures, the Issuer shall provide them with the latest valuation.</p>
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Disclosure of Cash Flows for the Type V Debentures as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Reliance Capital Limited
Principal Amount / Face Value per Debenture	Rs. 1,00,000/- (Rupees One Lakh Only)
Issue Date	October 03, 2016
Date of Allotment	October 04, 2016
Final Redemption Date	March 19, 2018
Coupon Rate	Market Linked
Frequency of Coupon Payment with specified dates	On the Final Maturity Date/ Final Redemption Date only
Day Count Convention	Not Applicable

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	March 19, 2018	531	Market Linked
Principal Redemption	March 19, 2018	531	INR 1,00,000
Total			INR 1,00,000 + Market Linked Coupon

Note: Payment dates are subject to change as per holidays declared in that particular year. Payment convention as specified in SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 shall be followed.

Capital

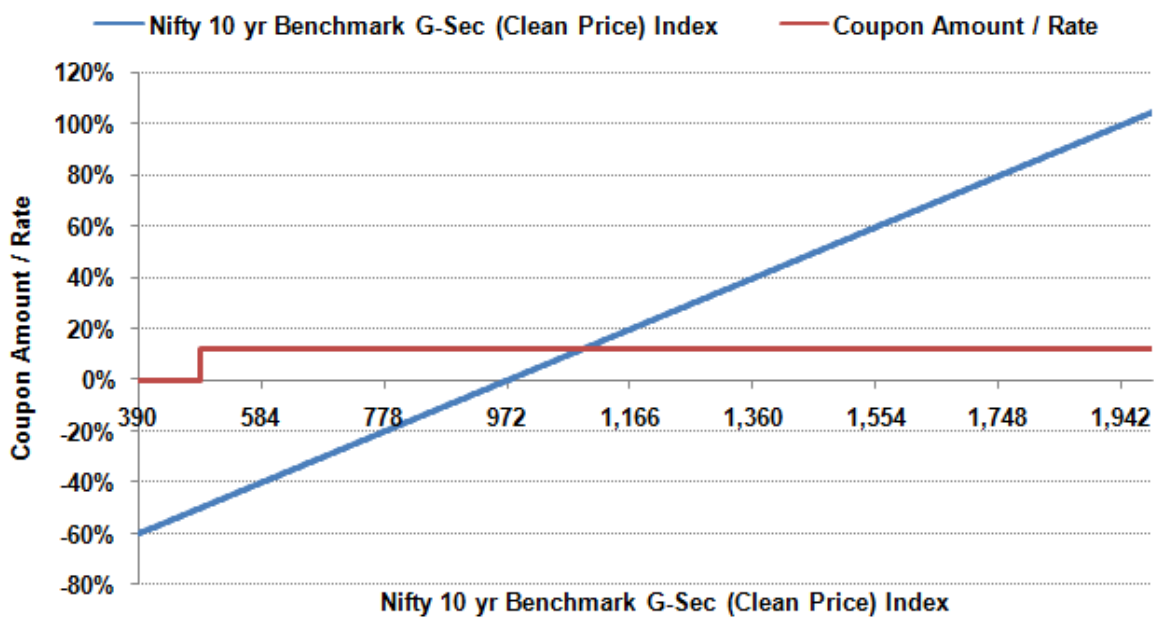
Scenario Analysis for the Type V Debentures

The scenario analysis set out below is an illustrative representation of the returns on the Debentures in the following scenarios. (Assuming Initial level of the Reference Index is 972)

A. Tabular Representation

Scenarios	Initial Level	Final Level	Performance of Reference Index	Coupon Amount / Rate	Initial Investment Amount (in INR)	Redemption Amount (in INR)	Return on Debenture (Annualized)
Rising Market Conditions	972	1,215	25.00%	12.18%	10,000,000	11,218,000	8.22%
	972	1,166	20.00%	12.18%	10,000,000	11,218,000	8.22%
	972	1,118	15.00%	12.18%	10,000,000	11,218,000	8.22%
Stable Market Conditions	972	1,021	5.00%	12.18%	10,000,000	11,218,000	8.22%
	972	972	0.00%	12.18%	10,000,000	11,218,000	8.22%
	972	875	-10.00%	12.18%	10,000,000	11,218,000	8.22%
Falling Market Conditions	972	729	-25.00%	12.18%	10,000,000	11,218,000	8.22%
	972	583	-40.00%	12.18%	10,000,000	11,218,000	8.22%
	972	389	-60.00%	0.00%	10,000,000	10,000,000	Nil

B. Graphical Representation



NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes.

Capital
**PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE
FOR TYPE VI DEBENTURES**

VI.i	Issue Price per Debenture/ Price of the Debenture & Justification	100% of Principal Amount (Face Value) (The security is being issued at par, with the Coupon Amount / Rate and Coupon Payment Frequency as mentioned below which is in accordance with the prevailing market conditions at the time of issue)
VI.ii	Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
VI.iii	Initial Valuation Date / Fixing Date	October 04, 2016 The Initial Valuation Date / Fixing Date may be rescheduled, at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the date mentioned herein. The actual Initial Valuation Date / Fixing Date shall be communicated to each investor in the Allotment Advice.
VI.iv	Final Valuation Date	The NSE Bond futures expiry date in the month of January 2018 (i.e. January 25, 2018, provided that, if such date is not a scheduled NSE Bond futures expiry date, then the NSE Bond futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)
VI.v	Final Redemption Date / Final Maturity Date	April 4, 2018 Since the Deemed Date of Allotment , Initial Valuation Date/ Fixing Date may be rescheduled at the sole discretion of the Issuer, to a date falling not later than 07 (seven) working days from the respective dates mentioned herein, this could result in change in the Final Redemption Date / Final Maturity Date. The actual Final Redemption Date / Final Maturity Date shall be communicated to each investor in the Allotment Advice.
VI.vi	Tenor	547 (Five Hundred and Forty Seven) days from the Deemed Date of Allotment
VI.vii	Redemption Amount	On the Final Redemption Date / Final Maturity Date, each Debenture Holder will receive per Debenture held an amount equal to 100% of Principal Amount + Coupon Amount
VI.viii	Redemption Premium / Discount	Not Applicable
VI.ix	Coupon Type / Basis (a) Reference Index (b) Index Sponsor	Reference Index Linked Nifty 10 yr Benchmark G-Sec (Clean Price) index India Index Services & Products Limited (IISL)
VI.x	Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.)	Not Applicable
VI.xi	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable
VI.xii	Coupon Payment Dates/ Frequency	Final Redemption Date / Final Maturity Date Only

Capital

VI.xiii	Observation Dates	<p>The Initial Observation Date, and each Subsequent Performance Observation Date, as below.</p> <p>Initial Observation Date: The Initial Valuation Date (i.e. October 04, 2016)</p> <p>Subsequent Observation Dates: The NSE Bond futures expiry date in the months of October 2017 to December 2017 (both inclusive), which are expected to be as below *:</p> <table border="1" data-bbox="646 562 1198 741"> <thead> <tr> <th>S.No. (i)</th> <th>Subsequent Observation Date(i)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>November 30, 2017</td> </tr> <tr> <td>2</td> <td>December 28, 2017</td> </tr> <tr> <td>3</td> <td>January 25, 2018</td> </tr> </tbody> </table> <p>* Provided that, if such date is not a scheduled NSE Bond futures expiry date, then the NSE Bond futures expiry date as notified by the National Stock Exchange for that month will be considered as the observation date.</p>	S.No. (i)	Subsequent Observation Date(i)	1	November 30, 2017	2	December 28, 2017	3	January 25, 2018
S.No. (i)	Subsequent Observation Date(i)									
1	November 30, 2017									
2	December 28, 2017									
3	January 25, 2018									
VI.xiv	Coupon Amount / Rate	<p>A) If Final Level >= 50% of Initial Level (i.e. 0.50 * Initial Level), Principal Amount * Rebate A Or,</p> <p>B) If Final Level < 50% of Initial Level (i.e. 0.50 * Initial Level), Nil</p> <p>Where,</p> $\text{"Final Level"} = \frac{1}{3} \times \sum_{i=1}^3 \text{Level}(i)$ <p>“Level(i)” = Official Closing Level of the Reference Index on the Subsequent Observation Date(i)</p> <p>“Initial Level” = Official Closing Level of the Reference Index on the Initial Observation Date</p> <p>“Rebate A” = 12.57%</p>								
VI.xv	Valuation Agency	<p>The Valuation Agency i.e. CRISIL Ltd. Or Credit Analysis and Research Ltd shall be appointed by the Issuer, and communicated to each Investor in the Allotment Advice</p> <p>In case of CRISIL Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at http://crsil.com/capital-markets/mld-valuations.html</p> <p>In case of Credit Analysis and Research Ltd.: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on its website at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx</p> <p>The cost of valuation shall be in the range of 0.05% p.a. to 0.15% p.a. of issue</p>								

Capital

	<p>size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for the the Debentures will be published on the website of the Issuer at http://www.reliancecapital.co.in/Valuation-of-market-linked-debentures.aspx and the website of the Valuation Agency at https://researchreports.careratings.com/mld-valuation/ or http://crisil.com/capital-markets/mld-valuations.html</p> <p>Upon request by any Debenture Holder for the valuation of the Debentures, the Issuer shall provide them with the latest valuation.</p>
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Disclosure of Cash Flows for the Type VI Debentures as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013

Company	Reliance Capital Limited
Principal Amount / Face Value per Debenture	Rs. 1,00,000/- (Rupees One Lakh Only)
Issue Date	October 03, 2016
Date of Allotment	October 04, 2016
Final Redemption Date	April 4, 2018
Coupon Rate	Market Linked
Frequency of Coupon Payment with specified dates	On the Final Maturity Date/ Final Redemption Date only
Day Count Convention	Not Applicable

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	April 4, 2018	547	Market Linked
Principal Redemption	April 4, 2018	547	INR 1,00,000
Total			INR 1,00,000 + Market Linked Coupon

Note: Payment dates are subject to change as per holidays declared in that particular year. Payment convention as specified in SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013 shall be followed.

Capital

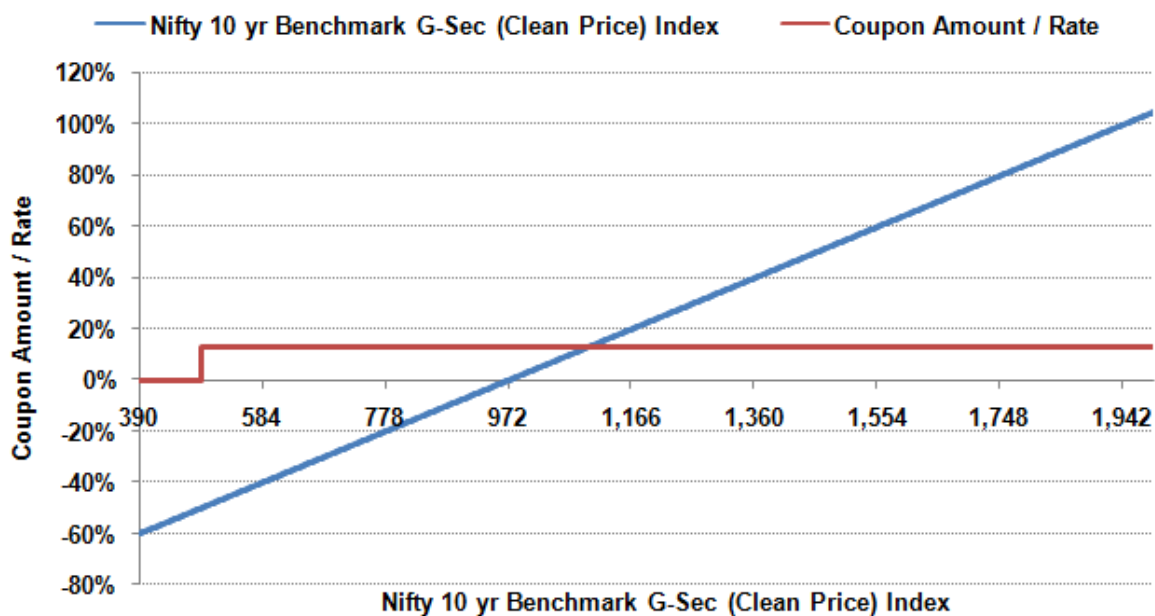
Scenario Analysis for the Type VI Debentures

The scenario analysis set out below is an illustrative representation of the returns on the Debentures in the following scenarios. (Assuming Initial level of the Reference Index is 972)

A. Tabular Representation

Scenarios	Initial Level	Final Level	Performance of Reference Index	Coupon Amount / Rate	Initial Investment Amount (in INR)	Redemption Amount (in INR)	Return on Debenture (Annualized)
Rising Market Conditions	972	1,215	25.00%	12.57%	10,000,000	11,257,000	8.22%
	972	1,166	20.00%	12.57%	10,000,000	11,257,000	8.22%
	972	1,118	15.00%	12.57%	10,000,000	11,257,000	8.22%
Stable Market Conditions	972	1,021	5.00%	12.57%	10,000,000	11,257,000	8.22%
	972	972	0.00%	12.57%	10,000,000	11,257,000	8.22%
	972	875	-10.00%	12.57%	10,000,000	11,257,000	8.22%
Falling Market Conditions	972	729	-25.00%	12.57%	10,000,000	11,257,000	8.22%
	972	583	-40.00%	12.57%	10,000,000	11,257,000	8.22%
	972	389	-60.00%	0.00%	10,000,000	10,000,000	Nil

B. Graphical Representation



NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes.

NOTE: This scenario analysis is being provided for illustrative purposes only. It does not represent all possible outcomes. **DISCLOSURES AND INFORMATION RELATING TO THE REFERENCE UNDERLYING(S)**

TERMS AND CONDITIONS RELATING TO THE REFERENCE INDEX(ICES)

Applicable for the Type of Debentures as specified in the Summary Term Sheet which are “Reference Index Linked”

The information contained herein with respect to the Reference Index is of limited scope and consists only of extracts from, or summaries of, documents, or information or data which are publicly available and have been assumed to be reliable. However, this information is provided to prospective investors for their convenience only. The Company accepts no responsibility for the accuracy or completeness of the information concerning the Reference Index or for the occurrence of any event which would affect the accuracy or completeness of such information. In deciding whether to subscribe to the Debentures, prospective investors should form their own view of the merits of investing in the Debentures based upon their own investigation, including consultation with their own professional advisers as they may consider appropriate, and not in reliance upon the information herein.

1. NIFTY 50 INDEX

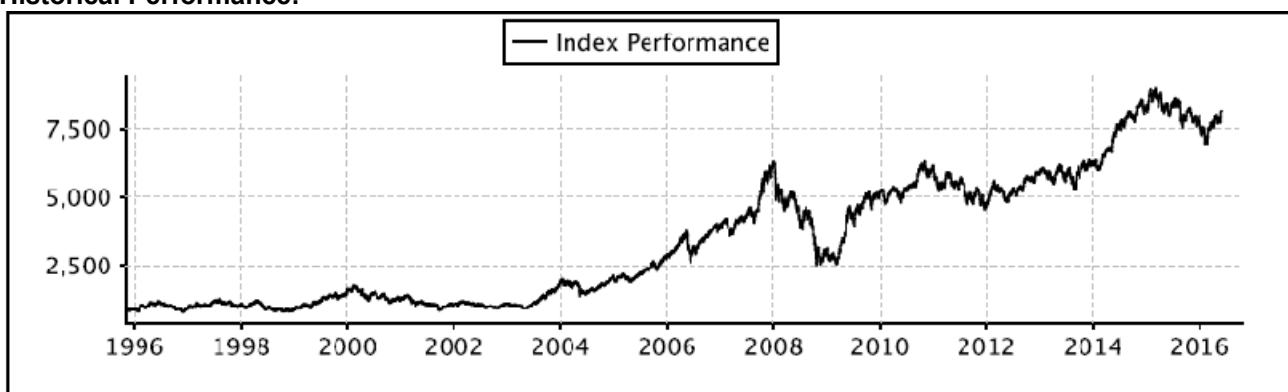
The Nifty 50 is a well diversified 50 stock index accounting for 13 sectors of the economy. It is used for a variety of purposes such as benchmarking fund portfolios, index based derivatives and index funds.

Nifty 50 is owned and managed by India Index Services and Products Ltd. (IISL). IISL is India's first specialised company focused upon the index as a core product.

- The Nifty 50 Index represents about 65% of the free float market capitalization of the stocks listed on NSE as on March 31, 2016.
- The total traded value for the last six months ending March 2016 of all index constituents is approximately 46% of of the traded value of all stocks on the NSE.
- Impact cost of the Nifty 50 for a portfolio size of Rs.50 lakhs is 0.04% for the month March 2016.
- Nifty 50 is professionally maintained and is ideal for derivatives trading.

From June 26, 2009, Nifty 50 is computed based on free float methodology.

Historical Performance:



Source: www.nseindia.com

Disclaimer by the Sponsor

The Debentures are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL"). IISL does not make any representation or warranty, express or implied, to the owners of the Debentures or any member of the public regarding the advisability of investing in securities generally or in the Debentures particularly or the ability of the Nifty 50 Index to track general stock market performance in India. The relationship of IISL to the Issuer is only in respect of the licensing of the Indices and certain trademarks

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and trade names associated with such Indices which is determined, composed and calculated by IISL without regard to the Issuer or the Debentures. IISL does not have any obligation to take the needs of the Issuer or the owners of the Debentures into consideration in determining, composing or calculating the Nifty 50 Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Debentures to be issued or in the determination or calculation of the equation by which the Debentures is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Debentures.

IISL do not guarantee the accuracy and/or the completeness of the Nifty 50 Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the Debentures, or any other person or entity from the use of the Nifty 50 Index or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

An investor, by subscribing or purchasing an interest in the Debentures, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.

2. NIFTY BANK INDEX

Nifty Bank Index is an index comprised of the most liquid and large capitalised Indian Banking stocks. It provides investors and market intermediaries with a benchmark that captures the capital market performance of Indian Banks. The index has 12 stocks from the banking sector which trade on the National Stock Exchange.

Nifty Bank Index is computed using free float market capitalization method with base date of Jan 1, 2000 indexed to base value of 1000, wherein the level of the index reflects total free float market value of all the stocks in the index relative to a particular base market capitalization value. The method also takes into account constituent changes in the index and importantly corporate actions such as stock splits, rights, new issue of shares etc. without affecting the index

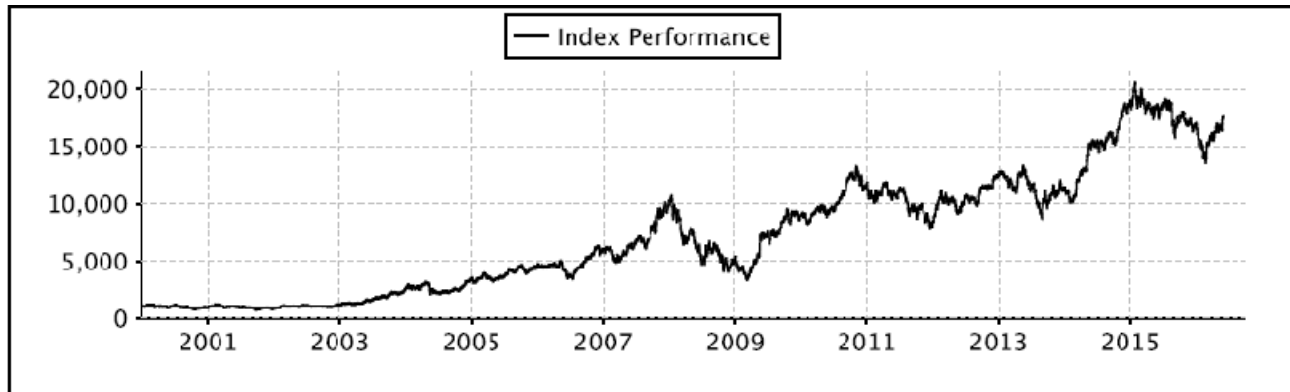
Market Representation

- The Nifty Bank Index represent about 15.6% of the free float market capitalization of the stocks listed on NSE and 93.3% of the free float market capitalization of the stocks forming part of the Banking sector universe as on March 31, 2016.
- The total traded value for the last six months ending March 2016 of all the Index constituents is approximately 12.5% of the traded value of all stocks on the NSE and 88.1% of the traded value of the stocks forming part of the Banking sector universe.

Eligibility Criteria for selection of Constituent Stocks:

- Companies must rank within top 800 based on both average daily turnover and average daily full market capitalisation for the last six months.
- Companies should form part of the Banking sector
- The company's trading frequency should be at least 90% in the last six months
- The company should have a listing history of 6 months. A company which comes out with a IPO will be eligible for inclusion in the index, if it fulfils the normal eligibility criteria for the index for a 3 month period instead of a 6 month period.
- Companies that are allowed to trade in F&O segment are only eligible to be constituent of the index.
- Final selection of 12 companies shall be done based on the free-float market capitalisation of the companies.

Historical Performance:



Source: www.nseindia.com

Disclaimer by the Sponsor

The Debentures are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL"). IISL does not make any representation or warranty, express or implied, to the owners of the Debentures or any member of the public regarding the advisability of investing in securities generally or in the Debentures particularly or the ability of the Nifty Bank Index to track general stock market performance in India. The relationship of IISL to the Issuer is only in respect of the licensing of the Indices and certain trademarks and trade names associated with such Indices which is determined, composed and calculated by IISL without regard to the Issuer or the Debentures. IISL does not have any obligation to take the needs of the Issuer or the owners of the Debentures into consideration in determining, composing or calculating the Nifty Bank Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Debentures to be issued or in the determination or calculation of the equation by which the Debentures is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Debentures.

IISL do not guarantee the accuracy and/or the completeness of the Nifty Bank Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the Debentures, or any other person or entity from the use of the Nifty Bank Index or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

An investor, by subscribing or purchasing an interest in the Debentures, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it

3. RELIANCE 24 KARAT INDEX

The Reliance 24 Karat Index tracks the performance of investment products which reference gold. CRISIL Limited has been appointed as the calculation agent for this index ("Index Calculation Agent"). The value of the Reference Index is derived from the Rupee denominated landed price of one gram of gold having a fineness of 995.0 parts per thousand (adjusted for charges) and its inception date is 01st January 2012.

Historical performance:



Source: Reliance Securities Limited

Disclaimer by the Index Calculation Agent

CRISIL Limited (“**CRISIL**”) has been appointed as the calculation agent for the Reliance 24 Karat Index. CRISIL is a global analytical company providing ratings, research, and risk and policy advisory services.

CRISIL has taken due care and caution in compilation of data. Information has been obtained by CRISIL from sources it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of the information and is not responsible for any errors or omissions or for the results obtained from the use of such information. This output is not a recommendation to invest / disinvest in any company covered in the mandate. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL’s Ratings Division / CRISIL Risk and Infrastructure Solutions Limited (CRIS), which may, in their regular operations, obtain information of a confidential nature. Calculations made herein, are that of CRISIL Research and not of CRISIL’s Ratings Division / CRIS. CRISIL especially states that it has no financial liability whatsoever to the subscribers/ users/ transmitters/ distributors of this bulletin.

Disclaimer by the Sponsor

All information provided by RSL in relation to the Reference Index is impersonal and not tailored to the needs of any person, entity or group of persons. RSL makes no assurance that the Debentures based on the indices will accurately track index performance or provide positive investment returns. RSL is not an investment advisory, and RSL makes no representation regarding the advisability of investing in any instrument/security that may be benchmarked to these indices. A decision to invest in any such instrument/security should not be made in reliance on any of the statements set forth in the respective offer documents and should be based on independent research and informed decision. Prospective investors in such instrument/security are advised to carefully consider the risks associated with investing in such Debentures. Inclusion of a security within an index is not a recommendation by RSL to buy, sell, or hold such security, nor is it considered to be investment advice.

Past performance of the Reference Index is not a guarantee of any future results. The returns shown by Issuer or the Debentures which are linked to the Reference Index do not represent the results of actual trading of the underlying assets/securities. RSL maintains the Reference Index and may appoint an independent calculation agent(s) for calculating the value and performance of the Reference Index. RSL does

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not manage either such underlying assets/securities or such debentures.

RSL does not track or monitor the performance/returns on any instrument/security, the returns/yield of which are based on/linked to the Reference Index.

4. NIFTY 10 YR BENCHMARK G-SEC (CLEAN PRICE) INDEX

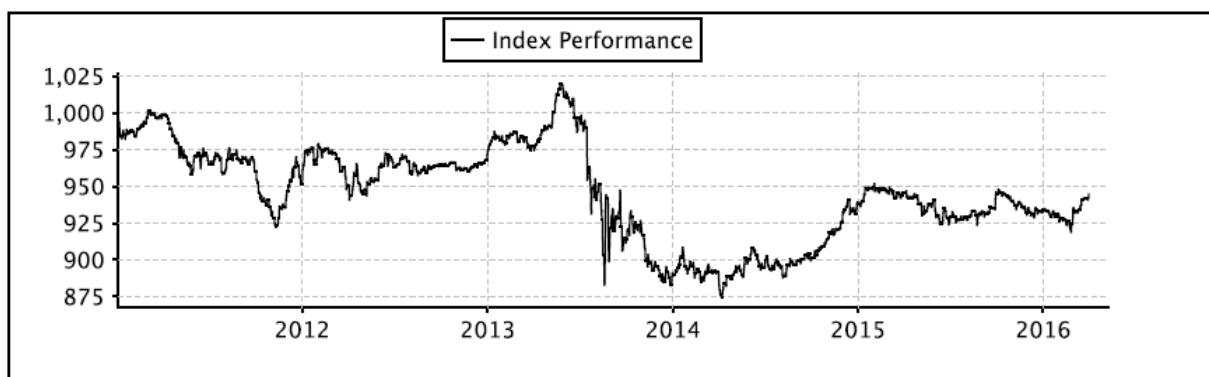
The Nifty 10 yr Benchmark G-Sec (Clean Price) Index is constructed using the clean price of 10 year bond issued by the Central Government, India. This index will provide a measure of price movement of a 10 year benchmark bond on the basis of clean price only. Accrued Interest and coupon payments are not considered for index calculations.

The index has a base date of Jan 03, 2011 and base value of 1000.

Methodology:

- The Index tracks only one single 10 year on the run GSEC Bond identified as benchmark by FIMMDA
- The index is computed using a clean price return methodology
- The index values will be published at end of the day
- The FIMMDA prices are used for valuation of the bond

Historical Performance:



Source: www.nseindia.com

Disclaimer by the Sponsor

The Debentures are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL"). IISL does not make any representation or warranty, express or implied, to the owners of the Debentures or any member of the public regarding the advisability of investing in securities generally or in the Debentures particularly or the ability of the Nifty 10 yr Benchmark G-Sec (Clean Price) Index to track general stock market performance in India. The relationship of IISL to the Issuer is only in respect of the licensing of the Indices and certain trademarks and trade names associated with such Indices which is determined, composed and calculated by IISL without regard to the Issuer or the Debentures. IISL does not have any obligation to take the needs of the Issuer or the owners of the Debentures into consideration in determining, composing or calculating the Nifty 10 yr Benchmark G-Sec (Clean Price) Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Debentures to be issued or in the determination or calculation of the equation by which the Debentures is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Debentures. IISL do not guarantee the accuracy and/or the completeness of the Nifty 10 yr Benchmark G-Sec (Clean Price) Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the Debentures, or any other person or entity from the use of the Nifty 10 yr Benchmark G-Sec (Clean Price) Index or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the

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possibility of such damages.

An investor, by subscribing or purchasing an interest in the Debentures, will be regarded as having acknowledged, understood and accepted the disclaimer referred to in Clauses above and will be bound by it.

1. DEFINITIONS

1.1 “Additional Disruption Event” means, in respect of the Reference Index, any of Change in Law, Hedging Disruption or Increased Cost of Hedging.

1.2 “Change in Law” means that, on or after the Deemed Date of Allotment (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Company determines in its sole and absolute discretion that (i) it has become illegal for it or any of its affiliates or agents acting on its behalf to hold, acquire or dispose of any Component Asset, or (ii) the Company will incur a materially increased cost in performing its obligations in relation to the Debentures (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Company and/or any of its affiliates or agents acting on its behalf)

1.3 “Component Asset” means,

a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, any security comprised within the Reference Index from time to time.

or

b) in respect of Type of Debentures where the Reference Index is the Reliance 24 Karat Index, gold having a fineness of 995.0 parts per thousand and constituting the Reference Index as determined by the Index Calculation Agent at its sole and absolute discretion.

1.4 “Disrupted Day” means, any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

1.5 “Early Closure” means, the closure on an Exchange Business Day of the Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Valuation Time on such Exchange Business Day.

1.6 “Exchange” means,

a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, the NSE Limited, any successor to such exchange or any substitute exchange or quotation system to which trading in such shares underlying such Reference Index has temporarily relocated (provided that the Issuer has determined that there is comparable liquidity relative to such shares underlying such Reference Index on such temporary substitute exchange or quotation system as on the original Exchange).

b) in respect of Type of Debentures where the Reference Index is the Reliance 24 Karat Index, the BSE Limited, and any successor to such exchange.

1.7 “Exchange Business Day” means, any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding such Exchange closing prior to its Scheduled Closing Time.

1.8 “Exchange Disruption” means, any event (other than an Early Closure) that (i) disrupts or impairs (as determined by the Company) the ability of market participants in general to obtain market values for, the Reference Index on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Reference Index on any relevant Exchange.

1.9 “Hedging Disruption” means that if at any time the Issuer is unable to obtain a “value of Reference Index based on an actual executed price of the constituent of such index”, whether by virtue of its inability to unwind any relevant hedge position, prevailing market conditions or such other events

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and/or circumstances which are beyond the control of the Issuer, then the Company shall reasonably determine the “value of Reference Index” to be applied in such circumstances; or redeem the Debentures in full (but not in part only) at their fair market value minus associated costs by giving notice to Debentures Holders.

1.10 “Increased Cost of Hedging” means that the Company and/or any of its affiliates or agents acting on its behalf would incur a materially increased (as compared with circumstances existing on the Initial Valuation Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Company issuing and performing its obligations with respect to the Debentures, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s); provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Company and/or any of its affiliates or agents acting on its behalf shall not be deemed an Increased Cost of Hedging.

1.11 “Market Disruption Event” means, in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Company determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purpose of determining whether a Market Disruption Event exists in relation to the Reference Index at any time, if a Market Disruption Event occurs in respect of a security included in the Reference Index at any time, then the relevant percentage contribution of that security to the level of the Reference Index shall be based on a comparison of (a) the portion of the level of the Reference Index attributable to that security and (b) the overall level of the Reference Index, in each case immediately before the occurrence of such Market Disruption Event. The Company shall, as soon as reasonably practicable, notify the Debenture holder of the existence or occurrence of a Disrupted Day on any day that but for the occurrence or existence of a Disrupted Day would have been a Observation Date;

1.12 “Observation Date” shall mean each Date as specified in the Summary Term Sheet above, provided that if such day is not a Scheduled Trading Day then, as per Modified Following Business Day Convention or if the day which would otherwise be the Observation Date, is a Disrupted Day, then the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Observation Date is a Disrupted Day. In that case (a) that the eighth Scheduled Trading Day shall be deemed to be the relevant Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (b) the Company shall determine the level of the Reference Index as of the Observation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Reference Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Observation Time on that eighth Scheduled Trading Day of each security comprising the Reference Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); provided always that the final Observation Date will not be later than the eighth Business Day after the Final Valuation Date and if the eighth Scheduled Trading Day would be later than the eighth Business Day after the Final Valuation Date, references to the eighth Scheduled Trading Day shall be deemed to be the eighth Business Day after the Final Valuation Date.

1.13 “Observation Time” means any time within normal business hours;

1.14 “Official Closing Level” means (subject to what is provided below in reference to Adjustments to the Reference Index), the official closing level of the Reference Index of a given day as published by the National Stock Exchange;

1.15 “Scheduled Closing Time” means,

a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, in respect of the Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;

or

b) in respect of Type of Debentures where the Reference Index is the Reliance 24 Karat Index, the

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scheduled weekday closing time for the purpose of determining the value of the Reference Index as on such day;

1.16 “Scheduled Trading Day” means any weekday on which the Exchange is scheduled to be open for trading for their respective regular trading sessions (other than special trading sessions);

1.17 “Sponsor” means,

- a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, IISL
or
- b) in respect of Type of Debentures where the Reference Index is the Reliance 24 Karat Index, RSL

1.18 “Trading Disruption” means, in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, any suspension of or limitation imposed on trading by the relevant Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or otherwise (i) on the Exchange relating to the relevant share that comprise 20.00% or more level of the Reference Index or (ii) in futures or options contracts relating to the Reference Index on any relevant Exchange;

1.19 “Valuation Time” means the Scheduled Closing Time on the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

2. ADJUSTMENTS TO THE REFERENCE INDEX

If the Reference Index:

- (a) is not calculated and published by the Sponsor but is calculated and published by a successor to the Sponsor acceptable to the Company; or
- (b) is replaced by a successor index using, in the determination of the Sponsor, the same or a substantially similar formula for and method of calculating the Reference Index, then in each case that index (the **Successor Reference Index**) will be deemed to be the Reference Index.

If:

- (a) on or prior to any Observation Date or any other relevant date, the Sponsor announces that it will make a material change in the formula for or the method of calculating the Reference Index or in any other way materially modifies the Reference Index (other than a modification prescribed in that formula or method to maintain the Reference Index in the event of changes in constituent stock and capitalisation and other routine events) (a **“Reference Index Modification”**); or
- (b) on a Observation Date, the Sponsor fails to calculate and announce the Reference Index (a **“Reference Index Disruption”**) and, together with a Reference Index Modification and a Reference Index Cancellation each a **“Reference Index Adjustment Index”**),

then the Company shall, in its the sole and absolute discretion, determine if such Reference Index Adjustment Event has a material effect on the Debentures and, if so, the Company will in good faith calculate the Official Closing Level using, in lieu of a published level for the Reference Index, the level for the Reference Index as at the Valuation Time on the relevant Observation Date in accordance with the formula for and method of calculating the Reference Index last in effect prior to that change, failure or cancellation but using only the Component Asset that comprised the Reference Index immediately prior to that Reference Index Adjustment Event.

If the level of the Reference Index in relation to a Observation Date used or to be used to determine the Final Redemption Amount is subsequently corrected and such correction is published by the Sponsor no later than the second Business Day prior to the Final Maturity Date, then the level of the Reference Index for that Observation Date shall be the level of the Reference Index as so corrected.

If, on or prior to any Observation Date, the Sponsor permanently cancels the Reference Index and no Successor Reference Index exists (a **“Reference Index Cancellation”**), this shall constitute an Early Redemption Event for Extraordinary Reason as referred to in the Terms and Conditions above and

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accordingly consequent early redemption of the Debentures by the Company if so elected for by the Company.

3. ADDITIONAL DISRUPTION EVENTS

- 3.1** If an Additional Disruption Event occurs, the Company in its sole and absolute discretion may either:
- (i) determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Debentures to account for the Additional Disruption Event and determine the effective date of that adjustment; or
 - (ii) redeem the Debentures in full (but not in part only) at their fair market value minus associated costs by giving notice to Debentures holders.
- 3.2** Upon the occurrence of an Additional Disruption Event, the Company shall give notice as soon as practicable to the Debenture Holders stating the occurrence of the Additional Disruption Event, giving details thereof and the action proposed to be taken in relation thereto, provided that any failure to give, or non-receipt of, such notice will not affect the validity of the Additional Disruption Event.

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TERMS AND CONDITIONS RELATING TO THE REFERENCE INTEREST RATE FUTURES

Applicable for the Type of Debentures as specified in the Summary Term Sheet which are "Reference Interest Rate Linked"

No review of the Reference Interest Rate Futures has been made for the purposes of forming a view as to the merits of an investment linked to the Reference Interest Rate Futures. Nor is any guarantee or express or implied warranty in respect of the selection of the Reference Interest Rate Futures made nor is any assurance or guarantee as to the performance of the Interest Rate Futures given. Investors should not conclude that the sale by the Issuer is any form of investment recommendation by it or any of its affiliates, or agents acting on any of their behalf.

The Issuer accepts no responsibility for the accurate extraction, reproduction and summary of any information relating to Reference Interest Rate Futures. No further or other responsibility in respect of such information is accepted by the Issuer.

Purchasers of the Debentures should ensure that they understand the nature of the Debentures and the fact that the performance of the Reference Interest Rate Futures will affect the nature and value of the investment return on the Debentures. Also a relatively small movement in the value of the Reference Interest Rate Futures can result in a disproportionately large movement in the price of the Debentures. Purchasers should conduct their own investigations and, in deciding whether or not to purchase Debentures, purchasers of the Debentures should form their own views of the merits of an investment related to the Reference Interest Rate Futures based on such investigations and not in reliance on any information given in this Information Memorandum.

1. DEFINITIONS

1.1 Business Day means any day on which scheduled commercial banks are open for business in Mumbai and shall also include any Exchange Business Day as defined hereinafter;

1.2 Disrupted Day means any Scheduled Trading Day on which the NSE fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;

1.3 Early Closure means, in respect of Interest Rate Futures, the closure on an Exchange Business Day of the Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Valuation Time on such Exchange Business Day;

1.4 Early Redemption Amount means the amount payable by the Issuer to the Debenture Holder on an Early Redemption Date. This amount will be the fair value of the Debentures on such Early Redemption Date.

1.5 Exchange means, in respect of Interest Rate Futures, the National Stock Exchange or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Interest Rate Futures has temporarily relocated (provided that there is comparable liquidity relative to such Interest Rate Futures on such temporary substitute exchange or quotation system as on the original Exchange);

1.6 Exchange Business Day means any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding such Exchange closing prior to its Scheduled Closing Time;

1.7 Exchange Disruption means, in respect of Interest Rate Futures, any event (other than an Early Closure) that disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values;

1.8 Market Disruption Event means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption at any time during the one hour period that ends at the

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Valuation/Observation Time, (ii) an Exchange Disruption at any time during the one hour period that ends at the Valuation/Observation Time or (iii) an Early Closure, which in either case is material. For the avoidance of doubt, a limitation on the hours and number of days of trading resulting from a change in the regular business hours of the Exchange will not constitute a Market Disruption Event; The Company shall, as soon as reasonably practicable, notify the Debenture Holders of the existence or occurrence of a Disrupted Day on any day that but for the occurrence or existence of a Disrupted Day would have been an Observation Date;

1.9 Observation Dates shall mean each Date as specified in the Summary Term Sheet above, provided that if such day is not a Scheduled Trading Day then, as per Modified Following Business Day Convention or if the day which would otherwise be the Observation Date, is a Disrupted Day, then the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Observation Date is a Disrupted Day. In that case (a) that the eighth Scheduled Trading Day shall be deemed to be the relevant Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (b) the Company shall determine the level of the Reference Interest Rate Future as of the Observation Time on that eighth Scheduled Trading Day last in effect prior to the occurrence of the first Disrupted Day using the quoted price as of the Observation Time on that eighth Scheduled Trading Day of the Reference Interest Rate Future (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); provided always that the final Observation Date will not be later than the eighth Business Day after the Final Valuation Date and if the eighth Scheduled Trading Day would be later than the eighth Business Day after the Final Valuation Date, references to the eighth Scheduled Trading Day shall be deemed to be the eighth Business Day after the Final Valuation Date.

1.10 Observation Time means Scheduled Closing Time on an Observation Date;

1.11 Scheduled Closing Time means, in respect of the Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after-hours or any other trading outside of the regular trading session hours;

1.12 Scheduled Trading Day means, in respect of Interest Rate Futures, any day on which the relevant Exchange is scheduled to be open for trading for its respective regular trading sessions;

1.13 Trading Disruption means, in respect of Interest Rate Futures, any suspension of or limitation imposed on trading by the Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange.

1.14 Valuation Time means, the Scheduled Closing Time on the relevant Exchange. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

2. DETERMINATIONS

Whenever any matter falls to be determined, considered or otherwise decided upon by the Issuer, or any other person (including where a matter is to be decided by reference to the Issuer's, or such other person's opinion), unless otherwise stated, that matter shall be determined, considered or otherwise decided upon by the Issuer or such other person, as the case may be, in good faith and in its sole and absolute discretion.

3. CORRECTION OF LEVELS

In the event that any price or level published on the Exchange or Related Exchange and which is utilised for any calculation or determination made in respect of the Debentures is subsequently corrected and the correction is published by the Exchange or Related Exchange within two Business Days after the original publication (and at least two Business Days prior to the Maturity Date), the Issuer will determine the amount that is payable or deliverable as a result of the correction and, to the extent necessary, adjust the terms of the Debentures to account for such correction.

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TERMS AND CONDITIONS RELATING TO THE REFERENCE STOCKS

Applicable for the Type of Debentures as specified in the Summary Term Sheet which are “Reference Stock Linked”

No review of the Reference Stocks or the Stocks Issuers, including without limitation, any public filings made by the Stock Issuers have been made for the purposes of forming a view as to the merits of an investment linked to the Reference Stocks. Nor is any guarantee or express or implied warranty in respect of the selection of the Reference Stocks made nor is any assurance or guarantee as to the performance of the Reference Stocks given. Investors should not conclude that the sale by the Issuer is any form of investment recommendation by it or any of its affiliates, or agents acting on any of their behalf.

The Issuer accepts no responsibility for the accurate extraction, reproduction and summary of any information relating to Reference Stocks. No further or other responsibility in respect of such information is accepted by the Issuer.

Purchasers of the Debentures should ensure that they understand the nature of the Debentures and the fact that the performance of the Reference Stock will affect the nature and value of the investment return on the Debentures. Also a relatively small movement in the value of the Reference Stock can result in a disproportionately large movement in the price of the Debentures. Purchasers should conduct their own investigations and, in deciding whether or not to purchase Debentures, purchasers of the Debentures should form their own views of the merits of an investment related to the Reference Stock based on such investigations and not in reliance on any information given in this Information Memorandum.

1. DEFINITIONS

- 1.13 Business Day** means any day on which scheduled commercial banks are open for business in Mumbai and shall also include any Exchange Business Day as defined hereinafter;
- 1.14 De-listing** has the meaning given to it in Clause 3;
- 1.15 Disrupted Day** means any Scheduled Trading Day on which the NSE fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;
- 1.16 Early Closure** means, in respect of a Stock, the closure on an Exchange Business Day of the Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Valuation Time on such Exchange Business Day;
- 1.17 Early Redemption Amount** means the amount payable by the Issuer to the Debenture Holder on an Early Redemption Date. This amount will be the fair value of the Debentures on such Early Redemption Date.
- 1.18 Exchange** means, in respect of a Stock, the National Stock Exchange or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Stocks has temporarily relocated (provided that there is comparable liquidity relative to such Stock on such temporary substitute exchange or quotation system as on the original Exchange);
- 1.19 Exchange Business Day** means any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding such Exchange closing prior to its Scheduled Closing Time;
- 1.20 Exchange Disruption** means, in respect of a Stock, any event (other than an Early Closure) that disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for, (i) the Stock on the Exchange, or (ii) futures or options relating to the Stock on the relevant Exchange;

1.21 Extraordinary Dividend means, in respect of a Stock, an amount per Stock paid as dividend for a particular reason, and not paid in regular course of time;

1.22 Market Disruption Event means, in respect of a Stock, the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption at any time during the one hour period that ends at the Valuation/Observation Time, (ii) an Exchange Disruption at any time during the one hour period that ends at the Valuation/Observation Time or (iii) an Early Closure, which in either case is material. For the avoidance of doubt, a limitation on the hours and number of days of trading resulting from a change in the regular business hours of the Exchange will not constitute a Market Disruption Event; The Company shall, as soon as reasonably practicable, notify the Debenture Holders of the existence or occurrence of a Disrupted Day on any day that but for the occurrence or existence of a Disrupted Day would have been an Observation Date;

1.23 Merger Date means, in respect of a Merger Event of a Stock Issuer, the closing date of such Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Company;

1.24 Merger Event means, in respect of the Stock, any (i) reclassification or change of the Stock that results in a transfer of or an irrevocable commitment to transfer the Stock outstanding, to another entity or person, (ii) consolidation, amalgamation, merger or binding Stock exchange of the Stock Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding Stock exchange in which the Stock Issuer is the continuing entity and which does not result in reclassification or change of all of the Stock outstanding) or (iii) consolidation, amalgamation, merger or binding Stock exchange of the relevant Stock Issuer or its subsidiaries with or into another entity in which such Stock Issuer is the continuing entity and which does not result in a reclassification or change of all such Reference Stocks outstanding but results in the outstanding Stocks (other than Stocks owned or controlled by such other entity) immediately prior to such event collectively representing less than such percentage of the outstanding Stocks immediately following such event (a “**Reverse Merger**”), in each case if the Merger Date is on or before the relevant Valuation Date.

1.25 Observation Date shall mean each Date as specified in the Summary Term Sheet above, provided that if such day is not a Scheduled Trading Day then, as per Modified Following Business Day Convention or if the day which would otherwise be the Observation Date, is a Disrupted Day, then the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Observation Date is a Disrupted Day. In that case (a) that the eighth Scheduled Trading Day shall be deemed to be the relevant Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (b) the Company shall determine the level of the Reference Stocks as of the Observation Time on that eighth Scheduled Trading Day last in effect prior to the occurrence of the first Disrupted Day using the quoted price as of the Observation Time on that eighth Scheduled Trading Day of the Reference Stocks (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); provided always that the final Observation Date will not be later than the eighth Business Day after the Final Valuation Date and if the eighth Scheduled Trading Day would be later than the eighth Business Day after the Final Valuation Date, references to the eighth Scheduled Trading Day shall be deemed to be the eighth Business Day after the Final Valuation Date.

1.26 Observation Time means Scheduled Closing Time on an Observation Date;

1.27 Potential Adjustment Event has the meaning given to it in paragraph 2.1.

1.28 Scheduled Closing Time means, in respect of the Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after-hours or any other trading outside of the regular trading session hours;

1.29 Scheduled Trading Day means, in respect of a Stock, any day on which the relevant Exchange is scheduled to be open for trading for its respective regular trading sessions;

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1.30 Reference Stock/ Stock shall mean and include each Stock as specified in table for Terms and Conditions of Debentures above.

1.31 Tender Offer means, in respect of any Stock, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, such percentage of the outstanding voting Stocks of the relevant Stock Issuer which requires a public announcement to be made of such acquisition under the SEBI (Substantial Acquisition of Stocks and Takeovers) Regulations, 2011, based upon the making of filings with governmental or self-regulatory agencies or such relevant other information;

1.32 Tender Offer Date means, in respect of a Tender Offer, the date on which the percentage of voting Stocks are actually purchased or otherwise obtained;

1.33 Trading Disruption means, in respect of a Stock, any suspension of or limitation imposed on trading by the Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or otherwise: (i) relating to the Stock on the Exchange or (ii) in futures or options contracts relating to the Stock on the Exchange;

1.34 Valuation Time means, the Scheduled Closing Time on the relevant Exchange. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

2. ADJUSTMENTS TO THE STOCKS

2.1 Event requiring Adjustments

- (a) The occurrence of a **Merger Event, Tender Offer, Realisation Disruption Event** and **Potential Adjustment Event** (as defined hereinafter) shall each constitute an Adjustment Event:
- (b) For the purposes of this Information Memorandum, **Potential Adjustment Event**, shall mean, with respect to the Stock, any of the following:
- (i) a subdivision, consolidation or reclassification of the Stock (unless resulting in a Merger Event), or a free distribution or dividend of the Stock to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a distribution, issue or dividend to existing holders of the Stock of (1) such Stock or (2) other Stock capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of such Stock Issuer equally or proportionately with such payments to holders of such Stock, or (3) Stock capital or other securities of another issuer acquired or owned (directly or indirectly) by such Stock Issuer as a result of a spin-off or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price;
- (c) An Extraordinary Dividend;
- (d) A call by the Stock Issuer in respect of Stocks that are not fully paid;
- (e) A repurchase by the Stock Issuer or any of its subsidiaries of its Stocks whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (f) An event that results in any Stockholder rights being distributed or becoming separated from Stocks of common stock or other Stocks of the capital stock of the Stock Issuer pursuant to a Stockholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) Any other event that may have a diluting or concentrating effect on the theoretical value of the relevant Stock.

- (h) **"Realisation Disruption Event"** shall have occurred if any restrictions, taxes, charges or other deductions have been imposed by any applicable governmental, taxation, judicial or regulatory body on (a) any dealing by the Issuer or any of its affiliates in any relevant instruments listed or traded on any Exchange or Related Exchange and held by the Issuer or any of its affiliates for hedging purposes such that the Issuer or any of its affiliates (1) is unable to continue to purchase, sell or otherwise deal in relevant instruments, (2) is unable to perform its obligations under the Debenture or in respect of any relevant hedging arrangements in connection therewith or (3) will incur a materially increased cost (as compared with circumstances existing at the Issue Opening Date) in performing its obligations under the Debenture or in respect of any relevant hedging arrangements in connection therewith;
- (i) **"Nationalisation"** or **"De-listing Event"** shall have occurred if at any time in respect of the Stock Issuer, (A) all the Stocks of the Stock Issuer or all the assets or substantially all the assets of such Stock Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof (**"Nationalisation"**) or (B) the relevant Exchange announces that pursuant to the rules of such Exchange, such Stocks cease (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in India or such Stocks are no longer listed on an Exchange acceptable to the Issuer (**"De-listing"**);
- (j) **"Insolvency Event"** shall have occurred if at any time, by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or analogous proceeding affecting the Stock Issuer (i) all the Stocks of the Stock Issuer are required to be transferred to any trustee, liquidator or other similar official or (ii) holders of the Stocks of such Stock Issuer become legally prohibited from transferring them;
- (k) **"Insolvency Filing Event"** shall have occurred if an Insolvency Filing shall have occurred. **"Insolvency Filing"** means, in respect of the Stock, that the Stock Issuer has instituted, or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or its consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the relevant Stock Issuer shall not be deemed an insolvency filing.

2.2 Adjustment

On or at any time after the occurrence of an Adjustment Event,

- (a) upon determination by the Company that a Merger Event/Tender Offer has occurred, then, on or after the relevant Merger Date/Tender Offer Date, the Company shall make such adjustment to the relevant terms of the Debentures which is appropriate to account for the economic effect on the Debentures of such Merger Event/Tender offer (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Stock), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event/Tender offer by any exchange on which options on the Stock traded and determine the effective date of that adjustment.
- (b) if the Adjustment Event is a Potential Adjustment Event, then following the declaration by any Stock Issuer of an event which is a Potential Adjustment Event or following any adjustment to the settlement terms of listed contracts of the relevant Stock, the Company shall determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Stock and, if so,
 - a. will make the corresponding adjustment, if any, to the calculation of the Coupon Amount and/or the Final Redemption Amount and/or the Contingent

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Early Redemption Amount and/or any other relevant terms of the Debentures as the Company, in its sole and absolute discretion (which discretion is not subject to any challenge or dispute), appropriate to account for that diluting or concentrative effect or,

- b. determine the effective date(s) of the adjustment(s); provided that no adjustment shall be made to the date of maturity of the Debentures. Such adjustments shall be deemed to be so made from such effective date(s).
- (c) if the Adjustment Event is a Realisation Disruption Event, on or before any Valuation Date, the Company may, in good faith and in a commercially reasonable manner, make such consequential adjustments to any of the terms of the Debentures (including any payment obligations) as it determines appropriate in order to reflect the particular Realisation Disruption Event. Such adjustments may include (but are not limited to) (1) deduction of the applicable charge, tax or deduction from the Redemption Amount or Early Redemption Amount, as the case may be, and/or (2) non-payment of the Redemption Amount or Early Redemption Amount and the retention of such amount, as the case may be, until the relevant restrictions are lifted. Any such adjustments will be effective as of the date determined by the Company.

2.3 The Company may (but need not) in its absolute discretion determine the appropriate adjustments by reference to the adjustment(s) in respect of such Adjustment Event made by any Exchange to listed contracts of the relevant Stock traded on such Exchange.

2.4 If the Company is unable to make such adjustment, then this shall constitute an Early Redemption Event for Extraordinary Reason as referred to in the Terms and Conditions above and accordingly consequent early redemption of the Debentures by the Company if so elected for by the Company.

2.5 The Issuer shall, as soon as reasonably practicable, provide notice to the Debenture-Holder and Trustee of any consequential adjustments to be made to the terms of the Debentures as determined appropriate by it which notice shall be irrevocable, provided that any failure to give, or non receipt of such notice will not affect the validity of the Adjustment Event.

3. DETERMINATIONS

Whenever any matter falls to be determined, considered or otherwise decided upon by the Issuer, or any other person (including where a matter is to be decided by reference to the Issuer's, or such other person's opinion), unless otherwise stated, that matter shall be determined, considered or otherwise decided upon by the Issuer or such other person, as the case may be, in good faith and in its sole and absolute discretion.

4. CORRECTION OF STOCK PRICES

In the event that any price or level published on the Exchange or Related Exchange and which is utilised for any calculation or determination made in respect of the Debentures is subsequently corrected and the correction is published by the Exchange or Related Exchange within two Business Days after the original publication (and at least two Business Days prior to the Maturity Date), the Issuer will determine the amount that is payable or deliverable as a result of the correction and, to the extent necessary, adjust the terms of the Debentures to account for such correction.

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CERTAIN IMPORTANT DISCLAIMERS, INCLUDING IN RELATION TO THE REFERENCE UNDERLYINGS

- A. This Information Memorandum in relation to the Debentures is made available by the Issuer to the applicant on the further strict understanding that (i) in providing this Information Memorandum to the applicant, there will be no violation of rules, regulations and byelaws issued by any applicable authority including those issued by the Securities and Exchange Board Of India; (ii) the applicant has sufficient knowledge, experience, and professional advice to make its own evaluation of the merits and risks of a transaction of the type under this Information Memorandum and (iii) the applicant is not relying on the Issuer nor on any of the affiliates of the Issuer for information, advice or recommendations of any sort except for the accuracy of specific factual information about the possible terms of the transaction.

The Issuer is not acting as the advisor or agent of the applicant. This Information Memorandum does not purport to identify for the applicant, the risks (direct or indirect) or other material considerations, which may be associated with the applicant entering into the proposed transaction. Prior to entering into any proposed transaction, the applicant should independently determine, without reliance upon the Issuer or the affiliates of the Issuer, the economic risks and merits, as well as the legal, tax, and accounting characterizations and consequences of the transaction and including that the applicant is able to assume these risks. The Issuer, and/or the affiliates of the Issuer, may act as principal or agent in similar transactions and/or in transactions with respect to instruments underlying a proposed transaction. The Issuer, and/or the affiliates of the Issuer may, from time to time, have a long or short proprietary position/s and/or actively trade, by making markets to its clients, in financial products identical to or economically related to those financial products described in this Information Memorandum. The Issuer may also undertake hedging transactions related to the initiation or termination of a transaction, that may adversely affect the market price, rate, index or other market factors(s) underlying the financial product and consequently its value. The Issuer may have a commercial relationship with and access to information of reference securities, financial products, or other interests underlying a transaction.

This Information Memorandum and the contents herein are the Issuer's property, and are to be considered proprietary information and may not be reproduced or otherwise disseminated in whole or in part without the Issuer's written consent unless required to by judicial or administrative proceeding, and then with prior notice to the Issuer.

Applicants must understand that while the Debentures would be listed, in view of the nature and complexity of the Debentures, marketability may be impacted in a manner that cannot be determined.

Past performance is not indicative of future performance. Investment in the Debentures may be subject to the risk of loss, meaning the allottee may lose some or all of its investment especially where changes in the value of the transaction may be accentuated by leverage. There is a risk that the occurrence of a force majeure or illegality, may result in the loss of part of the investment.

No liability whatsoever is accepted for any loss arising (whether direct or consequential) from any use of the information contained in this communication. The Issuer undertakes no obligation to effect any updates on information. Any prices used herein, other than in relation to final term sheets, are indicative. Any opinions attributed to the Issuer, and/or the affiliates of the Issuer constitute the Issuer's judgment as of the date of the material and are subject to change without notice. Provision of information may cease at any time without reason or notice being given. Commissions and other transaction costs may not have been taken into consideration. Any scenario analysis is provided for illustrative purposes only and does not represent actual termination or unwind prices, nor does it present all possible outcomes or describe all factors that may affect the value of your investment.

The return on the Debentures is dependent on the Reference Index / Reference Stocks / Reference Interest Rate Futures etc. The Company has the authority (i) to determine whether certain specified events and/or matters so specified in the conditions relating to the Debentures have occurred, and (ii) to determine any resulting adjustments and calculations as described in such conditions. Prospective purchasers should be aware that any determination made by the Company may have an impact on the value and financial return of the Debentures

- B. Notwithstanding anything herein contained the Issuer shall not bear responsibility or liability for any losses arising out of any delay in or interruptions of performance of (a) the Sponsor's obligations with regard to the Reference Index(ices), or (b) the relevant Exchange with regard to the price or level of the Reference Stocks or Reference Interest Rate Futures, or (c) the Issuer's obligations under this Information Memorandum due to any Force Majeure Event, act of God, act of governmental authority,

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act of the public enemy or due to war, the outbreak or escalation of hostilities, riot, fire, flood, civil commotion, insurrection, labour difficulty (including, without limitation, any strike, or other work stoppage or slow down), severe or adverse weather conditions, communications line failure, or other similar cause beyond the reasonable control of the Issuer.

“Force Majeure Event” for the purposes of the clause above, means any war, strike, lock-out, national disaster, act of terrorism, an act of Issuer occurring after such obligation is entered into, or such obligation has become illegal or impossible in whole or in part, or any breakdown, failure or malfunction beyond the control of the Issuer of any telecommunication or computer system including, without limitation unavailability of any communication system, systems outages breakdowns, breach or virus in the processes or payment and delivery mechanism, sabotage, fire, flood, explosion, acts of God, civil commotion, strikes or industrial action of any kind, riots, insurrection, acts of government, computer hacking unauthorised access to computer data and storage devices, computer crashes, etc.

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PART B - GENERAL TERMS AND CONDITIONS**I. Issue of Debentures**

The Issuer will issue the Debentures in dematerialised form and has made depository arrangements with NSDL/ CDSL in this respect. The Investors will have to trade the Debentures in dematerialised form and deal with the same as per the provisions of Depositories Act, 1996 and rules notified by NSDL / CDSL from time to time.

Applicants should mention their Depository Participants (DP) name, DP-ID and Beneficiary Account Number in the appropriate place in the Application Form. The Company or the Registrar and Transfer Agent (RTA) shall take necessary steps to credit the Depository Account of the allottee(s) with the amount of Debentures allotted.

The initial credit of the Debentures in the beneficiary account of the Investor will be akin to the Letter of Allotment.

II. Mode of Transfer

The Debentures are being issued in dematerialised form and shall be transferable and transmittable in dematerialised form and to the same extent and be subject to the same restrictions and limitations as in the case of the existing equity shares of the Company. The provisions relating to transfer and transmission and other related matters in respect of equity shares of the Company, contained in the Articles of Association of the Company, shall apply *mutatis mutandis* to the transfer and transmission of the Debentures. Transfer of Debentures would be in accordance with the rules / procedures as prescribed by NSDL / CDSL/ Depository Participant. Nothing provided herein shall prejudice any power of the Company to register as Debenture Holder any person to whom the right to any Debenture of the Company has been transmitted by operation of law.

Transfer of Debentures to and from Non-Resident Indians (“NRI”)/ Overseas Corporate Bodies (“OCBs”) in case they seek to hold the Debentures and are eligible to do so, will be governed by then prevailing guidelines of RBI.

III. Succession

In the event of demise of the sole/first holder of the Debentures, the Company will recognise the executor or administrator of the deceased Debenture Holder, or the holder of succession certificate or other legal representative as having title to the Debentures. The Company shall not be bound to recognise such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognise such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity.

IV. Right to Re-purchase and Re-issue the Debentures

The Company may repurchase the Debentures, in the secondary market, at any time and from time to time prior to the specified date of redemption. In the event of the Debentures being bought back, or redeemed before maturity in any circumstances whatsoever, the Company shall be deemed to have always the right to re-issue the Debentures.

V. Terms of Payment

The full face value of Debenture(s) to be paid along with the Application Form.

The details specific to the issuance will be communicated to the potential investors through the Summary Term Sheet.

VI. Early Redemption for Extraordinary Reason, Illegality and Force Majeure

If, for reasons beyond the control of the Company, the performance of the Company's obligations under the Debentures is prevented by reason of *force majeure* including but not limited to an act of state or situations

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beyond the reasonable control of the Company, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights. The Company may at its discretion and without obligation to do so, redeem and/or arrange for the purchase of all but not some of the Debentures, by giving notice of not less than 5 (five) Business Days to the Debenture Holders which notice shall be irrevocable and shall specify the date upon which the Debentures shall be redeemed (such date on which the Debentures become immediately due and payable, the "Early Redemption Date").

Provided however if the Company believes or is advised that it is necessary to only redeem and/or arrange for the purchase of Debentures held by only certain class of Debenture Holders to overcome or mitigate any such force majeure, then the Company may without obligation to do so, redeem and/or arrange for the purchase of only such number of Debentures actually held by such class of Debenture Holders at the relevant time.

If the Debentures are bought by the Company, the Company will, if and to the extent permitted by applicable law, pay to each Debenture Holder in respect of each Debenture held by such holder an amount equal to the Early Redemption Amount of a Debenture notwithstanding the illegality or impracticability, as determined by the Company in its sole and absolute discretion.

Early Redemption Amount means fair market value minus associated costs.

VII. Premature Exit

At the request of an Investor, the Company shall at its discretion and without being obliged to do so, arrange for the buyback ("Premature Exit") of such number of Debentures as the Investor shall request.

Such Premature Exit shall occur at a price which shall take into consideration the market value of the Debentures, all costs incurred by the Company as a result of the Investor's request to early terminate the relevant number of Debentures (including costs of unwinding any hedge).

See Summary Term Sheet above for further details (if any).

VIII. Eligible Investors

Only persons to whom an offer is specifically made under this Information Memorandum will be eligible to apply.

Investors in the following categories are eligible to apply for Non-Convertible Debentures of the Company under Information Memorandum:

- Companies, Body Corporates, Financial Institutions, NBFCs, Statutory Corporations;
- Scheduled Commercial Banks including but not restricted to commercial, private, foreign, co-operative and regional rural banks;
- Provident funds/ Superannuation funds or gratuity funds, private trusts, as may be permitted by respective rules and guidelines of such funds/ trusts;
- Registered societies;
- Partnership firms;
- HUFs;
- High Net worth Individuals;
- Insurance companies;
- Mutual Funds;
- Portfolio Manager registered with SEBI;
- Application under Power of Attorney / Relevant Authority;
- SEBI registered FPIs/FILs; and
- Any other investor permitted to invest in debentures of Indian body corporate.

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SEBI vide its circular No. CIR/IMD/FIIC/18/2010 dated November 26, 2010 and RBI vide its circular No. RBI/2011-12/423A.P. (DIR Series) Circular No. 89 dated March 1, 2012 had decided that a SEBI registered FII/sub-accounts of FIIs can now invest in primary issues of non-convertible debentures (NCDs)/bonds only if listing of such NCDs/bonds is committed to be done within 15 days of such issue. In case the NCDs/bonds issued to the SEBI registered FIIs/sub-accounts of FIIs are not listed within 15 days of such issue to the SEBI registered FIIs/sub-accounts of FIIs, for any reason, then the FII/sub-account of FII shall immediately dispose off these NCDs/bonds either by way of sale to a third party or to the Issuer.

The Issuer hereby undertakes that in case the Debentures are not listed within 15 days of issuance (the “**Listing Period**”) to the SEBI registered FIIs / sub-accounts of FIIs, for any reason, the Issuer shall on the next Business Day on expiry of the Listing Period redeem / buyback the Debentures from the FIIs/sub-accounts of FIIs.

Abundant pre-caution

As a matter of abundant caution and although not applicable in the case of Debentures, attention of applicants is specially drawn to any person who: (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of her / his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to her / him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013.

How to apply

All applications for the Debenture(s) must be in the prescribed Application Form and be completed in block letters in English. It is presumed that the application is signed and made by persons duly empowered and authorized by the entity on whose behalf the application is made. Application forms must be accompanied by either a Demand Draft or a Cheque, drawn in favour of “Reliance Capital Limited” and duly crossed “Account payee only” or through Electronic Clearing System (“**ECS**”), Real Time Gross Settlement (“**RTGS**”) or National Electronic Funds Transfer (“**NEFT**”). All cheques/ DDs/Pay orders of banks are to be made payable at Mumbai. Outstation cheques, money orders, postal orders will not be accepted. The Company will not be responsible or accountable in any manner for any instruments or applications lost in transit or mail.

It may be noted that a separate application can be made in respect of each scheme of an Indian Mutual Fund/ Asset Management Companies registered with SEBI and such applications would not be treated as multiple applications.

The application form will be made available along with the Summary Term Sheet at the time of offer. The applicant should mention their PAN at the appropriate place in the application form.

Applications to be accompanied by bank account details

Every application must be accompanied by the bank account details of the applicant and the MICR code of the bank for the purpose of availing direct credit and all other amounts payable to the debenture holder through ECS, RTGS or NEFT.

Documents to be provided by Investors**1. Applications by Body Corporates / Companies / Financial Institutions / NBFCs / Statutory Corporations**

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association / constitutional documents / bye-laws; (ii) resolution authorizing investment and containing operating instructions; (iii) specimen signatures of authorized signatories; (iv) PAN Cards.

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2. Application by Scheduled Commercial Banks

The application must be accompanied by certified true copies of (i) Board Resolution authorising investments or letter of authorization or Power of Attorney; and (ii) specimen signatures of authorized signatories.

3. Application by Co-operative Banks

The application must be accompanied by certified true copies of (i) resolution authorising investment along with operating instructions/power of attorney; and (ii) specimen signatures of authorised signatories.

4. Application by Regional Rural Banks

The applications must be accompanied by certified true copies of (i) Government notification / Certificate of Incorporation / Memorandum and Articles of Association / other documents governing the constitution; (ii) resolution authorizing investment and containing operating instructions; and (iii) specimen signature of authorized signatories.

5. Applications by Provident Funds, Superannuation Funds and Gratuity Funds

The application must be accompanied by certified true copies of (i) trust deed / bye-laws / regulations; (ii) resolution authorising investment; and (iii) specimen signatures of authorised signatories.

6. Application by Registered Societies

The application should be accompanied by certified true copies of (i) Memorandum of Association / deed/any other instrument regulating or governing the constitution of the society, and rules and regulations / bye-laws of the Society; (ii) resolution authorising investment along with operating instructions/power of attorney; (iii) proof of registration with relevant statutory authority; and (iv) specimen signatures of authorised signatories.

7. Application by Partnership Firm

The applications must be accompanied by certified true copies of (i) the PAN Card of the partnership firm; (ii) copy of the partnership deed; (iii) the photo identity proof like Passport / PAN Card / Driving License, etc. of the partner(s) signing the Application Form and specimen signatures of authorised signatories; and (iv) an authority letter from all partners authorising such investment.

8. Application by HUFs

The applications must be accompanied by (i) certified true copies of the PAN Card of the HUF; (ii) the photo identity proof like Passport / PAN Card / Driving License, etc. of the Karta of the HUF; (iii) telephone bill/electricity bill/bank account statement, etc.; and (iv) declaration from the Karta and co-parceners authorizing such investment also need to be provided to the Company.

9. Application by High Net worth Individuals

The applications must be accompanied by certified true copies of photo identity proof like Passport / PAN Card / Driving License, etc.

10. Application by Insurance Companies

The applications must be accompanied by certified true copies of (i) Memorandum and Articles of Association; (ii) power of attorney; (iii) resolution authorising investment and containing operating instructions; (iv) specimen signatures of authorised signatories; and (v) copy of PAN.

11. Application by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with the SEBI and such applications shall not be treated as multiple applications. The applications

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made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which application is being made.

The applications must be accompanied by certified true copies of (i) SEBI Registration Certificate and trust deed; (ii) resolution authorizing investment and containing operating instructions; and (iii) specimen signatures of authorized signatories.

12. Application by a Portfolio Manager registered with SEBI

The application should be accompanied by certified true copy of (i) resolution of the Board of Director, authorizing, and with all particulars relating to the investment in these Debentures, and the acceptance of the terms of these Debentures alongwith authorized signatory list; and (ii) certified copy of registration certificate issued by the SEBI to undertake Portfolio Management activities.

13. Application under Power of Attorney/ Relevant Authority

In case of an application made under a Power of Attorney or resolution or authority or mandate a certified true copy thereof along with Memorandum and Articles of Association and / or bye laws must be attached to the application at the time of making the application, failing which the Company reserves the full, unqualified and absolute rights to accept or reject any application in whole or in part and in either case without assigning any reasons thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the completed application forms.

14. Application by SEBI registered FPIs/FIIs

The applications must be accompanied by certified true copies of (i) PAN Card; (ii) constitutional documents; (iii) resolution authorizing investment and containing operating instructions; and (iv) tax residency certificate.

DISCLAIMER: PLEASE NOTE THAT ONLY THOSE PERSONS TO WHOM THE INFORMATION MEMORANDUM HAS BEEN SPECIFICALLY ADDRESSED ARE ELIGIBLE TO APPLY. HOWEVER, AN APPLICATION, EVEN IF COMPLETE IN ALL RESPECTS, IS LIABLE TO BE REJECTED WITHOUT ASSIGNING ANY REASONS FOR THE SAME. THE LIST OF DOCUMENTS PROVIDED ABOVE IS ONLY INDICATIVE, AND AN INVESTOR IS REQUIRED TO PROVIDE ALL THOSE DOCUMENTS/AUTHORISATIONS/ INFORMATION, WHICH ARE LIKELY TO BE REQUIRED BY THE COMPANY. THE COMPANY MAY, BUT IS NOT BOUND TO, REVERT TO ANY INVESTOR FOR ANY ADDITIONAL DOCUMENTS/INFORMATION, AND CAN ACCEPT OR REJECT AN APPLICATION AS IT DEEMS FIT. THE REGULATIONS/NOTIFICATIONS REGARDING INVESTMENT MENTIONED ABOVE ARE MERELY IN THE FORM OF GUIDELINES AND THE COMPANY DOES NOT WARRANT THAT THEY ARE ACCURATE, OR HAVE NOT BEEN MODIFIED. EACH OF THE ABOVE CATEGORIES OF INVESTORS IS REQUIRED TO CHECK AND COMPLY WITH EXTANT RULES/REGULATIONS/ GUIDELINES, ETC. GOVERNING OR REGULATING THEIR INVESTMENTS AS ISSUED BY THEIR RESPECTIVE REGULATORY AUTHORITIES, AND THE COMPANY IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY ANY INVESTOR, NEITHER IS THE COMPANY REQUIRED TO CHECK OR CONFIRM THE SAME.

IX. Nomination Facility

Debenture Holders can avail the nomination facility as per the provisions of Section 72 of the Companies Act, 2013.

X. Right to accept or reject applications

The Company is entitled at its sole and absolute discretion, to accept or reject any application in part or in full, without assigning any reason. Incomplete Application Forms are liable to be rejected. The full amount of Debenture(s) has to be submitted along with the Application Form. Also, in case of over subscription, the Company reserves the right to increase the size of the placement subject to necessary approvals/certifications, and the basis of allotment shall be decided by the Company.

XI. Payment of Interest on Application Money

For applicants whose applications have been rejected or allotted in part, interest on their refundable application money will be dispatched within 15 working days of the Deemed Date Allotment and the Company shall ensure adequate funds for the same. Interest will be computed at applicable rate (to be finalized at the time of the Issue), on refundable application money from the date of realization of cheque/draft/credit in the account. For the successful allottees the interest on application money on the allotted amount will be paid

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within 15 working days of the Deemed Date Allotment. The interest on application money will be computed on actual/actual basis.

XII. Allotment Intimation

The Company would make depository arrangements with the NSDL/CDSL for the issue of these Debentures in electronic (dematerialised) Form. The Investors holding these Debentures in the electronic (dematerialised) Form will be governed as per the provisions of the Depository Act, 1996, the SEBI (Depositories and Participants) Regulations, 1996, rules notified by NSDL and CDSL from time to time and other applicable laws and rules notified in respect thereof.

Investors should mention their NSDL/CDSL Depository Participant's name ("DP"), DP-ID and Beneficiary Account Number (Client Id) at the appropriate place in the Application Form. The Company shall take reasonable steps to credit the Beneficiary Account of the Allottee(s), with the NSDL/CDSL Depository Participant as mentioned in the Application Form, with the number of Debentures allotted. The applicant is responsible for the correctness of its details given in the Application Form vis-à-vis those with its DP. In case the information is incorrect or insufficient, the Company would not be liable for losses, if any.

The Company shall credit the letter(s) of allotment in electronic form to the dematerialised account of the Investors as per the details furnished in the Application Form. The Allotment Intimation will be sent to the Allottee(s). This Allotment Intimation should neither be construed as a Letter(s) of Allotment nor as a credit advice; and hence it is non-transferable/non-transmittable and not tradable. The Company will credit the Debentures into the investor(s)' demat account with the investor's DP within 2 working days from Date of Allotment.

XIII. Register of Debenture Holder(s)

A register of all Registered Debenture Holder(s) containing necessary particulars will be maintained by the Company's Registrar and Transfer Agent.

The Company shall request the Depository to provide a list of beneficial owners as at end of day of the Record Date. This list shall be considered for payment of interest, repayment of principal and amortisation, as the case maybe. The Company shall credit interest on Debentures and/or redemption amount of Debentures as per NSDL/CDSL records. Debenture Holders are required to keep the records updated with respective Depository with whom they have their accounts.

XIV. Rights of all Debenture Holders

The Debenture Holders will not be entitled to any rights and privileges of shareholders other than those available to them under statutory requirements. The Debentures shall not confer upon the Debenture Holders the right to receive notice, or to attend and vote at the general meetings of shareholders of the Company. The principal amount and interest, if any, on the Debentures will be paid to the Debenture Holder only, or in the case of joint holders, to the one whose name stands first. The Debentures will be subject to other usual terms and conditions incorporated in the Debenture certificate(s) that will be issued to the allottee(s) of such Debentures by the Company and also in the Debenture Trustee Agreement / Debenture Trust Deed.

XV. Modification of Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three-fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

XVI. Effect of Holidays

If any date except the date of allotment, falls on a public holiday, the Modified Following Business Day convention shall be considered. In case any Interest Payment Date(s) falls on a Sunday or a holiday the coupon payment shall be made on the next working day. In case the Date(s) of Redemption falls on a Sunday or a holiday, the redemption proceeds and accrued interest (if any) shall be paid on the previous working day.

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Working day, for the purpose of this clause, shall mean a day on which scheduled commercial banks are open for business in the city of Mumbai, Maharashtra.

XVII. Notices

All notices required to be given by the Company to the Debenture Holders will be deemed to have been given if published in one English and one regional daily newspaper in the area where the debentures are listed.

XVIII. Tax Deduction at Source

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof, will be deducted at source. Tax exemption certificate/document, under the relevant provisions of the Income Tax Act, 1961, if any, must be lodged at the office of the Company, at least 30 days before the payment becoming due.

XIX. Additional Risk Disclosures

The initial subscriber by subscribing to and any subsequent purchaser by purchasing the Debentures shall be deemed to have agreed that and accordingly the Company shall be entitled to presume that each of the initial subscriber and any subsequent purchaser (Debenture Holder, as referred to hereinabove and hereinafter):

- (a) has (1)sufficient knowledge, experience and expertise as an Investor, to make investment in the Debentures; (2)not relied on the Issuer Group or any person acting in its or their behalf (“**Agents**”) for any information, advice or recommendations of any sort except as regards the accuracy of the specific factual information about the terms of the Debentures as set out in this Information Memorandum; (3)understood that information contained in this Information Memorandum, or any other document issued by the Company is not to be construed as business or investment advice; and (4)made an independent evaluation and judgment of all risks and merits before investing in the Debentures;
- (b) has understood that the Issuer Group, including the Company, or any Agents, from time to time may act as an arranger, underwriter and/or distributor of similar instruments securities or transactions, the returns and/or payments on which or performance of which, may be at variance with or asymmetrical to those on the Debentures, and they may engage in other public and private financial transactions (including the purchase of privately placed investments or securities or other assets and entering into over the counter derivatives). The foregoing activities of the Issuer Group, including the Company, or any Agents may affect the value of the Debentures. In particular, the value of the Debentures could be adversely impacted by a movement in the interest rates, or activities in related markets, by any acts or inactions of the Issuer Group, including the Company, or any Agents;
- (c) has understood that without prejudice to (a)and(b) above, (1)the method and manner of computation, returns and calculations on the Debentures shall be solely determined by and/or on behalf of the Company, whose decision shall be final and binding; (2)in the event of any discretions to be exercised, in relation to method and manner of any of the above computations including due to any disruptions in any of the financial or other related markets or if for any other reason the calculations cannot be made as per the method and manner originally stipulated or referred to or implied, such alternative methods or approach shall be used as deemed fit by and/or on behalf of the Company, and may include the use of estimates and approximations. All such computations shall be valid and binding on the Debenture Holder, and no liability thereof will attach to the Company and/or the Agents;
- (d) has understood that in the event that the Debenture Holder suffers adverse consequences or loss, the Debenture Holder shall be solely responsible for the same and the Company, the Issuer Group and/or the Agents shall not be responsible, in any manner whatsoever, for any adverse consequences or loss suffered by the Debenture Holder including but not limited to on the basis of any claim that no adequate disclosure regarding the risks involved were made or that the full risks involved were not explained or understood;
- (e) has reviewed the terms and conditions applicable to the Debentures as contained in this Information Memorandum and has understood the same, and, on an independent assessment thereof, confirmed the same to be correct and, found the same acceptable for the investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that the Debentures are a suitable investment and that the Debenture Holder can bear the economic risk of that investment, including the possibility of receiving lower than expected or negligible returns;
- (f) has received all the information believed to be necessary and appropriate or material in connection with, and for, the investment in the Debentures;
- (g) holds the Debentures as an investment, and has not purchased the Debentures on a speculative basis;
- (h) as an Investor, is knowledgeable and experienced in making investments , including in debt instruments having variable or unpredictable returns and also investments similar to the Debentures;

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- (i) investing in the Debentures:
 - (i) has obtained such independent and appropriate financial, tax, accounting and legal advice as required and/or deemed necessary, to enable the Debenture Holder to independently evaluate, assess and understand the appropriateness, merits and risks associated with investing in the Debentures, and also as to the Debenture Holders legal competency and ability (including under applicable laws and regulations), to invest in and/or hold (including as to the duration of holding) the Debentures; and
 - (ii) has not relied on any advice or statements made or rendered by Issuer Group or their Agents, the Company or its Agents or any person acting on its or their behalf, with respect to the Debentures, including as to the nature of returns or any erosion in the value of the Debentures over its life, or on maturity, redemption, sale or disposal, and none of such entities or persons have made any representations to the Debenture Holder, express or implied, with respect to any of the above;
- (j) has assumed on the its own account, all risk of loss that may occur or be suffered including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Issuer Group or their Agents or the Company or its Agents (or to any person acting on its or their behalf) to indemnify or otherwise hold the Debenture Holder harmless in respect of any such loss and/or damage;
- (k) understands that the actual quantum of returns on the Debentures are not guaranteed or insured in any manner by the Company;
- (l) undertakes that, if the Debenture Holder sells the Debentures to subsequent Investors, the Debenture Holder shall ensure, and it is the Debenture Holder's obligation in that regard, that (1) the subsequent Investors receive the terms and conditions, risks and representations contained in this Information Memorandum and any other related document and fully understand that the Debentures are a structured product, (2) the sale to subsequent Investors will be effected by the Debenture Holder only on such Investors having confirmed the receipt of all of (1) above, (3) the sale and transfer of the Debentures shall be effected only in the manner stipulated;
- (m) understands that the Issuer Group or their Agents or the Company or its Agents or any person acting on behalf of the Issuer Group or the Company, may have an interest / position as regards the issue of the Debentures and/or may have an existing banking relationship, financial, advisory or other relationship with them and/or may be in negotiation/discussion with them as to transactions of any kind;
- (n) understands that at any time during the life of the Debentures the value of the Debentures may be substantially less than its redemption value.
- (o) understands that the valuation of the Debentures provided on the websites of the Issuer and /or the Valuation Agency do not represent the actual price of the Debentures that may be received upon sale or redemption and that the actual price received may be significantly different from what is reflected in the valuation;
- (p) has the legal ability to invest in the Debentures, and the investment does not contravene any provision of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holder, or its assets;
- (q) where the Debenture Holder is a **company**, it also confirms that:
 - (i) notwithstanding the variable nature of the return on the Debentures, the Debenture Holder is not precluded under any law, rules, regulations and/ or circular/s issued by any statutory authority/ies including under the Companies Act from investing in the Debentures,
 - (ii) all necessary corporate or other necessary action has been taken to authorize, and that the Debenture Holder has corporate ability and authority, to invest in the Debentures, and
 - (iii) investment in the Debentures does not contravene any provisions of the Memorandum and the Articles of Association, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holder or the Debenture Holder's assets;
- (r) where the Debenture Holder is a **partnership firm**, it also confirms that:
 - (i) investing in the Debentures on the terms and conditions stated herein is within the scope of the partnership's investment policy and does not conflict with the provisions of the partnership deed as currently in force,
 - (ii) the investment in Debentures is being made by and on behalf of the partners (and binds all the partners jointly and severally), and that the partnership is in force and existing, and the investment has been ratified by all of the partners, jointly and severally,
 - (iii) the investment in Debentures has been duly authorized by all the partners, and does not contravene any provisions of the partnership deed, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the partnership or its assets or any of the partners or their respective assets,

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- (iv) for any minor as may have been admitted to the benefits of the partnership, the legal guardian of the minor has confirmed that the above applies equally to the minor as if the minor were a partner, and
- (v) for any Hindu Undivided Family (“**HUF**”) that may be partner, the Karta declares that the above equally binds each of the co-parcenors and beneficiaries of the HUF;
- (s) where the Debenture Holder is a **mutual fund / provident fund / superannuation fund / gratuity funds (each a “fund”)** it also confirms that:
 - (i) investing in the Debentures on the terms and conditions stated herein is within the scope of the fund’s investment policy and does not conflict with the provisions of the trust deed/bye-laws/regulations as currently in force,
 - (ii) the investment in Debentures is being made by and on behalf of the fund and that the fund is in force and existing, and the investment has been ratified by appropriate resolutions, and
 - (iii) the investment in Debentures has been duly authorized and does not contravene any provisions of the trust deed/bye-laws/regulations as currently in force, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the fund or its assets;
- (t) where the Debenture Holder is a **HUF**, it also confirms that:
 - (i) the Karta declares that the above equally binds each of the co-parcenors and beneficiaries of the HUF, and
 - (ii) the Karta declares that the investment is for the benefit of each of the co-parcenors and beneficiaries of the HUF;
- (u) where the Debenture Holder is an **individual**, also confirms that the investment in Debentures does not contravene any provisions of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the individual or its assets and he can invest in such Debentures; and
- (v) where the Debenture Holder or initial Applicant is a **Portfolio Manager** registered with SEBI, and is investing in the Debentures as a **Discretionary Portfolio Manager**, it also confirms that:
 - (i) it is fully in compliance with the laws and regulations applicable to it including the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 (“**Portfolio Manager Regulations**”), the Structured Products Guidelines the Prevention of Money Laundering Act, 2002 (“**PML Act**”), the Prevention of Money Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 (“**PML Rules**”), the requirements of Circular dated 20th March 2006 “Guidelines on Anti-Money Laundering Standards” of the SEBI (“**AML Guidelines**”) together with the PML Act and the PML Rules, the “**AML Laws & Rules**”) and all applicable know-your-client norms (“**KYC Guidelines**”) issued by any relevant regulator, as amended, from time to time,
 - (ii) the Debenture Holder is appropriately investing in the Debentures on behalf of its clients, (“**Clients**”) and the investment in the Debentures is within the scope of its authority including pursuant to the agreement entered into by the Debenture Holder with each of the Clients, as provided for by Regulation 14 of the Portfolio Manager Regulations) (the “**Agreement**”), and accordingly binds each of the Clients. The Debenture Holder has independently satisfied itself (a) as to the suitability and appropriateness of the investment in the Debentures as regards each of the Clients, (b) as to the capacity and authority of each of the Clients to invest in such Debentures, and (c) that the investment in such Debentures will not contravene any applicable law,
 - (iii) Should there be any dispute by the Clients as regards the investment in the Debentures including but not limited to the scope of its authority with regard to such investment, it shall be dealt with entirely by the Portfolio Manager with each of the Clients, with no reference to the Issuer,
 - (iv) the Portfolio Manager has conducted suitability and appropriateness checks on each of its clients pursuant to the PM Regulations (as applicable) and the Structured Products Guidelines, and the Portfolio Manager has fully advised each of its clients of the risks relating to investment in the Debentures and of its rights against the Portfolio Manager as its principal and accepts responsibility for such advice,
 - (v) the Portfolio Manager has strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients,
 - (vi) the Portfolio Manager consents to the disclosure or provision by the Issuer to any governmental or regulatory authority, or under any requirement of law, any information regarding the Client (to the extent made available to the Issuer by the Portfolio Manager) and the investment in the Debenture, as required of the Issuer under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law,

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- (vii) the Portfolio Manager shall ensure that each Client understands the risks involved in investment in the Debentures and is capable of taking the risks posed by such Debentures and shall satisfy itself that the Debentures are suitable to the risk profile of the Client;
 - (viii) the Portfolio Manager shall provide its Clients with a copy of the information memorandum;
 - (ix) the Portfolio Manager shall guide the Clients as to where the valuations (of the Debentures) will be available;
 - (x) the Portfolio Manager shall guide the Clients as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Company or through the secondary market;
 - (xi) the Portfolio Manager further agrees to provide to the Issuer such additional information that the Issuer deems necessary or appropriate in order for the Issuer to comply with any such regulations and/or requests or requirements,
 - (xii) the Portfolio Manager also further agrees (including on the basis of any request made by the Issuer in this regard), to provide, to any governmental or regulatory authority any information regarding any or all of the Clients, the investment in the Debenture as required under regulations and/or as requested by any governmental or regulatory or other authority, and
 - (xiii) the Portfolio Manager further agrees that it is appropriately investing in these Debentures on behalf of its Clients and that the activities of the Portfolio Manager have not violated and will not violate the RBI Private Placement Directions. The Portfolio Manager further confirms and undertakes that the Debenture Holder has not and will not use the name of the Issuer or any of its group entities or any of the words in any of its advertisement or any marketing material and the Portfolio Manager has not acted and shall not act in a manner that would render this Issue of Debentures, an offer to the public.
- (w) where the Debenture Holder or initial Applicant is a Portfolio Manager registered with SEBI and is investing in the Debentures as **Non Discretionary Portfolio Manager**, it also confirms that:
- (i) it is fully in compliance with the laws and regulations applicable to it including the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 ("Portfolio Manager Regulations"), the Structured Products Guidelines the Prevention of Money Laundering Act, 2002 ("PML Act"), the Prevention of Money Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 ("**PML Rules**"), the requirements of Circular dated 20th March 2006 "Guidelines on Anti-Money Laundering Standards" of the SEBI ("AML Guidelines") together with the PML Act and the PML Rules, the "AML Laws & Rules") and all applicable know-your-client norms ("KYC Guidelines") issued by any relevant regulator,
 - (ii) the Portfolio Manager is selling the Debentures, to appropriate Clients/the investor(s) or is investing on behalf of its Clients /the investor(s) appropriately and such sale / investment in the Debentures is within the scope of its authority and accordingly binds each of the Clients/ investor(s); further, the intermediary has satisfied itself as to the capacity and authority of each of the Clients / investor(s) to invest in such Debentures;
 - (iii) Should there be any dispute by the Clients / investor(s) as regards the investment in the Debentures including but not limited to the scope of its authority with regard to such investment the same shall be dealt with entirely by the Intermediary with each of the Clients / investor(s), with no reference to the Issuer;
 - (iv) the Portfolio Manager has conducted a risk profiling of each Client / Investor (s) pursuant to the Structured Products Guidelines and has satisfied itself that the Debentures are suitable to the risk profile of the Client / investor; has fully advised each of its Clients / the investor(s) of the risks relating to investment in the Debentures and ensured that the Client / investor has understood the risks involved in investment in the Debentures and is capable of taking the risks posed by the Debentures. The Portfolio Manager as required under the SEBI (Portfolio Managers) Regulations, 1993 has fully advised each of its Clients / the investor(s) of the rights of such Clients / investor(s) against the Intermediary as its principal and accepts responsibility for such advice;
 - (v) the Portfolio Manager has strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients,
 - (vi) the Portfolio Manager consents to the disclosure or provision by the Issuer to any governmental or regulatory authority, or under any requirement of law, any information regarding the Client (to the extent made available to the Issuer by the Portfolio Manager) and the investment in the Debenture, as required of the Issuer under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law,

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- (vii) the Portfolio Manager shall ensure that the Client understands the risks involved in investment in the Debentures and is capable of taking the risks posed by such Debentures and shall satisfy itself that the Debentures are suitable to the risk profile of the Client;
- (viii) the Portfolio Manager shall provide its Clients the Information Memorandum;
- (ix) the Portfolio Manager shall guide the Clients as to where the valuations (of the Debentures) will be available;
- (x) the Portfolio Manager shall guide the Clients as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Company or through the secondary market;
- (xi) the Portfolio Manager also further agrees (including on the basis of any request made by the Issuer in this regard), to provide, to any governmental or regulatory authority any information regarding any or all of the Clients, the investment in the Debentures as required under regulations and/or as requested by any governmental or regulatory or other authority, and the Portfolio Manager further agrees that the it is appropriately investing in these Debentures on behalf of its Clients and that the activities of the Portfolio Manager have not violated and will not violate the RBI Private Placement Directions. The Portfolio Manager further confirms and undertakes that it has not and will not use the name of the Issuer or any of its group entities or any of the words in any of its advertisement or any marketing material.

XX. Payment of Interest on Allotted Debenture(s)

Interest on the face value of the Debentures outstanding (subject to deduction of Income Tax at the prescribed rate under the Income Tax Act, 1961 or any statutory modification or re-enactment being in force) shall be due from the Date of Allotment up to the Redemption Date as provided in the Summary Term Sheet.

Interest amount will be electronically credited to the bank account of those Debenture Holder(s) whose names appear on the list of beneficial owners as on the Record Date, provided to the Company by the Depository. In case of dispute of interest claim, the matter should be settled between the transferor(s) and the transferee(s), and not with the Company. All interest on the Debenture(s) shall cease on the date of re-purchase of the Debenture(s) by or on date of redemption on maturity of Debenture(s), whichever is earlier. In case Debenture holders do not provide their correct bank particulars for electronic credit of interest the same may either be rejected or returned and the Issuer shall not be held liable for the same in any manner whatsoever.

XXI. Book closure / Record Date

The Book closure / Record date will be 15 (fifteen) days prior to the Interest Payment / Final Maturity Date or as may be directed by SEBI from time to time. The list of beneficial owner(s) provided by the Depository as at end of day of Record Date shall be used to determine the name(s) of person(s) to whom the Interest and/or Principal installment is to be paid.

XXII. Redemption on Maturity of Debenture(s)

Principal shall be credited to the account of Debenture Holders whose names appear in the register of registered Debenture Holder(s)/in the list of beneficial owner(s) provided to the Company by the Depository as on the Record Date.

Principal payment will be made on the principal repayment date by crediting the bank account of beneficial owner(s) whose names appear on the list of beneficial owner(s) as on the Record Date, as provided to the Company by the Depository. The payment shall be released only after the Debentures have been discharged by the Debenture Holder by signing the discharge form that shall be sent to the Debenture Holders immediately after the Record Date and after the consequent extinguishment of the Debentures by the Company through the Depository.

The Company's liability towards the beneficial owner(s) for any payment or otherwise shall stand extinguished on the Maturity Date, in all events and upon the Company crediting the redemption amounts to the account of the beneficial owner(s). Further, the Company shall not be liable to pay any interest, income or compensation of any kind from the Maturity Date, or the date of redemption of the Debenture.

For this purpose bank details of Debenture Holders registered against their depository account will be used by the Company for payment of interest and redemption of principal amount. The Debenture Holders shall immediately intimate the Depository Participants with whom their depository accounts are maintained, about

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any change in their address or bank details.

Investors may also request for principal payment by way of an ECS/ RTGS fund transfer. In such case, the investor will have to request the Company by way of an application, in formats required. Investors must note that NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions (CBS). Therefore, Debenture Holders are requested to furnish the new bank account number allotted by banks post implementation of CBS.

In case Debenture Holders do not provide their correct bank particulars for electronic credit of redemption proceeds the same may either be rejected or returned and the issuer shall not be held liable for the same in any manner whatsoever.

XXIII. Future borrowings

The Company shall be entitled to make further issue(s) of debentures, raise further loans or advances and/or avail further deferred payment guarantees or other financial facilities from time to time from such persons/banks/financial institutions or body corporate/or any other agency. However, until the Debentures are fully redeemed, the Company shall not create any further charge on the Security without the prior written approval of the Debenture Trustee.

XXIV. Debenture Trustees

The Company has appointed Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) as Debenture Trustee for this issue of debentures. All the rights and remedies of the Debenture Holders will vest in and will be exercised by the trustees without the same having to be referred to the Debenture Holders. The Company and Debenture Trustee has entered/ will enter into a Debenture Trust Deed(s) specifying, *inter-alia*, the powers, authorities and obligations of the Debenture Trustee and Company. No Debenture Holder shall be entitled to proceed directly against the Company, unless Debenture Trustee having become bound to do so or fail to do so. The Debenture Trustee will endeavor to protect the interest of the Debenture Holders under this Information Memorandum in the event of default in regard to timely payment of interest and principal by the Company.

XXV. Main events of default and remedies under the Debenture Trust Deed are as under:

- (A) Upon the occurrence of any of the events specified in sub-clause (B) below (each, an “**Event of Default**”), the Debenture Trustee may, in its discretion, and shall, upon request in writing of the majority Debentures Holders/beneficial owners declare the principal amount of the Debentures, all interest and all other monies to be due and payable forthwith and the security created shall become enforceable, and the Debenture Trustee shall have the following rights namely:-
- (a) Subject to Section 69 of the Transfer of Property Act, 1882 to sell, assign or otherwise liquidate or direct the Company to sell, assign or otherwise liquidate any or all of the security, in such manner, at such time, at such place or places and on such terms as the Debenture Trustee may, in compliance with the requirements of law, determine in its absolute discretion and to take possession of the proceeds of any such sale or liquidation;
 - (b) to take possession of the security or any part thereof, by directing the Company in writing to deliver the same to the Debenture Trustee at any place or places designated by the Debenture Trustee, in which event the Company shall, at its own expense:
 - (i) forthwith cause the same to be moved and delivered to the place or places so designated by the Debenture Trustee;
 - (ii) keep any security to be delivered to the Debenture Trustee (to the extent not physically delivered to the Debenture Trustee) at such place or places pending further action by the Debenture Trustee as provided in the Debenture Trust Deed; and
 - (iii) while such security shall be so kept, provide such guards and maintenance services as shall be necessary to protect the same; and
 - (c) to retain all cash proceeds received or receivable by the Company in respect of the Security

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and to use such funds, in whole or part, towards repayment of the Company's obligations to the beneficial owner(s)/ Debenture Holder(s) and/or the Debenture Trustee under the Debenture Trust Deed.

- (B) The occurrence of any one of the following events shall constitute an Event of Default by the Company:
- (i) Default is committed in payment of the principal amount of the Debentures on the due date(s);
 - (ii) Default is committed in the payment of any interest on the Debentures on the due date(s);
 - (iii) Default is committed in the performance or observance of any covenant, condition or provision contained in the Debenture Trust Deed and/or the financial covenants and conditions (other than the obligation to pay principal and interest) and, except where the Debenture Holders/beneficial owners/ Debenture Trustee certify that such default is in its opinion incapable of remedy (in which case no notice shall be required), such default continues for thirty days after written notice has been given thereof by the Debenture Trustee to the Company requiring the same to be remedied;
 - (iv) Any indebtedness of the Company for borrowed monies, that is, indebtedness for and in respect of monies borrowed or raised (whether or not for cash consideration) by whatever means (including acceptance, credits, deposits and leasing) becomes due prior to its stated maturity by reason of default of the terms thereof or any such indebtedness is not paid at its stated maturity;
 - (v) Any information given by the Company to the beneficial owner(s)/ Debenture Holder(s) or the Debenture Trustee and the warranties given or deemed to have been given by it to the beneficial owner(s)/Debenture Holder(s) or the Debenture Trustee is misleading or incorrect in any material respect;
 - (vi) If there is reasonable apprehension that the Company is unable to pay its debts or proceedings for taking it into liquidation, whether voluntarily or compulsorily, may be or have been commenced or any resolution for voluntary winding-up is passed or any petition for winding-up is admitted by a competent Court;
 - (vii) If the security have not been kept insured or depreciate in value to such an extent that in the opinion of the Debenture Holders/beneficial owners further security should be given and on advising the Company to the effect such security has not been given to the satisfaction of the Debenture Holders/beneficial owners;
 - (viii) If without the prior written approval of the Debenture Trustee, the security or any part thereof are sold, disposed off, charged, encumbered or alienated or any of the buildings, structures, plant and machinery forming part of this security are removed, pulled down or demolished;
 - (ix) The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or the Company is voluntarily or involuntarily dissolved;
 - (x) The Company is unable to or has admitted in writing its inability to pay its debts as and when the same are due or it is certified by an accountant appointed by the Debenture Trustee that the Company's liabilities exceed its assets;
 - (xi) The Company has taken or suffered to be taken any action for reorganisation of its capital, without the prior written consent of the Debenture Trustee;
 - (xii) An encumbrancer, receiver or liquidator takes possession of the Security or any part thereof, or has been appointed or allowed to be appointed of all or any part of the undertaking of the Company and such appointment is, in the opinion of the Debenture Trustee, prejudicial to the security created;
 - (xiii) If an attachment or distraint has been levied on the Security or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Company;
 - (xiv) If any extra-ordinary circumstances have occurred which make it improbable for the Company to fulfil its obligations under the Debenture Trust Deed and/or the Debentures;
 - (xv) The Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so;
 - (xvi) If the Company is unable to pay its debts within the meaning of Section 434 of the Companies Act or if the Company is carrying on business at a loss and it appears to the Debenture Trustee that continuation of its business will endanger the security created;
 - (xvii) If in the opinion of the Debenture Trustee, the Security of the beneficial owner(s)/Debenture Holder(s) is in jeopardy;

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- (xviii) Except for the charges created by the Company as set forth in the Debenture Trust Deed, if the Company creates any mortgage, charge, lien or other encumbrance over or assigns or transfers or attempts to assign or transfer any of the Security, without the prior consent in writing of the Debenture Trustee;
 - (xix) If the Company enters into amalgamation, reorganisation or reconstruction without the prior consent of the Debenture Trustee in writing; and
 - (xx) If the Company shall, without the prior consent of the Debenture Trustee in writing, make or attempt to make any alteration to its Memorandum and Articles of Association, which affects the interest of the beneficial owner(s)/Debenture Holder(s).
- (C) If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Company shall, forthwith give notice thereof to the Debenture Trustee in writing specifying the nature of such Event of Default or of such event.
- (D) At any time after the Debentures become repayable and have not been repaid, the Debenture Trustee may at their discretion and without further notice institute such proceedings against the Company as they may think fit to enforce repayment thereof together with accrued interest and all other monies payable in respect thereof but they shall not be bound to take any such proceedings or take any actions with respect to enforcement of the Security unless:-
- (a) The Debenture Trustee is so requested in writing by majority beneficial owner(s)/ Debenture Holder(s);
 - (b) Sufficient monies are advanced by the beneficial owner(s)/Debenture Holder(s) to the Debenture Trustee for enforcement of their rights and security; and
 - (c) The Debenture Trustee is indemnified to their satisfaction by the Debenture holders/beneficial owner(s).
- (E) Notwithstanding the above clause, all costs, charges and expenses that may be incurred by the Debenture Trustee in connection with the creation, enforcement, preservation, realisation of the Security with interest thereon from the time of the same having been so incurred and that until such repayment shall be payable by the Company and be a charge upon the Security is granted, assigned, transferred and assured or expressed so to be under the terms of the Debenture Trust Deed.
- (F) In case the Security created under the Debenture Trust Deed becomes enforceable, the Company shall forthwith upon demand by the Debenture Trustee do all things necessary to enable the Debenture Trustee to realize the Security.

(All capitalized terms used in this section but not defined herein shall have the meanings assigned to them respectively in the Debenture Trust Deed)

XXVI. Debentures subject to the Summary Term Sheet, Debenture Trust Deed, etc.

Over and above the aforesaid terms and conditions, the Debentures, issued to this Information Memorandum, shall be subject to the terms and conditions incorporated in the Summary Term Sheet, relevant Debenture Trust Deed and also be subject to the provisions of the Memorandum and Articles of Association of the Company. In the event of a contradiction between the Summary Term Sheet and this Information Memorandum, the Summary Term Sheet will prevail.

XXVII. Cost of the Issue

For the Type I Debentures under the proposed issue, the Issuer will pay up to 2.00% of the Principal Amount as commission.

For the Type II Debentures under the proposed issue, the Issuer will pay nil commission.

For the Type III Debentures, Type V Debentures and Type VI Debentures under the proposed issue, the Issuer will pay up to 0.05% of the Principal Amount as commission.

For the Type IV Debentures under the proposed issue, the Issuer will pay up to 0.40% of the Principal Amount as commission.

XXVIII. Governing Law and Jurisdiction

The Debentures are governed by and will be construed in accordance with the Indian Laws. The Issuer irrevocably agrees for the exclusive benefit of each Debenture Holder that the competent courts and tribunals at Mumbai are to have jurisdiction to settle any disputes which may arise out of or in connection with the Debentures and that accordingly any suit, action or proceeding. (“**Proceedings**”) arising out of or in connection with the Debentures may be brought in such courts. The Issuer agrees that the process in connection with Proceedings in the competent courts and tribunals at Mumbai will be validly served on it if served upon it at its registered office.

XXIX. Confidentiality

The information and data contained herein is submitted to each recipient of this Information Memorandum on a strictly private and confidential basis. By accepting a copy of this Information Memorandum, each recipient agrees that neither she/he nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information. This Information Memorandum must not be photocopied, reproduced, extracted, transmitted or distributed in full or in part to any person whatsoever without the prior written consent of the Company. If at any time any such reproduction or disclosure is made and the Company suffers any loss, damage or incurs liability of any kind whatsoever arising out of or in connection with any such reproduction or disclosure, the recipient of this Information Memorandum breaching the restriction on reproduction or disclosure agrees to hold harmless and indemnify the Company from and against any such loss, damage or liability.

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OTHER INFORMATION

(A) DECLARATION OF RBI ABOUT NON-RESPONSIBILITY FOR FINANCIAL SOUNDNESS OR CORRECTNESS OF STATEMENTS

It must be distinctly understood, that the issuing of license and granting of approval by RBI should not in any way, be deemed or construed to be an approval by RBI, to this Information Memorandum nor should it be deemed that RBI has approved it nor does RBI take any responsibility either for the financial soundness of the Company or for the correctness of the statements made or opinions expressed in this connection.

(B) CONSENTS

Consents in writing from the Debenture Trustee, the Rating Agency and the RTA to act in their respective capacities have been obtained.

Consents in writing of Chief Executive Officer, Chief Financial Officer, Compliance Officer, Solicitors/Advocates, and other experts, have been obtained and such consents have not been withdrawn upto the time of filing this Information Memorandum with the BSE.

(C) DECLARATION BY THE DIRECTORS THAT

- a. the company has complied with the provisions of the Act and the Rules made thereunder;
- b. the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government; and
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the Offer letter.

(D) DECLARATION:

We, President & Company Secretary and the Chief Financial Officer of the Company, declare that all the relevant provisions of the Companies Act, 1956 and the Companies Act 2013, the guidelines issued by the Government and the guidelines and circulars issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992 and Raising Money through Private Placement of Non Convertible Debentures (NCDs) by NBFCs- vide RBI circular No. RBI/2014-15/475, DNBR (PD) CC No.021/03.10.001/2014-15 dated February 20, 2015 and RBI Notification No. RBI/2012-13/560 DNBD(PD) CC No. 330 /03.10.001/2012-13 dated June 27, 2013 have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, 1956 and the notified sections of the Companies Act, 2013 or the Securities and Exchange Board of India Act, 1992 or rules, guidelines and circulars issued thereunder.

We, President & Company Secretary and the Chief Financial Officer of the Company are authorised by the Board of Directors of the Company vide resolution number 12 dated August 13, 2016 to sign this form and Information Memorandum and declare that all the requirements of Companies Act, 2013 and the Rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form and Information Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form and Information Memorandum.

For Reliance Capital Limited



**V. R. Mohan
President & Company Secretary**

For Reliance Capital Limited



**Amit Bapna
Chief Financial Officer**

Place: Mumbai

Date : October 03, 2016

List of Subsidiaries	
Sr. No.	Company Name
1.	Reliance Nippon Life Asset Management Limited
2.	Reliance Asset Management (Singapore) Pte. Limited
3.	Reliance Asset Management (Mauritius) Limited
4.	Reliance Capital Pension Fund Limited
5.	Reliance AIF Management Company Limited
6.	Reliance Capital Trustee Co. Limited
7.	Reliance Nippon Life Insurance Company Limited
8.	Reliance General Insurance Company Limited
9.	Reliance Commercial Finance Limited
10.	Reliance Money Express Limited
11.	Reliance Money Precious Metals Private Limited
12.	Reliance Home Finance Limited
13.	Reliance Securities Limited
14.	Reliance Commodities Limited
15.	Reliance Financial Limited
16.	Reliance Wealth Management Limited
17.	Reliance Money Solutions Private Limited
18.	Reliance Exchangenext Limited
19.	Reliance Spot Exchange Infrastructure Limited
20.	Reliance Capital AIF Trustee Company Private Limited
21.	Quant Capital Private Limited
22.	Quant Broking Private Limited
23.	Quant Securities Private Limited
24.	Quant Commodity Broking Private Limited
25.	Quant Capital Finance and Investments Private Limited
26.	Quant Investment Services Private Limited
List of Associates	
1.	Ammolite Holdings Limited
2.	Reliance Asset Reconstruction Company Limited
3.	Indian Commodity Exchange Limited

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Details of Branches

Sr. No.	Branch Name	Branch Address
1	Hyderabad	Third Floor, Malik Estates, Mcg No.6-3-344, Banjara Hills, Hyderabad, Telangana - 500034
2	Vijayawada	Second Floor, JM 3 Mohiuddin Estate, LabbiPeth, M.G.Road, Vijayawada, Andhra Pradesh - 520010
3	Ahmedabad	Second Floor, Aashil Complex, Opposite HDFC House, Navarangpura, Ahmedabad, Gujarat - 380009
4	Surat	Sixth Floor, 21st Century Building, Ring Road, Surat, Gujarat - 395002
5	Bengaluru	Third Floor, Brahmanand Court, 37 Lalbagh Road, Bengaluru, Karnataka - 560027
6	Kochi	Second Floor, Kurickal Arcade, NH47, Near Chenghampuzha Park, Edappally P.O. Ernakulam (District), Kochi, Kerala – 682024
7	Indore	No. 301/302, Corporate House, 169, RNT Marg, Indore, Madhya Pradesh - 452001
8	Pune	F-1, First Floor, The Metropole, Bund Garden Road, Pune, Maharashtra - 411001
9	New Delhi	260 -261, Dev House, Tribhuban Complex, Ishwar Nagar, New Friends Colony (W), New Delhi - 110065
10	Jaipur	Sixth Floor, C-44, Man Upasana, Sardar Patel Marg, C-Scheme, Jaipur - 302001
11	Chennai	Reliance House, Fourth & Ground Floor, No-5, Haddows Road, Nungambakkam, Chennai, Tamil Nadu – 600006
12	Coimbatore	Manchester Square, S3, Second Floor, 14, Puliyakulam Road, Coimbatore, Tamil Nadu – 641037
13	Salem	No. 7/54 Ideal Complex, Junction Main Road, Five Road, Salem, Tamil Nadu - 636004
14	Chandigarh	SCO 309-310, First Floor & Second Floor, Sector 35-B, Chandigarh - 160022
15	Kolkata	Sixth Floor, The Airconditioned Market, No. 1 S Sarani, Kolkata, West Bengal - 700071
16	Ludhiana	Seventh Floor, SCO 10-11, Feroz Gandhi Market, Ludhiana, Punjab - 141001
17	Raipur	Third Floor, Simran Tower, Pandri, Opposite LIC Building, Raipur, Chhattisgarh - 492004
18	Mumbai	Eleventh Floor, Ruby, Tulsi Pipe Road, Dadar (W), Mumbai, Maharashtra - 400028
19	Mysore	No 2904/1, Sapthaswara, Second Floor, KantharajUrs road, Saraswathipuram, Mysore, Karnataka - 570009
20	Madurai	S.S. Tower, No 78/4, Bypass Road, Madurai, Tamil Nadu - 625016
21	Rajkot	Toral Commercial Complex, 211, Second Floor, Near TrikonBaug, Rajkot, Gujarat - 360002
22	Kolhapur	Gemstone, Office No.7B, First Floor, New Shahupuri, Near Central Bus Stand Kolhapur, Maharashtra - 416001
23	Vadodara	10-11 S/B, Panorama Complex, R.C.Dutt Road, Alkapuri, Vadodara, Gujarat - 390007

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Sr. No.	Branch Name	Branch Address
24	Virar	303, Ground Floor, Sneha Nagar, Opposite New India Co-op.Bank, Agashi Road, End of Skywalk, Virar (W), Thane, Maharashtra - 401303
25	Kalyan	Chandulal Joshi Complex, Fourth Floor, 405/406, Vasant Vihar, Opposite Kalyan Reservation Centre, Kalyan (W), Maharashtra - 421301
26	Durgapur	NazrulSarani, Plot No.3601 (P), City Centre, Durgapur, West Bengal - 713216
27	Bhubaneswar	Third Floor, Unit-3, Kharvel Nagar, Back Side of Kalsi Petrol Pump, Bhubaneswar, Orissa - 751001
28	Bhiwadi	A-7, Bhagat Singh Colony, Bhiwadi, Alwar, Rajasthan - 301019
29	Dehradun	Shiva Palace, Office No. 8, 9 & 10, First Floor, Opposite Secretariat, Rajpur Road, Dehradun, Uttarakhand - 248001
30	Jodhpur	Sabu Tower, Second Floor, Chopasani Road, Jodhpur, Rajasthan - 342001
31	Karnal	First Floor, SCO-211, Sector-12, Karnal, Haryana - 132001
32	Udaipur	Apex Chambers, Madhuvan, Bank Street, Near Lok Kala Mandal, Udaipur, Rajasthan - 313001
33	Visakhapatnam	47/11/5, Mohans Arcade, Dwaraka Nagar, First Lane, Behind Sangam&Sarath Theater, Visakhapatnam, Andhra Pradesh - 530016
34	Trichy	No. 20, First Floor, Royal Shelter Road, Cantontment, Trichy, Tamil Nadu - 620001
35	Nagpur	Buty Building, First Floor, 317 R.T.Road, Civil Lines, Nagpur, Maharashtra - 440001
36	Thrissur	Capital City, Fourth Floor, Korappath Lane, Round North, Thrissur, Kerala - 680020
37	Thane	Kalpataru Prime, First Floor, Wagle Estate, Road No. 16, Thane, Maharashtra - 400604
38	Siliguri	First Floor, Gitanjali Complex, Sevoke Road, Siliguri, West Bengal - 734001
39	Guwahati	Second Floor, Kachari Basti, Behind Vinayak Furnishing, G.S. Road, Ulubari, Guwahati, Assam - 781007
40	Bhopal	Mansarover Complex, FF-16, Second Floor, Hoshangabad Road, Bhopal, Madhya Pradesh - 462016
41	Jalandhar	Puda Complex, First Floor, SCO-2, Ladowal Road, Jalandhar, Punjab - 144001
42	Nashik	Suyojit Height, Office No. 2, Second Floor, Opposite Rajiv Gandhi Bhavan, Sharanpur Road, Nashik, Maharashtra - 422002
43	Akola	Yamuna Tarang Complex, Unit Nos. 28, 29, 30 & 31, First Floor, Murtijapur Road, Akola, Maharashtra - 444004
44	Bilaspur	T.M. Plaza, Second Floor, Shop No. 3, 4 & 5, VyaparVihar Road, Zone-1, Bilaspur, Chhattisgarh - 495001

Details of material litigation**Details of criminal prosecution pending against the Promoter:**

1. A criminal case no. C-263 of 2004 dated [19.03.2004] filed by Mr. Ravi Fogla against Sh. Mukesh D. Ambani, Sh. Anil D. Ambani, Sh. T Kanan and Sh. Anand Jain, is currently pending before the 13th MM Bankshall Court, Kolkata. The case has been filed under Sections 389, 465, 468, 469, 471, 420, 511 read with Section 120 of the IPC, alleging that the complainant received bills for 11 phones though he had not applied for any Reliance phone connection. In this regard, an exemption application dated [28.03.2005] of Sh. Mukesh D. Ambani and Sh. Anil D. Ambani which had been filed under Section 205 of the Cr PC, with the MM Bankshall Court, Kolkata, was allowed by the court. The matter is currently pending and the next hearing was scheduled on 01.08.2014 whereby as per the order dated 03.10.2013, the Complainant was directed to be personally present before the Court, and for presentation of further evidence before formulation of charge. On 30.10.2014, the evidence hearing on the part of the Complainant was adjourned upon a prayer for adjournment by the Complainant's Advocate for preferring a revision case before the Hon'ble Calcutta High Court against the Order dated 20th January, 2014 passed by the Ld. Trial Court, 13th Metropolitan Magistrate at Kolkata restraining the Complainant to summon Reliance Infocomm Limited & Reliance Communications Infrastructure Limited for deposing evidence. The last date of hearing of the case was 28.01.2016 for the Complainant to provide the Stay Order from Hon'ble Kolkata High Court. The Complainant (Ravi Fogla) has prayed for adjournment for obtaining stay order from Hon'ble Kolkata High Court in the matter in view of the Criminal Revision Petition (C.R.R. No. 3269 of 2014), pending before the Hon'ble Kolkata High Court, filed by the Complainant challenging the aforesaid order dated 20th January 2014. The Court has provided a last chance to the Complainant directing him to provide the Stay Order from Hon'ble Kolkata High Court by 06.05.2016. Criminal case C-263 of 2004 posted to 29.08.2016 and High Court CRR No 3269 of 2014 listed regularly, matter not taken up.
2. A criminal case no. 1402(C)/2010 dated 25.05.2010 has been filed by Smt. Shanta Sinha, Patna against Sh. Anil D Ambani and others, under section 420, 406, 467, 468, 471, 120B IPC, alleging therein that agreement was executed with the Complainant for installation of tower on her land and rent was also paid initially, but subsequently the rent was stopped without any notice. Cognizance had been taken against the local officers and no cognizance was taken against Sh ADA. The said case is currently pending before the Judicial Magistrate, Patna. Trial Court has not taken any cognizance u/s 202 of the Cr. P. C. against Shri ADA.
3. A criminal case no. 219 (C) 2004 dated 27.01.2004 has been filed by Mr. MustariJavi against Sh. Anil D Ambani, Sh. Mukesh D Ambani and others, under section 415, 417, 420, 463, 467, 468, 469, 471, 484, 500 and 120B IPC alleging therein that the Accused Officials has issued false mobile connections in the name of the Complainant and sent bills of those mobile connections, which were neither issued to the Complainant nor utilized by him at any point of time. Despite requests no steps were taken by the accused officials. The Magistrate has inquired the matter u/s 192 of Cr. P. C and Complainant was witnesses' u/s 202 by the Hon'ble Magistrate. On 23rd July, 2004 the Hon'ble Magistrate has passed order of taking the cognizance against the Accused No. 3 to 6, as a prima facie case was made out against these Accused. But no case was made out against Accused No. 1 and 2, i.e. Sh. Anil Dhirubhai Ambani and Sh. Mukesh Dhirubhai Ambani, respectively. Compromise pursis has been filed by the both parties and which is pending for hearing. Despite requests no steps were taken by the accused officials. The said case is currently pending before the Judicial Magistrate, Patna for hearing The Court has not taken any cognizance against Shri ADA.

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4. A criminal case 400154 / 2004 has been filed by Mr. Dinesh Kotecha against Reliance Infocomm Limited, Reliance Communications Infrastructure Limited, Reliance Industries Limited, Sh. Mukesh D. Ambani, Shri Anil D. Ambani and others. The case is pending before the 40th Court at Girgaon, Mumbai. The criminal case has been filed under Sections 420, 463, 467, 499 and 500 of the Indian Penal Code, 1860 ("IPC") on the ground of cheating and forgery, alleging that the complainant received bills for the Reliance India Mobile Phone though he had never applied for the same. The case is being simply adjourned time to time in view of the stay granted by the Hon'ble Bombay High Court. The case was last listed on 11th May, 2015. Last date of hearing of the case was 28.01.2016. Next date awaited. The Company has filed Criminal Writ Petition in the Bombay High Court. The Hon'ble High Court pleased to admit said Writ Petition and stayed the Criminal proceedings before Magistrate Court. Proceedings before the Magistrate Court have been stayed.
5. Criminal case no 26/2014 on the file of VIII MM court. A complaint was filed against the chairman alleging non-receipt of phone bills on time and the issue of late payment charges. On 6th May 2014, an FIR was lodged at Sesamau police station, Kanpur against Sh. Anil Ambani (Owner of Reliance Communications), Sh. Hansraj Singh (DSA M/s Nayasha Agencies) and Sh. Abhishek Tripathi and two unnamed persons visited the complainant house for taking cognizance u/s 420, 427, 467, 468, 504 of IPC and Sec. 4 of the Money Laundering Act 2002. On 12th May 2014, the matter was investigated by the Investigating Officer and in absence of concrete evidence; Final Report No. 13/14 was being filed on 12.05.2014. On 30th August, 2014 Closure Report was challenged by the complainant before the Metropolitan Magistrates VIII Court at Kanpur by filing protest petition. On 2nd March 2015 MM VIII court decided the protest petition and ordered for reinvestigation of the facts. Order states that IO did not record the statement of the witnesses who supports the allegation of complainant. In protest petition, some Mr. Vipinkumar Dubey and Mr. Sachin Yadav have given the statement in support of the contentions of complainant whereas their statements were not recorded by the IO during his investigation hence this court refused the FR filed by the IO and orders to reinvestigate the facts. On 23rd April 2015, again Closure Report No. 11/2015 was being filed. Complainant again filed protest petition against Closure Report No. 11/2015 before MM VIII. Settlement Memo filed into court. Pending for orders.
6. One Mr. Sanjay Chaudhury Proprietor of M/s MaaSakambari Telecom distributor from Patna alleged that the distributor agreement reliance referred in the civil dispute for recovery of money filed by him not signed by him. He alleged that the company in order to frustrate his claim produced dishonestly a fabricated agreement purportedly signed by him. He deposed under oath in the Court that he had not signed any such agreement and denied and challenged the agreement as being forged and filed Criminal Complaint (PC case no. 82/ 2012) against 1) State of Jharkhand, 2) Reliance Telecom Ltd. 3) Sh. Anil Dhirubhai Ambani 4) Ashok Singh, Circle Head, 5) Reliance Telecom Ltd 6) Ranjan Chatterjee, Branch Head Reliance Telecom Ltd 7) Dushyant Kumar Duskar 8) P.N. Rai, Stamp Vendor, Deoghar. The complaint was finally dismissed by JMFC, Saraikela, after trial. Distributor went on appeal and filed Revision no. 72/2012 in the Sessions Court, Saraikela, against the order of dismissal of the JMFC, which was also dismissed by the Hon'ble Sessions Judge upholding the order of the JMFC, Saraikela. The distributor has filed (2nd) revision under Sec. 482 Cr. P.C., against the order of the Court of Sessions in the High Court of Jharkhand in 2013. The same has been numbered as Cr. M. P. 1054/ 2013, in the High Court and summons has been issued to all accused persons including Sh. ADA (accused/ respondent no. 3) for appearance and counter. Date not fixed by High court.

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7. Criminal complaint 1693 of 2015 on the file of Chief Judicial Magistrate, Kamrup, Guwahati filed by One M/s TranslineUdyog Ltd, a project Vendor rep by Mr Yogesh Tingle filed Criminal complaint against 1)M/s Reliance Infocomm Engineering Ltd, 2)M/s Reliance Infratel Limited , 3)M/s Reliance Communication Infrastructure Limited , 4) Mr ADA, 5)Mr Satish Seth, 6)MrPattitaPabhanBehera offence u/s 403,405 & 420 of IPC with allegation of withholding and misappropriation of an amount of Rs.5,97,373/- as he is entitled to get the said amount retained by Reliance Infratel Ltd as performance guarantee charge (@5 % of Contract Value) for 18 months accrued in respect of all his bills for the period from 2007 till date and although the period has expired by 16/04/2015 in respect of all the bills, the retention amount was not returned even after several follow up through letter and mail communication. The Complainant has also filed a civil case being MS 222/2015, before Civil Judge, Kamrup Court, at Guwahati, which is now pending. On 18th July 2016 settlement entered into with Vendor. Case withdrawal petition filed in court on 22nd July 2016. Orders to be passed. No formal date given by court.
8. Criminal Complaint No 638 of 2016 on the file of CJM1st Class, Patna MrAlok Prabhakar, MD M/s Kumar & Prabhakar Construction Company Pvt Limited, against 1) Reliance Infocom Engineering Pvt. Ltd, 2) Sh ADA 3) Mr. Satish Seth, 4) Mr. Manikantanlyer 5) Mr. Sandip Garg, 6) Mr. Sanjiv Dade 7) Mr. IndrajeetMukhopadhyay, 8) Mr. KunwarKanhaiya 9) Mr. Ramesh Deo, 10) Mr. Neeraj Kapoor, 12) Mr. Shailendra Jain and 13) Mr. Mukesh Jain. It has been alleged that the complainant company is engaged in construction of GBT&RTT Tower, laying of OFC in Bihar & Jharkhand and as per agreement between the parties, complainant receives dozens of work order for construction of telecom towers during period of 2006-09 and the same was completed within timeline. The complainant had submitted bill of more than six crore to the RIEPL against all completed work during 2006-09 and out of which Rs. 1,14,18,371/- including retention amount of Rs. 3600000/- is still due for payment. As alleged that despite many communications through mails, letters and legal notice dated 04-07-15 the aforesaid outstanding amount was not given to complainant. Therefore, for recovery of Rs. 1,14,18,371/- the present complaint petition is filed. Allegations/ offences Committed: U/s 34, 120(B), 406, 420 I.P.C. Criminal case posted to 5/9/2016. Quash Petition filed in High Court Patna. Case yet to be listed in High Court for hearing.
9. Criminal complaint No 434/2005 on the file of Chief Judicial Magistrate, Patna filed by one Mr Nazareth Patrick against M/s Reliance Infocomm Ltd 2) Mukesh Ambani 3) Khurshid Ahmed 4) Piyush Deva 5) BakthaCharanRath alleging the complainant paid Rs 3000/- and issued 12 twelve cheques each for an amount of Rs 1800/- on 7.4.2003 as required for the scheme KarloDuniyaMuthi Mein for getting mobile handset. Accordingly CAF(2012595671) was filled in and MDN (6123115327)was allotted. It is alleged that complainant lost his mobile on 18.10.2003 and lodged a complaint with ID reference No 2800492 with the company on the same day and sought for another handset. When complainant visited the office of the company the complainant on the pretext of shifting from prepaid to postpaid was asked to deposit Rs. 2000/- and Rs. 200/- towards late charges. Having paid the complainant did not get any relief. However accused company deposited cheque for an amount of Rs. 1800/- available with them which eventually got bounced. Legal notices were thereafter exchanged. Complainant alleges that accused misappropriated Rs. 5400/- in all on the pretext of providing services. Hence the complaint offences under section 384, 409,418,420 & 34 of IPC. The Cognizance was taken by the court under section 418, which is a compoundable in nature. Petition under section 205 was allowed on 1.2.2007.

Civil Cases filed against the Company:

1. Harinarayan Bajaj and others ("Plaintiffs") have filed a suit no. 2205 of 1997 dated July 1, 1997 before the High Court of Judicature at Mumbai against Reliance Capital Limited alleging improper enforcement of security by Reliance Capital Limited in relation to loans amounting to Rs.1,000.00 lakhs granted by Reliance Capital Limited to the Plaintiffs. The Plaintiffs are claiming refund of the shares pledged as security along with accrued benefits thereon or a payment of an amount of Rs. 164.50 lakhs with interest at 24%. The matter is currently pending.
2. Adil Patrawala has filed a case CP No. 27 of 2013, before the Company Law Board, Mumbai against Quant Capital Private Limited and Reliance Capital Limited under section 397 – 398 of the Companies Act claiming mismanagement in the affairs of Quant Capital Private Limited and oppression of the minority shareholder. Reliance Capital Limited has been made a party to the suit as it is a majority shareholder having 74% stake in Quant Capital Private Limited. The petition is currently pending.

Annexure III

Details of acts of material frauds committed against the company in the last three years:

The Company had reported to Reserve Bank of India (RBI) a fraud in disbursal of commercial vehicle loans. As on March 31, 2016, provision was made for an amount of Rs.3.20 crore. Recovery proceedings are in process.

The Company had filed progress reports on quarterly basis with RBI.

Capital
Annexure IV

Shareholding pattern of the Company as on last quarter end i.e. June 30, 2016:

Sr. No.	Particulars	Total No. of Equity Shares	Number of shares held in dematerialised Form	Total Shareholding as % of Total No. of equity shares
(A)	Promoter & Promoter Group	13 13 82 303	13 13 82 303	52.01
(B)	Public	11 90 50 866	11 42 28 837	47.12
(C)	Non Promoter – Non Public (Shares underlying DRs and Shares held by Employee Trusts)	21 99 631	21 99 631	0.87
	GRAND TOTAL (A)+(B)+(C)	25 26 32 800	24 78 10 771	100.00

Note: - Shares pledged or encumbered by the promoters (if any) - 5,90,00,000 equity shares representing 44.91% of the total shareholding of the Promoter & Promoter Group.

Annexure V

List of top 10 holders of equity shares of the Company as on the latest quarter end i.e. June 30, 2016:-

Sr. No.	Name of the Shareholder(s)	Total No. of Equity Shares	No. of shares in demat form	Total Shareholding as % of total no. of equity shares
1	Reliance Inceptum Private Limited	97714206	97714206	38.68
2	Reliance Infrastructure Consulting & Engineers Private Limited	27975633	27975633	11.07
3	Life Insurance Corporation of India	10512400	10512297	4.16
4	Sumitomo Mitsui Trust Bank	7000000	7000000	2.77
5	Reliance Capital Trustee Co. Ltd. – A/c	4060205	4059103	1.61
6	Morgan Stanley Mauritius Company Limited	3896457	3896457	1.54
7	Valiant Mauritius Partners Offshore Limited	3350249	3350249	1.33
8	Crest Logistics And Engineers Private Limited	3250000	3250000	1.29
9	Goldman Sachs (Singapore) Pte	2889047	2889047	1.14
10	Birla Sun Life Trustee Company Private Limited A/c Birla Sun Life Enhanced Arbitrage Fund	2793509	2793509	1.11
	Total	163441706	163440501	64.70

Capital
Annexure VI
Details of Secured Loan Facilities as on June 30, 2016:
(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Canara Bank	Term Loan	300	100	28-Jul-16 / 100.00	Refer Note below.
State Bank of Patiala	Term Loan	300	100	21-Sep-16 / 100.00	
Central Bank of India	Term Loan	100	33.33	29-Sep-16 / 33.33	
Central Bank of India	Term Loan	400	133.33	29-Sept-16/ 133.33	
UCO Bank	Term Loan	300	100	07-Mar-17 / 100.00	
Karnataka Bank	Term Loan	100	66.67	31-Aug-16 / 33.33 31-Aug-17 / 33.34	
State Bank of Hyderabad	Term Loan	225	150	27-Sep-16 / 75.00 27-Sep-17 / 75.00	
Small Industries Development Bank of India	Term Loan	500	250	01-Jul-16 / 31.25 01-Oct-16 / 31.25 01-Jan-17 / 31.25 01-Apr-17 / 31.25 01-Jul-17 / 31.25 01-Oct-17 / 31.25 01-Jan-18 / 31.25 01-Apr-18 / 31.25	
Small Industries Development Bank of India	Term Loan	200	66.68	28-Sep-16 / 11.11 28-Dec-16 / 11.11 28-Mar-17 / 11.11 28-Jun-17 / 11.11 28-Sep-17 / 11.11 28-Dec-17 / 11.13	
Karnataka Bank Limited	Term Loan	50	50	16-Aug-16 / 50.00	
UCO Bank	Term Loan	100	33.34	28-Oct-16 / 33.34	
Bank of Baroda	Term Loan	300	300	18-Dec-16 / 100.00 18-Dec-17 / 100.00 18-Dec-18 / 100.00	
Small Industries Development Bank of India	Term Loan	225	45	10-July-16 / 20.00 10-Oct-16 / 25.00	
Karnataka Bank Limited	Term Loan	150	150	27-Mar-17 / 50.00 24-Mar-18 / 50.00 24-Mar-19 / 50.00	
Bank of Baroda	Term Loan	300	300	28-June-17 / 100.00 28-June-18 / 100.00 28-June-19 / 100.00	
United Bank of India	Term Loan	70	42	30-June-17 / 14.00 30-June-18 / 14.00 30-June-19 / 14.00	
Industrial and Commercial Bank of China	Term Loan	50	50	11-08-2017 / 50.00	

Capital
(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Syndicate Bank	Term Loan	200	125	01-Dec-16 / 25.00 01-June-17 / 25.00 01-Dec-17 / 25.00 01-June-18 / 25.00 01-Dec-18 / 25.00	Refer Note below.
Andhra Bank	Term Loan	600	480	03-Dec-16 / 120.00 03-Dec-17 / 120.00 03-Dec-18 / 120.00 03-Dec-19 / 120.00	
Bank of Maharashtra	Term Loan	230	230	22-Dec-17 / 76.67 22-Dec-18 / 76.67 22-Dec-19 / 76.66	
Punjab & Sind Bank	Term Loan	200	160	22-Dec-16 / 40.00 22-Dec-17 / 40.00 22-Dec-18 / 40.00 22-Dec-19 / 40.00	
Punjab National Bank	Term Loan	500	400	31-Dec-16 / 100.00 31-Dec-17 / 100.00 31-Dec-18 / 100.00 31-Dec-19 / 100.00	
Vijaya Bank	Term Loan	150	150	24-Feb-18 / 50.00 24-Feb-19 / 50.00 24-Feb-20 / 50.00	
Small Industries Development Bank of India	Term Loan	300	240	01-Jul-16 / 15.00 01-Oct-16 / 15.00 01-Jan-17 / 15.00 01-Apr-17 / 15.00 01-Jul-17 / 15.00 01-Oct-17 / 15.00 01-Jan-18 / 15.00 01-Apr-18 / 15.00 01-Jul-18 / 15.00 01-Oct-18 / 15.00 01-Jan-19 / 15.00 01-Apr-19 / 15.00 01-Jul-19 / 15.00 01-Oct-19 / 15.00 01-Jan-20 / 15.00 01-Apr-20 / 15.00	
United Overseas Bank	Term Loan	70	70	24-May-17 / 70.00	
Central Bank of India	Term Loan	500	500	26-June-17 / 500.00	
United Bank of India	Term Loan	200	160	30-June-17 / 40.00 30-June-18 / 40.00 30-June-19 / 40.00 30-June-20 / 40.00	
Bank of India	Term Loan	200	200	23-Oct-16 / 40.00 23-Oct-17 / 40.00 23-Oct-18 / 40.00 23-Oct-19 / 40.00 23-Oct-20 / 40.00	
Indian Overseas Bank	Term Loan	500	500	24-Nov-16 / 100.00 24-Nov-17 / 100.00 24-Nov-18 / 100.00 24-Nov-19 / 100.00 24-Nov-20 / 100.00	

Capital
(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
State Bank of Patiala	Term Loan	300	300	10-Dec-16 / 60.00 10-Dec-17 / 60.00 10-Dec-18 / 60.00 10-Dec-19 / 60.00 10-Dec-20 / 60.00	Refer Note below.
The Federal Bank Limited	Term Loan	200	200	10-Dec-16 / 66.67 10-Dec-17 / 66.67 10-Dec-18 / 66.66	
State Bank of Bikaner & Jaipur	Term Loan	200	100	30-Jan-17 /20.00 30-Jan-18 /20.00 30-Jan-19 /20.00 30-Jan-20 /20.00 30-Jan-21 /20.00	
First Rand Bank Limited	Term Loan	50	50	04-Feb-17 /50.00	
Bank of Bahrain & Kuwait - B.S.C	Working Capital Demand Loan (WCDL)	55	55	04-Dec-16 / 55.00	
Punjab & Sind Bank	Term Loan	200	200	18-Feb-17 /40.00 18-Feb-18 /40.00 18-Feb-19 /40.00 18-Feb-20 /40.00 18-Feb-21 /40.00	
Small Industries Development Bank of India	Term Loan	350	350	10-Aug-16 /17.50 10-Nov-16 /17.50 10-Feb-17 /17.50 10-May-17 /17.50 10-Aug-17 /17.50 10-Nov-17 /17.50 10-Feb-18 /17.50 10-May-18 /17.50 10-Aug-18 /17.50 10-Nov-18 /17.50 10-Feb-19 /17.50 10-May-19 /17.50 10-Aug-19 /17.50 10-Nov-19 /17.50 10-Feb-20 /17.50 10-May-20 /17.50 10-Aug-20 /17.50 10-Nov-20 /17.50 10-Feb-21 /17.50 10-May-21 /17.50	
Syndicate Bank	Term Loan	300	300	25-Feb-17 /100.00 25-Feb-18 /100.00 25-Feb-19 /100.00	
The KarurVysya Bank Limited	Term Loan	100	100	25-Feb-19 /33.33 25-Feb-20 /33.33 25-Feb-21 /33.34	
The Jammu & Kashmir Bank Limited	Term Loan	200	200	26-Feb-17 /40.00 26-Feb-18 /40.00 26-Feb-19 /40.00 26-Feb-20 /40.00 26-Feb-21 /40.00	

Capital
(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Punjab & Sind Bank	Term Loan	140	140	23-Mar-17 /28.00 23-Mar-18 /28.00 23-Mar-19 /28.00 23-Mar-20 /28.00 23-Mar-21 /28.00	Refer Note below.
Andhra Bank	Term Loan	300	300	23-Mar-17 /60.00 23-Mar-18 /60.00 23-Mar-19 /60.00 23-Mar-20 /60.00 23-Mar-21 /60.00	
Vijaya Bank	Term Loan	100	100	31-Mar-17 /20.00 31-Mar-18 /20.00 31-Mar-19 /20.00 31-Mar-20 /20.00 31-Mar-21 /20.00	
State Bank of Hyderabad	Term Loan	150	150	18-Apr-17 /30.00 18-Apr-18 /30.00 18-Apr-19 /30.00 18-Apr-20 /30.00 18-Apr-21 /30.00	
HDFC Bank Limited	Term Loan	100	100	17-Aug-16 /8.33 17-Nov-16 /8.33 17-Feb-17 /8.33 17-May-17 /8.33 17-Aug-17 /8.33 17-Nov-17 /8.33 17-Feb-18 /8.33 17-May-18 /8.33 17-Aug-18 /8.33 17-Nov-18 /8.33 17-Feb-19 /8.33 17-May-19 /8.33	
United Bank of India	Term Loan	100	100	24-May-17 /20 24-May-18 /20 24-May-19 /20 24-May-20 /20 24-May-21 /20	
The KarurVysya Bank Limited	Term Loan	100	100	28-June-19 /33.33 28-June-20 /33.33 28-June-21 /33.34	
Syndicate Bank	Term Loan	200	200	29-June-17 /40 29-June-18 /40 29-June-19 /40 29-June-20 /40 29-June-21 /40	
Axis Bank Limited	Cash Credit	50	50	-	
Bank of India	Cash Credit	200	186	-	
Corporation Bank	Cash Credit	250	136	-	
Indian Overseas Bank	Cash Credit	200	20	-	
State Bank of Patiala	Cash Credit	150	60	-	
UCO Bank	Cash Credit	200	178.5	-	
Syndicate Bank	Cash Credit	200	114	-	

Capital
(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
The Jammu & Kashmir Bank Limited	Cash Credit	75	74	-	Refer Note below.
Vijaya Bank	Cash Credit	100	100	-	

Note:

Hypothecation of Book Debts / Receivables as mentioned in the respective security documents.

FIRST SCHEDULE REFERRED IN THE DEBENTURE TRUST DEED DATED DECEMBER 10, 2014 ENTERED / SUCH OTHER DEED AS MAY BE ENTERED BETWEEN THE COMPANY AND TRUSTEE**PART (A)****DESCRIPTION OF THE GUJARAT IMMOVABLE PROPERTY**

All that office premises no. 2 admeasuring about 313 sq ft. on the second floor of Avdesh house which is situate lying and being at near Pritam Nagar, Ellisbridge, Ahmedabad 380 006, on the land bearing plot no. 825, PaikyHissa no. 3(C) of town planning scheme no. 5 (varied) of Ahmedabad City, in the village Sim Kocherab of City Taluka in the Registration District and Sub – District Ahmedabad, and bounded as under:

On or towards East	-	Office premises no.1
On or towards West	-	Office premises no.3
On or towards North	-	Compound of the land
On or towards South	-	Open premises

PART (B)

All present and future book debts and business receivables of the Company (except security towards securing outstanding term loan and cash credit limits more specifically described in Second Schedule hereto). Business Receivables includes current assets and investments.

SECOND SCHEDULE REFERRED IN THE DEBENTURE TRUST DEED DATED DECEMBER 10, 2014 ENTERED / SUCH OTHER DEED AS MAY BE ENTERED BETWEEN THE COMPANY AND TRUSTEE**DESCRIPTION OF SECURITY TOWARDS SECURING OUTSTANDING TERM LOAN AND CASH CREDIT LIMIT**

The present and future book debts, receivables, bills, claim and loan asset of Company's commercial finance division includes:

1. Home Loans,
2. Loan against property,
3. Construction Finance Loans,
4. Auto Loans,
5. Commercial Vehicles Loans,
6. Personal Loans,
7. Construction Equipment Loans,
8. Trade Advances,
9. Inventory Funding and
10. Structured Finance.

Annexure VIII

Details of Unsecured Loan Facilities as on June 30, 2016:

(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule
HDFC Bank Ltd.	Overdraft	40	Nil	-
	Term Loan	150	150	21-July-17 / 150.00
	Term Loan	160	160	27-July-16 / 160.00

Details of NCDs as on June 30, 2016:

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured
*INE013A07QJ9 Fixed	3652	10.20%	22.00	31-Jul-12	31-Jul-22	Secured
INE013A07QN1 Fixed	1826	10.25%	5.00	07-Aug-12	07-Aug-17	Secured
*INE013A07QQ4 Fixed	3652	10.2%	10.00	08-Aug-12	08-Aug-22	Secured
INE013A07QR2 Fixed	1826	10%	3.00	09-Aug-12	09-Aug-17	Secured
INE013A07QX0 Fixed	3652	9.90%	500.00	21-Aug-12	21-Aug-22	Secured
*INE013A07QY8 Fixed	3652	10.20%	50.00	17-Aug-12	17-Aug-22	Secured
*INE013A07RA6 Fixed	3713	10.25%	40.00	31-Aug-12	31-Oct-22	Secured
INE013A07RF5 Fixed	1826	10.15%	5.00	06-Sep-12	06-Sep-17	Secured
INE013A07RN9 Fixed	1826	10.15%	50.00	21-Sep-12	21-Sep-17	Secured
INE013A07RS8 Fixed	1826	10.2%	5.00	27-Sep-12	27-Sep-17	Secured
INE013A07RT6 Fixed	3652	10.1%	10.00	28-Sep-12	28-Sep-22	Secured
INE013A07RW0 Fixed	1824	10.15%	5.00	08-Oct-12	06-Oct-17	Secured
INE013A07RX8 Fixed	1823	10.15%	5.00	09-Oct-12	06-Oct-17	Secured
INE013A07SJ5 Fixed	1824	10%	90.00	05-Nov-12	03-Nov-17	Secured
*INE013A07SK3 Fixed	3652	9.95%	60.00	02-Nov-12	02-Nov-22	Secured
INE013A07SN7 Fixed	1826	9.86%	30.00	09-Nov-12	09-Nov-17	Secured
INE013A07TA2 Fixed	3652	10.05%	7.00	13-Dec-12	13-Dec-22	Secured
INE013A07TC8 Fixed	1824	10%	5.00	17-Dec-12	15-Dec-17	Secured
INE013A07TD6 Fixed	1826	10%	132.60	20-Dec-12	20-Dec-17	Secured
INE013A07TF1 Fixed	1826	10 %	10.00	28-Dec-12	28-Dec-17	Secured
INE013A07TN5 Fixed	3652	9.9%	75.00	24-Jan-13	24-Jan-23	Secured
INE013A07TO3 Fixed	1826	9.85%	75.00	24-Jan-13	24-Jan-18	Secured
INE013A07TV8 Fixed	3652	10%	10.00	31-Jan-13	31-Jan-23	Secured
INE013A07UW4 Fixed	1826	9.75%	15.00	18-Mar-13	18-Mar-18	Secured
INE013A07UY0 Fixed	3652	9.8%	500.00	22-Mar-13	22-Mar-23	Secured
INE013A07VO9 Fixed	1826	9.45%	10.00	17-Apr-13	17-Apr-18	Secured
INE013A07VP6 Fixed	1826	9.45%	10.00	23-Apr-13	23-Apr-18	Secured
INE013A07WB4 Fixed	3652	9.40%	1500.00	24-May-13	24-May-23	Secured
INE013A07WG3 Fixed	1826	9.3%	500.00	27-May-13	27-May-18	Secured
INE013A07WU4 Fixed	2557	10.35%	150.00	21-Aug-13	21-Aug-20	Secured
INE013A07YF1 Fixed	1826	10.3%	93.20	20-Dec-13	20-Dec-18	Secured
INE013A07YK1 Fixed	1096	10.25%	90.00	20-Dec-13	20-Dec-16	Secured
INE013A07NC1 Fixed	1827	10.40%	10.00	19-Jul-11	19-Jul-16	Secured
INE013A07ND9 Fixed	1827	10.40%	10.00	26-Jul-11	26-Jul-16	Secured
INE013A07NF4 Fixed	2376	10.33%	25.00	12-Aug-11	12-Feb-18	Secured
INE013A07NJ6 Fixed	1827	10.40%	10.00	13-Sep-11	13-Sep-16	Secured
INE013A07NP3 Fixed	1827	10.40%	30.00	18-Oct-11	18-Oct-16	Secured
INE013A07NT5 Fixed	1827	10.40%	5.00	31-Oct-11	31-Oct-16	Secured
INE013A07NU3 Fixed	2922	10.28%	15.00	30-Nov-11	30-Nov-19	Secured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured	
INE013A07NV1	Fixed	1827	10.40%	10.00	09-Dec-11	09-Dec-16	Secured
INE013A07NX7	Fixed	1827	10.50%	500.00	19-Dec-11	19-Dec-16	Secured
INE013A07NY5	Fixed	2557	10.50%	10.50	21-Dec-11	21-Dec-18	Secured
INE013A07OA3	Fixed	1827	10.40%	10.00	16-Jan-12	16-Jan-17	Secured
INE013A07OK2	Fixed	1826	10.40%	10.00	16-Mar-12	16-Mar-17	Secured
INE013A07OLO	Fixed	1826	10%	10.00	27-Mar-12	27-Mar-17	Secured
INE013A07OO4	Fixed	2556	10.2426%	500.00	12-Apr-12	12-Apr-19	Secured
INE013A07OQ9	Fixed	1826	10.30%	19.00	18-Apr-12	18-Apr-17	Secured
INE013A07OS5	Fixed	2191	10.10%	16.00	23-Apr-12	23-Apr-18	Secured
INE013A07OU1	Fixed	1826	10.35%	35.00	07-May-12	07-May-17	Secured
INE013A07OZ0	Fixed	2556	10.40%	5.00	16-May-12	16-May-19	Secured
INE013A07PH5	Fixed	1826	10.30%	25.00	01-Jun-12	01-Jun-17	Secured
INE013A07PJ1	Fixed	1826	10.3%	5.00	06-Jun-12	06-Jun-17	Secured
INE013A07PM5	Fixed	1826	10.35%	15.00	15-Jun-12	15-Jun-17	Secured
INE013A07PP8	Fixed	3652	10.35%	5.00	20-Jun-12	20-Jun-22	Secured
INE013A07PR4	Fixed	2920	10.35%	5.00	21-Jun-12	19-Jun-20	Secured
INE013A07QE0	Fixed	1826	10.25%	11.00	24-Jul-12	24-Jul-17	Secured
INE013A07A33	Fixed	3653	10.1%	1070.00	22-Apr-14	22-Apr-24	Secured
INE013A07A66	Fixed	3653	9.42%	40.00	04-Aug-14	04-Aug-24	Secured
INE013A07C56	Fixed	1826	9.75%	5.00	11-Sep-14	11-Sep-19	Secured
INE013A07E21	Fixed	1097	9.7%	25.00	24-Sep-14	25-Sep-17	Secured
INE013A07G11	Fixed	1826	9.7%	15.00	16-Oct-14	16-Oct-19	Secured
INE013A07G52	Fixed	731	9.6%	5.00	21-Oct-14	21-Oct-16	Secured
INE013A07H36	Fixed	1096	9.5%	10.00	31-Oct-14	31-Oct-17	Secured
INE013A07H51	Fixed	1236	9.6%	150.00	05-Nov-14	25-Mar-18	Secured
INE013A07H77	Fixed	780	9.40%	5.00	10-Nov-14	29-Dec-16	Secured
INE013A07I01	Fixed	3653	9.32%	20.00	20-Nov-14	20-Nov-24	Secured
INE013A07ZR3	Fixed	1089	10.2566%	50.00	20-Mar-14	13-Mar-17	Secured
INE013A07L06	Fixed	731	0%	50.00	10-Feb-15	10-Feb-17	Secured
INE013A07L97	Fixed	731	0%	200.00	09-Mar-15	09-Mar-17	Secured
INE013A07M05	Fixed	1138	0%	18.20	13-Mar-15	24-Apr-18	Secured
INE013A07M13	Fixed	1111	9.0531%	155.00	13-Mar-15	28-Mar-18	Secured
INE013A07M39	Fixed	721	0%	50.00	20-Mar-15	10-Mar-17	Secured
INE013A07M47	Fixed	731	0%	100.00	20-Mar-15	20-Mar-17	Secured
INE013A07M70	Fixed	736	0%	23.00	20-Apr-15	25-Apr-17	Secured
*INE013A07M88	Fixed	532	0%	3.10	20-Apr-15	03-Oct-16	Secured
INE013A07M96	Fixed	928	0%	300.00	27-Apr-15	10-Nov-17	Secured
INE013A07N87	Fixed	538	0%	9.00	24-Jun-15	13-Dec-16	Secured
INE013A07O03	Fixed	1827	9.12%	15.00	29-Jun-15	29-Jun-20	Secured
INE013A07O29	Fixed	575	0%	4.30	02-Jul-15	27-Jan-17	Secured
INE013A07O37	Fixed	731	8.99%	25.00	08-Jul-15	08-Jul-17	Secured
INE013A07O45	Fixed	738	0%	13.00	10-Jul-15	17-Jul-17	Secured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured	
INE013A07O52	Fixed	728	9%	25.00	31-Jul-15	28-Jul-17	Secured
INE013A07O60	Fixed	1094	9%	5.00	05-Aug-15	03-Aug-18	Secured
INE013A07O94	Fixed	1096	9%	25.00	13-Aug-15	13-Aug-18	Secured
INE013A07P02	Fixed	730	8.9%	25.00	25-Aug-15	24-Aug-17	Secured
INE013A07Q19	Fixed	1157	8.8%	10.00	20-Oct-15	20-Dec-18	Secured
INE013A07Q27	Fixed	1155	8.8%	10.00	20-Oct-15	18-Dec-18	Secured
INE013A07Q35	Fixed	515	0%	12.50	23-Oct-15	21-Mar-17	Secured
INE013A07Q43	Fixed	1067	8.85%	150.00	23-Oct-15	24-Sep-18	Secured
INE013A07Q50	Fixed	1067	8.85%	100.00	23-Oct-15	24-Sep-18	Secured
INE013A07Q68	Fixed	1286	0%	5.00	28-Oct-15	06-May-19	Secured
INE013A07S41	Fixed	1827	8.75%	15.00	11-Dec-15	11-Dec-20	Secured
INE013A07V46	Fixed	1094	8.95%	25.00	17-Feb-16	15-Feb-19	Secured
INE013A07W11	Fixed	1093	8.95%	30.00	17-Mar-16	15-Mar-19	Secured
INE013A07W29	Fixed	1094	8.95%	5.00	23-Mar-16	22-Mar-19	Secured
INE013A07W37	Fixed	1095	8.95%	10.00	22-Mar-16	22-Mar-19	Secured
INE013A07W60	Fixed	1095	8.95%	20.00	29-Mar-16	29-Mar-19	Secured
INE013A07UZ7	PP	1282	Market Linked	0.50	25-Mar-13	27-Sep-16	Secured
INE013A07VF7	PP	1216	Market Linked	7.10	03-Apr-13	01-Aug-16	Secured
INE013A07VG5	PP	1219	Market Linked	7.80	03-Apr-13	04-Aug-16	Secured
INE013A07VJ9	PP	1216	Market Linked	3.20	10-Apr-13	08-Aug-16	Secured
INE013A07VK7	PP	1217	Market Linked	29.67	10-Apr-13	09-Aug-16	Secured
INE013A07VN1	PP	1217	Market Linked	1.10	17-Apr-13	16-Aug-16	Secured
INE013A07VQ4	PP	1217	Market Linked	0.50	23-Apr-13	22-Aug-16	Secured
INE013A07A25	PP	1221	Market Linked	3.05	04-Apr-14	07-Aug-17	Secured
INE013A07A41	PP	824	Market Linked	1.05	02-Apr-14	04-Jul-16	Secured
INE013A07VV4	PP	1214	Market Linked	15.00	06-May-13	01-Sep-16	Secured
INE013A07VW2	PP	1214	Market Linked	10.00	06-May-13	01-Sep-16	Secured
INE013A07VY8	PP	1279	Market Linked	0.40	08-May-13	07-Nov-16	Secured
INE013A07WE8	PP	1218	Market Linked	3.15	21-May-13	20-Sep-16	Secured
INE013A07WF5	PP	1215	Market Linked	3.05	22-May-13	18-Sep-16	Secured
INE013A07WH1	PP	1215	Market Linked	0.80	29-May-13	25-Sep-16	Secured
INE013A07WI9	PP	1221	Market Linked	15.00	04-Jun-13	07-Oct-16	Secured
INE013A07WL3	PP	1218	Market Linked	2.03	13-Jun-13	13-Oct-16	Secured
INE013A07WR0	PP	1220	Market Linked	1.95	19-Aug-13	21-Dec-16	Secured
INE013A07WT6	PP	1913	Market Linked	2.05	19-Aug-13	14-Nov-18	Secured
INE013A07WY6	PP	1281	Market Linked	3.60	06-Sep-13	10-Mar-17	Secured
INE013A07XA4	PP	1220	Market Linked	0.60	18-Sep-13	20-Jan-17	Secured
INE013A07XB2	PP	1220	Market Linked	1.45	18-Sep-13	20-Jan-17	Secured
INE013A07XC0	PP	1281	Market Linked	1.05	18-Sep-13	22-Mar-17	Secured
INE013A07XF3	PP	1218	Market Linked	1.05	04-Oct-13	03-Feb-17	Secured
INE013A07XG1	PP	1281	Market Linked	0.50	04-Oct-13	07-Apr-17	Secured
INE013A07XP2	PP	1215	Market Linked	3.40	07-Nov-13	06-Mar-17	Secured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured	
INE013A07XT4	PP	1275	Market Linked	0.75	07-Nov-13	05-May-17	Secured
INE013A07XV0	PP	1183	Market Linked	1.05	07-Nov-13	02-Feb-17	Secured
INE013A07XY4	PP	1189	Market Linked	10.00	29-Nov-13	02-Mar-17	Secured
INE013A07XZ1	PP	1216	Market Linked	2.00	04-Dec-13	03-Apr-17	Secured
INE013A07YA2	PP	1220	Market Linked	1.50	06-Dec-13	09-Apr-17	Secured
INE013A07YB0	PP	1213	Market Linked	1.00	11-Dec-13	07-Apr-17	Secured
INE013A07YD6	PP	1220	Market Linked	4.25	10-Dec-13	13-Apr-17	Secured
INE013A07YG9	PP	1218	Market Linked	1.00	11-Dec-13	12-Apr-17	Secured
INE013A07YI5	PP	1189	Market Linked	1.00	17-Dec-13	20-Mar-17	Secured
INE013A07YN5	PP	1218	Market Linked	5.45	06-Jan-14	08-May-17	Secured
INE013A07YP0	PP	1187	Market Linked	1.75	06-Jan-14	07-Apr-17	Secured
INE013A07YQ8	PP	1187	Market Linked	2.80	06-Jan-14	07-Apr-17	Secured
INE013A07YU0	PP	1220	Market Linked	5.85	05-Feb-14	09-Jun-17	Secured
INE013A07YW6	PP	1188	Market Linked	1.50	10-Feb-14	13-May-17	Secured
INE013A07YX4	PP	1222	Market Linked	2.70	14-Feb-14	20-Jun-17	Secured
INE013A07ZA9	PP	1159	Market Linked	1.00	28-Feb-14	02-May-17	Secured
*INE013A07ZD3	PP	1220	Market Linked	2.25	05-Mar-14	07-Jul-17	Secured
INE013A07ZE1	PP	1132	Market Linked	1.60	05-Mar-14	10-Apr-17	Secured
INE013A07ZF8	PP	1220	Market Linked	1.50	06-Mar-14	08-Jul-17	Secured
INE013A07ZI2	PP	1188	Market Linked	2.70	12-Mar-14	12-Jun-17	Secured
INE013A07ZZ6	PP	1188	Market Linked	5.85	04-Apr-14	05-Jul-17	Secured
*INE013A07A17	PP	1221	Market Linked	1.25	04-Apr-14	07-Aug-17	Secured
INE013A07A58	PP	823	Market Linked	5.00	24-Jul-14	24-Oct-16	Secured
INE013A07A74	PP	823	Market Linked	3.50	24-Jul-14	24-Oct-16	Secured
INE013A07B24	PP	1277	Market Linked	1.00	01-Aug-14	29-Jan-18	Secured
INE013A07B40	PP	824	Market Linked	1.85	07-Aug-14	08-Nov-16	Secured
INE013A07B57	PP	824	Market Linked	1.05	07-Aug-14	08-Nov-16	Secured
INE013A07B81	PP	829	Market Linked	3.50	19-Aug-14	25-Nov-16	Secured
INE013A07B99	PP	824	Market Linked	2.10	22-Aug-14	23-Nov-16	Secured
INE013A07C49	PP	1223	Market Linked	0.75	03-Sep-14	08-Jan-18	Secured
INE013A07C80	PP	1223	Market Linked	2.20	05-Sep-14	10-Jan-18	Secured
INE013A07C98	PP	1284	Market Linked	3.50	05-Sep-14	12-Mar-18	Secured
INE013A07D22	PP	1220	Market Linked	2.95	10-Sep-14	12-Jan-18	Secured
INE013A07D30	PP	824	Market Linked	1.65	10-Sep-14	12-Dec-16	Secured
INE013A07D48	PP	1260	Market Linked	2.70	10-Sep-14	21-Feb-18	Secured
INE013A07D71	PP	849	Market Linked	0.95	17-Sep-14	13-Jan-17	Secured
INE013A07E47	PP	1285	Market Linked	3.50	25-Sep-14	02-Apr-18	Secured
INE013A07E54	PP	1288	Market Linked	1.50	25-Sep-14	05-Apr-18	Secured
INE013A07E62	PP	736	Market Linked	12.95	25-Sep-14	30-Sep-16	Secured
INE013A07E70	PP	1284	Market Linked	2.00	30-Sep-14	06-Apr-18	Secured
INE013A07E96	PP	919	Market Linked	2.50	29-Sep-14	05-Apr-17	Secured
INE013A07F12	PP	1222	Market Linked	1.00	29-Sep-14	02-Feb-18	Secured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured	
INE013A07F46	PP	825	Market Linked	0.50	29-Sep-14	01-Jan-17	Secured
INE013A07F61	PP	823	Market Linked	2.35	10-Oct-14	10-Jan-17	Secured
INE013A07F87	PP	1284	Market Linked	3.50	14-Oct-14	20-Apr-18	Secured
INE013A07G45	PP	1284	Market Linked	3.50	17-Oct-14	23-Apr-18	Secured
INE013A07G78	PP	642	Market Linked	3.25	22-Oct-14	25-Jul-16	Secured
INE013A07G86	PP	736	Market Linked	7.05	22-Oct-14	27-Oct-16	Secured
INE013A07G94	PP	733	Market Linked	2.00	29-Oct-14	31-Oct-16	Secured
*INE013A07H02	PP	1224	Market Linked	1.75	28-Oct-14	05-Mar-18	Secured
INE013A07H28	PP	915	Market Linked	1.05	01-Nov-14	04-May-17	Secured
INE013A07H85	PP	916	Market Linked	1.00	11-Nov-14	15-May-17	Secured
INE013A07H93	PP	742	Market Linked	3.00	14-Nov-14	25-Nov-16	Secured
INE013A07I27	PP	917	Market Linked	1.75	24-Nov-14	29-May-17	Secured
INE013A07I43	PP	733	Market Linked	3.80	26-Nov-14	28-Nov-16	Secured
INE013A07I84	PP	915	Market Linked	1.50	28-Nov-14	31-May-17	Secured
INE013A07J00	PP	733	Market Linked	0.75	04-Dec-14	06-Dec-16	Secured
INE013A07ZY9	PP	1218	Market Linked	0.95	04-Apr-14	04-Aug-17	Secured
INE013A07J34	PP	733	Market Linked	1.00	12-Dec-14	14-Dec-16	Secured
INE013A07J42	PP	1222	Market Linked	3.50	12-Dec-14	17-Apr-18	Secured
INE013A07J83	PP	1221	Market Linked	1.05	26-Dec-14	30-Apr-18	Secured
INE013A07J91	PP	916	Market Linked	1.20	30-Dec-14	03-Jul-17	Secured
INE013A07K15	PP	1222	Market Linked	3.50	12-Jan-15	18-May-18	Secured
INE013A07K23	PP	732	Market Linked	0.70	19-Jan-15	20-Jan-17	Secured
INE013A07K80	PP	1222	Market Linked	1.50	30-Jan-15	05-Jun-18	Secured
INE013A07K98	PP	1284	Market Linked	1.00	30-Jan-15	06-Aug-18	Secured
INE013A07L14	PP	1224	Market Linked	1.30	11-Feb-15	19-Jun-18	Secured
INE013A07L22	PP	1282	Market Linked	1.25	11-Feb-15	16-Aug-18	Secured
INE013A07L63	PP	1224	Market Linked	5.70	24-Feb-15	02-Jul-18	Secured
INE013A07L89	PP	1098	Market Linked	1.00	27-Feb-15	01-Mar-18	Secured
INE013A07M21	PP	1251	Market Linked	1.60	14-Mar-15	16-Aug-18	Secured
*INE013A07N04	PP	824	Market Linked	9.96	07-May-15	08-Aug-17	Secured
INE013A07N12	PP	732	Market Linked	5.65	21-May-15	22-May-17	Secured
INE013A07N20	PP	732	Market Linked	1.00	01-Jun-15	02-Jun-17	Secured
*INE013A07N38	PP	732	Market Linked	1.65	01-Jun-15	02-Jun-17	Secured
INE013A07N46	PP	732	Market Linked	2.00	04-Jun-15	05-Jun-17	Secured
INE013A07N53	PP	732	Market Linked	1.80	05-Jun-15	06-Jun-17	Secured
*INE013A07N61	PP	1223	Market Linked	1.04	05-Jun-15	10-Oct-18	Secured
INE013A07N95	PP	732	Market Linked	1.00	26-Jun-15	27-Jun-17	Secured
INE013A07O11	PP	734	Market Linked	1.25	30-Jun-15	03-Jul-17	Secured
*INE013A07P44	PP	733	Market Linked	1.72	18-Sep-15	20-Sep-17	Secured
*INE013A07P51	PP	549	Market Linked	1.51	18-Sep-15	20-Mar-17	Secured
INE013A07P69	PP	456	Market Linked	15.00	24-Sep-15	23-Dec-16	Secured
INE013A07P77	PP	914	Market Linked	1.00	24-Sep-15	26-Mar-18	Secured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured	
INE013A07P85	PP	1099	Market Linked	1.25	05-Oct-15	08-Oct-18	Secured
INE013A07Q01	PP	455	Market Linked	5.00	12-Oct-15	09-Jan-17	Secured
INE013A07R18	PP	733	Market Linked	1.25	30-Oct-15	01-Nov-17	Secured
INE013A07R26	PP	733	Market Linked	1.50	30-Oct-15	01-Nov-17	Secured
INE013A07R59	PP	1099	Market Linked	1.00	20-Nov-15	23-Nov-18	Secured
INE013A07S33	PP	734	Market Linked	1.00	03-Dec-15	06-Dec-17	Secured
INE013A07S58	PP	1099	Market Linked	1.00	14-Dec-15	17-Dec-18	Secured
INE013A07T65	PP	730	Market Linked	1.75	30-Dec-15	29-Dec-17	Secured
INE013A07U05	PP	731	Market Linked	2.00	05-Jan-16	05-Jan-18	Secured
INE013A07U21	PP	1190	Market Linked	2.00	14-Jan-16	18-Apr-19	Secured
*INE013A07U39	PP	778	Market Linked	2.50	27-Jan-16	15-Mar-18	Secured
INE013A07U47	PP	1097	Market Linked	1.00	27-Jan-16	28-Jan-19	Secured
*INE013A07U70	PP	882	Market Linked	2.50	04-Feb-16	05-Jul-18	Secured
INE013A07U88	PP	607	Market Linked	10.00	04-Feb-16	03-Oct-17	Secured
INE013A07U96	PP	1218	Market Linked	23.25	05-Feb-16	07-Jun-19	Secured
*INE013A07V04	PP	639	Market Linked	1.95	10-Feb-16	10-Nov-17	Secured
*INE013A07V12	PP	733	Market Linked	2.40	10-Feb-16	12-Feb-18	Secured
*INE013A07V20	PP	1218	Market Linked	2.73	16-Feb-16	18-Jun-19	Secured
INE013A07V38	PP	455	Market Linked	2.00	16-Feb-16	16-May-17	Secured
INE013A07V61	PP	733	Market Linked	10.00	24-Feb-16	26-Feb-18	Secured
INE013A07V87	PP	1217	Market Linked	1.00	03-Mar-16	03-Jul-19	Secured
INE013A07V95	PP	1218	Market Linked	5.60	11-Mar-16	12-Jul-19	Secured
INE013A07W03	PP	455	Market Linked	4.25	11-Mar-16	09-Jun-17	Secured
INE013A07W45	PP	397	Market Linked	5.00	30-Mar-16	01-May-17	Secured
*INE013A07W52	PP	761	Market Linked	2.12	30-Mar-16	30-Apr-18	Secured
INE013A07W86	PP	387	Market Linked	8.00	06-Apr-16	28-Apr-17	Secured
*INE013A07W94	PP	821	Market Linked	2.21	06-Apr-16	06-Jul-18	Secured
*INE013A07X02	PP	761	Market Linked	1.28	06-Apr-16	07-May-18	Secured
INE013A07X77	PP	456	Market Linked	1.00	25-Apr-16	25-Jul-17	Secured
INE013A07X51	PP	456	Market Linked	10.00	28-Apr-16	28-Jul-17	Secured
*INE013A07X85	PP	732	Market Linked	1.04	28-Apr-16	30-Apr-18	Secured
INE013A07X93	PP	1217	Market Linked	2.00	28-Apr-16	28-Aug-19	Secured
INE013A07Y01	PP	1095	Market Linked	3.00	29-Apr-16	29-Apr-19	Secured
INE013A07Y84	PP	1189	Market Linked	5.00	24-May-16	26-Aug-19	Secured
INE013A07Y92	PP	457	Market Linked	5.00	24-May-16	24-Aug-17	Secured
INE013A07Z00	PP	1218	Market Linked	2.60	24-May-16	24-Sep-19	Secured
INE013A07Z18	PP	1218	Market Linked	2.25	24-May-16	24-Sep-19	Secured
INE013A07Z67	PP	550	Market Linked	1.00	26-May-16	27-Nov-17	Secured
*INE013A07Z83	PP	1463	Market Linked	2.00	30-May-16	01-Jun-20	Secured
INE013A07Z91	PP	730	Market Linked	1.00	01-Jun-16	01-Jun-18	Secured
INE013A073A4	PP	547	Market Linked	1.00	08-Jun-16	07-Dec-17	Secured
INE013A074A2	PP	457	Market Linked	1.00	08-Jun-16	08-Sep-17	Secured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured
*INE013A071B6 PP	1278	Market Linked	1.39	27-Jun-16	27-Dec-19	Secured
*INE013A072B4 PP	822	Market Linked	1.03	27-Jun-16	27-Sep-18	Secured
INE013A073B2 PP	1340	Market Linked	5.00	27-Jun-16	27-Feb-20	Secured
INE013A075B7 PP	550	Market Linked	1.00	30-Jun-16	01-Jan-18	Secured
NE013A076B5 PP	823	Market Linked	2.75	30-Jun-16	01-Oct-18	Secured
INE013A077B3 PP	1218	Market Linked	1.00	30-Jun-16	31-Oct-19	Secured
INE013A07TQ8 NON PP	1273	Market Linked	4.48	22-Jan-13	18-Jul-16	Secured
INE013A07UL7 NON PP	1286	Market Linked	1.27	01-Mar-13	07-Sep-16	Secured
INE013A07UT0 NON PP	1215	Market Linked	1.85	15-Mar-13	12-Jul-16	Secured
INE013A07VC4 NON PP	1218	Market Linked	0.75	28-Mar-13	28-Jul-16	Secured
INE013A07VM3 NON PP	1218	Market Linked	0.65	10-Apr-13	10-Aug-16	Secured
INE013A07VX0 NON PP	1218	Market Linked	1.60	03-May-13	02-Sep-16	Secured
*INE013A07VT8 NON PP	1187	Market Linked	1.70	06-May-13	05-Aug-16	Secured
INE013A07XM9 NON PP	1218	Market Linked	6.00	14-Oct-13	13-Feb-17	Secured
INE013A07ZG6 NON PP	1254	Market Linked	0.85	04-Mar-14	09-Aug-17	Secured
INE013A07ZJ0 NON PP	1252	Market Linked	2.80	14-Mar-14	17-Aug-17	Secured
INE013A07ZX1 NON PP	1278	Market Linked	0.60	04-Apr-14	03-Oct-17	Secured
INE013A07A09 NON PP	1188	Market Linked	1.70	04-Apr-14	05-Jul-17	Secured
INE013A07D14 NON PP	1251	Market Linked	1.00	06-Sep-14	08-Feb-18	Secured
INE013A07F79 NON PP	1224	Market Linked	2.00	15-Oct-14	20-Feb-18	Secured
INE013A07L55 NON PP	1222	Market Linked	3.35	23-Feb-15	29-Jun-18	Secured
INE013A07P10 NON PP	1278	Market Linked	1.00	10-Sep-15	11-Mar-19	Secured
INE013A07P93 NON PP	1280	Market Linked	0.85	09-Oct-15	11-Apr-19	Secured
INE013A07Q76 NON PP	1280	Market Linked	0.70	29-Oct-15	01-May-19	Secured
INE013A07Q84 NON PP	1280	Market Linked	1.00	29-Oct-15	01-May-19	Secured
INE013A07Q92 NON PP	1280	Market Linked	1.50	29-Oct-15	01-May-19	Secured
INE013A07R34 NON PP	1281	Market Linked	1.50	16-Nov-15	20-May-19	Secured
INE013A07R91 NON PP	1281	Market Linked	1.00	30-Nov-15	03-Jun-19	Secured
INE013A07S09 NON PP	1281	Market Linked	2.05	30-Nov-15	03-Jun-19	Secured
INE013A07S25 NON PP	371	Market Linked	5.11	30-Nov-15	05-Dec-16	Secured
INE013A07S82 NON PP	772	Market Linked	0.60	28-Dec-15	07-Feb-18	Secured
INE013A07T73 NON PP	1280	Market Linked	6.48	01-Jan-16	04-Jul-19	Secured
INE013A07T81 NON PP	1280	Market Linked	0.50	01-Jan-16	04-Jul-19	Secured
INE013A07U54 NON PP	1280	Market Linked	3.58	28-Jan-16	31-Jul-19	Secured
INE013A07U62 NON PP	1280	Market Linked	0.60	28-Jan-16	31-Jul-19	Secured
INE013A07V53 NON PP	1287	Market Linked	1.00	18-Feb-16	28-Aug-19	Secured
INE013A07V79 NON PP	1280	Market Linked	2.05	26-Feb-16	29-Aug-19	Secured
INE013A07X10 NON PP	1280	Market Linked	0.50	13-Apr-16	15-Oct-19	Secured
INE013A07X28 NON PP	372	Market Linked	0.40	13-Apr-16	20-Apr-17	Secured
INE013A07X36 NON PP	372	Market Linked	2.93	13-Apr-16	20-Apr-17	Secured
INE013A07X69 NON PP	1278	Market Linked	1.45	21-Apr-16	21-Oct-19	Secured
INE013A07Z26 NON PP	371	Market Linked	1.25	25-May-16	31-May-17	Secured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured	
INE013A07Z34	NON PP	376	Market Linked	1.00	25-May-16	05-Jun-17	Secured
INE013A07Z42	NON PP	1244	Market Linked	6.29	25-May-16	21-Oct-19	Secured
INE013A07Z59	NON PP	1247	Market Linked	7.04	25-May-16	24-Oct-19	Secured
INE013A07Z75	NON PP	1279	Market Linked	2.00	27-May-16	27-Nov-19	Secured
INE013A070A0	NON PP	1249	Market Linked	3.36	03-Jun-16	04-Nov-19	Secured
INE013A074B0	NON PP	1248	Market Linked	1.37	28-Jun-16	28-Nov-19	Secured
INE013A07W78	Fixed	1143	0%	150.00	05-Apr-16	23-May-19	Secured
INE013A07X44	Fixed	1094	8.75%	10.00	20-Apr-16	19-Apr-19	Secured
INE013A07Y19	Fixed	2554	8.75%	2.00	30-Apr-16	28-Apr-23	Secured
INE013A07Y27	Fixed	2555	8.75%	19.00	06-May-16	05-May-23	Secured
INE013A07Y35	Fixed	1095	8.75%	55.00	06-May-16	06-May-19	Secured
INE013A07Y43	Fixed	730	8.75%	90.00	18-May-16	18-May-18	Secured
INE013A071A8	Fixed	1826	8.75%	10.00	02-Jun-16	02-Jun-21	Secured
INE013A072A6	Fixed	1095	8.75%	25.00	06-Jun-16	06-Jun-19	Secured
INE013A075A9	Fixed	1826	8.75%	10.00	10-Jun-16	10-Jun-21	Secured
INE013A076A7	Fixed	2555	8.75%	5.00	10-Jun-16	09-Jun-23	Secured
INE013A077A5	Fixed	728	8.75%	10.00	24-Jun-16	22-Jun-18	Secured
INE013A078A3	Fixed	1095	8.75%	10.00	24-Jun-16	24-Jun-19	Secured
INE013A079A1	Fixed	1826	8.75%	10.00	24-Jun-16	24-Jun-21	Secured
INE013A08093	Tier II	2558	10.50%	10.00	20-May-11	21-May-18	Unsecured
INE013A08101	Tier II	4383	10.50%	15.00	20-May-11	20-May-23	Unsecured
INE013A08119	Tier II	3653	10.50%	25.00	14-Jul-11	14-Jul-21	Unsecured
INE013A08127	Tier II	2557	10.65%	8.00	12-Aug-11	12-Aug-18	Unsecured
INE013A08135	Tier II	3653	10.75%	142.00	12-Aug-11	12-Aug-21	Unsecured
INE013A08143	Tier II	3653	10.75%	150.00	30-Sep-11	30-Sep-21	Unsecured
INE013A08150	Tier II	3653	10.75%	40.00	24-Oct-11	24-Oct-21	Unsecured
INE013A08168	Tier II	3653	10.60%	20.00	26-Dec-11	26-Dec-21	Unsecured
INE013A08176	Tier II	3653	10.75%	10.00	28-Dec-11	28-Dec-21	Unsecured
INE013A08184	Tier II	3653	10.60%	10.00	02-Jan-12	02-Jan-22	Unsecured
INE013A08192	Tier II	3653	10.75%	25.00	28-Feb-12	28-Feb-22	Unsecured
INE013A08200	Tier II	3652	10.60%	50.00	05-Mar-12	05-Mar-22	Unsecured
INE013A08218	Tier II	3652	10.60%	3.00	21-Mar-12	21-Mar-22	Unsecured
INE013A08226	Tier II	3652	10.60%	26.00	20-Apr-12	20-Apr-22	Unsecured
INE013A08234	Tier II	3652	10.6%	25.00	25-May-12	25-May-22	Unsecured
INE013A08242	Tier II	3652	10.50%	20.00	13-Jun-12	13-Jun-22	Unsecured
INE013A08259	Tier II	3652	10.4%	50.00	29-Jun-12	29-Jun-22	Unsecured
INE013A08267	Tier II	3652	10.4%	300.00	27-Sep-12	27-Sep-22	Unsecured
INE013A08275	Tier II	3650	9.95%	25.00	19-Mar-13	17-Mar-23	Unsecured
INE013A08283	Tier II	3652	9.85%	45.00	28-Mar-13	28-Mar-23	Unsecured
INE013A08291	Tier II	3652	9.5%	5.00	17-Apr-13	17-Apr-23	Unsecured
INE013A08309	Tier II	3652	9.25%	6.00	25-Jun-13	25-Jun-23	Unsecured
INE013A08317	Tier II	3652	10.19%	20.00	25-Nov-13	25-Nov-23	Unsecured

Capital

Debenture Series	Tenor/ Period of Maturity (in days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Secured/ Unsecured
INE013A08325 Tier II	4383	10.15%	8.00	09-Dec-13	09-Dec-25	Unsecured
INE013A08333 Tier II	3652	10.19%	20.00	02-Jan-14	02-Jan-24	Unsecured
INE013A08341 Tier II	3652	10.19%	5.00	07-Jan-14	07-Jan-24	Unsecured
INE013A08358 Tier II	3652	10.19%	110.00	13-Jan-14	13-Jan-24	Unsecured
INE013A08366 Tier II	3653	9.65%	250.00	18-Mar-15	18-Mar-25	Unsecured

* issued at discount.

Details of Credit Rating

Particulars	Rating Agency	Rating
Long Term Debt Programme	CARE Ratings	CARE AAA Credit Watch
Market Linked Debentures	CARE Ratings	CARE PP- MLD AAA Credit Watch
Subordinated Tier II NCD	Brickwork Ratings	BWR AAA / Stable Ratings under watch with developing implications
Secured NCD	Brickwork Ratings	BWR AAA / Stable Ratings under watch with developing implications
Subordinated Debt	CARE Ratings	CARE AA+ Credit Watch

Security: First *pari-passu* charge on present and future book debts / business receivable of the Company as mentioned in the respective Debenture Trust Deed(s).

Annexure X

List of Top 10 Debenture Holders as on June 30, 2016:
(in value terms, on cumulative basis for all outstanding debentures issues)

Sr. No.	Name of Debenture Holders	Amount (Rs. in crore)
1	CBT EPF Funds	2500.00
2	Life Insurance Corporation of India P&Gs Fund	2000.00
3	Reliance Capital Trustee Co. Limited	615.00
4	Coal Mines Provident Fund Organisation	422.80
5	Hindustan Zinc Limited	400.00
6	General Insurance Corporation of India	365.00
7	Reliance General Insurance Company Limited	245.00
8	UTI India Credit Opportunities Fund Limited	155.00
9	Enterprise India Fund	150.00
10	The State Bank of India Employees Provident Fund	148.00

Annexure XI

The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued as on June 30, 2016:

Sr. No.	Name of Company	Outstanding Amount (Rs. in crore)
1	Reliance Media Works Limited	200.00
2	Cinema Ventures Private Limited	415.00
3	Prime Focus World Creative Services Private Limited	50.00
4	Reliance Broadcast Network Limited	645.12
5	Reliance Big Entertainment Private Limited	50.00
6	Business Broadcast News Holdings Limited	900.00
7	Global Wind Power Limited	191.36
8	Reliance Transport & Travels Private Limited	10.00
9	Reliance Capital Limited - Commercial Finance Division	225.45
10	Ideal Movers Private Limited	13.52
11	Reliance Interactive Advisors Private Limited	850.00
12	Reliance Infratel Limited	550.00

Details of Commercial Paper

The total Face Value of Commercial Paper outstanding as on the latest quarter end i.e. June 30, 2016.

Maturity Date	Amount Outstanding (Rs. in crore)
28-Jul-16	100.00
29-Jul-16	200.00
5-Aug-16	25.00
8-Aug-16	235.00
9-Aug-16	300.00
10-Aug-16	50.00
11-Aug-16	200.00
18-Aug-16	425.00
19-Aug-16	200.00
22-Aug-16	75.00
26-Aug-16	50.00
6-Sep-16	25.00
9-Sep-16	255.00
20-Sep-16	200.00
21-Sep-16	50.00
29-Sep-16	200.00

Annexure XIII
Details of Promoters of the Issuer
Details of Promoter Holding in the Issuer as on the latest quarter end i.e. June 30, 2016:-

Sr. No.	Name of the shareholders	Total No. of Equity Shares	No. of shares in demat form	Total shareholding as % of total no. of equity shares	No. of Shares Pledged	% of Shares pledged with respect to shares owned
1	Reliance Inceptum Private Limited	9 77 14 206	9 77 14 206	38.68	46000000	47.08
2	Reliance Infrastructure Consulting & Engineers Private Limited	2 79 75 633	2 79 75 633	11.07	13000000	46.47
3	Crest Logistics and Engineers Private Limited	32 50 000	32 50 000	1.29	NIL	NIL
4	Reliance Infrastructure Management Private Limited	7 00 000	7 00 000	0.28	NIL	NIL
5	Reliance Innoventures Private Limited	5 76 450	5 76 450	0.23	NIL	NIL
6	Kokila D. Ambani	5 45 157	5 45 157	0.22	NIL	NIL
7	Anil D. Ambani	2 73 891	2 73 891	0.11	NIL	NIL
8	Tina A. Ambani	2 63 474	2 63 474	0.10	NIL	NIL
9	Jai Anmol A. Ambani	83 487	83 487	0.03	NIL	NIL
10	Jai Anshul A. Ambani	5	5	0.00	NIL	NIL

Capital
Annexure XIV

Abridged version of Standalone and Consolidated Financial Information (like Profit & Loss Statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.

Annexure XIV – A
Balance Sheet as at March 31, 2016, March 31, 2015 and March 31, 2014
(Rs. in crore)

		As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I	EQUITY AND LIABILITIES			
1)	Shareholders' funds	13,281	12,583	11,634
2)	Non-current liabilities	13,795	14,262	12,258
3)	Current liabilities	9,278	8,857	12,623
	Total	36,354	35,702	36,515
II	ASSETS			
1)	Non-current assets	28,457	24,883	27,779
2)	Current assets	7,897	10,819	8,736
	Total	36,354	35,702	36,515

Statement of Profit and Loss for the year ended March 31, 2016, March 31, 2015 and March 31, 2014
(Rs. in crore)

		2015-16	2014-15	2013-14
A	Total Revenue	4,145	3,988	3,254
B	Total Expenses	2,969	3,144	2,790
C	Profit before exceptional items and tax (A-B)	1,176	844	464
D	Exceptional items (net)	-	-	-
E	Profit before tax (C-D)	1,176	844	464
F	Tax Expenses (net)	199	87	55
G	Profit after tax (E-F)	977	757	409
H	Earnings per equity share face value of Rs. 10 each fully paid up (basic/diluted)	38.67	30.77	16.67

Annexure XIV – B
Cash flow statement for the year ended March 31, 2016, March 31, 2015 and March 31, 2014

		(Rs. in crore)		
		2015-16	2014-15	2013-14
A	Cash flows from operating activities	709	(3,994)	802
B	Cash flows from investing activities	2,807	2,795	398
C	Cash flows from financing activities	(2,652)	162	(211)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	864	(1,037)	989
	Cash and cash equivalents at the beginning of the year	631	1,668	679
	Cash and cash equivalents at the beginning of the year	1,495	631	1,668

There have been no audit qualifications in the last three years.

Except as mentioned in Note No. 47 of Standalone Financial Statement as at March 31, 2015, there have been no changes in accounting policies during the last three years, so there is no effect on the profits and the reserves of the Company.

Annexure XIV – C
Consolidated Balance Sheet as at March 31, 2016, March 31, 2015 and March 31, 2014

(Rs. in crore)

		As at March 31, 2016	As at March 31, 2015	As at March 31, 2014
I	EQUITY AND LIABILITIES			
1)	Shareholders' funds	14,143	13,324	12,391
2)	Minority interest	1,448	669	544
3)	Non-current liabilities	31,757	16,892	14,318
4)	Current liabilities	19,764	16,555	18,275
	Total	67,112	47,440	45,528
II	ASSETS			
1)	Non-current assets	49,994	32,037	32,167
2)	Current assets	17,118	15,403	13,361
	Total	67,112	47,440	45,528

Consolidated Statement of Profit and Loss for the year ended March 31, 2016, March 31, 2015 and March 31, 2014

(Rs. in crore)

		2015-16	2014-15	2013-14
A	Total Revenue	9,998	8,929	7,544
B	Total Expenses	8,266	7,698	6,697
C	Profit before exceptional items and tax (A-B)	1,732	1,231	847
D	Exceptional items (net)	-	-	-
E	Profit before tax (C-D)	1,732	1,231	847
F	Tax Expenses (net)	379	224	164
G	Profit after tax (E-F)	1,353	1,007	683
H	Share of minority shareholders	164	130	97
I	Net Share of profit /(loss) in associates	(88)	79	163
J	Profit /(loss) on sale of subsidiaries and associates	-	45	(2)
K	Net Profit after tax (G-H+I+J)	1,101	1,001	747
L	Earnings per equity share face value of Rs. 10 each fully paid up (basic/diluted)	43.56	40.69	30.38

Annexure XIV – D
Consolidated Cash flow statement for the year ended March 31, 2016, March 31, 2015 and March 31, 2014

(Rs. in crore)

		2015-16	2014-15	2013-14
A	Cash flows from operating activities	(225)	(1,002)	1,471
B	Cash flows from investing activities	2,642	2,144	(214)
C	Cash flows from financing activities	(1,246)	(2,011)	(276)
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	1,171	(869)	981
	Cash and cash equivalents at the beginning of the year (including subsidiary addition)	1,575	2,094	1,113
	Cash and cash equivalents at the beginning of the year	2,746	1,225	2,094

There have been no audit qualifications in the last three years.

Capital
Annexure XV

Abridged version of Latest Limited Review Standalone and Consolidated Financial Information (like Profit & Loss statement, and Balance Sheet) and auditors qualifications, if any.

1. Extract from the Consolidated Unaudited Financial Results of Reliance Capital Limited for the Quarter ended June 30, 2016
(Rs. in crore)

Sl. No.	Particulars	Quarter ended June 30, 2016 (Unaudited)	Quarter ended June 30, 2015 (Unaudited)	Year ended March 31, 2016 (Audited)
1.	Total Income from Operations	3,642	2,463	9,941
2.	Net Profit (before Tax, Exceptional and/or Extraordinary Item)	325	280	1,732
3.	Net Profit (after Tax, Exceptional and/or Extraordinary Item)	207	201	1,101
4.	Equity Share Capital	253	253	253
5.	Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	-	13,890
6.	Earnings Per Share (Basic & Diluted (Face Value of Rs. 10 each)) Not annualised			
	1. Basic (Rs.)	8.17	7.94	43.56
	2. Diluted (Rs.)	8.17	7.94	43.56

2. Extract from the Standalone Unaudited Financial Results of Reliance Capital Limited for the Quarter ended June 30, 2016
(Rs. in crore)

Sl. No.	Particulars	Quarter ended June 30, 2016 (Unaudited)	Quarter ended June 30, 2015 (Unaudited)	Year ended March 31, 2016 (Audited)
1	Total Operating Income	984	934	4,076
2	Profit before tax	242	197	1,176
3	Profit after tax	213	175	977

3. The above is an extract of the detailed format of the Quarterly Financial Results filed with the Stock Exchanges on August 13, 2016 under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Quarterly Financial Results are available on the Company's website i.e. www.reliancecapital.co.in and on the website of the Stock Exchange(s) i.e. www.bseindia.com and www.nseindia.com.

Date: August 13, 2016

There have been no audit qualifications for the quarter ended June 30, 2016.

Credit Rating Letter



No. CARE/HO/RL/2015-16/3905
 Mr. Amit Bapna
 Chief Financial Officer
 Reliance Capital Limited
 570, Rectifier House,
 Naigaum Cross Road,
 Wadala (W), Mumbai - 400 001

March 14, 2016

Confidential

Dear Sir,

Credit rating for Market Linked Programme

On the basis of recent developments including operational and financial performance of your company for FY15 and 9MFY16, our Rating Committee has reviewed the following rating:

Instrument	Rated amount (Rs. crore)	Unutilised Amt. as on Feb. 29, 2016 (Rs. Crore)	Rating ¹	Remarks
Market Linked Debentures	1,000 (Rupees One thousand crore only)	367 (Rupees Three hundred and Sixty Seven crore only)	CARE PP-MLD AAA (PP-MLD Triple A) (Credit watch)	Placed on "credit watch"

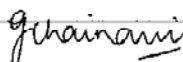
2. Our Rating Committee has placed the above ratings on 'credit watch' following the announcement of proposed Scheme of Arrangement for demerger of Commercial Finance Division of Reliance Capital Ltd. (RCL) into its wholly owned subsidiary, Reliance Gilts Ltd. (proposed to be changed to Reliance Commercial Finance Ltd.). Subsequent to the demerger, RCL may convert itself into Core Investment Company and its Commercial Finance assets shall be entirely transferred into its subsidiary. The Scheme of Arrangement for demerger is subject to the approval of High Court and the Regulator, Reserve Bank of India. CARE would take a view on the rating on completion of demerger process.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

3. The rationale for this rating will be communicated to you separately.
4. The above rating is normally valid for a period of one year from the date of our initial communication of rating to you (that is March 8, 2016). CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension/withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
6. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
7. CARE ratings are **not** recommendations to sanction, renew, disburse or recall any bank facilities.
8. If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,



[Geeta Chainani]

Senior Manager
geeta.chainani@careratings.com



[Anuj Jain]
A.G.M.

anuj.jain@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Page 3 of 3

CREDIT ANALYSIS & RESEARCH LTD.

CORPORATE OFFICE: 4th Floor, Godrej Coliseum, Somaia Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai 400 022.
Tel.: +91-22-6754 3456; Fax: +91-22-6754 3457 | Email: care@careratings.com | www.careratings.com



CARE/HO/RL/2016-17/2260
Mr. Amit Bapna
Chief Financial Officer
Reliance Capital Limited
 570, Rectifier House,
 Naigaum Cross Road,
 Wadala (W), Mumbai - 400 001

September 16, 2016

Confidential

Dear Sir,

Credit rating for Market Linked Debentures issue

Please refer to our rating letter dated March 14, 2016 and your request for revalidation of the rating assigned to market linked debentures issue.

2. The following rating has been reviewed:

Instrument	Rated amount (Rs. crore)	Utilised amount as on Aug. 31, 2016 (Rs. crore)	Rating ¹	Remarks
Market Linked Debentures	1,000 (Rupees One Thousand crore only)	495 (Rupees Four Hundred and Ninety Five crore only)	CARE PP-MLD AAA (PP-MLD Triple A) (Credit watch)	Continues on credit watch

3. The above rating continues on 'credit watch' following the announcement of proposed Scheme of Arrangement for demerger of Commercial Finance Division of Reliance Capital Ltd. (RCL) into its wholly owned subsidiary, Reliance Gilts Ltd. (proposed to be changed to Reliance Commercial Finance Ltd.). Subsequent to the demerger, RCL may convert itself into Core Investment Company and its Commercial Finance assets shall be entirely transferred into its subsidiary. The Scheme of Arrangement for demerger is subject to the approval of High Court and the Regulator, Reserve Bank of India. CARE would take a view on the rating on completion of demerger process.

4. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

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CIN: L16719MH1993PL10071A91



5. Please inform us the details of issue [date of issue, name of investor, amount issued, interest rate, date of maturity, etc.] as soon as it has been placed.
6. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
7. CARE reserves the right to suspend / withdraw / revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material and clarifications as may be required by CARE. CARE shall also be entitled to publicize / disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without any reference to you.
8. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
9. CARE ratings are not recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

[Jay Parekh]
Deputy Manager
jay.parekh@careratings.com

[Ramadasu Bandaru]
Sr. Manager

ramadasu.bandaru@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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Tel.: +91-22-6754 3456; Fax: +91-22-6754 3457 | Email: care@careratings.com | www.careratings.com

CIN-L67190MH1993PLC071691

Letter from the Debenture Trustee

Ref. No.: 4145

December 11, 2014

Reliance Capital Limited (Company)
570, Rectifier House,
Naigum Cross Road, Next to Royal Industrial Estate,
Wadala, Mumbai - 400 031



Kind Attention: Mr. V. R. Mohan


Sub : Consent to act as Debenture Trustee for the proposed Issue of Secured Non Convertible Debentures (NCDs) aggregating to Rs. 5000 crores to be issued by the Company on private placement basis from time to time

Dear Sir,

This is with reference to our discussion regarding appointment of IL&FS Trust Company Limited (ITCL) as Debenture Trustee for the proposed Issue of Secured NCDs aggregating to Rs. 5000 crores to be issued by the Company on private placement basis from time to time under the respective Shelf Disclosure Document / Information Memorandum. In this regard, we do hereby give our consent to act as the Debenture Trustee subject to the Company agreeing to the following conditions

1. The Company agrees and undertakes to comply with terms as detailed in the Debenture Trust Deed (DTD) dated December 10, 2014
2. The Company agrees & undertakes to pay Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated in appointment letter dated November 20, 2014 for the services as Debenture Trustee in addition to all legal, travelling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with
3. The Company shall comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI Circular No. SEBI/IMD/DOF-1/Bond/2009/11/05 dated 11/05/2009 on Simplified Listing Agreement for Debt Securities read with the SEBI Circular No. SEBI/IMD/DOF-1/BOND/Cir-5/2009 dated the 26th November, 2009, the Companies Act, 2013 and other applicable provisions as amended from time to time and agrees to furnish to Trustees such information in terms of the same on regular basis

Sincerely,
For IL&FS Trust Company Limited


Authorized Signatory



Regd. Office : IL&FS Financial Centre, Plot No. C - 22, G Block, 5th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400051, INDIA

Bangalore Office : IL&FS Trust Company Ltd., AL-Latheef, 1st Floor, No. 2 Union Street, Off Infantry Road, Bangalore - 560001, INDIA

New Delhi Office : IL&FS Trust Company Ltd., A-268, 1st Floor, Bhishm Pitahamah Marg, Defence Colony, New Delhi - 110024, INDIA

Kolkata Office : IL&FS Trust Company Ltd., IL&FS Constantia, 3rd Floor, 11 Dr. U. N. Bramachari Street, Kolkata - 700017, INDIA

Corporate Identity Number (CIN) : U66020MH1995PLC095507

www.itclindia.com

Shareholders Resolution dated July 9, 2014**Certified true copy of the resolution alongwith the statement passed by the Members of the Company through postal ballot on July 9, 2014.**

“RESOLVED THAT in supersession to the ordinary resolution passed by the Shareholders on September 16, 2008, the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) be and is hereby authorised, in accordance with Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”), read with the rules made thereunder, as may be amended from time to time (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and provisions of the Articles of Association of the Company, to borrow any sum or sums of money, in Indian Rupees and/ or in any foreign currency from time to time, at their discretion, for the purpose of the business of the Company, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid up capital of the Company and its free reserves (that is to say reserves not set apart for any specific purpose) by a sum not exceeding five times of the then paid up capital of the Company and its free reserves and that the Board be and is hereby empowered and authorised to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment security or otherwise as they may think fit.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee duly constituted by the Board of Directors or any authority as approved by the Board of Directors) be and is hereby authorized to do and execute all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

Statement pursuant to Section 102 of the Companies Act, 2013:

The Board of Directors of a Company shall not, except with the consent of Company by Special Resolution borrow money together with the money already borrowed, if any (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), exceeding the aggregate of the paid up capital and its free reserves as per the provisions of Section 180(1)(c) of the Companies Act, 2013 (“the Act”) and its rules thereunder.

The Members by way of an Ordinary Resolution at the Annual General Meeting held on September 16, 2008 had, *inter alia*, authorised the Board to borrow upto five times of the aggregate of the then paid up capital of the Company and its free reserves.

The borrowings of the Company are in general required to be secured by suitable mortgage or charge on all or any of the movable or immovable properties of the Company, in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s).

The Members by way of an Ordinary Resolution at the Annual General Meeting held on December 30, 1994 had, *inter alia*, authorised the Board to secure its borrowing by mortgage / charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company.

Capital

The provisions of the Companies Act, 2013 and its rules thereunder, require the Company to seek the approval of the Members by way of Special Resolution, to borrow money from time to time for its business activities, through issue of debentures, bank borrowings, etc. and to secure such borrowings by mortgage / charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company.

The Board of Directors accordingly recommend the Special Resolutions set out at Item Nos. 4 and 5 of the accompanying Notice for the approval of the Members.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolution, except to the extent of their equity holdings in the Company.

Certified to be true

For **Reliance Capital Limited**

Sd/-

V. R. Mohan

President & Company Secretary

Shareholders Resolution dated September 27, 2016**Certified true copy of the resolution alongwith the statement passed at the Annual General Meeting of the Members of the Company held on September 27, 2016.**

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (SEBI) (Issue and Listing of Debt Securities) Regulations, 2008, as amended, and other applicable SEBI regulations and guidelines, and subject to such other applicable laws, rules and regulations and guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee which the Board may constitute to exercise its powers, including the powers conferred by this Resolution) for making offer(s) or invitation(s) to subscribe to Secured / Unsecured / Redeemable Non-Convertible Debentures (NCDs) including but not limited to subordinated Debentures, bond, and/or other debt securities, etc., on a private placement basis, in one or more tranches, within the overall borrowing limits of the Company, as may be approved by the Members from time to time.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board/Committee be and is hereby authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time of issue, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium / discount, listing and to do all such acts and things and deal with all such matters and take all such steps as may be necessary and to sign and execute any deeds / documents / undertakings / agreements / papers / writings, as may be required in this regard.”

Statement pursuant to Section 102 of the Companies Act, 2013:

As per the provisions of Section 42 of the Companies Act, 2013 (the “Act”) and its Rules thereunder, a Company offering or making an invitation to subscribe to redeemable secured / unsecured non-convertible debentures (NCD’s) on a private placement basis is required to obtain the prior approval of the Members by way of a Special Resolution. Such approval by a Special Resolution can be obtained once a year for all the offers and invitations for such NCD’s to be made during the year.

NCD’s including subordinated debentures, bonds, and/or other debt securities, etc., issued on a private placement basis constitute a significant source of borrowings for the Company.

It is proposed to offer or invite subscriptions for NCD’s including subordinated debentures, bonds, and/or other debt securities, etc., on private placement basis, in one or more tranches, within the overall borrowing limits of the Company, as may be approved by the Members from time to time, with authority to the Board to determine the terms and conditions, including the issue price of the NCD’s, interest, repayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be

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deemed to have given their approval thereto expressly by the authority of the Resolution. Accordingly, the approval of the members is being sought by way of a Special Resolution under Section 42 and other applicable provisions, if any, of the Act and its rules thereunder as set out in Item No. 6 appended to this notice.

None of the Directors, Key Managerial Personnel and their relatives is concerned or interested, financially or otherwise, in this resolution.

The Board accordingly recommends the Special Resolution set out at Item No. 6 of the accompanying Notice for the approval of the Members.

Certified to be true

For **Reliance Capital Limited**

Sd/-

V. R. Mohan

President & Company Secretary

Capital**Annexure 5****Board Resolution dated August 14, 2015****Certified true copy of the resolution passed by the Board of Directors of the Company at their meeting held on August 14, 2015.**

“RESOLVED THAT in supersession of the resolution passed by the Board of Directors at their meeting held on February 12, 2015 and in accordance with and subject to the provisions of the Articles of Association of the Company, and in supersession of the earlier resolutions, the Company do borrow monies by issuing from time to time, Secured Redeemable Non Convertible Debentures (“Debentures”) including Market Linked Debentures (MLDs) upto an outstanding amount of Rs.15,000 Crore (Rupees fifteen thousand crore) at any point of time, on Private Placement basis, on the terms and conditions to be mutually agreed upon with the respective allottees.

RESOLVED FURTHER THAT necessary entries be made in the Register of Debentureholders and that Letter(s) of Allotment be issued to the allottee(s) and the same be signed severally by Shri Soumen Ghosh, Executive Director & Group CEO, Shri V. R. Mohan, President & Company Secretary and Shri Amit Bapna, Chief Financial Officer of the Company.

RESOLVED FURTHER THAT the said Debentures be credited in demat form and necessary application(s) be made to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), the Depositories to hold the debentures in demat form and Shri Soumen Ghosh, Executive Director & Group CEO, Shri V. R. Mohan, President & Company Secretary and Shri Amit Bapna, Chief Financial Officer of the Company, be and are hereby severally authorised to take necessary steps to induct the said Debentures into the Depository System.

RESOLVED FURTHER THAT applications, if required, be made to the National Stock Exchange of India Limited and/or the BSE Limited for seeking permission to deal in and for official quotation of the said Debentures and that Shri Soumen Ghosh, Executive Director & Group CEO, Shri V. R. Mohan, President & Company Secretary and Shri Amit Bapna, Chief Financial Officer of the Company, be and are hereby severally authorised to sign application forms/other documents and comply with all other formalities and requirements as may required by the Stock Exchange(s) in connection with the said enlistment and that the Common Seal of the Company be affixed, if necessary, in terms of the Articles of Association of the Company.

RESOLVED FURTHER THAT Shri Soumen Ghosh, Executive Director & Group CEO, Shri V. R. Mohan, President & Company Secretary and Shri Amit Bapna, Chief Financial Officer of the Company be and is hereby authorised to create mortgage/charge on all or any of the movable/immovable properties of the Company, for securing the said Debentures, as may be deemed necessary and appoint Trustees and finalise and settle various documents in consultation with the subscribers / holders / trustees / solicitors of the Company, and to do all such acts and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution including to delegate authorities to executives of the Company/others to take steps to create security and to sign and execute any deeds / documents / agreements / papers / writings, as may be required in this regard under the Common Seal of the Company or otherwise.”

Certified to be true
For **Reliance Capital Limited**

Sd/-
V. R. Mohan
President & Company Secretary

Board Resolution dated August 13, 2016**Certified true copy of the resolution passed by the Board of Directors of the Company at their meeting held on August 13, 2016.**

“RESOLVED THAT in terms of the provisions of Reserve Bank of India circular DNBS (PD) CC No.330/03.10.001/2012-13 dated June 27, 2013 the approval of the Board be and is hereby granted for issue of Private Placement Document / Information Memorandum / Shelf Disclosure Document for private placement of Secured Non-Convertible Debentures within the overall borrowing powers of the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board do note that the Non-Convertible Debentures issued / to be issued by the Company is to raise resources to meet the ongoing funding requirements for the Company’s business activities, for general corporate purposes and refinancing of the existing debt obligations of the Company.

RESOLVED FURTHER THAT Shri Amitabh Jhunjhunwala, Vice Chairman, Shri Soumen Ghosh, Executive Director & Group CEO, Shri V. R. Mohan, President & Company Secretary, Shri Amit Bapna, Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts and things and deal with all such matters and take all such steps as may be necessary to give effect to this resolution and to sign and execute any deeds/documents/ agreements/ papers/writings, as may be required in this regard under the Common Seal of the Company or otherwise.”

Certified true copy
For **Reliance Capital Limited**

Sd/-
V. R. Mohan
President & Company Secretary

Annexure 7

The Abridged Standalone and Abridged Consolidated financial statements for the financial year ended March 31, 2016, March 31, 2015 and March 31, 2014.

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**Annual Report
2013-14
(Abridged)**

Independent Auditors' Report on the Abridged Financial Statement

To,
The Members of
Reliance Capital Limited

Report on the abridged financial statements

The accompanying abridged financial statements, which comprise the abridged balance sheet as at March 31, 2014, the abridged statement of profit and loss, and abridged cash flow statement for the year then ended, and related notes, are derived from the audited financial statements of Reliance Capital Limited ('the Company') for the year ended March 31, 2014. We expressed an unmodified audit opinion on those financial statements in our report dated May 2, 2014.

The abridged financial statements do not contain all the disclosures required by the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 ('the Act') applied in the preparation of the audited financial statements of the Company. Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of the Company.

Management's Responsibility for the Abridged Financial Statements

Management is responsible for the preparation of abridged financial statements in accordance with Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 from the audited financial statements of the Company for the year ended March

31, 2014, prepared in accordance with Accounting Standards referred to in sub-section (3C) of section 211 of the Act and accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged financial statements prepared in accordance with Rule 7A of the Companies (Central Government's) General Rules and Forms 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 are derived from the audited financial statements of the Company for the year ended March 31, 2014 and are a fair summary of those financial statements.

For **Chaturvedi & Shah**
 Chartered Accountants
 Firm Reg. No: 101720W

For **B S R & Co. LLP**
 Chartered Accountants
 Firm Reg. No: 101248W

Vijay Napawaliya
 Partner
 Membership No: 109859

Akeel Master
 Partner
 Membership No: 046768

Mumbai
 Dated: May 2, 2014

Mumbai
 Dated: May 2, 2014

Reliance Capital Limited

Independent Auditors' Report on the Financial Statement

To
**The Members,
Reliance Capital Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Reliance Capital Limited ('the Company'), which comprise the balance sheet as at March 31, 2014, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, the financial performance and the cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing 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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required

and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (c) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2003, as amended by 'the Companies (Auditors' Report) (Amendment) Order, 2004 ('the Order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

As required by Section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this report are in agreement with the books of account;
- d. in our opinion, the balance sheet, the statement of profit and loss and the cash flow statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the board of directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

Vijay Napawaliya
Partner
Membership No: 109859

Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W

Akeel Master
Partner
Membership No: 046768

Mumbai
Dated: May 2, 2014

Annexure to the Independent Auditor's Report on the Financial Statement

(Referred to in our report of even date)

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The Company has a program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) As per information and explanations given to us, during the year, the Company has not disposed off any substantial part of fixed assets that would affect the going concern assumption.
- (ii) The Company is a service company, primarily engaged in lending and investing activities. Accordingly, it does not

Annexure to the Independent Auditors' Report on the Financial Statement

- hold any physical inventories. Thus, paragraph 4 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has neither granted nor taken any loan secured/unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, provisions of clauses (iii) (a) to (iii) (g) of paragraph 4 of the Order are not applicable to the Company.
 - (iv) In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
 - (v) According to the information and explanations given to us, there are no contracts or arrangements referred to in Section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section. Accordingly, clause (v) of the Order is not applicable to the Company.
 - (vi) The Company has not accepted deposits from public hence directives issued by the Reserve Bank of India and the provisions of Section 58A and 58 AA or any other relevant provisions of the Act, and rules framed there under are not applicable for the year under audit.
 - (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
 - (viii) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Act, in respect of activities carried on by the Company. Hence the provisions of clause 4 (viii) of the Order is not applicable to the Company.
 - (ix)
 - (a) According to the information and explanations given to us and on the basis of our examination of the records, of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Income-tax, Sales-tax, Wealth tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, except in the case of Professional Tax there were a few delays in payment of the said dues. According to the information and explanations given to us, there are no undisputed amounts payable outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no such statutory dues, which have not been deposited on account of any dispute, except in respect of sales tax under Gujarat Sales Tax Act, 1969 of ₹ 4,75,916 for the period 2001-02 which is pending before the Gujarat Sales Tax Tribunal, Ahmedabad and sales tax under Madhya Pradesh General Sales Tax Act, 1958 of ₹ 4,30,472 for the period 1996-97 which is pending before Appellate Deputy Commissioner of the Commercial Tax, Indore Division - I.
 - (x) The Company does not have accumulated losses at the end of the financial year and has not incurred any cash losses in the financial year and in the immediately preceding financial year.
 - (xi) Based on our audit procedures and the information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, banks or debenture holders.
 - (xii) In our opinion and according to the information and explanations given to us, adequate documents and records have been maintained by the Company in respect of loans and advances granted on the basis of security by way of pledge of shares, debentures and other securities.
 - (xiii) In our opinion, the Company is not a chit fund, a nidhi or a mutual benefit society. Therefore, the provisions of clause 4 (xiii) of the Order is not applicable to the Company.
 - (xiv) The Company has maintained proper records of transactions and contracts in respect of trading in shares, securities, debentures, and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name except certain securities amounting to ₹ 9 crore which are pledged by the subsidiary company for their margin requirements.
 - (xv) The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanations given by management, in our opinion the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
 - (xvi) According to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised except in a case where the loans amounting to ₹ 350 crore have been taken towards the year end which was lying in bank account at the year end and was subsequently utilized for the purpose for which loans have been taken.
 - (xvii) According to information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at March 31, 2014, no funds raised on short-term basis have been used for long-term investment.
 - (xviii) The Company has not made any preferential allotment of shares during the year to a company, covered in the register maintained under Section 301 of the Act.
 - (xix) According to information and explanations given to us, the Company has created securities and / or charges in respect of secured debentures issued and redeemed during the year.
 - (xx) The Company has not raised any money by way of public issue during the year.
 - (xxi) During the course of our examination of the books and records of the Company, and according to the information and explanations given to us, no fraud on or by the Company, noticed or reported during the course of our audit.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
Dated: May 2, 2014

Mumbai
Dated: May 2, 2014

Reliance Capital Limited

Abridged Balance Sheet as at March 31, 2014

(Statement containing the salient features of Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956)

	(` in crore)	
	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Paid-up share capital –equity	244	246
(b) Reserves and surplus		
(i) Capital reserves (Refer Note No. 7)	852	852
(ii) Capital redemption reserve	10	10
(iii) Securities premium account	3 231	3 291
(iv) General reserve (Refer Note No. 7)	4 741	4 700
(v) Statutory reserve fund	1 247	1 165
(vi) Surplus in statement of profit & loss	<u>1 309</u>	<u>1 248</u>
	11 634	11 512
Non-current liabilities		
(a) Long-term borrowings	12 128	12 402
(b) Deferred tax liabilities (net) (Refer Note No. 5)	12	6
(c) Other long-term liabilities	82	14
(d) Long-term provisions	<u>36</u>	<u>30</u>
	12 258	12 452
Current liabilities		
(a) Short-term borrowings	6 754	4 190
(b) Trade payables	9	1
(c) Other current liabilities	5 620	5 171
(d) Short-term provisions	<u>240</u>	<u>231</u>
	12 623	9 593
TOTAL	<u>36 515</u>	<u>33 557</u>
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	150	131
(ii) Intangible assets	32	20
(iii) Intangible assets under development	<u>-</u>	<u>3</u>
	182	154
(b) Non-current investments		
(i) Quoted	693	640
[Market value ` 915 crore(Previous year ` 515 crore)]		
(ii) Unquoted	12 410	12 669
(c) Long-term loans and advances	12 738	10 199
(d) Other non-current assets	<u>1 756</u>	<u>1 344</u>
	27 779	25 006
Current assets		
(a) Current investments		
(i) Quoted	283	150
[Market value ` 283 crore (Previous year ` 150 crore)]		
(ii) Unquoted	184	216
(b) Trade receivables	5	-
(c) Cash & bank balances (Refer Note No. 6)	1 848	745
(d) Short-term loans and advances	5 932	7 025
(e) Other current assets	<u>484</u>	<u>415</u>
	8 736	8 551
TOTAL	<u>36 515</u>	<u>33 557</u>

See accompanying notes to the abridged financial statements

Compiled from the Audited Accounts of the Company referred to in our report dated May 2, 2014.

Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule VI to the Companies Act, 1956 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary
Mumbai
Dated: May 2, 2014

Anil D. Ambani
Amitabh Jhunjunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Abridged Statement of Profit & Loss for the year ended March 31, 2014

(Statement containing the salient features of Statement of Profit & Loss as per Section 219(1)(b)(iv) of the Companies Act, 1956)

(` in crore)

	2013-14	2012-13
Income		
Revenue from operations		
(a) Interest & Finance Income	2 801	2 540
(b) Other financial services	<u>368</u>	<u>1 288</u>
	3 169	3 828
Other income	<u>85</u>	<u>40</u>
Total Income	<u><u>3 254</u></u>	<u><u>3 868</u></u>
Expenditure		
(a) Employee benefits expense	148	165
(b) Finance costs	2 279	2 179
(c) Depreciation and amortisation expense	34	29
(d) Auditors' remuneration (Refer Note No. 11)	1	1
(e) Amortised DSA commission	37	39
(f) Provision for NPA, doubtful debts and balances written off	88	296
(g) Provision and loss on repossessed stock	14	9
(h) Provision / (Reversal) for diminution in the value investments / written off	(23)	236
(i) Other expenses	212	210
Total Expenditure	<u><u>2 790</u></u>	<u><u>3 164</u></u>
Profit before exceptional items and tax	<u>464</u>	<u>704</u>
Exceptional items		
Investment written off as per amalgamation (Refer Note No. 7)	-	680
Withdrawal from General Reserve (Refer Note No. 7)	-	(680)
Profit before tax	<u>464</u>	<u>704</u>
Current tax	50	33
Deferred Tax (Refer Note No. 5)	<u>5</u>	<u>9</u>
	55	42
Profit after tax	<u><u>409</u></u>	<u><u>662</u></u>
Earnings per equity share face value of ` 10 each fully paid up (Refer Note No. 18)		
Basic (`)	16.67	26.95
Diluted (`)	16.67	26.95

See accompanying notes to the abridged financial statements

Compiled from the Audited Accounts of the Company referred to in our report dated May 2, 2014.

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

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V. R. Mohan

Reliance Capital Limited

Abridged Cash Flow Statement for the year ended March 31, 2014

	(` in crore)	
	2013-14	2012-13
A. Cash flows from operating activities	802	(1 350)
B. Cash flows from investing activities	398	2 038
C. Cash flows from financing activities	(211)	(340)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	989	348
Cash and cash equivalents at beginning of year	679	331
Cash and cash equivalents at end of year	1 668	679

Notes:

- a) The previous year's figures have been regrouped and reclassified wherever necessary.
- b) Assets and liabilities pertaining to the Reliance Equities International Private Limited and Emerging Money Mall Limited transferred pursuant to the Scheme of Amalgamation with the Company with effect from March 31, 2013 have not been considered for the previous year's cash flow statement.
- c) Cash and cash equivalents include cash on hand and bank balances.

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W

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Dated: May 2, 2014

Anil D. Ambani
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Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Notes to the Abridged Financial Statement as at March 31, 2014

1. **Background**

Reliance Capital Limited ('the Company') is registered as a Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is principally engaged in lending and investing activities.

2. **Significant Accounting Policies**

a **Basis of Preparation of Financial Statements**

The accompanying financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 read with the general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate affairs in respect of section 133 of the Companies Act, 2013. These financial statements are presented in Indian rupees rounded to the nearest crore except otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in revised Schedule VI to the Companies Act, 1956. Based on the nature of the services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

The Company complies in all material respects, with the prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the directions issued by the Reserve Bank of India in terms of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, as applicable to the Company.

b **Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c **Revenue Recognition**

i) Interest income:

Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non performing assets ('NPAs') where it is recognised, upon realisation.

ii) Dividend income:

Dividend income is recognised when the right to receive payment is established.

iii) Income from investments:

Profit earned from sale of securities is recognised on trade date basis. The cost of securities is computed on weighted average basis.

iv) Lease rental income:

Lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

v) Discount on investments:

The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight-line basis.

vi) Redemption premium on investments:

Redemption premium on investments is recognised as income over the tenor of the investment.

vii) Share of profits or losses in partnership firm:

Share of profits / losses in partnership firm is accounted for once the amount of the share of profit/loss is ascertained and credited/debited to the Company's account in the books of the partnership firm.

viii) Loan processing fee income:

Loan processing fee income is accounted upfront as and when it becomes due.

ix) Management fee income:

Management fee income towards support services is accounted as and when it becomes due on contractual terms with the parties.

x) Income from assignment / securitisation:

In case of assignment / securitisation of loans, the assets are derecognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned/ securitised loans in accordance with Reserve Bank of India Guideline no RBI/2012-13/170 DNBS. PD. No. 301/3.10.01/2012-13 dated August 21, 2012. The profit, if any, as reduced by the estimated provision for loss/ expenses and incidental expenses related to the transaction, is recognised as gain or loss arising on assignment / securitisation over the tenure of the deal. Loss arising from these transactions, if any, will be recognised immediately in the statement of profit and loss.

d **Fixed assets**

i) **Tangible assets**

Leased assets

All assets given on operating lease are shown as fixed assets net of depreciation and impairment loss, if any. Initial direct costs in respect of leases are expensed in the year in which such costs are incurred.

Own assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

Notes to the Abridged Financial Statement as at March 31, 2014

ii) Intangible assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development.

e Depreciation / Amortisation

Depreciation on fixed assets is provided as follows:

i) Tangible Assets

1) Leased assets: Depreciated on Straight Line Method over the useful life of assets. The estimated useful lives for the different types of assets are:

a) Plant & equipments

- 1) Energy Saving Equipments – 15 years
- 2) Specialized Machinery used in manufacturing – 10 years
- 3) General Plant & Machinery – 8 years

b) Data processing machineries – 5 years

c) Vehicle for personal use – 8 years

d) Vehicle for commercial use – Taxi – 8 years other than Taxi – 6 years

2) Own Assets: All assets other than lease hold improvements, on Written Down Value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 and lease hold improvements are amortised over the primary period of the lease on straight-line basis.

ii) Intangible Assets are amortised on straight line basis over the useful life of the asset up to a maximum of five years commencing from the month in which such asset is first installed.

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

f Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

g Investments

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued, scrip wise at cost or fair value, whichever is lower. Long-term investments are carried at carrying cost less diminution in value which is other than temporary, determined separately for each individual investment.

h Repossessed assets

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount. The classification and provision is based on the underlying Days Past Due (DPD) for these loans.

i Loan origination / acquisition cost

All direct cost incurred for the loan origination is amortised over the tenure of the loan.

j Security of loans given

Housing loans / loans against property granted are secured by equitable registered mortgage of property and / or undertaking to create a security. Other Secured loans are secured against hypothecation of respective assets.

k Provisions for Non Performing Assets (NPA) and doubtful debts

NPA including loans and advances, receivables are identified as bad / doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning meets the NBFC prudential norms prescribed by Reserve Bank of India.

l Provisions for standard assets

Provisions for standard assets are made as per the Reserve Bank of India notification DNBS.PD.CC.No.207/ 03.02.002 /2010-11 dated January 17, 2011.

m Market Linked Debentures (MLDs)

The Company has issued certain non-convertible debentures, the rate of interest which is linked to performance of specified indices over the period of the debentures.

The Company hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain/loss on these hedge positions are netted against with interest expense on MLD and resultant 'net loss' is recognised in Statement of Profit and Loss immediately, however 'net gain' if any, is ignored.

n Discount on commercial paper

The difference between the issue price and the redemption value of commercial papers is apportioned on time basis and recognised as discounting expense.

o Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates.

Notes to the Abridged Financial Statement as at March 31, 2014

p Employee benefits

i) Provident fund:

Company's contributions to the recognised provident fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss.

ii) Gratuity:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

iii) Leave encashment:

Leave encashment which is a defined benefit, is accrued for based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

The employees of the Company are entitled to compensated absence. The employees can carry forward a portion of the unutilised accrued leave balance and utilise it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the service that increases the entitlement.

q Employees Stock Option Scheme ('ESOS')

The Employees Stock Option Scheme ("the Scheme") provides for grant of equity shares of the Company to directors (including whole-time) and employees of the Company, the Holding Company and its subsidiaries. The Scheme provides that employees are granted an option to acquire equity shares of the Company that vests in a graded manner. The options may be exercised within a specified period. The Company follows the intrinsic value method to account for its stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date and is amortised over the vesting period of the option on a straight line basis.

The fair market price is the latest closing price, immediately prior to the date of the Board /Committee meeting in which the options are granted, on the stock exchange on which the shares of the Company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

r Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

s Operating lease

Lease payments for assets taken on an operating lease are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

t Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share, is computed by dividing the net profit / loss after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / increase loss per share are included.

u Taxation

- Current tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognised where there is convincing evidence that the same can be realised in future.

- Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

v Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not,

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

- 3 The abridged financial statements have been prepared pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 as per notification F. No. 17/51/2012-CL-V, dated May 31, 2012 and are based on the annual accounts for the year ended March 31, 2014 approved by the Board of Directors at the meeting held on May 02, 2014.

4 **Previous year (Note 3 of Annual accounts)**

Previous year figures has been regrouped /reclassified wherever necessary.

	As at March 31, 2014	As at March 31, 2013
(` in crore)		
5 Deferred tax liabilities (net) (Note 7 of Annual accounts)		
Deferred tax liabilities included in the balance sheet comprises the following:		
a) Deferred tax liabilities		
Depreciation on fixed assets	19	12
Unamortised expenditures	60	56
Total (a)	<u>79</u>	<u>68</u>
b) Deferred tax assets		
Provision for non performing assets / diminution in the value of assets and investments	66	61
Provision for leave encashment	1	1
Total (b)	<u>67</u>	<u>62</u>
Net deferred tax liabilities [(a)-(b)]	<u>12</u>	<u>6</u>
6 Cash and bank balances (Note 20 of Annual accounts)		
(a) Cash and cash equivalents		
Balances with banks		
- In current accounts	1 657	679
- Fixed Deposits (less than 3 months)	10	-
Cash on hand (Previous year ` 29 96 143)	<u>1</u>	<u>-</u>
(b) Other bank balances		
- Fixed Deposits under lien (less than 3 months)*	166	54
- Unclaimed dividend	14	12
	<u>1 848</u>	<u>745</u>

* In respect of balances with Scheduled Banks in Fixed Deposit accounts ` 154 crore (Previous Year ` 54 crore) is kept as credit enhancement towards securitisation / assignment transaction and ` 12 crore (Previous Year ` Nil) is against loan taken from bank.

7 **Amalgamation (Note 29 of Annual accounts)**

Scheme of Amalgamation between Company, Reliance Equities International Private Limited (REIPL) and Emerging Money Mall Limited (EMML)

The Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between Company, REIPL and EMML has been sanctioned by the Hon'ble High Court of Judicature at Bombay vide Order dated March 22, 2013. The scheme became effective on April 17, 2013 on filing with the Registrar of Companies (RoC) with effect from March 31, 2013 i.e. Appointed Date.

REIPL was incorporated with the main object of providing broking services to institutional investors and EMML was incorporated with the main object of e-commerce. The amalgamation has been accounted for under the "Purchase method" as prescribed by Accounting Standard (AS-14) on "Accounting for Amalgamation" notified under the Companies (Accounting Standards) Rules, 2006. The Company has carried out the accounting treatment prescribed in the Scheme as sanctioned by the Hon'ble High Court of Judicature at Bombay. The required disclosures as per paragraph 42 of Accounting Standard (AS-14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounting Standards) Rules, 2006 has been provided.

Notes to the Abridged Financial Statement as at March 31, 2014

Hence, in accordance with the Scheme:-

- (i) As entire issued, subscribed and paid up share capital of REIPL and EMMML was held by the Company, no shares of the Company have been allotted in lieu or exchange of its holding in REIPL and EMMML. Consequent to the Scheme the share capital of REIPL and EMMML stands cancelled.
- (ii) On Scheme becoming effective with effect from Appointed Date, the Company has written off its cancelled investments amounting to ` 680 crore in REIPL and EMMML to the Statement of Profit and Loss of the Company for the year and recorded all the assets aggregating to ` 1,103 crore and liabilities aggregating to ` 188 crore as appearing in the books of REIPL and EMMML at their respective fair value as decided by the Board of Directors of the Company. The net assets taken over include:

(` in crore)			
Assets / Liabilities Taken Over	REIPL	EMML	Total
Assets			
Investments	1 060	2	1 062
Balance with Schedule Bank (` 5 95 231)	3	-	3
Loans & Advances (` 30 000)	38	-	38
Taxes Paid (` 3 94 137)	-	-	-
Total	1 101	2	1 103
Liabilities			
Loans	187	1	188
Other liabilities (` 4 86 095, ` 5 62 024)	-	-	-
Total	187	1	188
Excess of Assets over liabilities credit to Capital Reserve	914	1	915

- (iii) All Inter-company balances including liabilities on account of loans and advances amounting to ` 186 crore on Appointed Date also stand cancelled. Consequent upon the above Scheme of Amalgamation, there has been a reduction of ` 69 crore in the value of investments in Viscount Management Services Limited which has been debited to Capital Reserve.
- (iv) Difference aggregating to ` 846 crore after recording both above said items being the excess arising on transfer under the Scheme of assets and liabilities has been credited to Capital Reserve. The reserve created pursuant to the Scheme shall for all regulatory and accounting purposes be considered to be part of the owned funds / net worth of the Company.
- (v) In accordance with the provisions of the Scheme of Amalgamation of Reliance Commercial Finance Private Limited (RCFPL) with the Company ("the 2011 Scheme") sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated April 29,2011, an equivalent amount, equivalent to the investments written off amounting to ` 680 crore determined as an exceptional item by the Board of Directors of the Company, has been withdrawn from General Reserve to offset the same and credited to the Statement of Profit and Loss so that there is no impact on profit before tax for the year.

Had both the Schemes not prescribed the above accounting treatment and Company has followed accounting treatment prescribed under Accounting Standard (AS - 14), the General reserve would have been higher by ` 680 crore and the balance in the statement of profit and loss would have been lower by ` 680 crore for the year ended March 31, 2013.

8 Securitisation and assignment (Note 30 of Annual accounts)

- a) The Company sells loans through securitisation and direct assignment. The information related to securitisation and assignment made by the Company during the year, as an originator is given below:

(` in crore)				
	Securitisation Outside	Subsidiaries	Assignment Outside	Total
Total number of loan assets Securitised / (Nos.)	8 708	-	24 082	32 790
Assigned	(11 525)	(31)	(6 892)	(18 448)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any) (`)	880	-	1 409	2 289
	(1 544)	(25)	(586)	(2 155)
Sale consideration received for the Securitised / Assigned assets (`)	880	-	1 409	2 289
	(1 544)	(25)	(465)	(2 034)
Net gain / (loss) on account of Securitisation / Assigned (`)	-	-	-	-
	(-)	(-)	(-121)	(-121)
Outstanding Credit Enhancement (Funded) as at March 31, 2014 (`)	281	-	42	323
	(172)	(-)	(124)	(296)
Outstanding Liquidity Facility (`)	-	-	-	-
	(-)	(-)	(-)	(-)
Net Outstanding Servicing Liability as at March 31, 2014 (`)	73	-	134	207
	(62)	(-)	(65)	(127)

Note : Figures in bracket indicate previous year figures.

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

(i) Securitisation		(` in crore)	
Particulars	As at March 31, 2014	As at March 31, 2013	
1	No. of SPVs sponsored by the NBFC for Securitisation Transactions	12	5
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	1 508	1 311
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	281	172
	• Others	3	7
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	101	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
(ii) Assignments		(` in crore)	
Particulars	As at March 31, 2014	As at March 31, 2013	
1	No. of Direct Assignments	26	23
2	Total amount of assigned assets as per books of the NBFC	1 735	1 317
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	First loss	-	-
	Others	200	47
4	Amount of exposures to assignment transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own assignments		
	First loss	-	-
	Others	-	-
	ii) Exposure to third party assignments		
	First loss	-	-
	Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own assignments		
	First loss	42	124
	Others	-	-
	ii) Exposure to third party assignments		
	First loss	-	-
	Others	-	-

Notes to the Abridged Financial Statement as at March 31, 2014

- b) The Company invests in Pass Through Certificates (PTCs) and purchases loans through the direct assignment route. In some of the securitisation transactions, the Company also has invested in the assets securitised by it, which, however, is restricted to the maximum limit prescribed under the then prevailing RBI guidelines on securitisation.
- c) During the year, Company has entered into a agreement for assignment of receivables amounting to ₹ Nil (Previous Year ₹ 87 crore). The said receivables are included in loans given.

9 Business Transfer Agreement (Note 31 of Annual accounts)

In terms of Business Transfer Agreement (BTA) dated April 26, 2010 further amended on January 31, 2011 with its subsidiary company i.e. Reliance Home Finance Limited the Company hold loan assets of ₹ 8 crore (Previous year ₹ 11 crore) related to Reliance Home Finance Limited in the trust capacity as on March 31, 2014.

10 The Company is a partner in Reliance Capital Partners (Note 32 of Annual accounts)

- a) The firm consists of following partners and their balances:

		(₹ in crore)	
Name of Partners		As at March 31, 2014	As at March 31, 2013
i)	Reliance Capital Limited	410	544
ii)	Reliance Land Private Limited	1	12
Total		411	556

- b) Profit Sharing Ratio: The profit / (loss) is distributed between the partners on the basis of the weighted average capital. The profit for the current financial year is ₹ 15 crore (Previous year loss ₹ 9 crore).

11 Auditors' remuneration includes (Note 33 of Annual accounts)

		(₹ in crore)	
		2013-14	2012-13
i)	Audit Fees	1	1
ii)	Tax Audit Fees [₹ 1 06 180 (Previous year ₹ 1 06 180)]	-	-
iii)	Certification charges and other reimbursement [₹ 2 74 258 (Previous year ₹ 1 31 110)]	-	-
Total		1	1

12 Tax on Proposed Dividend (Note 34 of Annual accounts)

In view of Section 115-O of the Income Tax Act, 1961, the Company has reduced its dividend tax liabilities to that extent dividend received / receivable from its subsidiary company. The Company has received the following dividend from Reliance Capital Assets Management Limited (RCAM):

		(₹ in crore)	
		2013-14	2012-13
Date of proposed dividend	April 28, 2014	April 19, 2013	
Dividend Declared	173	161	
Dividend Distribution Tax	29	27	
Company's share of dividend declared by RCAM	113	105	
Dividend Distribution Tax thereon	19	18	

13 Employees Stock Option Plans (Note 35 of Annual accounts)

The Company operates two Employee Stock Option Plans; ESOS Plan A and ESOS Plan B introduced in the financial year 2009-10, which cover eligible employees of the Company, the Holding Company and its subsidiaries. The vesting of the options is from expiry of one year and ranges till four to five years as per Plan under the respective ESOS(s). Each Option entitles the holder thereof to apply for and be allotted / transferred one Equity Share of the Company of ₹ 10 each upon payment of the exercise price during the exercise period. The Company implements and manages the ESOS plan through a trust. Advance of ₹ 64 crore (net of diminution ₹ 64 crore) [Previous year ₹ 64 crore (net of diminution ₹ 64 crore)] has been granted to Trust. Out of the said advance Trust has purchased 16,00,000 (Previous year 16,00,000) Equity Shares for the above purpose.

Details of scheme of Employee Stock Option Plans are as under :

	Plan A	Plan B
Date of Grant	February 1, 2010	February 1, 2010
Prices of the Underlying Stock (₹)	790	790
Exercise / Strike Price (₹)	800	800

The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:

	Plan A	Plan B
Risk Free Interest Rate	7.01% - 7.27%	7.01% - 7.34%
Expected Dividend Yield	0.62%	0.62%
Expected Life (years)	5.5 to 7.0	5.5 to 7.5
Expected Volatility	61.23% to 64.04%	59.56% to 64.04%
Weighted Average Fair Value (₹)	536	546

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows: (As certified by the management):

	No. of Stock Options			
	Plan A		Plan B	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Outstanding at the beginning of the year	1 70 620	3 47 900	2 52 460	3 50 100
Granted	Nil	Nil	Nil	Nil
Exercised	Nil	Nil	Nil	Nil
Lapsed / Forfeited / Surrendered	37 620	1 77 280	20 560	97 640
Outstanding at the end of the year	1 33 000	1 70 620	2 31 900	2 52 460
Exercisable at end of the year	1 33 000	58 980	1 19 300	37 420

14 Employee benefits (Note 36 of Annual accounts)

a) Defined contribution plan

Contribution to defined contribution plans, recognised as expense for the year is as under: (₹ in crore)

	2013-14	2012-13
Employer's contribution to provident fund	4	4
Employer's contribution to superannuation fund [₹ 18 94 997 (Previous year ₹ 18 15 991)]	-	-
Employer's contribution to pension scheme	1	1
	5	5

b) Defined Benefit plans

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of Profit and Loss, the fund status and amount recognised in the balance sheet for the gratuity benefit plan and leave encashment plan.

Particulars	(₹ in crore)			
	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
I. Table showing change in				
Liability at the beginning of the year	5.54	4.36	3.84	3.63
Interest cost	0.44	0.37	0.30	0.27
Current service cost	1.09	0.94	0.85	0.83
Benefit paid	(1.20)	(1.28)	(0.41)	(0.96)
Actuarial (gain)/loss on obligations	(1.28)	1.16	(1.60)	0.07
Liability at the end of the year	4.60	5.54	2.98	3.84
II. Changes in the fair value of plan assets and the reconciliation thereof				
Fair value of plan assets at the beginning of the year	6.69	4.35	-	-
Expected return on plan assets	0.54	0.37	-	-
Contributions	0.03	3.27	0.41	0.96
Benefit paid	(1.20)	(1.28)	(0.41)	(0.96)
Actuarial gain/(loss) on plan assets	(0.07)	(0.03)	-	-
Fair value of plan assets at the end of the year	5.99	6.69	-	-
Total actuarial gain/(loss) to be recognized	1.21	(1.18)	1.60	(0.07)
III. Actual return on plan assets				
Expected return on plan assets	0.53	0.37	-	-
Actuarial gain/(loss) on plan assets	(0.07)	(0.03)	-	-
Actual return on plan assets	0.46	0.34	-	-
IV. Amount recognised in the balance sheet				
Liability at the end of the year	4.60	5.54	2.98	3.84
Fair value of plan assets at the end of the year	5.99	6.69	-	-
Difference funded status	1.39	1.15	(2.98)	(3.84)
Unrecognised actual gain/(loss)	-	-	-	-
Amount recognised in the balance sheet (liability)	1.39	1.15	(2.98)	(3.84)

Notes to the Abridged Financial Statement as at March 31, 2014

Particulars	(` in crore)			
	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
V. Expenses recognised in the statement of profit and loss				
Current service cost	1.09	0.94	0.85	0.83
Interest cost	0.44	0.36	0.30	0.27
Expected return on plan assets	(0.53)	(0.37)	-	-
Net actuarial (gain)/loss to be recognized	(1.21)	1.18	(1.60)	0.07
Expense recognised in statement of profit and loss	(0.21)	2.11	(0.46)	1.17
VI. Amount recognised in the balance sheet				
Opening net liability	(1.15)	0.01	3.84	3.63
Expense as above	(0.21)	2.11	(0.46)	1.17
Employers contribution paid	(0.03)	(3.27)	(0.42)	(0.96)
Closing net liability/(Assets)	(1.39)	(1.15)	2.98	3.84
VII. Assumptions				
Discount rate	9.31%	8.00%	9.00%	8.00%
Rate of return on plan assets	9.31%	8.00%	-	-
Salary escalation rate	5.00%	5.00%	5.00%	5.00%

VIII. Particulars of the amounts for the year and previous years

	Gratuity for the year ended March 31				
	2014	2013	2012	2011	2010
Present value of benefit obligation	4.60	5.54	4.36	3.25	4.62
Fair value of plan assets	5.99	6.69	4.35	3.82	3.76
Excess of obligation over plan assets	(1.39)	(1.15)	0.01	(0.57)	0.86

IX. Experience adjustment

Experience adjustment on plan assets gain/(loss)	(0.07)	(0.03)	(0.25)	(0.09)	0.23
Experience adjustment on plan liabilities (gain)/loss	(0.77)	0.72	0.58	(0.51)	0.58

Notes:

- i) The above figures are shown in rupees in crore with two decimals to be more representative.
- ii) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.
- iii) General descriptions of defined benefit plans:
 - a) Gratuity plan
Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial.
 - b) Leave plan
Encashment of leave can be availed by the employee for balance in the earned account as on January 1, 2009. All carry forward earned leaves with a maximum limit of 10 days, are available for avilment but not for encashment.

15 Segment reporting (Note 37 of Annual accounts)

As per paragraph 4 of Accounting Standard (AS-17), on "Segment Reporting" notified by the Companies (Accounting Standards) Rules, 2006, where a single financial report contains both consolidated financial statements and the separate financial statements of the holding company, segment reporting needs to be presented only on the basis of consolidated financial statements. In view of this, segment information has been presented at Note No. 18 of the consolidated financial statements.

16 Related party disclosures (Note 38 of Annual accounts)

A. List of Related Parties and their relationship:

- i) **Holding Company**
Reliance Innoventures Private Limited
- ii) **Subsidiary of Holding Company**
AAA Enterprises Private Limited

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

iii) Individual Promoter

Shri Anil D. Ambani, the person having control during the year

iv) Subsidiaries

1	Reliance Capital Asset Management Limited	22	Reliance Financial Advisory Services Limited (formerly Reliance Investment Banking Services Limited) (ceased w.e.f. March 29, 2014)
2	Reliance Capital Asset Management (UK) Plc	23	Reliance Wealth Management Limited
3	Reliance Asset Management (Malaysia) SDN BHD	24	Reliance Money Express Limited
4	Reliance Asset Management (Mauritius) Limited	25	Reliance Money Precious Metals Private Limited
5	Reliance Asset Management (Singapore) Pte. Limited	26	Reliance Money Solutions Private Limited (w.e.f. December 2, 2013)
6	Reliance Capital Pension Fund Limited	27	Reliance Venture Asset Management Private Limited (ceased w.e.f. March 29, 2014)
7	Reliance AIF Management Company Limited (w.e.f. September 30, 2013)	28	Reliance Capital (Singapore) Pte Limited (ceased w.e.f. March 26, 2014)
8	Reliance Capital Trustee Co. Limited	29	Reliance Capital AIF Trustee Company Private Limited (w.e.f. April 11, 2013)
9	Reliance General Insurance Company Limited	30	Quant Capital Private Limited
10	Reliance Gilts Limited	31	Quant Broking Private Limited
11	Reliance Home Finance Limited	32	Quant Capital Advisors Private Limited
12	Reliance Equity Advisors (India) Limited	33	Quant Securities Private Limited
13	Reliance Consultants (Mauritius) Limited	34	Quant Commodity Broking Private Limited
14	Reliance Alternative Investments Services Private Limited	35	Quant Commodities Private Limited
15	Reliance Exchangenext Limited	36	Quant Investments Services Private Limited
16	Reliance Spot Exchange Infrastructure Limited	37	QOPPA Trading Private Limited (ceased w.e.f. March 26, 2014)
17	Indian Agri Services Private Limited	38	QCAP Trade Private Limited (ceased w.e.f. March 26, 2014)
18	Reliance Securities Limited	39	Quant Alternative Asset Management Private Limited (ceased w.e.f. March 26, 2014)
19	Reliance Composite Insurance Broking Limited	40	Quant Capital Finance and Investments Private Limited
20	Reliance Commodities Limited	41	Quant Capital Securities Private Limited (w.e.f. August 22, 2013) (ceased w.e.f. March 26, 2014)
21	Reliance Financial Limited	42	QCAP Securities Private Limited (w.e.f. August 22, 2013) (ceased w.e.f. March 26, 2014)

v) Partnership firm

Reliance Capital Partners

vi) Associates

1	Ammolite Holdings Limited	4	Reliance Land Private Limited
2	Indian Commodity Exchange Limited	5	Reliance Life Insurance Company Limited
3	Reliance Asset Reconstruction Company Limited	6	Reliance Share & Stock Brokers Private Limited

vii) Fellow subsidiaries

1	AAA Entertainment Private Limited	7	Reliance Globalcom Limited
2	Big Flicks Private Limited	8	Reliance Communications Limited
3	Zapak Mobile Games Private Limited (formerly Jump Games Private Limited)	9	Reliance Infocomm Infrastructure Limited
4	Reliance Big Entertainment Private Limited	10	Reliance Webstore Limited
5	Reliance Communications Infrastructure Limited	11	Zapak Digital Entertainment Limited
6	Reliance Infratel Limited		

Notes to the Abridged Financial Statement as at March 31, 2014

viii) **Key management personnel**

Shri V. R. Mohan - President & Company Secretary

B. Other related parties with whom transactions have taken place during the year:

i) Enterprise over which individual described in clause A (iii) above has control

Reliance Power Limited

Reliance Cleangen Limited

Jharkhand Integrated Power Limited

C. Transactions during the year with related parties:

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	(in crore)
					Total
Debentures					
a) Issued during the year	9	-	-	-	9
	(85)	(-)	(15)	(-)	(100)
b) Redeemed during the year	85	-	-	-	85
	(157)	(-)	(-)	(-)	(157)
c) Balance as at March 31, 2014	126	-	50	-	176
	(166)	(-)	(40)	(-)	(206)
d) Accrued interest on debentures as at March 31, 2014	9	-	1	-	10
	(10)	(-)	(1)	(-)	(11)
Loans Taken					
a) Taken during the year	200	-	-	-	200
	(-)	(-)	(-)	(-)	(-)
b) Returned during the year	450	-	-	-	450
	(80)	(-)	(-)	(-)	(80)
c) Balance as at March 31, 2014	450	-	-	-	450
	(700)	(-)	(-)	(-)	(700)
Commercial Paper					
a) Issued during the year	-	-	-	-	-
	(-)	(-)	(527)	(-)	(527)
b) Repaid during the year	-	-	300	-	300
	(-)	(-)	(750)	(-)	(750)
c) Balance as at March 31, 2014	-	-	-	-	-
	(-)	(-)	(271)	(-)	(271)
Investments					
a) Subscribed/Purchased during the year	54	-	-	-	54
	(454)	(23)	(-)	(-)	(477)
b) Redeemed / Sale during the year	27	-	-	-	27
	(302)	(-)	(-)	(-)	(302)
c) Balance as at March 31, 2014	2 688	1 293	5 388	-	9 369
[Net of provision ` 101 crore (Previous year ` 125 crore)]	(2 708)	(1 230)	(5 397)	(-)	(9 335)
Partnership Current Accounts					
a) Withdrawal during the year (Net)	-	-	-	150	150
	(-)	(-)	(-)	(140)	(140)
b) Profit / (Loss) of Partnership firm during the year	-	-	-	15	15
	(-)	(-)	(-)	- (9)	- (9)
c) Balance as at March 31, 2014	-	-	-	410	410
	(-)	(-)	(-)	(544)	(544)
Interest / Finance income accrued on Investment					
a) Balance as at March 31, 2014	-	530	225	-	755
	(-)	(410)	(166)	(-)	(576)
Loans Given					
a) Given during the year	190	1 278	674	-	2 142
	(443)	(749)	(11)	(-)	(1 203)
b) Returned /Adjusted during the year	220	1 024	284	-	1 528
	(495)	(230)	(13)	(-)	(738)
c) Balance as at March 31, 2014	32	837	424	-	1 293
[Net of provision ` 7 crore (Previous year ` 7 crore)]	(62)	(583)	(32)	(-)	(677)
d) Assignment of Loans	-	-	-	-	-
	(25)	(-)	(-)	(-)	(25)
e) Interest accrued on Loans (*` 25 38 345)	-	9	25	-	34
	(*)	(-)	(-)	(-)	(*)
Advances					
a) Balance as at March 31, 2014 (*` 2 67 733)	1	1	-	-	2
	(92)	(2)	(-*)	(-)	(94)

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

Particulars	(` in crore)				Total
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	
Trade payables					
a) Balance as at March 31, 2014	*	-	-	-	*
* [` 2 30 458 (**Previous year ` 4 79 830)]	(**)	(-)	(-)	(-)	(**)
Income					
a) Interest & Finance Income (including Premium on Preference Shares)	3 (4)	228 (148)	85 (63)	- (-)	316 (215)
b) Rent (* ` 5 25 000)	* (-)	1 (1)	- (-)	- (-)	1 (1)
c) Dividend Income	105 (105)	1 (1)	23 (19)	- (-)	129 (125)
d) Reimbursement of Expenditure (Previous year ` 23 25 359)	19 (13)	1 (*)	5 (5)	- (-)	25 (18)
e) Management Fees	15 (15)	- (-)	6 (6)	- (-)	21 (21)
f) Income transferred as per Business Transfer Agreement	1 (3)	- (-)	- (-)	- (-)	1 (3)
g) Processing fees	- (-)	- (2)	- (-)	- (-)	- (2)
Expenditure					
a) Finance cost	68 (98)	- (-)	9 (39)	- (-)	77 (137)
b) Insurance	1 (*)	- (-)	1 (*)	- (-)	2 (*)
c) Brokerage paid during the year	* (**)	- (-)	- (-)	- (-)	* (**)
[*` 17 38 384 (Previous year ***` 38 98 504)]					
d) Expenses transferred as per Business Transfer Agreement	2 (3)	- (-)	- (-)	- (-)	2 (3)
e) Reimbursement of Expenditure [*` 25 91 716]	* (3)	- (-)	1 (1)	- (-)	1 (4)
f) Provision / (Reversal) for diminution in value of investments	53 (7)	(77) (-)	- (18)	- (-)	(24) (25)
g) Provision / (Reversal) for NPA, doubtful debts and balances written off	(1) (7)	- (-)	- (18)	- (-)	(1) (25)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties	12 (5)	100 (50)	90 (82)	- (-)	202 (137)
Shares given as collateral					
a) Shares given as collateral	9 (63)	- (-)	- (-)	- (-)	9 (63)

D. The nature and volume of material transactions for the year with above related parties are as follows:

Particulars	(` in crore)				Total
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	
Debentures					
a) Issued during the year					
i) Reliance Securities Limited	9 (85)	- (-)	- (-)	- (-)	9 (85)
ii) Reliance Life Insurance Company Limited	- (-)	- (-)	- (15)	- (-)	- (15)
b) Redeemed during the year					
i) Reliance Securities Limited	85 (80)	- (-)	- (-)	- (-)	85 (80)
ii) Reliance General Insurance Company Limited	- (77)	- (-)	- (-)	- (-)	- (77)
c) Balance as at March 31, 2014					
i) Reliance Securities Limited	26 (86)	- (-)	- (-)	- (-)	26 (86)
ii) Reliance Life Insurance Company Limited	- (-)	- (-)	50 (40)	- (-)	50 (40)
iii) Reliance General Insurance Company Limited	100 (80)	- (-)	- (-)	- (-)	100 (80)

Notes to the Abridged Financial Statement as at March 31, 2014

Particulars					(` in crore)
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
d) Interest accrued on debentures as at March 31, 2014					
i) Reliance Securities Limited	4	-	-	-	4
	(5)	(-)	(-)	(-)	(5)
ii) Reliance Life Insurance Company Limited	-	-	1	-	1
	(-)	(-)	(-)	(-)	(-)
iii) Reliance General Insurance Company Limited	5	-	-	-	5
	(5)	(-)	(-)	(-)	(5)
Loans Taken					
a) Taken during the year					
i) Reliance Capital Asset Management Limited	200	-	-	-	200
	(-)	(-)	(-)	(-)	(-)
b) Returned during the year					
i) Reliance Capital Asset Management Limited	450	-	-	-	450
	(80)	(-)	(-)	(-)	(80)
c) Balance as at March 31, 2014					
i) Reliance Capital Asset Management Limited	450	-	-	-	450
	(700)	(-)	(-)	(-)	(700)
Commercial Papers					
a) Issued during the year					
i) Reliance Life Insurance Company Limited	-	-	-	-	-
	(-)	(-)	(527)	(-)	(527)
b) Repaid during the year					
i) Reliance Life Insurance Company Limited	-	-	300	-	300
	(-)	(-)	(750)	(-)	(750)
c) Balance as at March 31, 2014					
i) Reliance Life Insurance Company Limited	-	-	-	-	-
	(-)	(-)	(271)	(-)	(271)
Investments					
a) Subscribed / Purchased during the year					
i) Reliance General Insurance Company Limited	-	-	-	-	-
	(155)	(-)	(-)	(-)	(155)
ii) Reliance Home Finance Limited	-	-	-	-	-
	(291)	(-)	(-)	(-)	(291)
iii) AAA Entertainment Private Limited	-	-	-	-	-
	(-)	(23)	(-)	(-)	(23)
iv) Quant Capital Private Limited	50	-	-	-	50
	(-)	(-)	(-)	(-)	(-)
b) Redeemed / Sale during the year					
i) Reliance Home Finance Limited	-	-	-	-	-
	(291)	(-)	(-)	(-)	(291)
ii) Indian Agri Services Private Limited	9	-	-	-	9
	(-)	(-)	(-)	(-)	(-)
iii) Reliance Money Express Limited	4	-	-	-	4
	(-)	(-)	(-)	(-)	(-)
iv) Reliance Capital (Singapore) Pte Limited	9	-	-	-	9
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2014					
i) Reliance General Insurance Company Limited	1 717	-	-	-	1 717
	(1 717)	(-)	(-)	(-)	(1 717)
ii) Reliance Land Private Limited	-	-	481	-	481
	(-)	(-)	(486)	(-)	(486)
iii) Reliance Home Finance Limited	321	-	-	-	321
	(321)	(-)	(-)	(-)	(321)
iv) Reliance Share & Stock Brokers Private Limited	-	-	81	-	81
	(-)	(-)	(86)	(-)	(86)
v) Reliance Big Entertainment Private Limited	-	1 000	-	-	1 000
	(-)	(1 000)	(-)	(-)	(1 000)
vi) Reliance Communications Limited	-	293	-	-	293
	(-)	(230)	(-)	(-)	(230)
vii) Reliance Asset Reconstruction Company Limited	-	-	49	-	49
	(-)	(-)	(49)	(-)	(49)
viii) Ammolite Holdings Limited* [Net of Provision ` 29 crore (Previous year ` 29 crore)]	-	-	*	-	*
	(-)	(-)	(*)	(-)	(*)

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
ix) Reliance Securities Limited	150 (150)	- (-)	- (-)	- (-)	150 (150)
x) Quant Capital Private Limited	250 (200)	- (-)	- (-)	- (-)	250 (200)
xi) Reliance Exchangenext Limited* [Net of Provision ` 69 crore (Previous year ` 19 crore)]	* (50)	- (-)	- (-)	- (-)	* (50)
xii) Reliance Life Insurance Company Limited	- (-)	- (-)	4 776 (4 776)	- (-)	4 776 (4 776)
xiii) Reliance Capital Asset Management Limited	184 (184)	- (-)	- (-)	- (-)	184 (184)
Partnership Current Accounts					
a) Withdrawal during the year (Net)					
i) Reliance Capital Partners	- (-)	- (-)	- (-)	150 (140)	150 (140)
b) Profit / (Loss) of Partnership firm during the year					
i) Reliance Capital Partners	- (-)	- (-)	- (-)	15 (-9)	15 (-9)
c) Balance as at March 31, 2014					
i) Reliance Capital Partners	- (-)	- (-)	- (-)	410 (544)	410 (544)
Interest / Finance income accrued on investment					
a) Balance as at March 31, 2014					
i) Reliance Land Private Limited	- (-)	- (-)	225 (166)	- (-)	225 (166)
ii) Reliance Big Entertainment Private Limited	- (-)	530 (410)	- (-)	- (-)	530 (410)
Loans Given					
a) Given during the year					
i) Reliance Land Private Limited	- (-)	- (-)	579 (11)	- (-)	579 (11)
ii) Reliance Financial Limited	20 (40)	- (-)	- (-)	- (-)	20 (40)
iii) Quant Capital Private Limited	- (50)	- (-)	- (-)	- (-)	- (50)
iv) Zapak Digital Entertainment Limited	- (-)	- (2)	- (-)	- (-)	- (2)
v) Zapak Mobile Games Private Limited	- (-)	- (4)	- (-)	- (-)	- (4)
vi) Reliance Securities Limited	- (50)	- (-)	- (-)	- (-)	- (50)
vii) Quant Commodities Private Limited	- (100)	- (-)	- (-)	- (-)	- (100)
viii) Reliance Home Finance Limited	170 (-)	- (-)	- (-)	- (-)	170 (-)
ix) Reliance Big Entertainment Private Limited	- (-)	1 028 (743)	- (-)	- (-)	1 028 (743)
x) Reliance Equities International Private Limited	- (186)	- (-)	- (-)	- (-)	- (186)
xi) Reliance Infratel Limited	- (-)	250 (-)	- (-)	- (-)	250 (-)
b) Returned/Adjusted during the year					
i) Reliance Land Private Limited	- (-)	- (-)	275 (-)	- (-)	275 (-)
ii) Reliance Financial Limited	20 (40)	- (-)	- (-)	- (-)	20 (40)
iii) Reliance Asset Reconstruction Company Limited	- (-)	- (-)	1 (4)	- (-)	1 (4)
iv) Quant Broking Private Limited	30 (16)	- (-)	- (-)	- (-)	30 (16)
v) Quant Commodities Private Limited	- (100)	- (-)	- (-)	- (-)	- (100)
vi) Quant Capital Private Limited	- (50)	- (-)	- (-)	- (-)	- (50)

Notes to the Abridged Financial Statement as at March 31, 2014

						(` in crore)
Particulars		Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
vii)	Reliance Securities Limited	-	-	-	-	-
		(103)	(-)	(-)	(-)	(103)
viii)	Reliance Home Finance Limited	170	-	-	-	170
		(-)	(-)	(-)	(-)	(-)
ix)	Reliance Big Entertainment Private Limited	-	768	-	-	768
		(-)	(205)	(-)	(-)	(205)
x)	Reliance Life Insurance Company Limited	-	-	-	-	-
		(-)	(-)	(9)	(-)	(9)
xi)	Reliance Equities International Private Limited	-	-	-	-	-
		(186)	(-)	(-)	(-)	(186)
xii)	Reliance Infratel Limited	-	250	-	-	250
		(-)	(-)	(-)	(-)	(-)
c)	Balance as at March 31, 2014					
i)	Reliance Land Private Limited	-	-	329	-	329
		(-)	(-)	(24)	(-)	(24)
ii)	Reliance Equity Advisors (India) Limited	32	-	-	-	32
		(32)	(-)	(-)	(-)	(32)
iii)	Quant Broking Private Limited	-	-	-	-	-
		(30)	(-)	(-)	(-)	(30)
iv)	Zapak Digital Entertainment Limited	-	-	-	-	-
		(-)	(2)	(-)	(-)	(2)
v)	Zapak Mobile Games Private Limited	-	-	-	-	-
		(-)	(4)	(-)	(-)	(4)
vi)	Reliance Asset Reconstruction Company Limited	-	-	-	-	-
		(-)	(-)	(1)	(-)	(1)
vii)	Reliance Exchangenext Limited [Net of Provision ` 7 crore (Previous year ` 7 crore)]	*	-	-	-	*
		(*)	(-)	(-)	(-)	(*)
viii)	Reliance Big Entertainment Private Limited	-	837	-	-	837
		(-)	(576)	(-)	(-)	(576)
ix)	Reliance Share & Stock Brokers Private Limited	-	-	95	-	95
		(-)	(-)	(-)	(-)	(-)
x)	Reliance Life Insurance Company Limited	-	-	-	-	-
		(-)	(-)	(7)	(-)	(7)
d)	Assignment of Loans					
i)	Reliance Home Finance Limited	-	-	-	-	-
		(25)	(-)	(-)	(-)	(25)
e)	Interest accrued on loans					
i)	Reliance Big Entertainment Private Limited	-	9	-	-	9
		(-)	(-)	(-)	(-)	(-)
ii)	Reliance Land Private Limited	-	-	24	-	24
		(-)	(-)	(-)	(-)	(-)
Advances						
a)	Balance as at March 31, 2014					
i)	Reliance Securities Limited (* ` 42 79 000)	*	-	-	-	*
		(3)	(-)	(-)	(-)	(3)
ii)	Reliance General Insurance Company Limited (# ` 15 14 460)	#	-	-	-	#
		(1)	(-)	(-)	(-)	(1)
iii)	Quant Capital Private Limited (@ ` 16 16 790)	@	-	-	-	@
		(50)	(-)	(-)	(-)	(50)
iv)	Quant Broking Private Limited	-	-	-	-	-
		(38)	(-)	(-)	(-)	(38)
v)	Reliance Communications Infrastructure Limited (including capital advance)	-	-	-	-	-
		(-)	(2)	(-)	(-)	(2)
vi)	Reliance Life Insurance Company Limited (` 2 67 733)	-	-	-	-	-
		(-)	(-)	(*)	(-)	(*)
vii)	Reliance Communications Limited	-	1	-	-	1
		(-)	(-)	(-)	(-)	(-)
Trade Payable						
a)	Trade payables as at March 31, 2014					
i)	Big Flicks Private Limited [* ` 4 29 830]	-	-	-	-	-
		(-)	(*)	(-)	(-)	(*)
ii)	Reliance Home Finance Limited [** ` 2 30 458]	**	-	-	-	**
		(-)	(-)	(-)	(-)	(-)

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
Income					
a) Interest & Finance Income (including Premium on Preference Shares)					
i) Reliance Home Finance Limited	1	-	-	-	1
ii) Quant Capital Private Limited	(-)	(-)	(-)	(-)	(-)
iii) Reliance Land Private Limited	-	-	84	-	84
iv) Quant Broking Private Limited	(3)	(-)	(-)	(-)	(3)
v) Reliance Big Entertainment Private Limited	-	224	-	-	224
	(-)	(148)	(-)	(-)	(148)
b) Rent					
i) Reliance Communications Infrastructure Limited	-	1	-	-	1
ii) Reliance General Insurance Company Limited (# ` 5 25 000)	#	-	-	-	#
	(-)	(-)	(-)	(-)	(-)
c) Dividend Income					
i) Reliance Capital Asset Management Limited	105	-	-	-	105
ii) Reliance Communications Limited	(105)	(-)	(-)	(-)	(105)
iii) Reliance Life Insurance Company Limited	-	1	-	-	1
	(-)	(1)	(-)	(-)	(1)
iii) Reliance Life Insurance Company Limited	-	-	23	-	23
	(-)	(-)	(19)	(-)	(19)
d) Reimbursement of Expenditure					
i) Reliance General Insurance Company Limited	6	-	-	-	6
ii) Reliance Communications Infrastructure Limited *(` 4 01 188 (Previous year ` 23 25 359))	(3)	(-)	(-)	(-)	(3)
iii) Reliance Asset Reconstruction Company Limited *(` 24 06 000)	-	*	-	-	*
iv) Reliance Capital Asset Management Limited	(-)	(*)	(-)	(-)	(*)
v) Reliance Securities Limited	-	-	1	-	1
vi) Reliance Home Finance Limited	(-)	(-)	(*)	(-)	(*)
vii) Reliance Life Insurance Company Limited	2	-	-	-	2
	(2)	(-)	(-)	(-)	(2)
vii) Reliance Life Insurance Company Limited	2	-	-	-	2
	(1)	(-)	(-)	(-)	(1)
vii) Reliance Life Insurance Company Limited	9	-	-	-	9
	(7)	(-)	(-)	(-)	(7)
vii) Reliance Life Insurance Company Limited	-	-	5	-	5
	(-)	(-)	(5)	(-)	(5)
e) Management Fees					
i) Reliance General Insurance Company Limited	6	-	-	-	6
ii) Reliance Capital Asset Management Limited	(6)	(-)	(-)	(-)	(6)
iii) Reliance Home Finance Limited	6	-	-	-	6
iv) Reliance Life Insurance Company Limited	(6)	(-)	(-)	(-)	(6)
v) Reliance Home Finance Limited	3	-	-	-	3
vi) Reliance Life Insurance Company Limited	(3)	(-)	(-)	(-)	(3)
vii) Reliance Life Insurance Company Limited	-	-	6	-	6
	(-)	(-)	(6)	(-)	(6)
f) Income transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	1	-	-	-	1
	(3)	(-)	(-)	(-)	(3)
g) Processing fees					
i) Reliance Big Entertainment Private Limited	-	-	-	-	-
	(-)	(2)	(-)	(-)	(2)
Expenditure					
a) Finance cost					
i) Reliance Securities Limited	4	-	-	-	4
ii) Reliance Capital Asset Management Limited	(9)	(-)	(-)	(-)	(9)
iii) Reliance Life Insurance Company Limited	54	-	-	-	54
iv) Reliance General Insurance Company Limited	(82)	(-)	(-)	(-)	(82)
	-	-	9	-	9
	(-)	(-)	(39)	(-)	(39)
	9	-	-	-	9
	(-)	(-)	(-)	(-)	(-)

Notes to the Abridged Financial Statement as at March 31, 2014

Particulars					(` in crore)
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
b) Insurance					
i) Reliance General Insurance Company Limited (Previous year ` 22 52 222)	1 (*)	- (-)	- (-)	- (-)	1 (*)
ii) Reliance Life Insurance Company Limited (Previous year ` 43 76 861)	- (-)	- (-)	1 (*)	- (-)	1 (*)
c) Brokerage paid during the year					
i) Reliance Securities Limited [*` 17 38 384 (Previous year ** ` 38 98 504)]	* (**)	- (-)	- (-)	- (-)	* (**)
d) Expenses transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	2 (3)	- (-)	- (-)	- (-)	2 (3)
e) Reimbursement of Expenditure					
i) Reliance Land Private Limited [*` 31 04 530]	- (-)	- (-)	* (1)	- (-)	* (1)
ii) Reliance Home Finance Limited [*` 25 91 716]	* (3)	- (-)	- (-)	- (-)	* (3)
f) Provision / (Reversal) for diminution in value of investments					
i) Reliance Exchangenext Limited	50 (19)	- (-)	- (-)	- (-)	50 (19)
ii) Reliance Communications Limited	- (-)	(77) (77)	- (-)	- (-)	(77) (77)
iii) Reliance Equities International Private Limited	- (-40)	- (-)	- (-)	- (-)	- (-40)
g) Provision / (Reversal) for NPA, doubtful debts and balances written off					
i) Reliance Exchangenext Limited	(1) (7)	- (-)	- (-)	- (-)	(1) (7)
ii) Ammolite Holdings Limited	- (-)	- (-)	- (18)	- (-)	- (18)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties					
i) Reliance Money Precious Metals Private Limited	12 (5)	- (-)	- (-)	- (-)	12 (5)
ii) Ammolite Holdings Limited	- (-)	- (-)	90 (82)	- (-)	90 (82)
iii) Reliance Big Entertainment Private Limited	- (-)	100 (50)	- (-)	- (-)	100 (50)
Shares given as collateral					
a) Reliance Securities Limited	9 (63)	- (-)	- (-)	- (-)	9 (63)

Key Managerial Personnel

- a) Shri V. R. Mohan
 -Employee benefit expenses ` 69 78 220 (Previous year ` 69 99 996)
 -Loan given balance as at March 31, 2014 ` 4 20 951 (Previous year ` 4 35 351)

Enterprise over which individual described in clause A(iii)above has control

	(` in crore)		
	Reliance Power Limited #	Reliance Cleangen Limited	Jharkhand Integrated Power Limited
Investment balance as at March 31, 2014	3 (3)	- (-)	- (-)
Loan & Advance given during the year	- (-)	530 (-)	75 (-)
Loan & Advance repaid during the year	- (-)	530 (-)	75 (-)
Loan & Advance given balance as at March 31, 2014 (* ` 45 96 993)	- (-)	* (-)	- (-)
Interest & Finance Income during the year * ` 27 23 658	- (-)	4 (-)	* (-)

Reimbursement of expenditure ` Nil (Previous year ` 1 06 120)

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

Notes :

- i) Figures in bracket indicate previous year figures.
- ii) Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transaction.
- iii) The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.
- iv) In addition to the above, Commission of ` Nil (Previous year ` Nil) and Director Sitting Fees of ` 80 000 (Previous year ` 1 20 000) has been paid to Shri Anil D. Ambani, an individual having control.
- v) The Company has, during the year, sold part of its holding in unlisted equity shares of: Reliance Land Private Limited representing 45% stake (No. of shares 45 00 000, carrying value ` 4 crore) and Reliance Share & Stock Brokers Private Limited representing 45% stake (No. of shares 45 00 000, carrying value ` 4 crore)
Considering that these shares were sold to Company's wholly owned subsidiaries and do not impact the economic interests of the Company's shareholders, the consideration for the sale were fixed at a price equal to or slightly above their cost and not at their fair values (not ascertained) which are significantly higher.

17 Leases (Note 39 of Annual accounts)

Details of future minimum lease receivables are as under:

Particulars	(` in crore)	
	2013-14	2012-13
Within one year of the balance sheet date	25	24
Due in a period between one year and five years	34	42
Due after five years [` 1 79 739 (Previous year ` 26 00 000)]	-	-

18 Basic and diluted earnings per share: (Note 40 of Annual accounts)

The computation of earnings per share is set out below :

Particulars	(` in crore)	
	2013-14	2012-13
a) Amounts used as the numerators		
Net Profit after tax	409	662
Net Profit attributable to equity shareholders	409	662
b) Weighted average number of equity shares	24 56 32 800	24 56 32 800
c) Basic earnings per share of face value ` 10 each (`)	16.67	26.95
d) Diluted earnings per share of face value ` 10 each (`)	16.67	26.95

- 19 During the previous year Nippon Life Insurance Company (NLIC) has acquired 26% equity shareholding in Reliance Capital Asset Management Company Limited (RCAM). The Company has waived its entitlement of bonus shares issued by RCAM. (Note 41 of Annual accounts)

20 Disclosure of loans / advances and investments in its own shares by the listed companies, in its subsidiaries, associate etc. (as certified by the management) in terms of the Listing Agreement with the Stock Exchanges. (Note 42 of Annual accounts)

Particulars	(` in crore)			
	Outstanding Balance		Maximum Balance outstanding	
	March 31, 2014	March 31, 2013	2013-14	2012-13
i) Loans and advances in the nature of loans to subsidiaries				
a) Reliance Equity Advisors (India) Limited	32	32	32	32
b) Reliance Securities Limited	-	-	-	50
c) Reliance Financial Limited	-	-	20	40
d) Quant Broking Private Limited	-	30	30	51
e) Quant Commodities Private Limited	-	-	-	100
f) Reliance Exchangenext Limited [Net of Provision of ` 7 crore (Previous year ` 7 crore) as on March 31, 2014]	-	-	-	8
g) Quant Capital Private Limited	-	-	-	50
h) Reliance Home Finance Limited	-	-	170	-
ii) Loans and advances in the nature of loans to associates				
a) Reliance Asset Reconstruction Company Limited	-	1	1	5
b) Reliance Land Private Limited	329	24	365	24
c) Reliance Share & Stock Brokers Private Limited	95	7	95	16
iii) Loans and advances in the nature of loans where there is				
a) No repayment schedule or repayment beyond seven years				
Reliance Land Private Limited	-	24	24	24

Notes to the Abridged Financial Statement as at March 31, 2014

(` in crore)

Particulars	Outstanding Balance		Maximum Balance outstanding	
	March 31, 2014	March 31, 2013	2013-14	2012-13
b) No interest or interest below Section 372A of the Companies Act, 1956.	Not Applicable pursuant to provision of section 372A (8) (a) (iii) of the Companies Act, 1956			
iv) Loans and advances in nature of loans to firms / companies in which directors are interested.	-	-	-	-
v) Investments by loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	No. of shares		Amount in `	
	-	-	-	-

21 Disclosure of details as required by Para 13 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (Note 43 of Annual accounts)

(` in crore)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
1) Loans and advances availed by NBFC inclusive of interest accrued thereon but not paid				
a) Debentures (Other than falling within the meaning of public deposits)				
i) Secured [inclusive of ` 421 crore (Previous year ` 248 crore) interest accrued thereon]	8 321	6 664	-	-
ii) Unsecured [inclusive of ` 57 crore (Previous year ` 52 crore) interest accrued thereon]	1 230	1 051	-	-
b) Deferred credits	-	-	-	-
c) Term loans	8 133	9 018	-	-
d) Inter-corporate loans and borrowing	450	710	-	-
e) Commercial paper	4 653	3 649	-	-
f) Other loans				
i) Cash credit from banks	650	41	-	-
2) Break up of loans and advances including bills receivable other than those included in (3) below (Gross Amount)(Refer Note (b) below)				
a) Secured			13 540	10 620
b) Unsecured			4 691	6 376
Total			18 231	16 996

Notes:

- Housing loans / loans against property and construction finance granted are secured by equitable registered mortgage of property and / or undertaking to create a security and other loans and advances are secured by way of hypothecation and / or pledging of the underlying asset.
- In case of loans & advances given in para (2) above, Provision for NPA & Doubtful Debts is ` 57 crore (Previous year ` 76 crore)

(ii) Assets side

Particulars	Amount Outstanding	
	March 31, 2014	March 31, 2013
3) Break up of leased assets and stock on hire and other assets counting towards AFC activities: Lease assets including lease rentals under sundry debtors:		
1) Financial lease (net of depreciation and lease adjustment)	-	-
2) Operating lease (net of depreciation)	67	59
4) Break up of investments [(Amount net of provisions of ` 412 crore (Previous year ` 448 crore)]		
a) Current investments		
1) Quoted		
i) Shares		
a) Equity (stock-in trade)	-	-
b) Preference	-	10
ii) Units of mutual fund	283	140

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

(ii) Assets side

Particulars	Amount Outstanding	
	March 31, 2014	March 31, 2013
2) Unquoted		
i) Others		
- Debentures and Bonds	6	128
- Pass Through Certificates	43	88
- Reliance Capital Partners	135	-
b) Long term investments		
1) Quoted		
i) Shares		
a) Equity	693	640
b) Preference	-	-
ii) Debentures and bonds	-	-
iii) Government securities	-	-
2) Unquoted		
i) Shares		
a) Equity	7 798	7 794
b) Preference	2 896	3 227
ii) Debentures and bonds	1 147	859
iii) Units of Mutual fund	-	-
iv) Government of India securities ` 45 000 (Previous year ` 45 000)	-	-
v) Others		
a) Pass Through Certificates & Security Receipts	9	9
b) Units of Private Equity/Seed Fund	200	151
c) Reliance Capital Partners	275	544
d) Investments in joint venture	85	85
Total	13 570	13 675

5) Borrower group-wise classification of assets financed as in (2) and (3) above:

[Amount net of provisions of ` 57 crore (Previous year ` 76 crore)]

(` in crore)

Particulars	Secured		Unsecured		Total	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
a) Related parties						
1) Subsidiaries	-	-	33	154	33	154
2) Companies in the same group - Associates	328	7	95	25	423	32
3) Other related parties	187	149	651	435	838	584
b) Other than related parties	13 042	10 528	3 905	5 681	16 947	16 209
Total	13 557	10 684	4 684	6 295	18 241	16 979

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted excluding stock in trade)

[(Amount net of provisions of ` 412 crore (Previous Year ` 448 crore)]

(` in crore)

Particulars	Market value / Fair Value or NAV		Book Value (Net of provisions)	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
a) Related parties				
1) Subsidiaries	2 688	2 708	2 688	2 708
2) Companies in the same group - Associates	5 388	5 397	5 388	5 397
3) Other related parties	1 412	1 197	1 296	1 233
b) Other than related parties	4 304	4 248	4 198	4 337
Total	13 792	13 550	13 570	13 675

Notes to the Abridged Financial Statement as at March 31, 2014

7) Other information		(` in crore)	
Particulars	March 31, 2014	March 31, 2013	
a) Gross Non Performing Assets			
1) Related Parties	36	36	
2) Other than Related Parties	307	328	
b) Net Non Performing Assets			
1) Related Parties	-	-	
2) Other than Related Parties	256	238	
c) Assets Acquired in satisfaction of Debt [Net of provision ` 10 crore (Previous year ` 5 crore)]	46	13	

Notes :

- Companies in same group means companies under the same management as per section 370(1B) of the Companies Act, 1956.
- In case of unquoted investments, in the absence of market value, book value has been considered.
- Capital contribution in Partnership Firm and unincorporated Joint venture have not been considered for the purpose of companies in the same group and other related party.
- Investments are classified between non-current and current investments (including current portion of long term investments) as required under revised Schedule VI, as per Companies Act, 1956.
- Gross Non Performing Assets and Net Non Performing Assets given above includes loans & advances and bonds & debentures.

22 Disclosure of details as required by para 5 of Reserve Bank of India Circular No RBI 2008-09/116 DNBS (PD).CC. No. 125/03.05.002/2008-09 dated August 1, 2008 (Note 44 of Annual accounts)

I. Capital to Risk Assets Ratio ("CRAR")

Particulars	March 31, 2014	March 31, 2013	
i) CRAR (%)	16.31	16.99	
ii) CRAR - Tier I capital (%)	12.20	13.05	
iii) CRAR - Tier II capital (%)	4.11	3.94	

II. Exposure to Real Estate

(` in crore)

Category	2013-14	2012-13	
a) Direct Exposure			
i) Residential Mortgage			
Individual Housing Loan upto ` 15 lakh	12	1	
Individual Housing Loan more than ` 15 lakh	57	28	
ii) Commercial Real Estate	1 022	1 154	
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
Residential	-	-	
Commercial	-	-	
b) Indirect Exposure			
Fund Based and Non Fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	333	330	

Notes:

- For the exposure to real estate only secured loans extended to builders / developers based on the nature of business has been considered.
- In computing the above information, certain estimates, assumptions and adjustments have been made by the management which have been relied upon by the auditors.

III. Maturity pattern of asset and liabilities (At Book Values)

(` in crore)

Particulars	1 day to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from bank	150	-	1 102	635	2 029	4 037	831	-	8 783
Market Borrowings	1 366	2 141	1 239	587	1 063	1 887	1 274	4 619	14 176
	(1 009)	(1 081)	(1 149)	(980)	(1 026)	(2 152)	(1 537)	(2 840)	(11 774)
Assets									
Loans / Advances	577	625	367	1 632	2 716	7 899	1 899	2 458	18 174
Investments	(983)	(703)	(311)	(1 037)	(3 891)	(5 825)	(1 463)	(2 707)	(16 920)
	985	9	12	8	145	654	649	11 108	13 570
	(813)	(19)	(51)	(111)	(194)	(1 464)	(922)	(10 101)	(13 675)

Reliance Capital Limited

Notes to the Abridged Financial Statement as at March 31, 2014

Notes:

- (a) All quoted investments have been included in 1 day to 30/31 days (one month) bucket considering its liquidity. All unquoted equity shares / warrants including investment in subsidiaries have been included in 'Over 5 years'. The maturity pattern has been prepared in line with various regulations issued by RBI from time to time, best practices & based upon best estimate of the management with regard to the timing of various cashflows.
- (b) The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of revised Schedule VI to the Companies Act, 1956. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for Assets-Liabilities Management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the Assets-Liability Committee / management with regard to the timing of various cash flows, which has been relied upon by the auditors.
- (c) The cumulative mismatch upto 1 year bucket marginally exceeds the prescribed limit. Based upon best estimate of the management the measures taken for mitigating the cumulative mismatch upto 1 year primarily includes replacing bank loan of ₹ 3,915 crore, falling due for repayment within the next 1 year, with additional borrowing from Banks in the form of long term loans. The Company has mobilized ₹ 1,070 crore in the form of Secured Long Term Fixed Rate NCDs in the month of April, 2014 to reduce cumulatively mismatch in the 1 year bucket.

23 Disclosure of details as required by para 3 of Reserve Bank of India Circular No. RBI/2013-14/260 DNBS. CC. PD. No. 356 /03.10.01/2013-14 dated September 16, 2013 (Note 45 of Annual accounts)

- (i) The gold loans outstanding as at March 31, 2014 as a percentage of total assets is at 0.02% (Previous year 0.22%).
- (ii) Auction Detail: (₹ in crore)

Number of auctions	Number of loan accounts	Outstanding amounts	Value Fetched	Whether any of the sister concerns participated
29	57	1.45	1.51	No

24 Contingent Liabilities and Commitments (As Certified by the Management) (Note 46 of Annual accounts)

(₹ in crore)

Particulars	March 31, 2014	March 31, 2013
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions on behalf of third parties	2 416	1 281
ii) Claims against the Company not acknowledged as debt	12	20
Commitments		
iii) Estimated amount of contracts remaining to be executed on capital account (net of advances)	85	38
iv) Undrawn Committed Credit lines	678	434
v) Uncalled amount of Investments	7	56

25 Outstanding Future & Option as on March 31, 2014 (Note 49 of Annual accounts)

Name of Option	No. of contracts	Units	
		Long	Short
Call option	4 711 (4 454)	1 19 350 (1 00 850)	1 16 200 (1 21 850)
Put option	33 949 (27 785)	- (-)	16 97 450 (13 89 250)
Futures	2 977 (1 196)	1 48 825 (59 800)	- (-)

Figures in bracket indicate previous year figures.

26 In the opinion of management, all the assets other than fixed assets and non current investments are approximately of the value stated if realised in the ordinary course of business. (Note 51 of Annual accounts)

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary
Mumbai
Dated: May 2, 2014

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Independent Auditors' Report on the Abridged Consolidated Financial Statement

To,

**The Board of Directors,
Reliance Capital Limited**

Report on the abridged consolidated financial statements

The accompanying abridged consolidated financial statements, which comprise the abridged consolidated balance sheet as at March 31, 2014, the abridged consolidated statement of profit & loss, and abridged consolidated cash flow statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Reliance Capital Limited ('the Company') and its subsidiaries including partnership firm and associates (collectively referred to as 'the Group') for the year ended March 31, 2014. Our opinion dated May 2, 2014 on those consolidated financial statements contains, without being qualified, matter of emphasis.

The abridged consolidated financial statements do not contain all the disclosures required by the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 ("the Act") applied in the preparation of the audited consolidated financial statements of the Group. Reading the abridged consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Group.

Management's responsibility for abridged consolidated financial statements

Management is responsible for the preparation of a abridged consolidated financial statements in accordance with Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 from the audited consolidated financial statements of the Group for the year ended March 31, 2014, prepared in accordance with Accounting Standards referred to in sub-section (3C) of section 211 of the Act and accounting principles generally accepted in India.

Auditors' responsibility

Our responsibility is to express an opinion on the abridged consolidated financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged consolidated financial statements prepared in accordance with Rule 7A of the Companies (Central Government's) General Rules and Forms 1956 read with Companies (Central Government's) General Rules and Forms (Amendment) Rules, 2012 are derived from the audited consolidated financial statements of the Company for the year ended March 31, 2014 and are a fair summary of those consolidated financial statements.

Emphasis of matter

- As explained in the Note No. 13 (b) & (c) to the abridged consolidated financial statements of the Group relating to Reliance General Insurance Company Limited ('RGIC') a subsidiary of the Company, regarding Insurance Regulatory and Development Authority ('IRDA') Order No. IRDA/F&A/ORD/MTAP/070/03/2012 dated March 22, 2012 on Indian Motor Third Party Insurance Pool ('IMTPIP') liability for underwriting years 2009-10, 2010-11 and 2011-12, wherein the RGIC has opted to amortise the transactional liability on straight line basis over three years beginning with the financial year ended March 31, 2012. Accordingly ₹ 79 crore has been charged to revenue account. Our opinion is not qualified in this regard.
- As explained in the Note No. 14 (h) to the abridged consolidated financial statements of the Group relating to Quant Capital Private Limited ('QCPL') a subsidiary of the Company, has not complied with the requirements of registering itself as a Core Investment Company ('CIC') as defined under the Guidelines issued by the Reserve Bank of India vide its circular RBI/2010-11/360 DNBS (PD) CC. No. 206/03.10.001/2010-11 dated January 5, 2011. Our opinion is not qualified in this regard.

Other matters

- We draw attention to Note No. 13 (d) of the abridged consolidated financial statements of the Group, with regard to actuarial valuation

of liabilities of RGIC with respect to claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) is the responsibility of the RGIC's appointed actuary. The appointed actuary has certified to the RGIC that the assumptions for such valuations are in accordance with the guidelines and norms issued by the IRDA and the Actuary Society of India in concurrence with the IRDA. The independent auditors of the RGIC have relied on the RGIC's Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of the RGIC.

- We did not audit the financial statements and financial information of twenty one subsidiaries and a partnership firm. The financial statements of these subsidiaries including partnership firm for the year ended March 31, 2014 have been audited by other auditors whose reports have been furnished to us by the management, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries including a partnership firm, is based solely on these reports. The attached consolidated financial statements include total assets of ₹ 6,144 crore as at March 31, 2014, total revenues of ₹ 3,088 crore and net cash outflows amounting to ₹ 78 crore in respect of the aforementioned subsidiaries and partnership firm for the year then ended.
- The financial statements and financial information of thirteen subsidiaries for the year ended March 31, 2014 have been audited by one of the joint auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on these reports. The attached consolidated financial statements include total assets of ₹ 5,401 crore as at March 31, 2014, total revenues of ₹ 1,338 crore and net cash inflows amounting to ₹ 96 crore in respect of the aforementioned subsidiaries for the year then ended.
- The financial statements and financial information of two associate companies for the year ended March 31, 2014 have been audited by one of the joint auditors whose reports have been furnished to us, and our opinion, in so far as it relates to share of loss of ₹ 13 crore for the year ended March 31, 2014 to the amounts included in respect of the same associates, is based solely on these reports.
- The financial statements and financial information of one associate company for the year ended March 31, 2014 has been audited by one of the joint auditors of the Company along with the other auditor as joint auditor of the associate whose report has been furnished to us, and our opinion, in so far as it relates to share of profit of ₹ 172 crore for the year ended March 31, 2014 to the amounts included in respect of the same associate, is based solely on this report.
- The financial statements and financial information of one associate company for the year ended March 31, 2014 have been audited by other auditor whose report has been furnished to us, and our opinion, in so far as it relates to share of profit of ₹ 3 crore for the year ended March 31, 2014 to the amounts included in respect of the same associate, is based solely on this report.
- We have relied on the unaudited financial statement and financial information of two associate companies, whose financial statements are certified by the management of associates, and our report in so far as it relates to share of profit of ₹ 1 crore for the year ended March 31, 2014 to the amount included in respect of these associates is based solely on those certified unaudited financial statement and financial information.

Our opinion is not qualified in respect of other matters.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 2, 2014

Mumbai
May 2, 2014

Reliance Capital Limited

Independent Auditors' Report on the Consolidated Financial Statement

To,
The Board of Directors
Reliance Capital Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Reliance Capital Limited ("the Company") and its subsidiaries including partnership firm, and its associates (as per the list appearing in Note No. 47 of the consolidated financial statements) (collectively referred to as the "Group") which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing 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 consolidated financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates

made by management, as well as evaluating the overall presentation of the consolidated financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the consolidated financial statements have been prepared by the management in accordance with the requirements of the Accounting Standard (AS) – 21, "Consolidated Financial Statements" and Accounting Standard (AS) – 23, "Accounting for Investments in Associates in Consolidated Financial Statements", notified by the Companies (Accounting Standards) Rules, 2006.

7. Based on our audit and on consideration of reports of other auditors and one of the joint auditor on separate financial statements, certification by management on separate financial statements and on the other financial information of the components of the Group as referred to in paragraph 11 to 16 below, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;

(b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

8. We draw attention to Note 36 (b) & (c) to the consolidated financial statements of the Group relating to Reliance General Insurance Company Limited ('RGIC') a subsidiary of the Company, regarding Insurance Regulatory and Development Authority ('IRDA') Order No. IRDA/F&A/ORD/MTAP/070/03/2012 dated March 22, 2012 on Indian Motor Third Party Insurance Pool ('IMTPIP') liability for underwriting years 2009-10, 2010-11 and 2011-12, wherein the RGIC has opted to amortise the transactional liability on straight line basis over three years beginning with the financial year ended March 31, 2012. Accordingly ₹ 79 crore has been charged to revenue account. Our opinion is not qualified in this regard.

9. We draw attention to Note 37(h) to the consolidated financial statements of the Group relating to Quant Capital Private Limited ('QCPL') a subsidiary of the Company, has not complied with the requirements of registering itself as a Core Investment Company ('CIC') as defined under the Guidelines issued by the Reserve Bank of India

Independent Auditors' Report on the Consolidated Financial Statement

vide its circular RBI/2010-11/360 DNBS (PD) CC. No. 206/03.10.001/2010-11 dated January 5, 2011. Our opinion is not qualified in this regard.

Other Matters

10. We draw attention to Note No. 36(d) of the consolidated financial statements of the Group, with regard to actuarial valuation of liabilities of RGIC with respect to claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) is the responsibility of the RGIC's appointed actuary. The appointed actuary has certified to the RGIC that the assumptions for such valuations are in accordance with the guidelines and norms issued by the IRDA and the Actuary Society of India in concurrence with the IRDA. The independent auditors of the RGIC have relied on the RGIC's Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of the RGIC.
11. We did not audit the financial statements and financial information of twenty one subsidiaries and a partnership firm. The financial statements of these subsidiaries including partnership firm for the year ended March 31, 2014 have been audited by other auditors whose reports have been furnished to us by the management, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries including a partnership firm, is based solely on these reports. The attached consolidated financial statements include total assets of ` 6,144 crore as at March 31, 2014, total revenues of ` 3,088 crore and net cash outflows amounting to ` 78 crore in respect of the aforementioned subsidiaries and partnership firm for the year then ended.
12. The financial statements and financial information of thirteen subsidiaries for the year ended March 31, 2014 have been audited by one of the joint auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on these reports. The attached consolidated financial statements include total assets of ` 5,401 crore as at March 31, 2014, total revenues of ` 1,338 crore and net cash inflows amounting to ` 96 crore in respect of the aforementioned subsidiaries for the year then ended.

13. The financial statements and financial information of two associate companies for the year ended March 31, 2014 have been audited by one of the joint auditors whose reports have been furnished to us, and our opinion, in so far as it relates to share of loss of ` 13 crore for the year ended March 31, 2014 to the amounts included in respect of these associates, is based solely on these reports.
14. The financial statements and financial information of one associate company for the year ended March 31, 2014 has been audited by one of the joint auditors of the Company along with the other auditor as joint auditor of the associate whose report has been furnished to us, and our opinion, in so far as it relates to share of profit of ` 172 crore for the year ended March 31, 2014 to the amounts included in respect of the same associate, is based solely on this report.
15. The financial statements and financial information of one associate company for the year ended March 31, 2014 have been audited by other auditor whose report has been furnished to us, and our opinion, in so far as it relates to share of profit of ` 3 crore for the year ended March 31, 2014 to the amounts included in respect of the same associate, is based solely on this report.
16. We have relied on the unaudited financial statement and financial information of two associate companies, whose financial statements are certified by the management of associates, and our report in so far as it relates to share of profit of ` 1 crore for the year ended March 31, 2014 to the amount included in respect of these associates is based solely on such certified unaudited financial statements and financial information.

Our opinion is not qualified in respect of other matters.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 2, 2014

Mumbai
May 2, 2014

Reliance Capital Limited

Abridged Consolidated Balance Sheet as at March 31, 2014

(Statement containing the salient features of Consolidated Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956)

	(` in crore)	
	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Paid-up share capital - equity	244	246
(b) Reserves and surplus		
(i) Capital reserves (Refer Note No. 8)	172	172
(ii) Capital redemption reserve	50	35
(iii) Securities premium account	3 532	3 599
(iv) General reserve (Refer Note No. 8)	5 507	5 451
(v) Statutory reserve fund	1 255	1 176
(vi) Special reserve	28	19
(vii) Foreign currency translation reserve	25	22
(viii) Settlement guarantee fund	-	-
[` 4 65 000 (Previous year ` 4 65 000)]		
(ix) Surplus in statement of profit & loss	1 578	1 251
	12 391	11 971
	544	516
Minority interest		
Non-current liabilities		
(a) Long-term borrowings	14 178	13 686
(b) Other long-term liabilities	83	14
(c) Long-Term provisions	57	48
	14 318	13 748
Current liabilities		
(a) Short-term borrowings	7 134	4 386
(b) Trade payables	454	342
(c) Other current liabilities	9 437	8 529
(d) Short-term provisions	1 250	1 096
	18 275	14 353
TOTAL	45 528	40 588
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	193	182
(ii) Intangible assets	289	252
(iii) Intangible assets under development	1	5
	483	439
(b) Non-current investments		
(i) Quoted	2 504	2 208
(ii) Unquoted	11 633	11 352
(c) Deferred tax assets(net) (Refer Note No. 5)	29	34
(d) Long-term loans and advances	15 631	12 741
(e) Other Non-Current Assets	1 887	1 533
	32 167	28 307
Current assets		
(a) Current investments		
(i) Quoted	1 256	504
(ii) Unquoted	764	1 023
(b) Inventories	164	144
(c) Trade receivables	932	839
(d) Cash & bank balances (Refer Note No. 6)	2 663	1 582
(e) Short-term loans and advances	6 831	7 472
(f) Other current assets	751	717
	13 361	12 281
TOTAL	45 528	40 588

See accompanying notes to the abridged consolidated financial statements

Compiled from the Consolidated Audited Accounts of the Company referred to in our report dated May 2, 2014.

Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other Consolidated statements and notes thereto prepared as per the requirements of Schedule VI to the Companies Act, 1956 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary
Mumbai
Dated: May 2, 2014

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Abridged Consolidated Statement of Profit & Loss for the year ended March 31, 2014

(Statement containing the salient features of Consolidated Statement of Profit & Loss as per Section 219(1)(b)(iv) of the Companies Act, 1956)

	2013-14	2012-13
(₹ in crore)		
Income		
Revenue from operations		7 470
(a) Interest & finance income	3 681	3 207
(b) Premium & commission earned	2 437	2 073
(c) Other financial services	1 337	2 190
	7 455	
Other income	89	49
Total Income	7 544	7 519
Expenditure		
(a) Employee benefits expense	599	607
(b) Finance costs	2 501	2 343
(c) Depreciation and amortisation expense	61	56
(d) Claims incurred (Net)	1 604	1 261
(e) Auditors' remuneration (Refer Note No. 20)	3	3
(f) Premium paid on reinsurance ceded	579	534
(g) Amortised DSA commission	44	46
(h) Provision for NPA, doubtful debts and balances written off	115	334
(i) Provision for diminution in value of investments and written off	(21)	304
(j) Reserve for Unexpired Risk	121	183
(k) Other expenses	1 091	1 018
Total expenditure	6 697	6 689
Profit before tax	847	830
Tax expense		
Current Tax	157	118
Income tax for earlier years	1	(2)
Deferred Tax (Refer Note No. 5)	6	11
	164	127
Profit after tax for the year	683	703
Share of minority shareholders	97	62
Share of profit/(loss) in associates	163	131
Profit/(loss) on sale of subsidiary	(2)	40
Net profit after tax	747	812
Earnings per equity share face value of ₹ 10 each fully paid up (Refer Note No. 22)		
Basic (₹)	30.38	33.05
Diluted (₹)	30.38	33.05

See accompanying notes to the abridged consolidated financial statements

Compiled from the Consolidated Audited Accounts of the Company referred to in our report dated May 2, 2014

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

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President & Company Secretary
Mumbai
Dated: May 2, 2014

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Reliance Capital Limited

Abridged Consolidated Cash Flow Statement for the year ended March 31, 2014

(` in crore)

	2013-14	2012-13
A. Cash flows from operating activities	1 471	291
B. Cash flows from investing activities	(214)	582
C. Cash flows from financing activities	(276)	(419)
Net increase / (decrease) in Cash and Cash Equivalents (A + B + C)	981	454
Cash and cash equivalents at beginning of year	1 112	658
Add: On amalgamation (Refer Note (b) given below) *(Previous year : 5 95 231)	1	*
Cash and cash equivalents at end of year	2 094	1 112

Notes:

- The previous year's figures have been regrouped and reclassified wherever necessary.
- Assets and liabilities pertaining to the Emerging Money Mall Limited transferred pursuant to the Scheme of Amalgamation with the Company with effect from March 31, 2013 have not been considered for the previous year cash flow statement.
- Cash and cash equivalents include cash on hand, cheques on hand and bank balances.

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary
Mumbai
Dated: May 2, 2014

Anil D. Ambani
Amitabh Jhunjunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

1. Background

Reliance Capital Limited ('the Company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company along with the group is broadly engaged in lending, investing, asset management, insurance and broking business.

2. Significant Accounting Policies

a Principles of Consolidation

The consolidated financial statements relate to Reliance Capital Limited ('the Company'), its subsidiaries including partnership firm and its associates (collectively referred to as "Group"). The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiaries including partnership firm have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.
- ii) The consolidated financial statements have been prepared using uniform accounting policies for transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's stand-alone financial statements.
- iii) The difference between the costs of investment in the subsidiaries over the net assets as on the date of acquisition is recognised in the financial statements as Goodwill or Capital Reserve as the case may be.
- iv) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of profit and loss as the profit or loss on disposal of investment in subsidiary as the case may be.
- v) Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- vi) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- vii) The financial statements of the Company and its associates have been combined on the basis of equity method, whereby the investment is initially recorded at cost, identifying any goodwill / capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for post acquisition change in the Company's share of net assets of the associate. Unrealised profits and losses resulting from transactions between the Company and the associates are eliminated to the extent of the Company's interest in the associate. Unrealised losses are not eliminated if and to the extent the cost of the transferred asset cannot be recovered. The consolidated statement of profit and loss reflects the Company's share of operations of the associate.
- viii) In case of foreign subsidiaries and foreign companies controlled by the Company, in translating the financial statements of non integral foreign subsidiaries for consolidation the following procedures have been followed:
 - a) The assets and liabilities both monetary and non monetary, of the non integral foreign operations are translated at the closing rate;
 - b) Income and expenses items of the non integral foreign operations are translated at the average rate;
 - c) All resulting exchange differences (if any) are accumulated in foreign currency translation reserve.

b Basis of Preparation of Financial Statements

The consolidated financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 read with the general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate affairs in respect of section 133 of the Companies Act, 2013. In case of Reliance General Insurance Company Limited the financial statement are drawn up in accordance with the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002 and order and direction issued by IRDA in this behalf and the regulations framed there under read with relevant provisions of the Insurance Act, 1938 and the Companies Act, 1956 read with the general circular 15/2013 dated September 13, 2013 of the Ministry of Corporate affairs in respect of section 133 of the Companies Act, 2013, to the extent applicable. These financial statements are presented in Indian rupees rounded to the nearest crore except otherwise stated.

c Use of Estimates

The preparation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

d Revenue Recognition

i) Interest income:

Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non performing assets ("NPAs") where it is recognised, upon realisation.

ii) Dividend income:

Dividend income is recognised when the right to receive payment is established.

iii) Discount on investments:

The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight line basis.

iv) Redemption premium on investments in preference shares:

Redemption premium on investments in preference shares is recognised as income over the tenor of the investment.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

v) Investment Management Fees:

Investment management fees are recognised on an accrual basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996 based on average assets under management (AUM).

vi) Portfolio Management Fees:

Portfolio Management fees are recognised on an accrual basis in accordance with Portfolio Management Agreement entered with respective clients except in case of Reliance Securities Limited which is as follows:

- Processing fees is recognised on upfront basis in the year of receipt
- Management fees is recognised as a percentage of the unaudited net asset value at the end of each month
- Return based fees is recognised as a percentage of annual profit, in accordance with the terms of the agreement with clients on the completion of the period

vii) Online Access Fees:

Online access fees is recognised on straight line basis, based on the agreement with the clients.

viii) Infrastructure and Resource Management Fees:

Infrastructure and resource management services fees are recognised on accrual basis as per agreements with the clients.

ix) Advisory Services Fee:

Fee for Advisory Services is accounted in accordance with the terms and contracts into with the clients.

x) Trusteeship Fee:

Trusteeship fee income is recognised on the basis of the agreements entered into between the settler and the trustee.

xi) Loan / other processing fee:

Loan processing fee is accounted for upfront as and when it becomes due. In the case of Reliance Money Precious Metals Private Limited income from processing fee is accounted on accrual basis.

xii) Management fee:

Management fee towards support services is accounted as and when it becomes due on contractual terms with the parties.

xiii) Income from investments:

Profit earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on weighted average basis.

xiv) Income from assignment / securitisation:

In case of assignment / securitisation of loans, the assets are derecognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned / securitised loans in accordance with Reserve Bank of India Guideline no RBI/2012-13/170 DNBS. PD. No. 301/3.10.01/2012-13 dated August 21, 2012. The profit, if any, as reduced by the estimated provision for loss/ expenses and incidental expenses related to the transaction, is recognised as gain or loss arising on assignment / securitisation over the tenure of the deal. Loss arising from these transactions, if any, will be recognised immediately in the statement of profit and loss.

xv) Income from Exchange Traded Derivatives:

Income from trading in securities comprises Profit/Loss on sale of Securities held as Stock In Trade and Profit/Loss on equity derivative instruments. Profit/Loss on securities are determined based on first in first out (FIFO) cost of securities sold. Profit/Loss on equity derivative transaction is accounted for based on the Guidance Note on Accounting for Equity Index and Equity Stock Future and Options issued by the Institute of Chartered Accountant of India which is explained below :

A. Equity Index/Stock Futures:

- "Initial Margin-Equity Derivatives Instrument", representing the initial margin paid, and "Margin Deposits" representing the additional margin paid over and above the initial margin, for entering into contracts for equity index/stock futures which are released on final settlement/squaring-up of underlying contracts, are disclosed under Loans and Advances.
- Equity index stock futures are marked-to-market on daily basis. Debit or credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the Balance Sheet date.
- As on the Balance Sheet date, profit/loss on open positions in equity index/stock futures are accounted for as follows:
Credit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", being the anticipated profit is ignored and no credit for the same is taken in the Statement of Profit and Loss.
Debit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", being anticipated loss, is adjusted in the Statement of Profit and Loss Account.

B. Equity Index/Stock Options:

- "Initial Margin Equity Derivative Instrument" representing the initial margin paid, and "Margin Deposit" representing the additional margin paid over and above the initial margin, for entering into contracts for equity index/stock options, which are released on final settlement/squaring up of the underlying contracts are disclosed under Loans and Advances.
- "Equity Index/Stock Option Premium Account" represents the premium paid or received for buying or selling the options, respectively.
- As at the Balance Sheet date, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the Balance Sheet date, and in the case of short positions, for the amount by which the premium prevailing on the Balance Sheet date exceeds the premium received for those options, and is reflected in "Provision for Loss on Equity Index/Stock Option Account".

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

xvi) Income from lease:

Lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

xvii) Income from Money Changer:

Revenue on foreign exchange transactions is recognised at the time of sale. The income arising from selling of foreign currencies represents the margin earned on sale of foreign currencies.

xviii) Premium:

Premium net of service tax is recognised as income over the contract period or the period of risk whichever is appropriate. Any subsequent revisions to or cancellations of premium are recognised in the year in which they occur.

xix) Commission:

- i) Commission income on reinsurance cessions is recognised as income in the period in which reinsurance premium is ceded.
- ii) Profit commission under reinsurance treaties, wherever applicable, is recognised on accrual. Any subsequent revisions of profit commission are recognized for the year in which final determination of the profits is intimated by reinsurers.
- iii) Commission income of money transfer services is recognised on rendering the service at contractual rates. Incentives received are recognised on receipt basis. Service income received on account of gain on foreign currency is accounted when accrued and due.

xx) Reinsurance:

- i) Reinsurance ceded is accounted in the year in which the risk commences and recognised over the contract period. Any subsequent revision to refunds or cancellation of premiums, are recognised in the year in which they occur.
- ii) Reinsurance inward is accounted to the extent of the returns received from the reinsurers.

xxi) Premium Received in Advance:

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

xxii) Sales and Services :

Revenue from sale is recognized on transfer of all significant risks and rewards of ownership as per terms of contracts with the customers. (net of VAT, sales return, service tax recovery and trade discount).

xxiii) Brokerage Income:

Brokerage income is recognized net of service tax on the date of transaction.

e Fixed assets

i) Tangible assets

- Lease assets

All assets given on operating lease are shown as fixed assets net of depreciation and impairment loss, if any. Initial direct costs in respect of leases are expensed in the year in which such costs are incurred.

- Own assets

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

ii) Intangible assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development.

f Depreciation / Amortisation

Depreciation on fixed assets, lease assets and intangible assets are provided as follows:

i) Tangible Assets

1) Leased assets: Depreciated on Straight Line Method over the useful life of assets. The estimated useful lives for the different types of assets are :

- a) Plant & equipments
 - 1) Energy Saving Equipments – 15 years
 - 2) Specialized Machinery used in manufacturing –10 years
 - 3) General Plant & Machinery – 8 years
- b) Data processing machineries – 5 years
- c) Vehicle for personal use – 8 years
- d) Vehicle for commercial use – Taxi – 8 years other than Taxi – 6 years

ii) Own Assets: All assets other than lease hold improvements, on Written Down Value method except Reliance Commodities Limited, Reliance Exchangenext Limited, Reliance Financial Limited, Reliance Securities Limited and Quant Capital Private Limited which depreciates on straight line basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 and lease hold improvements are amortised over the primary period of the lease on Straight Line Basis.

g Impairment of assets

The group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

h Investments

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued, scrip wise at cost or fair value, whichever is lower. Long-term investments are carried at carrying cost less diminution in value which is other than temporary, determined separately for each individual investment.

i Inventories

Securities held as inventories are valued scrip wise at weighted average cost or fair value, whichever is lower.

Commodities held as inventories are valued at weighted average cost or realisable value, whichever is lower.

Stock of foreign currencies have been valued at weighted average cost or realisable value, whichever is lower.

Stock of gold have been valued at weighted average cost or realisable value, whichever is lower.

Stock of paintings are of such nature that the market value of which cannot be easily available, hence valued at cost.

j Repossessed assets

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount. The classification and provision is based on the underlying Days Past Due (DPD) for these loans.

k Provisions for Non Performing Assets (NPA) and Doubtful Debts

NPA including loans and advances, receivables are identified as bad / doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning meets the NBFC / NHB prudential norms prescribed by Reserve Bank of India / National Housing Bank.

l Provisions for Standard Assets

Provisions on Standard Assets are made as per the Reserve Bank of India notification DNBS.PD.CC.No.207/03.02.002 /2010-11 dated January 17, 2011 and prudential norms as per Housing Finance companies (NHB) Directions, 2010.

m Security of Loans Given

Housing loans / loans against property granted are secured by equitable registered mortgage of property and / or undertaking to create a security. Other Secured loans are secured against hypothecation of respective assets.

n Foreign currency transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates.

o Employee benefits

i) Provident fund:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

ii) Gratuity:

The group gratuity benefit scheme is a defined benefit plan. The group net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

iii) Leave encashment:

Leave encashment which is a defined benefit, is accrued for based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

The employees of the group are entitled to compensated absence. The employees can carry forward a portion of the unutilised accrued leave balance and utilise it in future periods. The group records an obligation for compensated absences in the period in which the employee renders the service that increases the entitlement.

p Employee Stock Option Scheme ("ESOS")

The Employees Stock Option Scheme ("the Scheme") provides for grant of equity shares of the group to directors (including whole-time) and employees of the group. The Scheme provides that employees are granted an option to acquire equity shares of the Company that vests in a graded manner. The options may be exercised within a specified period. The group follows the intrinsic value method to account for its stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date and is amortized over the vesting period of the option on a straight line basis.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

For the listed shares, the fair market price is the latest closing price, immediately prior to the date of the Board of Directors meeting in which the options are granted, on the stock exchange on which the shares of the group are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered. If the shares are unlisted, then the fair value of options granted is estimated on the date of grant using the Black Scholes Model.

q Loan origination/acquisition cost

The direct commission cost incurred for the loan origination is written off over the average tenure of the loan.

r Discount on Commercial Paper

The difference between the issue price and the redemption value of commercial papers is apportioned on time basis and recognised as discounting expense.

s New fund offer expenses of schemes

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except for closed ended schemes which are recognised over the duration of the scheme.

t Expenses of management

Expense relating to insurance business is allocated on the basis of net premium written to the Revenue Account(s).

Expenses relating to investment activities are charged to the statement of profit and loss.

u Financial Derivatives and Commodity Hedging Transactions

Financial Derivatives and Commodity Hedging transaction are accounted for on a mark to market basis. Payments of margin requirements on this contract are recognised on the Balance Sheet.

v Claims Incurred

Claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognized on the date of intimation based on estimates from surveyors/insured in the respective revenue accounts.

Estimated liability for outstanding claims at Balance Sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers and salvage to the extent there is certainty of realization.

Estimated liability of outstanding claims is determined by management on the basis of ultimate amounts likely to be paid on each claim based on the past experience. These estimates are progressively revalidated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') is based on actuarial estimate duly certified by the appointed actuary of the Reliance General Insurance Company Limited.

w Reserve for Unexpired Risk

Reserve for unexpired risk is made on the amount representing that part of the net premium written which attributable to, and to be allocated to the succeeding accounting period (applied 1/365 method), subject to a minimum of 100% in case of marine hull business and 50% in case of others business, based on net premium written (for unexpired risk) during the year as required by Section 64V (1) (ii) (b) of the Insurance Act, 1938.

x Premium Deficiency

Premium deficiency is recognised if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to subsequent accounting period as the reserve for unexpired risk. Premium deficiency is calculated by line of business as per IRDA circular IRDA/F&A/CIR/FA/126/07/2013. Reliance General Insurance Company Limited considers maintenance as relevant costs incurred for ensuring claim handling operations.

y Acquisition Cost

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred.

z Fund Expenses

Expenses incurred on behalf of schemes of Fund are recognised in the statement of profit and loss under advertisement/brokerage expenses unless considered recoverable from the schemes in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

Expenses directly incurred on behalf of the schemes of Fund are charged to the statement of profit & loss under respective heads.

aa Market Linked Debentures (MLDs)

The group has issued certain non-convertible debentures, the rate of interest on which is linked to performance of specified indices over the period of the debenture.

The group hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain/loss on these hedge positions are netted against with interest expense on MLD and resultant 'net loss' is recognised in statement of profit and loss immediately, however 'net gain' if any is ignored.

ab Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

ac Leases

(i) Operating leases

Lease payments for assets taken on an operating lease are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

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Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

(ii) Hire purchase

Assets held under hire purchase arrangements are classified as finance leases and are recognised as assets of Reliance Capital Asset Management Limited at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a hire purchase liability. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Reliance Capital Asset Management Limited general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

ad Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share, is computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / loss per share are included.

ae Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognized where there is convincing evidence that the same can be realised in future.

Deferred taxation:

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

af Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

3 The abridged consolidated financial statements have been prepared pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 as per notification F. No. 17/51/2012-CL-V, dated May 31, 2012 and are based on the annual accounts for the year ended March 31, 2014 approved by the Board of Directors at the meeting held on May 02, 2014.

4 Previous year (Note 3 of Consolidated Annual accounts)

Previous year figures have been rearranged and reclassified wherever necessary.

The figures for current year includes figures of Reliance AIF Management Company Limited, Reliance Money Solutions Private Limited, Reliance Capital AIF Trustee Company Private Limited, QCAP Securities Private Limited and Quant Capital Securities Private Limited which became subsidiaries during the year, therefore to that extent not strictly comparable to that of Previous year's Figures.

	As at March 31, 2014	(` in crore) As at March 31, 2013
5 Deferred tax assets (Note 15 of Consolidated Annual accounts)		
Deferred tax asset included in the balance sheet comprises the following:		
(a) Deferred tax assets		
Provision for non performing assets/diminution in the value of assets & investments	77	68
Straightlining of lease rentals	1	2
Unabsorbed depreciation and carried forward losses as per Income Tax Act,1961	34	35
Employee compensation/ leave encashment	3	4
Total (a)	115	109
(b) Deferred tax liabilities		
Depreciation on fixed assets	10	7
Reserve for unexpired risk & others	8	5
Unamortised expenditure	68	63
Total (b)	86	75
Net deferred tax assets [(a)-(b)]	29	34

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

(` in crore)

	As at March 31, 2014		As at March 31, 2013	
6 Cash & bank balances (Note 21 of Consolidated Annual accounts)				
(a) Cash & cash equivalents				
Balances with banks				
- In current accounts	2 036		1 010	
- Fixed deposits (less than 3 months)	25		71	
Cheques on hand	23		24	
Cash on hand	10	2 094	7	1 112
(b) Other bank balances				
- Unclaimed dividend accounts		14		12
- In fixed deposit accounts				
- Under lien (Refer Note given below)	492		451	
- Under margin (Refer Note given below)	63	555	7	458
		<u>2 663</u>		<u>1 582</u>

Note:

1. In respect of balances with Banks in Fixed Deposit accounts above includes:
 - (a) ` 154 crore (Previous year ` 54 crore) is kept as credit enhancement towards securitisation transaction.
 - (b) ` 72 crore (Previous year ` 30 crore) is kept as collateral security deposit in favour of the National Stock Exchange of India Limited and BSE Limited and ` 63 crore (Previous year ` 7 crore) placed as margin for the issue of bank guarantee favouring National Securities Clearing Corporation Limited.
 - (c) ` 24 crore (Previous year ` 25 crore) placed as margin for the issue of bank guarantee favouring the Multi Commodity Exchange of India Limited and National Commodity & Derivatives Exchange Limited.
 - (d) ` 230 crore (Previous year ` 206 crore) are liened against bank overdraft facility.
 - (e) ` 12 crore (Previous year ` 136 crore) is kept as deposit with bank for issuing of bank guarantees.

7 Profit on Sale of Subsidiaries and Amalgamation adjustments (Note 30 of Consolidated Annual accounts)

(` in crore)

	2013-2014	2012-2013
Profit /(Loss) on sale of subsidiaries	(2)	-
Amalgamation Adjustments (Refer Note (i) given below)	-	40
Total	(2)	40

- (i) Amalgamation Adjustments referred above ` Nil (Previous year ` 40 crore) is on account of provision reversed made on Reliance Equities International Private Limited, which is amalgamated with the Company.

8 Scheme of Amalgamation & Arrangement (Note 31 of Consolidated Annual accounts)

I Scheme of Amalgamation between Company, Reliance Equities International Private Limited (REIPL) and Emerging Money Mall Limited (EMML)

The Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between Company, REIPL and EMML has been sanctioned by the Hon'ble High Court of Judicature at Bombay vide Order dated March 22, 2013. The scheme became effective on April 17, 2013 on filing with the Registrar of Companies (RoC) with effect from March 31, 2013 i.e. Appointed Date.

REIPL was incorporated with the main object of providing broking services to institutional investors and EMML was incorporated with the main object of e-commerce. The amalgamation has been accounted for under the "Purchase method" as prescribed by Accounting Standard (AS-14) on "Accounting for Amalgamation" notified under the Companies (Accounting Standards) Rules, 2006. The Company has carried out the accounting treatment prescribed in the Scheme as sanctioned by the Hon'ble High Court of Judicature at Bombay. The required disclosures as per paragraph 42 of Accounting Standard (AS-14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounting Standards) Rules, 2006 has been provided.

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Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

Hence, in accordance with the Scheme:-

- (i) As entire issued, subscribed and paid up share capital of REIPL and EMLL was held by the Company, no shares of the Company have been allotted in lieu or exchange of its holding in REIPL and EMLL. Consequent to the Scheme the share capital of REIPL and EMLL stands cancelled.
- (ii) On Scheme becoming effective with effect from Appointed Date, the Company has written off its cancelled investments amounting to ` 680 crore in REIPL and EMLL to the Statement of Profit and Loss of the Company for the year and recorded all the assets aggregating to ` 1,103 crore and liabilities aggregating to ` 188 crore as appearing in the books of REIPL and EMLL at their respective fair value as decided by the Board of Directors of the Company. The net assets taken over include:

(` in crore)			
Assets / Liabilities Taken Over	REIPL	EMML	Total
Assets			
Investments	1 060	2	1 062
Balance with Schedule Bank (` 5 95 231)	3	-	3
Loans & Advances (` 30 000)	38	-	38
Taxes Paid (` 3 94 137)	-	-	-
Total	1 101	2	1 103
Liabilities			
Loans	187	1	188
Other liabilities (` 4 86 095, ` 5 62 024)	-	-	-
Total	187	1	188
Excess of Assets over liabilities credit to Capital Reserve	914	1	915

- (iii) All Inter-company balances including liabilities on account of loans and advances amounting to ` 186 crore on Appointed Date also stand cancelled. Consequent upon the above Scheme of Amalgamation, there has been a reduction of ` 69 crore in the value of investments in Viscount Management Services Limited which has been debited to Capital Reserve.
- (iv) Difference aggregating to ` 846 crore after recording both above said items being the excess arising on transfer under the Scheme of assets and liabilities has been credited to Capital Reserve. The reserve created pursuant to the Scheme shall for all regulatory and accounting purposes be considered to be part of the owned funds / net worth of the Company.
- (v) In accordance with the provisions of the Scheme of Amalgamation of Reliance Commercial Finance Private Limited (RCFPL) with the Company ("the 2011 Scheme") sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated April 29, 2011, an equivalent amount, equivalent to the investments written off amounting to ` 680 crore determined as an exceptional item by the Board of Directors of the Company, has been withdrawn from General Reserve to offset the same and credited to the Statement of Profit and Loss so that there is no impact on profit before tax for the year.

Had both the Schemes not prescribed the above accounting treatment and Company has followed accounting treatment prescribed under Accounting Standard (AS - 14), the General reserve would have been higher by ` 680 crore.

In consolidated financial statements due to accounting of above said Schemes Capital Reserve (Net) is higher by ` 166 crore.

- II As on February 3, 2014, Reliance Capital Partners has entered into a business transfer agreement with Sharan & Co. ("Transferor") a proprietorship concern, for transfer of its financial undertaking for a consideration of ` 25,00,000/- . The net liabilities taken over include:

(` in crore)	
Assets / Liabilities Taken Over	Amount
Liabilities	
Loans	22
Total	22
Assets	
Inventories	19
Cash & Bank Balance (` 4 05 059)	-
Loans & Advances (` 32 43 401)	-
Total	19
Excess of Liabilities over assets	3
Add: Sale consideration (` 25 00 000)	-
Net difference debited to goodwill	3

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

9 Securitisation and assignment (Note 32 of Consolidated Annual accounts)

- a) The group sells loans through securitisation and direct assignment. The information related to securitisation and assignment made by the group during the year, as an originator is given below:

		Securitisation	Assignment	Total
Total number of loan assets Securitised / Assigned	(Nos.)	9 107	25 382	34 489
		(12 051)	(7 120)	(19 171)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any)	(`)	930	1 852	2 782
		(1 610)	(701)	(2 311)
Sale consideration received for the Securitised / Assigned assets	(`)	930	1 852	2 782
		(1 610)	(580)	(2 190)
Net gain / (loss) on account of Securitisation / Assignment	(`)	-	-	-
		(-)	-(121)	-(121)
Outstanding Credit Enhancement (Funded) as at March 31, 2014	(`)	293	71	364
		(204)	(152)	(356)
Outstanding Liquidity Facility	(`)	-	-	-
		(-)	(-)	(-)
Net Outstanding Servicing Liability as at March 31, 2014	(`)	76	154	230
		(66)	(74)	(140)

Note : Figures in bracket indicate previous year figures.

(i) Securitisation

Particulars	As at March 31, 2014	As at March 31, 2013
1 Nos. of SPVs sponsored by the Group for Securitisation Transactions	14	7
2 Total amount of securitised assets as per books of the SPVs sponsored by the Group	1 598	1 421
3 Total amount of exposures retained by the Group to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
First loss	293	178
Others	3	7
4 Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	-
Others	-	-
ii) Exposure to third party securitisations		
First loss	-	-
Others	101	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
First loss	-	25
Others	-	14
ii) Exposure to third party securitisations		
First loss	-	-
Others	-	-

(ii) Assignments

1 Nos. of Direct Assignments by group	37	26
2 Total amount of assigned assets as per books of the Group	2 382	1 583
3 Total amount of exposures retained by the Group to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
First loss	-	-
Others	-	-

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

Particulars	(` in crore)	
	As at March 31, 2014	As at March 31, 2013
b) On-balance sheet exposures		
First loss	-	-
Others	245	58
4 Amount of exposures to assignment transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own assignments		
First loss	-	-
Others	-	-
ii) Exposure to third party assignments		
First loss	-	-
Others	-	-
b) On-balance sheet exposures		
i) Exposure to own assignments		
First loss	71	152
Others	-	-
ii) Exposure to third party assignments		
First loss	-	-
Others	-	-

b) The group invests in Pass Through Certificates (PTCs) and purchases loans through the direct assignment route. In some of the securitisation transactions, the Company also has invested in the assets securitised by it, which, however, is restricted to the maximum limit prescribed by RBI prior to RBI guidelines on securitisation dated August 21, 2013.

c) During the year, group has entered into a agreement for assignment of receivables amounting to ` Nil (Previous Year ` 87 crore). The said receivables are included in loans given.

10 Goodwill on Consolidation of Subsidiaries (Note 33 of Consolidated Annual accounts)

During the year, the group has acquired 100% equity stake in four subsidiary companies (Previous year 4.74% equity stake in one company through its existing subsidiary company). On Consolidation, the Company has recognised the following goodwill :
(` in crore)

	2013-14	2012-13
Opening balance of Goodwill / (Capital Reserve) on consolidation of subsidiaries	216	47
Add : Goodwill / (Capital Reserve) on acquisition of subsidiaries	17	176
Less : Goodwill on sale / amalgamation of investments in subsidiaries	-	7
Closing balance of Goodwill / (Capital Reserve) on consolidation of subsidiaries	233	216

11 Employees Stock Option Plan (ESOP) (Note 34 of Consolidated Annual accounts)

A) Reliance Capital Limited

The Company operates two Employees Stock Option Plans; ESOS Plan A and ESOS Plan B introduced in the financial year 2009-10, which cover eligible employees of the Company, the Holding Company and its subsidiaries. The vesting of the options is from expiry of one year and ranges till four to five years as per Plan under the respective ESOS(s). Each Option entitles the holder thereof to apply for and be allotted / transferred one Equity Share of the Company of ` 10 each upon payment of the exercise price during the exercise period. The Company implements and manages the ESOS plan through a trust. Advance of ` 62 crore (net of diminution ` 64 crore) [Previous year 64 crore (net of diminution ` 64 crore)] has been granted to Trust. Out of the said advance Trust has purchased 16,00,000 (Previous year 16,00,000) Equity Shares for the above purpose.

Details of scheme of Employee Stock Option Plans are as under :

	Plan A	Plan B
Date of Grant	February 1, 2010	February 1, 2010
Prices of the Underlying Stock (`)	790	790
Exercise / Strike Price (`)	800	800

The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:

	Plan A	Plan B
Risk Free Interest Rate	7.01% - 7.27%	7.01% - 7.34%
Expected Dividend Yield	0.620%	0.62%
Expected Life (years)	5.5 to 7.0	5.5 to 7.5
Expected Volatility	61.23% to 64.04%	59.56% to 64.04%
Weighted Average Fair Value (`)	536	546

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows: (As certified by the management):

	No. of Stock Options			
	Plan A		Plan B	
	As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Outstanding at the beginning of the year	1 70 620	3 47 900	2 52 460	3 50 100
Granted	Nil	Nil	Nil	Nil
Exercised	Nil	Nil	Nil	Nil
Lapsed / Forfeited / Surrendered	37 620	1 77 280	20 560	97 640
Outstanding at the end of the year	1 33 000	1 70 620	2 31 900	2 52 460
Exercisable at end of the year	1 33 000	58 980	1 19 300	37 420

B) Reliance Capital Asset Management Limited (RCAM)

- (i) Pursuant to the shareholder's resolution dated September 20, 2007 RCAM introduced Employee Stock Option Plan I - 2007 under which RCAM may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme is on the basis of their performance and other eligibility criteria. The plan has been amended and restated vide shareholder's resolution dated February 3, 2011.
- (ii) On December 21, 2007, RCAM issued 200,000 equity shares at a price ` 2,000 per equity share to the Trust, Reliance Capital Asset Management Employee Benefit Trust pursuant to the above Plan.
- (iii) Pursuant to the shareholder's resolution dated February 3, 2011, RCAM introduced Employee Stock Option Plan II - 2011 under which RCAM may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme is on the basis of their performance and other eligibility criteria.
- (iv) On March 30, 2011, RCAM issued 50,000 equity shares at a price ` 3,009 per equity share to the Trust, Reliance Capital Asset Management Employee Benefit Trust.
- (v) All above options are planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of vesting. The options existing during the year are as follows:
 - a) Year 2007 - Grant Date September 28, 2007
The option under ESOP I - 2007 at an exercise price of ` 2,000 per share and vest on a graded basis on completion of 3 Years - 30%, on completion of 4 Years - 30%, on completion of 5 Years - 40%.
 - b) Year 2011 - Grant Date March 30, 2011
The option under ESOP I - 2007 at an exercise price of ` 3,009 per share and vest on a graded basis on completion of 1 Year - 30%, on completion of 2 Years - 30%, on completion of 3 Years - 40%.
 - c) Year 2011 - Grant Date March 30, 2011
The option under ESOP I - 2007 and Plan II-2011 at an exercise price of ` 3,009 per share and vest on a graded basis on completion of 1 Years - 10%, on completion of 2 Years - 10%, on completion of 3 Years - 20%, on completion of 4 Years - 20%, on completion of 5 Years - 40%.
- (vi) The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

	As of March 31, 2014		As of March 31, 2013	
	No. of stock options	Weighted average exercise Price (`)	No. of stock options	Weighted average exercise Price (`)
Number of shares under option:				
Year 2007				
Outstanding at beginning of year	4 250	2 000	63 800	2 000
Granted	-	-	-	-
Exercised	400	2 000	59 550	2 000
Cancelled or expired	2 750	-	-	-
Outstanding at the year end	1 100	2 000	4 250	2 000
Exercisable at end of year	1 100	2 000	4 250	2 000
Year 2011				
Outstanding at beginning of year	23 795	3 009	34 050	3 009
Granted	-	-	-	-
Exercised	8 940	3 009	9 765	3 009
Cancelled or expired	680	-	490	-
Outstanding at the year end	14 175	3 009	23 795	3 009
Exercisable at end of year	14 175	3 009	10 455	3 009
Year 2011				
Outstanding at beginning of year	1 14 785	3 009	1 32 075	3 009
Granted	-	-	-	-
Exercised	11 675	3 009	12 340	3 009
Cancelled or expired	5 515	-	4 950	-
Outstanding at the year end	97 595	3 009	1 14 785	3 009
Exercisable at end of year	24 445	3 009	13 528	3 009

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

- (vii) The fair value of the options granted was estimated on the date of grant using the Black-Scholes model with the following assumptions

	Year ended March 31, 2014	Year ended March 31, 2013
Risk Free Interest Rate	8%	8%
Expected Life	7 Years	7 Years
Dividend yield	0%	0%

- (viii) RCAM has chosen to account for the Plan by the Intrinsic Value Method. The total expense recognised for the period arising from stock option plan as per Intrinsic Value Method is ` Nil (previous year ` Nil).

C) In case of Reliance General Insurance Company Limited (RGIC)

RGIC had introduced the Employee Stock Option Plan during the F. Y. 2008-09 under which options were granted to the employees of RGIC on the basis of their performance and other eligibility criteria. During the year RGIC granted Nil equity shares (Previous year Nil) to Reliance General Insurance Employees' Benefit Trust. These options are planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of respective grants. The plan existing during the year is as follows:

Exercised Period		
	On completion of 3 years	30%
	On completion of 4 years	30%
	On completion of 5 years	40%

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows

	As of March 31, 2014			As of March 31, 2013		
	No. of stock options	Weighted average exercise Price (`)	Weighted average remaining contractual Life (in Years)	No. of stock options	Weighted average exercise Price (`)	Weighted average remaining contractual Life (in Years)
Outstanding at beginning of year	4 14 900	70	1.42	4 59 900	70	2.42
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Lapsed / Forfeited	-	-	-	45 000	-	-
Outstanding at the year end	4 14 900	70	-	4 14 900	70	-
Exercisable at end of year	4 14 900	70	-	4 14 900	70	-

RGIC has chosen to account for the plan by Intrinsic Value Method. The total expense recognized for the year arising from stock option plan as per intrinsic value method is ` Nil (Previous Year Nil) The net results and Earnings Per Share (EPS) for the year, had RGIC adopted the fair value method, would have been unchanged.

D) In case of Reliance Securities Limited (RSL)

- (i) Pursuant to the board members, resolution dated October 24, 2007, RSL introduced the Employee Stock Option Plan under which RSL decided to grant, from time to time, options to the employees of RSL.
- (ii) On October 1 2009, RSL issued a total of 100,000 equity shares at a price ` 50 per equity share to the Trust, Reliance ADA Group Trustees Private Limited as Trustees of Reliance Securities Limited Employee Benefit Trust.
- (iii) All above options are planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of respective grants. The plan existing during the year is as follows:

- a) Employee Stock Option Plan Plan - IB, 2009 Plan

The option under this plan has an exercise price of ` 50 per share and vest on a graded basis on completion of 3 years - 30%, on completion of 4 years - 30%, on completion of 5 years - 40%

- (iv) The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

	As of March 31, 2014		As of March 31, 2013	
	No. of stock options	Weighted average exercise Price (`)	No. of stock options	Weighted average exercise Price (`)
IB, 2009				
Outstanding at beginning of year	30 300	50	54 800	50
Granted / Exercised	-	-	-	-
Cancelled or expired	11 300	-	24 500	-
Outstanding at the year end	19 000	50	30 300	50
Exercisable at end of year	19 000	50	30 300	50

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

- (v) The fair value of the options granted was estimated on the date of grant using the Black- Scholes model with the following assumptions:

	Year ended March 2014
Risk free interest rate	6.68%
Expected life	7 years
Dividend yield	0%

- (vi) RSL has chosen to account for the Plan by the Intrinsic Value Method. The total expense recognised for the period arising from stock option plan as per intrinsic value method is ` NIL. The net results for the year, had RSL adopted the fair value method, would have been lower by ` Nil (net of tax saving ` Nil) and accordingly the EPS (both basic and diluted) will not have any effect.

- E) The net results for the year, had RCAM and RSL adopted the Fair Value Method, would have been lower by ` Nil (Previous year ` 15 crore) [net of tax saving ` Nil (Previous year ` 12 crore)] and accordingly the EPS (both basic and diluted) would have been lowered by ` Nil (Previous year ` 0.62 & ` 0.49) respectively.

12 In case of Reliance Money Express Limited (RMEL) (Note 35 of Consolidated Annual accounts)

- a) In the year 2008-2009, RMEL had claimed service tax refund of ` 7 crore pertaining to period March 2005 to January 2009, pursuant to circular no.111/05-2009 dated 24/02/2009 issued by Central Board of Excise and Customs (CBES) in respect of money transfer services. During the year 2009-2010, RMEL had received ` 3 crore towards service tax refund claim for the period December 2007 to January 2009. During the year 2010-2011, RMEL received a show cause notice dated January 27, 2011 reclaiming the refund granted. Further, RMEL has received a show cause cum demand notice dated March 22, 2011 demanding service tax aggregating ` 3 crore (excluding interest and penalty) for the period October 2009 to September 2010.

The Management is of the opinion that the money transfer services are construed as 'export' of services and hence not liable to service tax. Accordingly, no provision for the same has been made in the financial statements.

- b) During the financial year 2009-10, the Directorate of Enforcement (DoE) seized foreign currency amounting to ` 3 crore. Based on investigations conducted by the DoE and documents furnished by RMEL, the DoE department released foreign currency worth ` 3 crore to RMEL in the financial year 2009-10. RMEL is confident of getting back the balance currency worth ` 16 64 322.

13 In case of Reliance General Insurance Company Limited (RGIC) (Note 36 of Consolidated Annual accounts)

(a) Terrorism Pool

In accordance with the requirements of IRDA, RGIC together with other insurance companies participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India (GIC). Amount collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee (TAC) are ceded at 100% of the terrorism premium collected to the Terrorism Pool.

In accordance with the terms of the agreement, GIC retrocedes to RGIC, terrorism premium to the extent of RGIC's share in the risk which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from GIC. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the last statement received from GIC.

RGIC has ensured that it has created liability to the extent of premium retroceded to RGIC through reserve for unexpired risks.

(b) Indian Motor Third Party Insurance Pool (IMTPIP)

In accordance with the directions of IRDA, RGIC, together with other insurance companies, had participated in the Indian Motor Third Party Insurance Pool (IMTPIP). The IMTPIP was a multilateral reinsurance arrangement, in which all member companies were compulsorily required to participate. The IMTPIP was administered by the General Insurance Corporation of India ('GIC'). The IMTPIP had covered reinsurance of third party risks of specified motor vehicles ("Specified Risks"). Amounts collected as premium in respect of Specified Risks were ceded at 100% of such premium, 100% of claims incurred against risks ceded being recoverable from the pool.

In accordance with the terms of the agreement, each participant company was compulsorily required to share in the revenues, expenses, assets and liabilities of the IMTPIP, including Unexpired Risks Reserve, in the proportion that RGIC's Gross Direct Premium written in India (GDPI), bears to the total GDPI of all participant companies. RGIC's share as specified above had been recorded based on the returns submitted by GIC, under the respective heads.

IRDA through its Orders dated December 23, 2011, January 3, 2012 and March 22, 2012 had directed the dismantling of the Pool on a clean cut basis and advised recognition of the Pool liabilities as per loss ratios estimated by Government's Actuary Department UK ("GAD Estimates") at 159%, 188%, 200%, 213.00% and 145% for underwriting year 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 respectively with the option to recognise the additional liabilities for the period 2009-10, 2010-11 and 2011-12 over a three year period, RGIC had exercised this option and IMTPIP liability relating to underwriting years 2009-10, 2010-11, 2011-12 is being recognized based on straight line basis over three years beginning with financial year 31st March, 2012. Accordingly, the profit of RGIC would have been higher by ` 79 crore pursuant to recognition of the said liability in the year of dismantling of IMTPIP.

(c) Transitional Liabilities (TL) recognized in current year is as follows :

(` in crore)

	Unrecognised as on March 31, 2013	Accounted during the year	Recognized during the year	Unrecognised as on March 31, 2014
Opening	79	-	79	-

(d) Basis used by actuary for determining IBNR / IBNER

The liability for IBNR and IBNER as at March 31, 2014 has been estimated by the Appointed Actuary as per IRDA circular No.: 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005.

For lines of business other than motor third party, the estimation was carried out using past trends in claims experience as indicated by paid claims chain ladder approach. Bornhuetter-Ferguson method of estimation was also applied for some lines as considered appropriate by the Appointed Actuary.

For motor third party line of business, the estimations were done using ultimate loss ratio method. For liabilities relating to erstwhile motor third party pool and declined risk pool, the ultimate loss ratios as specified in regulatory circulars were referred to in determining the estimates.

(e) Contribution to Solatium Fund

In accordance with the requirements of the IRDA circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 4, 2005, RGIC has provided 0.1% of gross written premium on all motor third party policies towards contribution to the solatium fund.

(f) Indian Motor Third Party Decline Risk Pool (IMTPDRP)

In accordance with the directions of IRDA, RGIC, together with other insurance companies, is participating in the Indian Motor Third Party Decline Risk Pool (IMTPDRP). The IMTPDRP is a multilateral reinsurance arrangement, in which all member companies are compulsorily required to participate. The IMTPDRP is administered by the General Insurance Corporation of India (GIC).

The Authority vide Order dated January 03, 2012 has created IMTPDRP for Act only Commercial Vehicle third party risks i.e. Act only policies.

Under this arrangement, any business relating to Act only policies of Commercial Vehicles which does not fall within the underwriting parameters of insurers shall be ceded to IMTPDRP. This arrangement is called the Declined Risk Pool.

IRDA has mandated that every insurer has to comply with the obligation to underwrite a minimum percentage of such policies that is calculated as an average of insurer's total gross premium percentage share in the industry and gross motor premium percentage share in the industry.

The insurers are required to retain 20% of such risk, while 5% (Previous year 10%) is ceded to GIC under obligatory cession and remaining 75% (Previous year 70%) ceded to IMTPDRP.

RGIC has received its share of premium, claims and expenses of the pool, which is recorded as inward reinsurance business, based on the statement received from GIC. Accordingly RGIC has recognized pool retrocession up to 9 month ended December 31, 2013, the accounts for which statement received.

RGIC has accounted for its share in Decline Risk Pool for the 3 months period January 2014 to March 2014 on provisional basis based on management estimate and recorded the net amount under claims incurred. Unexpired risks reserve is provided for at 50% of net premium of such inward business, being the minimum rate specified in Section 64V(1)(ii) of the Insurance Act, 1938.

(g) Investment income

RGIC has accounted investment income of ` 79 crore (including ` 47 crore pertaining to earlier period) as interest income from IMTP Pool as per IRDA Order No. IRDA/F&A/ORD/MTPP/070/03-2012 dated March 22, 2012 read with IRDA Order No. IRDA/NL/ORD/MPL/100/03/2014.

(h) Reserve for unexpired risk

Reserve for unexpired risk have been computed on the basis of 1/365 method i.e. actual number of days left in the policy period divided by total number of days of policy period, subject to a minimum of 100% in case of marine hull business and 50% in case of other business, based on net premium written during the year as required by Section 64V (1) (ii) (b) of the Insurance Act, 1938. In current year while computing the same, those policies are not considered where policy period has lapsed during the year itself based on IRDA circular number IRDA/F&A/CIR/FA/126/07/2013. Had RGIC continued with the earlier method, it would have resulted in creation of additional unexpired risk reserve amounting to ` 65 crore with consequential impact in respective revenue accounts.

14 In case of Quant Capital Private Limited (QCPL) (Note 37 of Consolidated Annual accounts)

(a) QCPL's subsidiary company has collected stamp duty from various clients on account of its statutory obligation towards transactions entered on various segments. The subsidiary has not deposited the same as the matter is under discussion with the revenue authorities. In the interim the amount payable is reflected under Statutory Liability. The amount outstanding is to the tune of ` 9 crore (Previous year ` 6 crore).

(b) There is a legal proceeding going on with Quant Transactional Services Private Limited (QTSPL), which may result in income and recovery for the QCPL from QTSPL which has not been accounted for in Current Financial Statement considering the principle of conservatism.

Keeping in view the fact that matter is subjudice as at the Balance Sheet date, the following other accounting effects have been given considering the principle of conservatism and prudence.

(c) Inter-Corporate Deposit (ICD) amounting to ` 4 crore given to QTSPL in earlier financial years has been fully provided for in the QCPL books. However, QCPL is hopeful of an amicable settlement and recovery of the same in full. Similarly a provision of 50% which has been made towards interest accrued on the above ICD, which is considered adequate.

(d) Miscellaneous Income under the head Other Income represent expenses charged to QCPL in earlier years by QTSPL, which has been reversed in the current financial year since QCPL is of the opinion that it is no longer payable to QTSPL company. However QTSPL has provided for the common amenities charged by QCPL in respect of above.

(e) QTSPL (Plaintiffs) has filed Suit in High Court against QCPL under section 6 of Specific Relief Act, 1963 has claimed that Quant and its subsidiaries has forcefully dispossessed the Plaintiffs from the Goregaon Premises and taken over the possession of the fixed Assets. The interim relief claimed in Notice of Motion was repossession of the premises and inventory of the Fixed Assets. However, The High Court of Bombay has not granted any Interim Relief and Suit and Notice of Motion is pending hearing and for final disposal.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

- (f) Mr. Adil Patrawala has filed this Company Petition under section 397 and 398 of Companies Act, 1956 against QCPL claiming mismanagement in the affairs of QCPL and oppression on the minority shareholder. The said Petition is pending hearing for the final disposal. There were certain Ad Interim reliefs claimed which were not granted by Hon'ble Company Law Board except one relief i.e. Mr. Adil Patrawala holding in QCPL cannot be diluted.
- (g) QCPL has filed summary suit against QTSPL for recovery of outstanding dues amounting to ` 9 crore. The notice of motion was filed in the said Suit claiming Ad Interim Relief praying lien over the Assets of QTSPL which High Court has denied. Both Notice of Motion and Suit is pending hearing and final disposal.
- (h) As at the close of the year, QCPL has not yet complied with the requirements of the Registering itself as a Core Investment Company (CIC) as per the guidelines of the Reserve Bank of India vide its circular RBI/2010-11/360 DNBS (PD) CC. No. 206/03.10.001/2010-11 dated January 5, 2011. The same is in the process of regularisation.

15 In case of Reliance Money Precious Metals Private Limited (RMPMPL) (Note 38 of Consolidated Annual accounts)

- (a) RMPMPL has entered into an agreement with World Gold Council for its daily sale of gold and have appointed Computer Age Management Services Private Limited as its data processing service provider. RMPMPL has appointed IDBI Trusteeship Services Limited as a Security Trustee for and on behalf of the customer. Lemiu Secure Logistics Private Limited is appointed as custodian and maintains physical stock of accumulated gold on behalf of trustees.
- (b) RMPMPL runs a plan, MY Gold plan where in, the customer subscribes for a plan with a tenor from 1 year to 15 years. The monthly subscription amount received from the customers is utilized for buying of gold. The gold is bought in twenty equated working days and is credited to the customer's account. The delivery of gold to the customer will be at the maturity, as decided by the customer. As per the revised agreement with the customers, subscription amount under the plan are invoiced at the time of credit of gold grams into the customer account.

16 In case of Reliance Exchangenext Limited (RNext) (Note 39 of Consolidated Annual accounts)

- (i) Investment in equity shares of Indian Commodity Exchange Limited ('ICEX'):

As per share sale & purchase agreement dated October 13, 2010 between Indiabulls Financial Services Limited ("IBFSL") and Reliance Exchangenext Limited ('the subsidiary'), the subsidiary had acquired 5,20,00,000 equity shares of Indian Commodity Exchange Limited ('ICEX') from the IBFSL, at a purchase price of ` 47 crore which represents 26% stake in the of ICEX on December 13, 2010.

Pursuant to the ICEX application, Government of India and Forward Market Commission granted their approval vide their letters dated September 23, 2010 & October 04, 2010 respectively, for the said transfer by IBFSL to the subsidiary. The aforesaid approval from Government of India and Forward Markets Commission are subject to the following conditions: -

- (a) that three years lock-in period condition shall apply to the subsidiary, anchor investor, the subsidiary afresh with effect from the date of Government approval, i.e., September 23, 2010;
- (b) that in case MMTC Ltd, which now becomes co-anchor investor, exercises its right to stake a claim to 14% in the Exchange from IBFSL in pursuance to its right to first refusal, IBFSL will be bound to transfer its remaining 14% to MMTC Ltd at the same price at which it has been offered to the subsidiary.

On October 21, 2011, MMTC Ltd submitted a petition before the Company Law Board, New Delhi, in terms of Sections 397, 398, 402 and 403 of the Companies Act, 1956, seeking declaration of the aforesaid transfer of shares as void, injunction and investigation into the affairs of the ICEX and appointment of Administrative Special Officer, Auditor, etc.

Subsequently the ICEX has submitted its response to the aforesaid petition before the Honourable Company Law Board on February 10, 2012 refusing and denying the purported allegations against it. Subsequently, on February 11, 2014, MMTC has provided an affidavit to CLB stating that they are contemplating withdrawal of the Petition and taking required steps in that directions. The matter is under consideration by the Company Law Board. Any future financial impact on the financial statements is contingent upon the final order by the appropriate authority.

- (ii) During the year RNext has made 100% provision amounting to ` 35 crore for diminution in the value of its equity investments in Indian Commodity Exchange Limited (ICEX), based on management estimate and assesment of ICEX financial position, its accumulated losses and ICEX operation, which is scaled down during the year by ICEX and the management of ICEX has decided not to launch fresh derivative contracts for trading, while existing series of contracts expired on April 1, 2014.

17 In case of Reliance Capital Asset Management Limited (RCAM) (Note 40 of Consolidated Annual accounts)

- (i) Demerger:

The Board of Directors of RCAM at its meeting held on March 21, 2014 have approved the demerger of Azalia Distribution Private Limited with RCAM which would be carried out through a Scheme of Arrangement under Section 391 to Section 394 of the Companies Act, 1956. As per the Scheme, appointed date is April 1, 2013. The Scheme has been filed with Bombay High Court & is pending for approval of the court. In view of the above, no effect of the Scheme has been recognized in the Financial Statements of this year.

- (ii) Foreign Subsidiaries:

On October 26, 2013 the Board of Directors of RCAM passed resolutions to wind down the operations of Reliance Asset Management (Malaysia) SDN BHD ("RAMMY") and Reliance Capital Asset Management UK Plc. ("RAMUK"), wholly owned subsidiaries of RCAM, domiciled in Malaysia and United Kingdom, respectively. RCAM had decided upon this, keeping in view the long-term strategy of profitable growth.

RAMMY is currently under the process of liquidation. In case of RAMUK, RCAM has made an application for surrender of FCA license and is awaiting regulatory approvals.

- (iii) Brokerage:

Commission & Brokerage includes write back of brokerage of ` 13 crore pertaining to prior period on account of recognition of unclaimed input service tax credit of earlier years.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

18 The Group is organised into following reportable segments referred to in Accounting Standard (AS 17) "Segment Reporting" (Note 41 of Consolidated Annual accounts)

(` in crore)

Particular	Finance & Investments	Asset Management	General Insurance	Commercial Finance	Others	Elimination	Total
Revenue							
External	1 472	622	2 931	2 210	309	-	7 544
	(2 158)	(527)	(2 408)	(2 117)	(309)	(-)	(7 519)
Inter Segment	33	54	14	-	13	114	-
	(23)	(83)	(9)	(-)	(10)	(125)	(-)
Total Revenue	1 505	676	2 945	2 210	322	114	7 544
	(2 181)	(610)	(2 417)	(2 117)	(319)	(125)	(7 519)
Results							
Segment Results - Profit / (Loss) before Tax	144	260	64	430	(49)	-	849
	(409)	(169)	(-93)	(342)	(7)	(-)	(834)
Unallocated Expenses							2
							(4)
Profit / (Loss) before Tax	144	260	64	430	(49)	-	847
	(409)	(169)	(-93)	(342)	(7)	(-)	(830)
Other information							
Segment Assets	25 353	214	4 887	17 153	1 220	3 299	45 528
	(23 297)	(250)	(4 353)	(15 390)	(1 228)	(3 930)	(40 588)
Unallocated Assets	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Asset	25 353	214	4 887	17 153	1 220	3 299	45 528
	(23 297)	(250)	(4 353)	(15 390)	(1 228)	(3 930)	(40 588)
Segment Liabilities	13 987	120	4 039	14 545	667	765	32 593
	(11 899)	(209)	(3 569)	(12 894)	(648)	(1 118)	(28 101)
Unallocated Liabilities	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Liabilities	13 987	120	4 039	14 545	667	765	32 593
	(11 899)	(209)	(3 569)	(12 894)	(648)	(1 118)	(28 101)
Capital Expenditure	25	3	15	52	5	-	100
	(14)	(8)	(11)	(15)	(6)	(-)	(54)
Depreciation	13	7	11	21	9	-	61
	(14)	(9)	(11)	(15)	(7)	(-)	(56)
Non Cash Expenses other than Depreciation	(3)	4	121	133	50	-	305
	(528)	(-)	(214)	(82)	(7)	(-)	(831)

Figures in bracket indicates previous year figures.

Notes:-

- (i) As per Accounting Standard (AS-17) on "Segment Reporting", notified by the Companies (Accounting Standards) Rules 2006, the Group has reported segment information on the consolidated basis including business conducted through its subsidiaries.
- (ii) The reportable segments of the Reliance Capital Group are further described below:
 - (a) Finance & Investment - This includes the corporate lending and investment activities.
 - (b) Asset Management - This includes the asset management activities including Mutual Fund and Portfolio Management Services.
 - (c) General Insurance - This includes the general insurance business.
 - (d) Commercial Finance - This includes the commercial finance and home finance business.
 - (e) Others - This includes other financial and allied services.
- (iii) Since all the operations of the Group are largely conducted within India, as such there is no separate reportable geographical segment.

19 Related party disclosures (Note 42 of Consolidated Annual accounts)

A. List of related parties

- i) **Holding Company**
Reliance Innoventures Private Limited
- ii) **Subsidiary of Holding Company**
AAA Enterprises Private Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

iii) **Individual Promoter**

Shri Anil D. Ambani, the person having control during the year

iv) **Associates**

1	Ammolite Holdings Limited	4	Reliance Land Private Limited
2	Indian Commodity Exchange Limited	5	Reliance Life Insurance Company Limited
3	Reliance Asset Reconstruction Company Limited	6	Reliance Share & Stock Brokers Private Limited

v) **Fellow subsidiaries**

1	AAA Entertainment Private Limited	7	Reliance Globalcom Limited
2	Big Flicks Private Limited	8	Reliance Communications Limited
3	Zapak Mobile Games Private Limited (formerly Jump Games Private Limited)	9	Reliance Infocomm Infrastructure Limited
4	Reliance Big Entertainment Private Limited	10	Reliance Webstore Limited
5	Reliance Communications Infrastructure Limited	11	Zapak Digital Entertainment Limited
6	Reliance Infratel Limited		

vi) **Key management personnel**

Shri V. R. Mohan - President & Company Secretary

B. Other related parties with whom transactions have taken place during the year

i) Enterprise over which individual described in clause A (iii) above has control

Reliance Power Limited Reliance Cleangen Limited Jharkhand Integrated Power Limited

C. Transactions during the year with related parties

(` in crore)

	Fellow Subsidiaries	Associates	Total
Debentures			
a) Issued during the year	-	-	-
b) Balance as at March 31, 2014	(-)	(15)	(15)
c) Accrued interest on debentures as at March 31, 2014	-	50	50
	(-)	(40)	(40)
	-	1	1
	(-)	(1)	(1)
Commercial Paper			
a) Issued during the year	-	-	-
b) Repaid during the year	(-)	(527)	(527)
c) Balance as at March 31, 2014	-	300	300
	(-)	(750)	(750)
	-	-	-
	(-)	(271)	(271)
Investments			
a) Subscribed/Purchased during the year	-	-	-
b) Balance as at March 31, 2014 - Carrying cost [Net of provision ` 62 crore (Previous year ` 106 crore)]	(23)	(-)	(23)
	1 568	5 848	7 416
	(1 623)	(5 720)	(7 343)
Interest / Finance income accrued on Investments			
a) Balance as at March 31, 2014	637	225	862
	(524)	(166)	(690)
Loans Given			
a) Given during the year	1 278	674	1 952
b) Returned / Adjusted during the year	(749)	(11)	(760)
c) Balance as at March 31, 2014	1 024	284	1 308
	(230)	(13)	(243)
d) Interest accrued on Loans	837	424	1 261
	(583)	(32)	(615)
	9	26	35
	(-)	(-)	(-)
Advances			
a) Balance as at March 31, 2014 (*Previous year ` 2 67 733)	1	-	1
	(2)	(*)	(2)
Trade payables			
a) Balance as at March 31, 2014 [` Nil (Previous year ` 4 29 830)]	-	-	-
	(*)	(-)	(*)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)	228	85	313
b) Rent	(187)	(63)	(250)
	1	-	1
	(1)	(-)	(1)

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

(` in crore)

	Fellow Subsidiaries	Associates	Total
c) Dividend Income	1	23	24
	(1)	(19)	(20)
d) Reimbursement of Expenditure [* ` 23 25 359]	1	5	6
	(*)	(5)	(5)
e) Management Fees	-	6	6
	(-)	(6)	(6)
f) Processing Fees	-	-	-
	(2)	(-)	(2)
Expenditure			
a) Finance cost	-	9	9
	(-)	(39)	(39)
b) Insurance	-	1	1
	(-)	(1)	(1)
c) Reimbursement of Expenditure	-	1	1
	(-)	(1)	(1)
d) Provision / (Reversal) for diminution in value of investments	(77)	-	(77)
	(77)	(29)	(106)
e) Provision for NPA, doubtful debts and balances written off	-	-	-
	(-)	(18)	(18)
Contingent Liability			
a) Guarantees to Banks and Financial Institutions on behalf of third parties	100	90	190
	(50)	(82)	(132)

D. The nature and volume of material transactions for the year with above related parties are as follows:

(` in crore)

	Fellow Subsidiaries	Associates	Total
Debentures			
a) Issued during the year			
i) Reliance Life Insurance Company Limited	-	-	-
	(-)	(15)	(15)
b) Balance as at March 31, 2014			
i) Reliance Life Insurance Company Limited	-	50	50
	(-)	(40)	(40)
c) Interest accrued on debentures as at March 31, 2014			
i) Reliance Life Insurance Company Limited	-	1	1
	(-)	(1)	(1)
Commercial Papers			
a) Issued during the year			
i) Reliance Life Insurance Company Limited	-	-	-
	(-)	(527)	(527)
b) Repaid during the year			
i) Reliance Life Insurance Company Limited	-	300	300
	(-)	(750)	(750)
c) Balance as at March 31, 2014			
i) Reliance Life Insurance Company Limited	-	-	-
	(-)	(271)	(271)
Investments			
a) Subscribed / Purchased during the year			
i) AAA Entertainment Private Limited	-	-	-
	(23)	(-)	(23)
b) Balance as at March 31, 2014 - Carrying cost			
i) Reliance Land Private Limited	-	470	470
	(-)	(482)	(482)
ii) Reliance Share & Stock Brokers Private Limited	-	67	67
	(-)	(68)	(68)
iii) Reliance Big Entertainment Private Limited	1 275	-	1 275
	(1 393)	(-)	(1 393)
iv) Reliance Communications Limited	293	-	293
[Net of Provision ` Nil (Previous year ` 77 crore)]	(230)	(-)	(230)
v) Reliance Asset Reconstruction Company Limited	-	61	61
	(-)	(58)	(58)
vi) Reliance Life Insurance Company Limited	-	5 234	5 234
	(-)	(5 062)	(5 062)
vii) Indian Commodity Exchange Limited	-	*	*
(*Net of Provision ` 34 crore) (Previous year ` Nil)]	(-)	(34)	(34)
Interest / Finance income accrued on Investment			
a) Balance as at March 31, 2014			
i) Reliance Land Private Limited	-	225	225
	(-)	(166)	(166)

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

(` in crore)

	Fellow Subsidiaries	Associates	Total
ii) Reliance Big Entertainment Private Limited	637 (524)	- (-)	637 (524)
Loans Given			
a) Given during the year			
i) Reliance Land Private Limited	- (-)	579 (11)	579 (11)
ii) Zapak Digital Entertainment Limited	- (2)	- (-)	- (2)
iii) Zapak Mobile Games Private Limited	- (4)	- (-)	- (4)
iv) Reliance Asset Reconstruction Company Limited	- (-)	- (-)	- (-)
v) Reliance Big Entertainment Private Limited	1 028 (743)	- (-)	1 028 (743)
vi) Reliance Infratel Limited	250 (-)	- (-)	250 (-)
b) Returned/Adjusted during the year			
i) Reliance Land Private Limited	- (-)	275 (-)	275 (-)
ii) Reliance Asset Reconstruction Company Limited	- (-)	1 (4)	1 (4)
iii) Reliance Big Entertainment Private Limited	768 (205)	- (-)	768 (205)
iv) Zapak Digital Entertainment Limited	2 (20)	- (-)	2 (20)
v) Zapak Mobile Games Private Limited	4 (5)	- (-)	4 (5)
vi) Reliance Life Insurance Company Limited	- (-)	- (9)	- (9)
vii) Reliance Infratel Limited	250 (-)	- (-)	250 (-)
c) Balance as at March 31, 2014			
i) Reliance Land Private Limited	- (-)	329 (24)	329 (24)
ii) Zapak Digital Entertainment Limited	- (2)	- (-)	- (2)
iii) Zapak Mobile Games Private Limited	- (4)	- (-)	- (4)
iv) Reliance Asset Reconstruction Company Limited	- (-)	- (1)	- (1)
v) Reliance Big Entertainment Private Limited	837 (576)	- (-)	837 (576)
vi) Reliance Life Insurance Company Limited	- (-)	- (7)	- (7)
vii) Reliance Share & Stock Brokers Private Limited	- (-)	95 (-)	95 (-)
d) Interest accrued on loans			
i) Reliance Big Entertainment Private Limited	9 (-)	- (-)	9 (-)
ii) Reliance Land Private Limited	- (-)	24 (-)	24 (-)
Advances			
a) Balance as at March 31, 2014			
i) Reliance Communications Infrastructure Limited	- (2)	- (-)	- (2)
ii) Reliance Life Insurance Company Limited * (` 2 67 733)	- (-)	- (*)	- (*)
iii) Reliance Communications Limited	1 (-)	- (-)	1 (-)
Trade Payables			
a) Trade payables as at March 31, 2014			
i) Big Flicks Private Limited * (` 4 29 830)	- (*)	- (-)	- (*)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)			
i) Reliance Land Private Limited	- (-)	84 (61)	84 (61)
ii) Ammolite Holdings Limited	- (-)	- (-)	- (-)
iii) Reliance Big Entertainment Private Limited	220 (187)	- (-)	220 (187)

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

(` in crore)

	Fellow Subsidiaries	Associates	Total
b) Rent			
i) Reliance Communications Infrastructure Limited	1	-	1
	(1)	(-)	(1)
c) Dividend Income			
i) Reliance Communications Limited	1	-	1
	(1)	(-)	(1)
ii) Reliance Life Insurance Company Limited	-	23	23
	(-)	(19)	(19)
d) Reimbursement of Expenditure			
i) Reliance Communications Infrastructure Limited	*	-	*
[* ` 4 01 188 (Previous year * ` 23 25 359)]	(*)	(-)	(*)
ii) Reliance Asset Reconstruction Company Limited	-	1	1
* (` 24 06 000)	(-)	(*)	(*)
iii) Reliance Life Insurance Company Limited	-	5	5
	(-)	(5)	(5)
e) Management Fees			
i) Reliance Life Insurance Company Limited	-	6	6
	(-)	(6)	(6)
f) Processing Fees			
i) Reliance Big Entertainment Private Limited	-	-	-
	(2)	(-)	(2)
Expenditure			
a) Finance cost			
i) Reliance Life Insurance Company Limited	-	9	9
	(-)	(39)	(39)
b) Insurance			
i) Reliance Life Insurance Company Limited	-	1	1
[` 43 76 801]	(-)	()	(*)
ii) AAA Entertainment Private Limited	-	-	-
[` 47 93 000)	()	(-)	(*)
c) Reimbursement of Expenditure			
i) Reliance Land Private Limited (* ` 31 04 530)	-	*	*
	(-)	(1)	(1)
d) Provision / (Reversal) for Diminution in value of Investments			
i) Reliance Communications Limited	(77)	-	(77)
	(77)	(-)	(77)
ii) Ammolite Holdings Limited	-	-	-
	(-)	(29)	(29)
e) Provision for NPA, doubtful debts and balances written off			
i) Ammolite Holdings Limited	-	-	-
	(-)	(18)	(18)
Contingent Liability			
a) Guarantees to Banks and Financial Institutions			
i) Ammolite Holdings Limited	-	90	90
	(-)	(82)	(82)
ii) Reliance Big Entertainment Private Limited	100	-	100
	(50)	(-)	(50)

Key Managerial Personnel

- a) Shri V. R. Mohan
 -Employee benefit expenses ` 69 78 220 (Previous year ` 69 99 996)
 -Loan given balance as at March 31, 2014 ` 4 20 951 (Previous year ` 4 35 351)

Enterprise over which individual described in clause A(iii)above has control

(` in crore)

	Reliance Power Limited #	Reliance CleanGen Limited	Jharkhand Integrated Power Limited
Investment balance as at March 31, 2014	3	-	-
	(3)	(-)	(-)
Loan & Advance given during the year	-	530	75
	(-)	(-)	(-)
Loan & Advance repaid during the year	-	530	75
	(-)	(-)	(-)
Loan & Advance given balance as at March 31,2014 (* ` 45 96 993)	-	*	-
	(-)	(-)	(-)
Interest & Finance Income during the year	-	4	*
* ` 27 23 658	(-)	(-)	(-)

Reimbursement of expenditure ` Nil (Previous year ` 1 06 120)

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

Notes :

- i) Figures in bracket indicate previous year figures.
- ii) Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transaction.
- iii) The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.
- iv) In addition to the above, Director Sitting Fees of ₹ 80,000 (Previous year ₹ 1,20,000) has been paid to Shri Anil D. Ambani, an individual having control.
- v) In terms of the provisions of Accounting Standard (AS -18) on "Related Party Disclosures" as per Companies (Accounting Standard) Rules 2006 the Company does not exercise any "Significant Influence" on Reliance Capital Partner's stake in Ravissant Private Limited (Previous year Fame India Limited and Ravissant Private Limited) though in excess of 20% of their shareholdings, hence the transactions with these parties are not considered for Related Party Disclosures.

20 Auditors' remuneration includes (Note 43 of Consolidated Annual accounts)

	2013-14	2012-13
	(₹ in crore)	
i) Audit Fees	3	3
ii) Tax Audit Fees [₹ 7 10 618 (Previous year ₹ 6 31 798)]	-	-
iii) Certification and other reimbursement charges [₹ 3 07 049 (Previous year ₹ 4 34 152)]	-	-
Total	3	3

21 Leases (Note 44 of Consolidated Annual accounts)

Details of future minimum lease receivables are as under :

	2013-14	2012-13
	(₹ in crore)	
Within one year of the balance sheet date	25	24
Due in a period between one year and five years	34	42
Due after five years [₹ 1 79 739 (Previous year ₹ 26 00 000)]	-	-

Details of future minimum lease rent payable under operating lease for each of the following periods:

	2013-14	2012-13
	(₹ in crore)	
Not Later than one year	5	5
Later than one year and not later than five years	3	4
Later than five years	-	-

22 Basic and diluted earnings per share (Note 45 of Consolidated Annual accounts)

The computation of earnings per share is set out below:

	2013-14	2012-13
	(₹ in crore)	
a) Amounts used as the numerators		
Net Profit after tax	747	812
Net Profit attributable to equity shareholders	747	812
b) Weighted average number of equity shares (Nos.)	24 56 32 800	24 56 32 800
c) Basic earnings per share of face value ₹ 10 each (₹)	30.38	33.05
d) Diluted earnings per share of face value ₹ 10 each (₹)	30.38	33.05

23 Contingent Liabilities and Commitments (As Certified by the Management) (Note 46 of Consolidated Annual accounts)

	March 31, 2014	March 31, 2013
	(₹ in crore)	
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions	2 878	1 755
ii) Claims against the Company not acknowledge as debt	20	28
iii) Outstanding Forward Exchange Contract	66	52
Commitments		
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)	92	48
ii) Undrawn Committed Credit lines	968	757
iii) Uncalled amount of Investments	7	66

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

Share of company in contingent liabilities and capital commitments of an associate are as follows

(` in crore)

	March 31, 2014	March 31, 2013
Contingent Liabilities		
i) Claims against the Company not acknowledge as debt	15	11
ii) Statutory Demands /liabilities in disputed not provided for	19	9
Commitments		
i) Commitment towards fixed Assets	3	41
ii) Other commitments	3	4

24 The subsidiaries and associate companies considered in the consolidated financial statements with their proportion of ownership are as under: (Note 47 of Consolidated Annual accounts)

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
List of Subsidiaries			
Reliance Capital Asset Management Limited	India	March 31,2014	65.23%
Reliance Asset Management (Singapore) Pte Limited	Singapore	March 31,2014	65.23%
Reliance Asset Management (Mauritius) Limited	Mauritius	March 31,2014	65.23%
Reliance Capital Asset Management (UK) Plc	United Kingdom	March 31,2014	65.23%
Reliance Asset Management (Malaysia) SDN BHD	Malaysia	March 31,2014	65.23%
Reliance Capital Pension Fund Limited	India	March 31,2014	70.45%
Reliance AIF Management Company Limited (w.e.f. September 30, 2013)	India	March 31,2014	65.23%
Reliance Capital Trustee Co. Limited	India	March 31,2014	100.00%
Reliance General Insurance Company Limited	India	March 31,2014	96.50%
Reliance Gilts Limited	India	March 31,2014	100.00%
Reliance Equity Advisors (India) Limited	India	March 31,2014	100.00%
Reliance Consultants (Mauritius) Limited	Mauritius	March 31,2014	100.00%
Reliance Money Express Limited	India	March 31,2014	100.00%
Reliance Money Precious Metals Private Limited	India	March 31,2014	100.00%
Reliance Venture Asset Management Private Limited (ceased w.e.f. March 29, 2014)	India	March 31,2014	100.00%
Reliance Home Finance Limited	India	March 31,2014	100.00%
Reliance Capital (Singapore) Pte. Limited (ceased w.e.f. March 26, 2014)	Singapore	March 31,2014	100.00%
Reliance Securities Limited	India	March 31,2014	99.60%
Reliance Composite Insurance Broking Limited	India	March 31,2014	99.60%
Reliance Financial Advisory Services Limited (formerly Reliance Investment Banking Services Limited) (ceased w.e.f. March 29, 2014)	India	March 31,2014	100.00%
Reliance Commodities Limited	India	March 31,2014	100.00%
Reliance Financial Limited	India	March 31,2014	100.00%
Reliance Alternative Investments Services Private Limited	India	March 31,2014	100.00%
Reliance Wealth Management Limited	India	March 31,2014	100.00%
Reliance Money Solutions Private Limited (w.e.f. December 2, 2013)	India	March 31,2014	100.00%
Reliance Exchangenext Limited	India	March 31,2014	100.00%
Reliance Spot Exchange Infrastructure Limited	India	March 31,2014	100.00%
Indian Agri Services Private Limited	India	March 31,2014	100.00%
Reliance Capital AIF Trustee Company Private Limited (w.e.f. April 11, 2013)	India	March 31,2014	100.00%
Quant Capital Private Limited	India	March 31,2014	74.00%
Quant Broking Private Limited	India	March 31,2014	74.00%
Quant Securities Private Limited	India	March 31,2014	74.00%
Quant Commodities Private Limited	India	March 31,2014	74.00%

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
Quant Commodity Broking Private Limited	India	March 31,2014	74.00%
Quant Capital Advisors Private Limited	India	March 31,2014	74.00%
Quant Capital Finance and Investments Private Limited	India	March 31,2014	74.00%
Quant Investments Services Private Limited	India	March 31,2014	74.00%
QOPPA Trading Private Limited (ceased w.e.f. March 26, 2014)	India	March 31,2014	74.00%
QCAP Trade Private Limited (ceased w.e.f. March 26, 2014)	India	March 31,2014	74.00%
Quant Alternative Asset Management Private Limited (ceased w.e.f. March 26, 2014)	India	March 31,2014	74.00%
QCAP Securities Private Limited (w.e.f. August 22, 2013) (ceased w.e.f. March 26, 2014)	India	March 31,2014	74.00%
Quant Capital Securities Private Limited (w.e.f. August 22, 2013) (ceased w.e.f. March 26, 2014)	India	March 31,2014	74.00%
List of Associates			
Reliance Land Private Limited	India	March 31, 2014	50.00%
Reliance Share & Stock Brokers Private Limited	India	March 31, 2014	50.00%
Indian Commodity Exchange Limited	India	March 31, 2014	* 26.00%
Ammolite Holdings Limited	Jersey	March 31, 2014	* 50.00%
Reliance Asset Reconstruction Company Limited	India	March 31, 2014	49.00%
Reliance Life Insurance Company Limited	India	March 31, 2014	47.78%
Partnership Firm			
Reliance Capital Partners (Partnership Firm)	India	March 31, 2014	#

Notes:-

- a) # Proportion of ownership interest in Partnership firm is on the basis of weighted average capital.
 b) * The Financial statements of Ammolite Holdings Limited & Indian Commodity Exchange Limited, have been certified by the management.

25 Strategic Investments (Note 48 of Consolidated Annual accounts)

In accordance with Para 7 of Accounting Standard (AS-23) on Accounting for Investments in Associates in Consolidated Financial Statements as per the Companies (Accounting Standards), Rules 2006, Reliance Capital Partner's (firm) stake in Ravissant Private Limited (Previous year Fame India Limited and Ravissant Private Limited) though in excess of 20% of their shareholdings have not been accounted for as associates in the preparation of consolidated financial statements as the firm does not have any "Significant Influence" on these companies, as defined by Accounting Standard (AS-18) on "Related Party Disclosures" as per the Companies (Accounting Standards), Rules 2006 and hence the transaction with these parties have not been considered for Related Party Disclosures.

26 Goodwill (Note 49 of Consolidated Annual accounts)

Goodwill of ` 4 576 crore (Previous year ` 4 576 crore) arising at the time of acquisition of associates has been included in the carrying amount of investments in associates, as per Accounting Standard (AS-23) on "Accounting for Investment in Associates in Consolidated Financial Statements".

- 27** Pursuant to the general exemption granted by the Ministry of Corporate Affairs, Government of India, the Parent Company i.e. Reliance Capital Limited is publishing the consolidated and standalone financial statements of Reliance Capital Limited and its subsidiaries. The requisite financial information of subsidiaries have been furnished by the management as a part of annual report. (Note 50 of Consolidated Annual accounts)

As per our report of even date

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 2, 2014

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary
Mumbai
Dated: May 2, 2014

Anil D. Ambani
Amitabh Jhunjunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Notes to the Abridged Consolidated Financial Statement as at March 31, 2014

Financial Information of Subsidiary Companies

Sr. No.	Name	Country of Incorporation	Currency	Capital	Reserves	Total Assets	Total Liabilities	Investments (except in case of investment in subsidiaries)	Turnover/ Total Income	Profit/ (loss) before Taxation	Provisions for Taxation	Profit/ (loss) after Taxation	Proposed Dividend
1	Reliance Capital Asset Management Limited	India	INR	11.27	1,318	1,643	314.02	700.60	780.18	383.62	79.68	303.94	172.80
2	Reliance Asset Management (Singapore) Pte. Limited	Singapore	SGD	27.41	535	38.11	5.35	15.34	9.67	(16.33)	-	(16.33)	-
3	Reliance Asset Management (Mauritius) Limited	Mauritius	USD	11.77	0.78	14.72	2.17	0.01	4.38	1.25	0.03	1.22	-
4	Reliance Capital Asset Management (UK) Plc.	United Kingdom	GBP	32.44	(31.87)	0.63	0.06	-	0.02	(0.45)	-	(0.45)	-
5	Reliance Asset Management (Malaysia) SDN. BHD.	Malaysia	MYR	29.17	(29.17)	-	-	-	0.68	(6.72)	(0.04)	(6.68)	-
6	Reliance Capital Pension Fund Limited	India	INR	25.00	0.85	26.17	0.32	25.04	1.89	0.39	0.07	0.32	-
7	Reliance AIF Management Company Limited	India	INR	0.51	0.62	1.16	0.04	0.19	0.33	0.26	-	0.26	-
8	Reliance Capital Trustee Co. Limited	India	INR	0.05	0.67	0.73	0.01	0.67	0.34	0.10	0.02	0.07	-
9	Reliance General Insurance Company Limited	India	INR	122.77	724.91	4,887.89	4,039.51	3,842.72	2,946.37	64.08	-	64.08	-
10	Reliance Gitis Limited	India	INR	7.00	(2.84)	4.18	0.02	4.17	0.06	0.02	0.00	0.02	-
11	Reliance Equity Advisors (India) Limited	India	INR	0.05	(9.83)	29.13	38.91	25.26	22.74	4.47	1.11	3.36	-
12	Reliance Consultants (Mauritius) Limited	Mauritius	USD	0.26	(0.10)	0.24	0.08	-	0.16	0.06	-	0.06	-
13	Reliance Alternative Investments Services Private Limited	India	INR	0.01	0.03	0.06	0.02	-	0.06	0.01	0.00	0.01	-
14	Reliance Home Finance Limited	India	INR	65.82	398.48	3,744.90	3,280.60	320.00	429.71	66.05	22.66	43.39	-
15	Reliance Securities Limited	India	INR	150.00	(4.33)	335.87	190.21	1.19	108.15	(29.24)	1.49	(30.73)	-
16	Reliance Composite Insurance Broking Limited	India	INR	2.50	4.17	17.22	10.55	-	20.64	5.55	0.20	5.35	-
17	Reliance Money Express Limited	India	INR	13.81	26.56	78.06	37.69	-	49.80	8.43	2.15	6.28	-
18	Reliance Money Precious Metals Private Limited	India	INR	8.00	(15.77)	6.24	14.01	-	159.74	(7.65)	-	(7.65)	-
19	Reliance Commodities Limited	India	INR	3.00	8.23	39.77	28.54	-	10.92	(2.17)	-	(2.17)	-
20	Reliance Financial Limited	India	INR	11.00	32.75	65.30	21.56	-	7.62	1.03	0.33	0.70	-
21	Reliance Wealth Management Limited	India	INR	15.50	(11.68)	4.60	0.78	-	11.49	(4.76)	-	(4.76)	-
22	Reliance Exchangenext Limited	India	INR	6.91	(13.28)	0.36	6.73	-	0.64	(47.11)	-	(47.11)	-
23	Reliance Spot Exchange Infrastructure Limited	India	INR	17.65	(22.22)	1.34	5.91	0.01	0.12	(0.20)	-	(0.20)	-
24	Indian Agri Services Private Limited	India	INR	0.12	(0.06)	10.88	10.82	10.82	0.02	0.01	-	0.01	-
25	Reliance Money Solutions Private Limited	India	INR	0.05	(5.27)	7.68	12.90	-	28.30	(2.86)	-	(2.86)	-
26	Reliance Capital AIF Trustee Company Private Limited	India	INR	0.06	(0.04)	0.03	0.01	-	-	(0.03)	-	(0.03)	-
27	Quant Capital Private Limited	India	INR	15.00	239.09	296.25	42.16	-	2.50	0.15	0.05	0.10	-
28	Quant Broking Private Limited	India	INR	18.01	145.63	453.30	289.66	50.00	40.66	(1.66)	-	(1.66)	-
29	Quant Securities Private Limited	India	INR	1.54	1.06	157.50	154.90	-	3.78	(0.48)	(0.00)	(0.48)	-
30	Quant Commodities Private Limited	India	INR	0.21	18.86	41.28	22.21	-	12.31	2.04	0.52	1.52	-
31	Quant Commodity Broking Private Limited	India	INR	0.14	1.98	28.71	26.60	-	2.43	0.13	0.06	0.07	-
32	Quant Capital Advisors Private Limited	India	INR	0.11	2.64	4.77	2.02	-	4.54	0.21	0.03	0.19	-
33	Quant Capital Finance and Investments Private Limited	India	INR	3.83	17.82	23.11	1.47	-	1.33	(0.33)	(0.02)	(0.31)	-
34	Quant Investments Services Private Limited	India	INR	0.74	5.26	6.20	0.20	-	1.03	(0.60)	0.00	(0.60)	-

Exchange rate as of March 31, 2014 : 1USD = ` 60.06, 1SGD = ` 100.14, 1MYR = ` 18.44

RELIANCE

Capital

**Annual Report
2014-15
(Abridged)**

Independent Auditors' Report on the Abridged Standalone Financial Statement

**To,
The Members of
Reliance Capital Limited
Report on the abridged standalone financial statements**

The accompanying abridged standalone financial statements of Reliance Capital Limited ('the Company'), which comprise the abridged balance sheet as at March 31, 2015, the abridged statement of profit and loss, abridged cash flow statement for the year then ended, and related notes, are derived from the audited standalone financial statements of the Company for the year ended March 31, 2015. We expressed an unmodified audit opinion on those standalone financial statements in our report dated May 29, 2015.

The abridged standalone financial statements do not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 applied in the preparation of the audited standalone financial statements of the Company. Reading the abridged standalone financial statements, therefore, is not a substitute for reading the audited standalone financial statements of the Company.

Management's responsibility for the abridged standalone financial statements

The Company's Board of Directors is responsible for the preparation of abridged standalone financial statements in accordance with first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 which are derived from the audited standalone financial statements of the Company for the year ended March 31, 2015, prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on the abridged standalone financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged standalone financial statements, prepared in accordance with first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 are derived from the audited standalone financial statements of the Company for the year ended March 31, 2015 and are a fair summary of those standalone financial statements.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 29, 2015

Mumbai
May 29, 2015

Reliance Capital Limited

Independent Auditors' Report on the Standalone Financial Statement

To The Members, Reliance Capital Limited Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Reliance Capital Limited ("the Company"), which comprise the balance sheet as at March 31, 2015, the statement of profit and loss, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the

manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143(3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - On the basis of the written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - the Company has disclosed the impact of pending litigations as at March 31, 2015 on its standalone financial position in its standalone financial statements—Refer Note No. 43 (a) (ii) to the standalone financial statements;
 - the Company has made adequate provision for the year ended March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts—Refer Note No. 40 (XVI) to the standalone financial statements; and
 - there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

Vijay Napawaliya
Partner
Membership No: 109859

Mumbai
May 29, 2015

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Akeel Master
Partner
Membership No: 046768

Mumbai
May 29, 2015

Annexure to the Independent Auditors' Report on the Financial Statement

(Referred to in our report of even date)

- (i) In respect of its fixed assets:
- a. The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
 - b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) The Company is a Systemically Important Non-deposit taking Non-Banking Financial Company which is primarily engaged in lending and investing activities. Accordingly, Company's business does not involve inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, during the year the Company has not granted any loans secured/unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Thus, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The nature of the Company's business is such that it does not involve purchase of inventories and sale of goods. In our opinion and accordingly to the information and explanations given to us, there is no continuing failure to correct major weaknesses in the internal control system.
- (v) In our opinion and according to the information and explanations given to us, the Company is a Systemically Important Non-deposit taking Non-Banking Financial Company, therefore paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified for maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of activities carried on by the Company. Thus, paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues except in case of professional tax in which there were few delays in payment of the said dues. Further, there are no undisputed amounts payable outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account of any dispute, except in respect of sales tax under Gujarat Sales Tax Act, 1969 of ` 4,75,916 for the year 2001-02 which is pending before the Gujarat Sales Tax Tribunal, Ahmedabad and sales tax under Madhya Pradesh General Sales Tax Act, 1958 of ` 4,30,472 for the year 1996-97 which is pending before Appellate Deputy Commissioner of the Commercial Tax, Indore Division - I.
 - c) According to the information and explanations given to us, the amount required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- (viii) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (ix) Based on our audit procedures and as per information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders as at March 31, 2015.
- (x) The Company has given guarantees for loans taken by others from banks or financial institutions. In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantees for loans taken by others from banks or financial institutions are not prejudicial to the interest of the Company.
- (xi) In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were raised except in case where loans amounting to ` 95 crore have been taken towards the year end which were lying in bank accounts at the year end, and were subsequently utilized for the purpose for which loans have been taken.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, nor have we been informed of any such case by the management.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 29, 2015

Mumbai
May 29, 2015

Reliance Capital Limited

Abridged Balance Sheet as at March 31, 2015

(Statement containing the salient features of Balance Sheet as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(` in crore)	
	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Paid-up share capital -equity	253	244
(b) Reserves and surplus		
(i) Capital reserve	852	852
(ii) Capital redemption reserve	10	10
(iii) Securities premium account	3 655	3 231
(iv) General reserve	4 817	4 741
(v) Statutory reserve fund	1 398	1 247
(vi) Surplus in statement of profit & loss	1 598	1 309
	12 583	11 634
Non-current liabilities		
(a) Long-term borrowings	14 101	12 128
(b) Deferred tax liabilities (net) (Refer Note No. 5)	-	12
(c) Other long-term liabilities	125	82
(d) Long-term provisions	36	36
	14 262	12 258
Current liabilities		
(a) Short-term borrowings	3 772	6 754
(b) Trade payables	17	9
(c) Other current liabilities	4 784	5 620
(d) Short-term provisions	284	240
	8 857	12 623
TOTAL	35 702	36 515
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	183	150
(ii) Intangible assets	31	32
	214	182
(b) Non-current investments		
(i) Quoted	350	693
[Market value ` 397 crore(Previous year ` 915 crore)]		
(ii) Unquoted	11 031	12 410
(c) Long-term loans and advances	11 945	12 738
(d) Other non-current assets	1 343	1 756
	24 883	27 779
Current assets		
(a) Current investments		
(i) Quoted	6	283
[Market value ` 6 crore (Previous year ` 283 crore)]		
(ii) Unquoted	988	184
(b) Trade receivables	-	5
(c) Cash & bank balances (Refer Note No. 6)	731	1 848
(d) Short-term loans and advances	8 694	5 932
(e) Other current assets	400	484
	10 819	8 736
TOTAL	35 702	36 515

i. See accompanying notes to the abridged standalone financial statements

ii. Compiled from the audited standalone financial statements of the Company referred to in our report dated May 29, 2015.

iii. Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bapna
V. R. Mohan

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 29, 2015

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 29, 2015

Abridged Statement of Profit and Loss for the year ended March 31, 2015

(Statement containing the salient features of Statement of Profit and Loss as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

(₹ in crore)

	2014-15	2013-14
I Income		
Revenue from operations		
(a) Interest & Finance Income	2 939	2 801
(b) Other financial services	1 009	368
	3 948	3 169
II Other income	40	85
III Total Income (I + II)	3 988	3 254
IV Expenditure		
(a) Employee benefits expense	194	148
(b) Finance costs	2 357	2 279
(c) Depreciation and amortisation expense	31	34
(d) Auditors' remuneration (Refer Note No. 8)	2	1
(e) Amortised DSA commission	38	37
(f) Provision for NPA, doubtful debts and balances written off	308	88
(g) Provision and loss on repossessed stock	29	14
(h) Provision / (Reversal) for diminution in the value investments / written off	(55)	(23)
(i) Other expenses	240	212
Total Expenditure (a to i)	3 144	2 790
V Profit before tax (III - IV)	844	464
VI Tax expense		
Current tax	99	50
Deferred Tax (Refer Note No. 5)	(12)	5
	87	55
VII Profit after tax (V - VI)	757	409
VIII Earnings per equity share face value of ₹ 10 each fully paid up (Refer Note No. 15)		
Basic (₹)	30.77	16.67
Diluted (₹)	30.77	16.67

i. See accompanying notes to the abridged standalone financial statements

ii. Compiled from the Audited standalone financial statements of the Company referred to in our report dated May 29, 2015.

iii. Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
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Firm Reg. No. : 101720W

For **B S R & Co. LLP**
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Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 29, 2015

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Executive Director & Group CEO
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President & Company Secretary
Mumbai
Dated: May 29, 2015

Anil D. Ambani
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Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bapna
V. R. Mohan

Reliance Capital Limited

Abridged Cash Flow Statement for the year ended March 31, 2015

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(₹ in crore)	
	2014-15	2013-14
A. Net Cash generated from / (used in) operating activities	(3 994)	802
B. Net Cash generated from / (used in) investing activities	2 795	398
C. Net Cash generated from / (used in) financing activities	162	(211)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(1 037)	989
Cash and cash equivalents at beginning of year	1 668	679
Cash and cash equivalents at end of year	631	1 668

Notes:

- The previous year's figures have been regrouped and reclassified wherever necessary.
- Cash and cash equivalents include cash on hand and bank balances.

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859
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Dated: May 29, 2015

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For and on behalf of the Board

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V. R. Mohan

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

1. Background

Reliance Capital Limited ('the Company') is registered as a Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is principally engaged in lending and investing activities.

2. Significant Accounting Policies

a Basis of Preparation of Standalone Financial Statements

The accompanying standalone financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (The Act), read with Rule 7 of the Companies (Accounting Standards) Rules 2014 and relevant provisions of Companies Act, 2013. These financial statements are presented in Indian rupees rounded to the nearest crore except otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

The Company complies in all material respects, with the prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the directions issued by the Reserve Bank of India in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 vide Reserve Bank of India ('RBI') Notification No. DNBR.009/CGM (CDS)-2015 dated March 27, 2015, as applicable to the Company.

b Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c Revenue Recognition

i) Interest income:

Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non performing assets ("NPAs") where it is recognised, upon realisation.

ii) Dividend income:

Dividend income is recognised when the right to receive payment is established.

iii) Income from investments:

Profit / (Loss) earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on weighted average basis.

iv) Lease rental income:

Lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

v) Discount on investments:

The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight-line basis.

vi) Redemption premium on investments :

Redemption premium on investments is recognised as income over the tenor of the investment.

vii) Share of profits or losses in partnership firm:

Share of profits / losses in partnership firm is accounted for once the amount of the share of profit/loss is ascertained and credited/debited to the Company's account in the books of the partnership firm.

viii) Loan processing fee income:

Loan processing fee income is accounted for upfront as and when it becomes due.

ix) Management fee income:

Management fee income towards support services is accounted as and when it becomes due on contractual terms with the parties.

x) Income from assignment / securitization:

In case of assignment / securitisation of loans, the assets are derecognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned/ securitised loans in accordance with the Guidelines issued by Reserve Bank of India vide RBI/2012-13/170 DNBS. PD. No. 301/3.10.01/2012-13 dated August 21, 2012. The profit if any, as reduced by the estimated provision for loss/ expenses and incidental expenses related to the transaction, is recognised as gain or loss arising on assignment / securitisation over the tenure of the deal. Loss arising from these transactions if any will be recognised immediately in the statement of profit and loss.

xi) Servicing fee income:

Servicing fees received is accounted for based on the underlying deal structure of the transaction as per the agreement.

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

d Fixed assets

i) Tangible assets

Leased assets

All assets given on operating lease are shown as fixed assets net of depreciation and impairment loss, if any. Initial direct costs in respect of leases are expensed in the year in which such costs are incurred.

Own assets

Tangible Assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes acquisition cost which is directly attributable to bring the asset to its working condition for its intended use.

ii) Intangible assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development.

e Depreciation / Amortisation

Depreciation on fixed assets is provided as follows:

i) Tangible assets

The Company has provided for depreciation over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 as per straight line method except Plant & Machinery and data processing machineries given on lease where useful life is considered 8 years and 5 years, respectively based on management's assessments of useful life in respect of these assets. Lease hold improvements are amortised over the primary period of the lease on straight-line basis.

ii) Intangible Assets are amortised on straight line basis over the useful life of the asset up to a maximum of five years commencing from the month in which such asset is first installed.

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

f Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

g Investments

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued, scrip wise at cost or fair value, whichever is lower. Long-term investments are carried at carrying cost less diminution in value which is other than temporary, determined separately for each individual investment scrip wise.

h Repossessed assets

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount. The classification and provision is based on the underlying Days Past Due (DPD) for these loans.

i Loan origination/acquisition cost

All direct cost incurred for the loan origination is amortised over the tenure of the loan.

j Security of loans given

Housing loans / loans against property granted are secured by equitable registered mortgage of property and / or undertaking to create a security. Other Secured loans are secured against hypothecation of respective assets.

k Provisions for Non Performing Assets (NPA) and doubtful debts

Loans and advances, receivables are identified as bad/ doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning which meets the NBFC prudential norms prescribed by Reserve Bank of India.

l Provisions for standard assets

Provisions for standard assets are made as per para 10 of the Systematically Important Non-Banking Financial (Non Accepting or Holding) Companies Prudential Norms (Reserve Bank) directions, 2015.

m Market linked debentures (MLD)

The Company has issued certain non-convertible debentures, the rate of interest which is linked to performance of specified indices over the period of the debentures. The Company hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain/loss on these hedge positions are netted against with interest expense on MLD and resultant 'net loss' is recognised in Statement of Profit and Loss immediately, however 'net gain' if any, is ignored.

n Discount on commercial paper

The difference between the issue price and the redemption value of commercial papers is apportioned on time basis and recognised as discounting expense.

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

o Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates.

p Employee benefits

i) Provident fund: Company's contributions to the recognised provident fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss.

ii) Gratuity: The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

iii) Leave encashment: Leave encashment which is a defined benefit, is accrued for based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

q Employee Stock Option Scheme ("ESOS")

The Employees Stock Option Scheme ("the Scheme") provides for grant of equity shares of the Company to directors (including whole-time) (excluding independent directors) and employees of the Company, the Holding Company and its subsidiaries. The Scheme provides that employees are granted an option to acquire equity shares of the Company that vests in a graded manner. The options may be exercised within a specified period. The Company follows the intrinsic value method to account for its stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date and is amortised over the vesting period of the option on a straight line basis.

The fair market price is the latest closing price, immediately prior to the date of the Board / Committee meeting in which the options are granted, on the stock exchange on which the shares of the Company are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered.

r Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

s Operating leases

Lease payments for assets taken on an operating lease are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

t Earnings per share

The basic earning per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share, is computed by dividing the net profit / loss after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

u Taxation

- Current Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognised where there is convincing evidence that the same can be realised in future.

- Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

v Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised nor disclosed in the financial statements..

- 3 The abridged standalone financial statements have been prepared in accordance with first proviso to sub-section (1) of section 136 of the Companies Act 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 from the audited standalone financial statements of the Company for the year ended March 31, 2015, prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India and which is approved by the Board of Directors at the meeting held on May 29, 2015.

4. Previous year (Note 3 of Standalone Financial Statement)

Previous year figures has been regrouped /reclassified wherever necessary.

(` in crore)

	As at March 31, 2015	As at March 31, 2014
5 Deferred tax liabilities / (assets) (Note 7 of Standalone Financial Statement)		
Deferred tax liabilities / (assets) included in the balance sheet comprises the following:		
a) Deferred tax liabilities		
Depreciation on fixed assets	21	19
Unamortised expenditures	67	60
Total (a)	<u>88</u>	<u>79</u>
b) Deferred tax assets		
Provision for non performing assets / diminution in the value of assets and investments	115	66
Provision for leave encashment / gratuity	3	1
Total (b)	<u>118</u>	<u>67</u>
Net deferred tax liabilities / (assets) [(a)-(b)]	<u>(30)</u>	<u>12</u>

Note: As a matter of prudence the Company has not recognised Deferred tax assets (net) in books of accounts.

6 Cash and bank balances (Note 20 of Standalone Financial Statement)

(a) Cash and cash equivalents				
Balances with banks				
- In current accounts	618		1 657	
- Fixed Deposits (less than 3 months)	12		10	
Cash on hand	<u>1</u>	<u>631</u>	<u>1</u>	1 668
(b) Other bank balances				
- Fixed Deposits under lien (less than 3 months)*	84			166
- Unclaimed dividend accounts	16			14
	<u>731</u>			<u>1 848</u>

* In respect of balances with Scheduled Banks in Fixed Deposit accounts ` 48 crore (Previous Year ` 154 crore) is kept as credit enhancement towards securitisation / assignment transaction, ` Nil (Previous Year ` 12 crore) is against loan taken from bank and ` 36 crore (Previous Year ` Nil) is kept as deposit with bank for issuing of Bank Guarantee.

7 The Company is a partner in Reliance Capital Partners (Note 29 of Standalone Financial Statement)

- a) The firm consists of following partners and their balances:

(` in crore)

Name of Partners	As at March 31, 2015	As at March 31, 2014
i) Reliance Capital Limited	316	410
ii) Reliance Land Private Limited	1	1
Total	<u>317</u>	<u>411</u>

- b) Profit Sharing Ratio: The profit / (loss) is distributed between the partners on the basis of the weighted average capital. The profit for the current financial year is ` 113 crore (Previous year ` 15 crore).

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

8 Auditors' remuneration includes: (Note 30 of Standalone Financial Statement)

	(₹ in crore)	
	2014-15	2013-14
i) Audit Fees	1	1
ii) Tax Audit Fees [₹ 1 06 180 (Previous year ₹ 1 06 180)]	-	-
iii) Certification charges and other reimbursement (Previous year ₹ 2 74 258)	1	-
Total	2	1

9 Tax on Proposed Dividend (Note 31 of Standalone Financial Statement)

In view of Section 115- O of the Income Tax Act, 1961, the Company has reduced its dividend tax liabilities to the extent dividend received / receivable from its subsidiary company. During the year Company has received the following dividend from Reliance Capital Asset Management Limited (RCAM) :

	(₹ in crore)	
	2014-15	2013-14
Company Dividend		
Company Proposed Dividend	227	209
Less : Dividend Receivable from its Subsidiary	81	113
Dividend for Dividend Distribution Tax	146	96
Dividend Distribution Tax thereon	30	16
Subsidiary Dividend		
No .of shares held by the Company	64 78 000	75 14 800
Date of Final Dividend	April 29, 2015	April 28,2014
Final Dividend	125	150
Final Dividend Receivable	81	113
Date of Interim Dividend	March 19, 2015	
Interim Dividend	146	
Interim Dividend Received	95	
Dividend Distribution Tax Credit on Interim Dividend	16	

10 Employees Stock Option Plans (Note 32 of Standalone Financial Statement)

The Company operates two Employee Stock Option Plans; ESOS Plan A and ESOS Plan B introduced in the financial year 2009-10, which cover eligible employees of the Company, the Holding Company and its subsidiaries. The vesting of the options is from expiry of one year and ranges till four to five years as per Plan under the respective ESOS(s). Each Option entitles the holder thereof to apply for and be allotted / transferred one Equity Share of the Company of ₹ 10 each upon payment of the exercise price during the exercise period. The Company implements and manages the ESOS plan through a trust. Advance of ₹ 62 crore (net of diminution ₹ 64 crore) [Previous year ₹ 64 crore (net of diminution ₹ 64 crore)] has been granted to Trust. Out of the said advance Trust has purchased 16,00,000 (Previous year 16,00,000) Equity Shares for the above purpose. Details of scheme of Employee Stock Option Plans are as under :

	Plan A	Plan B
Date of Grant	February 1, 2010	February 1, 2010
Prices of the Underlying Stock (₹)	790	790
Exercise / Strike Price (₹)	800	800

The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:

	Plan A	Plan B
Risk Free Interest Rate	7.01% - 7.27%	7.01% - 7.34%
Expected Dividend Yield	0.62%	0.62%
Expected Life (years)	5.5 to 7.0	5.5 to 7.5
Expected Volatility	61.23% to 64.04%	59.56% to 64.04%
Weighted Average Fair Value (₹)	536	546

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows: (As certified by the management):

	No. of Stock Options			
	Plan A		Plan B	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Outstanding at the beginning of the year	1 33 000	1 70 620	2 31 900	2 52 460
Granted	Nil	Nil	Nil	Nil
Exercised	Nil	Nil	Nil	Nil
Lapsed / Forfeited / Surrendered	7 680	37 620	14 400	20 560
Outstanding at the end of the year	1 25 320	1 33 000	2 17 500	2 31 900
Exercisable at end of the year	1 25 320	1 33 000	2 17 500	1 19 300

11 Employee benefits (Note 33 of Standalone Financial Statement)

a) Defined contribution plan

Contribution to defined contribution plans, recognised as expense for the year is as under: (₹ in crore)

	2014-15	2013-14
Employer's contribution to provident fund	5	4
Employer's contribution to superannuation fund [₹ 19 54 267 (Previous year ₹ 18 94 997)]	-	-
Employer's contribution to pension scheme	2	1
	7	5

b) Defined Benefit plans

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of Profit and Loss, the fund status and amount recognised in the balance sheet for the gratuity benefit plan and leave encashment plan.

(₹ in crore)

Particulars	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2014-15	2013-14	2014-15	2013-14
I. Table showing change in				
Liability at the beginning of the period	4.60	5.54	2.98	3.84
Interest Cost	0.43	0.44	0.26	0.30
Current Service Cost	0.76	1.09	0.57	0.85
Benefit Paid	(0.88)	(1.20)	(0.48)	(0.41)
Actuarial (gain)/loss on obligations	4.63	(1.28)	0.28	(1.60)
Liability at the end of the period	9.55	4.60	3.62	2.98
II. Changes in the fair Value of Plan Assets and the reconciliation thereof:				
Fair Value of Plan Assets at the beginning of the period	5.99	6.69	-	-
Expected return on Plan Assets	0.56	0.54	-	-
Contributions	-	0.03	0.46	0.41
Benefit paid	(0.88)	(1.20)	(0.48)	(0.41)
Actuarial gain/(loss) on Plan Assets	0.13	(0.07)	0.36	-
Fair value of Plan Assets at the end of the period	5.80	5.99	0.00	-
Total Actuarial gain/(loss) to be recognized	(4.50)	1.21	(0.27)	1.60

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

Particulars	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2014-15	2013-14	2014-15	2013-14
III. Actual return on Plan Assets				
Expected return on Plan Assets	0.56	0.53	-	-
Actuarial gain/(loss) on Plan Assets	0.13	(0.07)	-	-
Actual return on Plan Assets	0.69	0.46	-	-
IV. Amount recognised in the Balance Sheet				
Liability at the end of the period	9.55	4.60	3.62	2.98
Fair Value of Plan Assets at the end of the period	5.80	5.99	-	-
Difference Funded status	(3.75)	1.39	(3.62)	(2.98)
Unrecognised Actual Gain / (Loss)	-	-	-	-
Amount recognised in the Balance Sheet (liability)	(3.75)	1.39	(3.62)	(2.98)
V. Expenses recognised in the statement of Profit and Loss				
Current Service Cost	0.76	1.09	0.57	0.85
Interest Cost	0.43	0.44	0.26	0.30
Expected return on Plan Assets	(0.56)	(0.53)	-	-
Net Actuarial (gain)/loss to be recognized	4.50	(1.21)	0.28	(1.60)
Expense recognised in the statement of Profit and Loss	5.13	(0.21)	1.11	(0.46)
VI. Amount recognised in the Balance Sheet				
Opening Net Liability	(1.40)	(1.15)	2.98	3.84
Expense as above	5.13	(0.21)	1.11	(0.46)
Employers Contribution paid	-	(0.03)	(0.48)	(0.42)
Closing Net Liability/(Assets)	3.74	(1.40)	3.62	2.98
VII. Assumptions				
Discount Rate	8.01%	9.31%	8.00%	9.00%
Rate of return on Plan Assets	8.01%	9.31%	-	-
Salary Escalation Rate	6.00%	5.00%	5.00%	5.00%

VIII. Particulars of the amounts for the year and previous years

	Gratuity for the year ended March 31				
	2 015	2 014	2 013	2 012	2 011
Present value of benefit obligation	9.55	4.60	5.54	4.36	3.25
Fair value of plan assets	5.80	5.99	6.69	4.35	3.82
Excess of obligation over plan assets	3.75	(1.39)	(1.15)	0.01	(0.57)
IX. Experience adjustment					
Experience adjustment on plan assets gain / (loss)	0.13	(0.07)	(0.03)	(0.25)	(0.09)
Experience adjustment on plan liabilities (gain) / loss	0.69	(0.77)	0.72	0.58	(0.51)

Notes:

- The above figures are shown in rupees in crore with two decimals to be more representative.
- The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

iii) General Descriptions of significant defined plans:

a) Gratuity plan

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act 1972 or as per the Company's Scheme whichever is more beneficial.

b) Leave plan

Encashment of leave can be availed by the employee for balance in the earned account as on January 1, 2009. All carry forward earned leaves with a maximum limit of 10 Days, are available for avilment but not for encashment.

12 Segment reporting (Note 34 of Standalone Financial Statement)

As per paragraph 4 of Accounting Standard (AS-17), on "Segment Reporting" notified by the Companies (Accounting Standards) Rules 2006, where a single financial report contains both consolidated financial statements and the separate financial statements of the holding company, segment reporting needs to be presented only on the basis of consolidated financial statements. In view of this, segment information has been presented at Note No. 17 of the abridged financial statements..

13 Related party disclosures (Note 35 of Standalone Financial Statement)

A. List of Related Parties and their relationship:

i) **Holding Company**

Reliance Innoventures Private Limited (ceased w.e.f. March 27, 2015)

ii) **Subsidiary of Holding Company***

Reliance Inceptum Private Limited (Formerly AAA Enterprises Private Limited)

*ceased w.e.f. March 27, 2015, thereafter Major Investing Party.

iii) **Individual Promoter**

Shri Anil D. Ambani, the person having control during the year

iv) **Subsidiaries**

1	Reliance Capital Asset Management Limited	18	Reliance Securities Limited
2	Reliance Asset Management (Malaysia) SDN BHD (ceased w.e.f. July 14, 2014)	19	Reliance Composite Insurance Broking Limited (ceased w.e.f. June 30, 2014)
3	Reliance Asset Management (Mauritius) Limited	20	Reliance Commodities Limited
4	Reliance Asset Management (Singapore) Pte. Limited	21	Reliance Money Express Limited
5	Reliance Capital Asset Management (UK) Plc	22	Reliance Money Precious Metals Private Limited
6	Reliance Capital Pension Fund Limited	23	Reliance Money Solutions Private Limited
7	Reliance AIF Management Company Limited	24	Reliance Financial Limited
8	Reliance Capital Trustee Co. Limited	25	Reliance Wealth Management Limited
9	Reliance General Insurance Company Limited	26	Reliance Capital AIF Trustee Company Private Limited
10	Reliance Gilts Limited	27	Quant Capital Private Limited
11	Reliance Home Finance Limited	28	Quant Capital Advisors Private Limited (ceased w.e.f. July 31, 2014)
12	Reliance Equity Advisors (India) Limited (ceased w.e.f. July 2,2014)	29	Quant Capital Finance and Investments Private Limited
13	Reliance Consultants (Mauritius) Limited (ceased w.e.f. July 2,2014)	30	Quant Broking Private Limited
14	Reliance Alternative Investments Services Private Limited (ceased w.e.f. July 2,2014)	31	Quant Commodity Broking Private Limited
15	Reliance Exchangenext Limited	32	Quant Commodities Private Limited (ceased w.e.f. April 4, 2014)
16	Indian Agri Services Private Limited (ceased w.e.f April 2,2014)	33	Quant Investment Services Private Limited
17	Reliance Spot Exchange Infrastructure Limited	34	Quant Securities Private Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

v) **Partnership firm**

Reliance Capital Partners

vi) **Associates**

1	Reliance Life Insurance Company Limited	4	Ammolite Holdings Limited
2	Reliance Asset Reconstruction Co. Limited	5	Reliance Land Private Limited (ceased w.e.f April 2,2014)
3	Indian Commodity Exchange Limited	6	Reliance Share & Stock Brokers Private Limited (ceased w.e.f April 2,2014)

vii) **Fellow subsidiaries***

1	Big Flicks Private Limited	7	Reliance Webstore Limited
2	Zapak Mobile Games Private Limited	8	Zapak Digital Entertainment Limited
3	Reliance Big Entertainment Private Limited	9	AAA Entertainment Private Limited
4	Reliance Communications Infrastructure Limited	10	Reliance Infratel Limited
5	Reliance Communications Limited	11	Reliance Globalcom Limited
6	Reliance Infocomm Infrastructure Limited		

*ceased w.e.f March 27, 2015. Thereafter, enterprise over which individual described in clause A (iii) above has control during the year

viii) **Key management personnel (KMP)**

1. Shri V. R. Mohan - President & Company Secretary
2. Shri Soumen Ghosh - Chief Executive Officer
3. Shri Amit Bapna -Chief Financial Officer
4. Mrs. Caroline Ghosh - KMP Relative
5. Shri Vijay Singh Bapna - KMP Relative

B. Other related parties with whom transactions have taken place during the year

- i) Enterprise over which individual described in clause A (iii) above has control

Reliance Power Limited Reliance CleanGen Limited Jharkhand Integrated Power Limited

C. Transactions during the year with related parties:

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
					(` in crore)
Debentures					
a) Issued during the year	14	-	-	-	14
	(9)	(-)	(-)	(-)	(9)
b) Redeemed during the year	63	-	-	-	63
	(85)	(-)	(-)	(-)	(85)
c) Balance as at March 31, 2015	240	-	50	-	290
	(126)	(-)	(50)	(-)	(176)
d) Accrued interest on debentures as at March 31, 2015	10	-	3	-	13
	(9)	(-)	(1)	(-)	(10)
Loans Taken					
a) Taken during the year	-	-	-	-	-
	(200)	(-)	(-)	(-)	(200)
b) Returned during the year	450	-	-	-	450
	(450)	(-)	(-)	(-)	(450)
c) Balance as at March 31, 2015	-	-	-	-	-
	(450)	(-)	(-)	(-)	(450)
Commercial Paper					
a) Repaid during the year	-	-	-	-	-
	(-)	(-)	(300)	(-)	(300)
Fixed Assets					
a) Sold during the year	31	-	-	-	31
	(-)	(-)	(-)	(-)	(-)
Investments					
a) Subscribed/Purchased during the year	5	-	-	-	5
	(54)	(-)	(-)	(-)	(54)
b) Redeemed / Sale during the year	229	368	-	-	597
	(27)	(-)	(-)	(-)	(27)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
c) Balance as at March 31, 2015 [Net of provision ` 182 crore (Previous year ` 101 crore)]	2 636 (2 688)	852 (1 293)	4 825 (5 388)	- (-)	8 313 (9 369)
Partnership Current Accounts					
a) Withdrawal during the year	- (-)	- (-)	- (-)	207 (150)	207 (150)
b) Profit of Partnership firm during the year	- (-)	- (-)	- (-)	113 (15)	113 (15)
c) Balance as at March 31, 2015	- (-)	- (-)	- (-)	316 (410)	316 (410)
Interest / Finance income accrued on Investment					
a) Balance as at March 31, 2015	- (-)	- (530)	- (225)	- (-)	- (755)
Loans Given					
a) Given during the year	40 (190)	559 (1 278)	- (674)	- (-)	599 (2 142)
b) Returned /Adjusted during the year	72 (220)	746 (1 024)	- (284)	- (-)	818 (1 528)
c) Balance as at March 31, 2015 [Net of provision ` 7 crore (Previous year ` 7 crore)]	- (32)	649 (837)	- (424)	- (-)	649 (1 293)
d) Interest accrued on Loans	- (-)	77 (9)	- (25)	- (-)	77 (34)
Advances					
a) Balance as at March 31, 2015	91 (1)	- (1)	1 (-)	- (-)	92 (2)
Trade payables					
a) Balance as at March 31, 2015 [` Nil (Previous year ` 2 30 458)]	- (*)	- (-)	- (-)	- (-)	- (*)
Income					
a) Interest & Finance Income (including Premium on Preference Shares) (* ` 11 34 247)	* (3)	188 (228)	- (85)	- (-)	188 (316)
b) Rent [` Nil (**Previous year ` 5 25 000)]	- (**)	1 (1)	- (-)	- (-)	1 (1)
c) Dividend Income	207 (105)	- (1)	47 (23)	- (-)	254 (129)
d) Reimbursement of Expenditure (* ` 4 23 150)	18 (19)	* (1)	7 (5)	- (-)	25 (25)
e) Management Fees	18 (15)	- (-)	6 (6)	- (-)	24 (21)
f) Income transferred as per Business Transfer Agreement	2 (1)	- (-)	- (-)	- (-)	2 (1)
g) Other operating income	- (-)	- (-)	1 (-)	- (-)	1 (-)
h) Profit on sale of fixed assets	5 (-)	- (-)	- (-)	- (-)	5 (-)
i) Processing fees	- (-)	3 (-)	- (-)	- (-)	3 (-)
Expenditure					
a) Finance cost	36 (68)	- (-)	- (9)	- (-)	36 (77)
b) Insurance * ` 46 97 875	3 (1)	- (-)	* (1)	- (-)	3 (2)
c) Rent	1 (-)	- (-)	- (-)	- (-)	1 (-)
d) Brokerage paid during the year [*` 36 55 563 (Previous year **` 17 38 384)]	* (**)	- (-)	- (-)	- (-)	* (**)
e) Expenses transferred as per Business Transfer Agreement	1 (2)	- (-)	- (-)	- (-)	1 (2)
f) Reimbursement of Expenditure [*` 32 49 443 (Previous year **` 25 91 716)]	* (**)	- (-)	- (1)	- (-)	* (1)
g) Provision / (Reversal) for Diminution in value of Investments	8 (53)	73 (-77)	- (-)	- (-)	81 (-24)
h) Provision / (Reversal) for NPA, doubtful debts and balances written off	- (-1)	- (-)	- (-)	- (-)	- (-1)

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties	- (12)	50 (100)	- (90)	- (-)	50 (202)
Shares given as collateral /pledged					
a) Shares given as collateral	61 (9)	- (-)	- (-)	- (-)	61 (9)
b) Shares given as pledged	5 (-)	- (-)	- (-)	- (-)	5 (-)

D. The nature and volume of material transactions for the year with above related parties are as follows:

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
Debentures					
a) Issued during the year					
i) Reliance Securities Limited	13 (9)	- (-)	- (-)	- (-)	13 (9)
ii) Reliance Capital Asset Management Limited	1 (-)	- (-)	- (-)	- (-)	1 (-)
b) Redeemed during the year					
i) Reliance Securities Limited	13 (85)	- (-)	- (-)	- (-)	13 (85)
ii) Reliance General Insurance Company Limited	50 (-)	- (-)	- (-)	- (-)	50 (-)
c) Balance as at March 31, 2015					
i) Reliance Securities Limited	15 (26)	- (-)	- (-)	- (-)	15 (26)
ii) Reliance Life Insurance Company Limited	- (-)	- (-)	50 (50)	- (-)	50 (50)
iii) Reliance General Insurance Company Limited	225 (100)	- (-)	- (-)	- (-)	225 (100)
d) Interest accrued on debentures as at March 31, 2015					
i) Reliance Securities Limited	- (4)	- (-)	- (-)	- (-)	- (4)
ii) Reliance Life Insurance Company Limited	- (-)	- (-)	3 (1)	- (-)	3 (1)
iii) Reliance General Insurance Company Limited	10 (5)	- (-)	- (-)	- (-)	10 (5)
Loans Taken					
a) Taken during the year					
i) Reliance Capital Asset Management Limited	- (200)	- (-)	- (-)	- (-)	- (200)
b) Returned during the year					
i) Reliance Capital Asset Management Limited	450 (450)	- (-)	- (-)	- (-)	450 (450)
c) Balance as at March 31, 2015					
i) Reliance Capital Asset Management Limited	- (450)	- (-)	- (-)	- (-)	- (450)
Commercial Papers					
a) Repaid during the year					
i) Reliance Life Insurance Company Limited	- (-)	- (-)	- (300)	- (-)	- (300)
Fixed Assets					
a) Sold during the year					
i) Reliance Home Finance Limited	31 (-)	- (-)	- (-)	- (-)	31 (-)
Investments					
a) Subscribed / Purchased during the year					
i) Reliance Gilts Limited	5 (-)	- (-)	- (-)	- (-)	5 (-)
ii) Quant Capital Private Limited	- (50)	- (-)	- (-)	- (-)	- (50)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
b) Redeemed / Sold during the year					
i) Indian Agri Services Private Limited	-	-	-	-	-
	(9)	(-)	(-)	(-)	(9)
ii) Reliance Money Express Limited	-	-	-	-	-
	(4)	(-)	(-)	(-)	(4)
iii) Reliance Capital (Singapore) Pte Limited	-	-	-	-	-
	(9)	(-)	(-)	(-)	(9)
iv) Reliance AIF Management Company Limited	54	-	-	-	54
	(-)	(-)	(-)	(-)	(-)
v) Reliance Capital Asset Management Limited	125	-	-	-	125
	(-)	(-)	(-)	(-)	(-)
vi) Reliance Big Entertainment Private Limited	-	368	-	-	368
	(-)	(-)	(-)	(-)	(-)
vii) Quant Capital Private Limited	50	-	-	-	50
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2015					
i) Reliance General Insurance Company Limited	1 742	-	-	-	1 742
	(1 717)	(-)	(-)	(-)	(1 717)
ii) Reliance Land Private Limited	-	-	-	-	-
	(-)	(-)	(481)	(-)	(481)
iii) Reliance Home Finance Limited	321	-	-	-	321
	(321)	(-)	(-)	(-)	(321)
iv) Reliance Share & Stock Brokers Private Limited	-	-	-	-	-
	(-)	(-)	(81)	(-)	(81)
v) Reliance Big Entertainment Private Limited	-	632	-	-	632
	(-)	(1 000)	(-)	(-)	(1 000)
vi) Reliance Communications Limited [Net of Provision ` 73 crore(Previous year ` Nil)]	-	220	-	-	220
	(-)	(293)	(-)	(-)	(293)
vii) Reliance Asset Reconstruction Company Limited	-	-	49	-	49
	(-)	(-)	(49)	(-)	(49)
viii) Ammolite Holdings Limited* *[Net of Provision ` 29 crore(Previous year ` 29 crore)]	-	-	*	-	*
	(-)	(-)	(*)	(-)	(*)
ix) Reliance Securities Limited	150	-	-	-	150
	(150)	(-)	(-)	(-)	(150)
x) Quant Capital Private Limited	200	-	-	-	200
	(250)	(-)	(-)	(-)	(250)
xi) Reliance Exchangenext Limited* *[Net of Provision ` 69 crore(Previous year ` 69 crore)]	*	-	-	-	*
	(*)	(-)	(-)	(-)	(*)
xii) Reliance Life Insurance Company Limited	-	-	4 776	-	4 776
	(-)	(-)	(4 776)	(-)	(4 776)
xiii) Reliance Capital Asset Management Limited	158	-	-	-	158
	(184)	(-)	(-)	(-)	(184)
Partnership Current Accounts					
a) Contribution /(withdrawal) during the year (Net)					
i) Reliance Capital Partners	-	-	-	(207)	(207)
	(-)	(-)	(-)	-(150)	-(150)
b) Profit of Partnership firm during the year					
i) Reliance Capital Partners	-	-	-	113	113
	(-)	(-)	(-)	(15)	(15)
c) Balance as at March 31, 2015					
i) Reliance Capital Partners	-	-	-	316	316
	(-)	(-)	(-)	(410)	(410)
Interest / Finance income accrued on investment					
a) Balance as at March 31, 2015					
i) Reliance Land Private Limited	-	-	-	-	-
	(-)	(-)	(225)	(-)	(225)
ii) Reliance Big Entertainment Private Limited	-	-	-	-	-
	(-)	(530)	(-)	(-)	(530)

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
Loans Given					
a) Given during the year					
i) Reliance Land Private Limited	-	-	-	-	-
	(-)	(-)	(579)	(-)	(579)
ii) Reliance Financial Limited	40	-	-	-	40
	(20)	(-)	(-)	(-)	(20)
iii) Reliance Infratel Limited	-	213	-	-	213
	(-)	(250)	(-)	(-)	(250)
iv) Reliance Home Finance Limited	-	-	-	-	-
	(170)	(-)	(-)	(-)	(170)
v) Reliance Big Entertainment Limited	-	346	-	-	346
	(-)	(1 028)	(-)	(-)	(1 028)
b) Returned/Adjusted during the year					
i) Reliance Land Private Limited	-	-	-	-	-
	(-)	(-)	(275)	(-)	(275)
ii) Reliance Financial Limited	40	-	-	-	40
	(20)	(-)	(-)	(-)	(20)
iii) Reliance Asset Reconstruction Company Limited	-	-	-	-	-
	(-)	(-)	(1)	(-)	(1)
iv) Quant Broking Private Limited	-	-	-	-	-
	(30)	(-)	(-)	(-)	(30)
v) Reliance Home Finance Limited	-	-	-	-	-
	(170)	(-)	(-)	(-)	(170)
vi) Reliance Big Entertainment Limited	-	533	-	-	533
	(-)	(768)	(-)	(-)	(768)
vii) Reliance Infratel Limited	-	213	-	-	213
	(-)	(250)	(-)	(-)	(250)
viii) Reliance Equity Advisors (India) Limited	32	-	-	-	32
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2015					
i) Reliance Land Private Limited	-	-	-	-	-
	(-)	(-)	(329)	(-)	(329)
ii) Reliance Equity Advisors (India) Limited	-	-	-	-	-
	(32)	(-)	(-)	(-)	(32)
iii) Reliance Exchange Next Limited *[Net of Provision of ` 7 crore(Previous year ` 7 crore)]	*	-	-	-	*
	(*)	(-)	(-)	(-)	(*)
iv) Reliance Big Entertainment Limited	-	649	-	-	649
	(-)	(837)	(-)	(-)	(837)
v) Reliance Share & Stock Brokers Private Limited	-	-	-	-	-
	(-)	(-)	(95)	(-)	(95)
d) Interest accrued on loans					
i) Reliance Big Entertainment Limited	-	77	-	-	77
	(-)	(9)	(-)	(-)	(9)
ii) Reliance Land Private Limited	-	-	-	-	-
	(-)	(-)	(24)	(-)	(24)
Advances					
a) Balance as at March 31, 2015					
i) Reliance Securities Limited (* Previous year ` 42 79 000)	-	-	-	-	-
	(*)	(-)	(-)	(-)	(*)
ii) Reliance General Insurance Company Limited (# Previous year ` 15 14 460)	90	-	-	-	90
	(#)	(-)	(-)	(-)	(#)
iii) Quant Capital Private Limited @[` 16 15 790 (Previous year ` 16 16 790)]	@	-	-	-	@
	(@)	(-)	(-)	(-)	(@)
iv) Reliance Asset Reconstruction Co. Limited *(` 32 33 993)	-	-	*	-	*
	(-)	(-)	(-)	(-)	(-)
v) Reliance Life Insurance Company Limited *(` 26 26 243)	-	-	*	-	*
	(-)	(-)	(-)	(-)	(-)
vi) Reliance Communications Limited	-	-	-	-	-
	(-)	(1)	(-)	(-)	(1)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
Trade Payable					
a) Trade payables as at March 31, 2015					
i) Reliance Home Finance Limited (* Previous year ` 2 30 458)	- (*)	- (-)	- (-)	- (-)	- (*)
Income					
a) Interest & Finance Income (including Premium on Preference Shares)					
i) Reliance Home Finance Limited	- (1)	- (-)	- (-)	- (-)	- (1)
ii) Reliance Financial Limited * (` 11 34 247)	* (-)	- (-)	- (-)	- (-)	* (-)
iii) Reliance Land Private Limited	- (-)	- (-)	- (84)	- (-)	- (84)
iv) Quant Broking Private Limited	- (2)	- (-)	- (-)	- (-)	- (2)
v) Reliance Big Entertainment Private Limited	- (-)	187 (224)	- (-)	- (-)	187 (224)
b) Rent					
i) Reliance Communications Infrastructure Limited	- (-)	1 (1)	- (-)	- (-)	1 (1)
ii) Reliance General Insurance Co. Limited (# Previous year ` 5 25 000)	- (#)	- (-)	- (-)	- (-)	- (#)
c) Dividend Income					
i) Reliance Capital Asset Management Limited	207 (105)	- (-)	- (-)	- (-)	207 (105)
ii) Reliance Communications Limited	- (-)	- (1)	- (-)	- (-)	- (1)
iii) Reliance Life Insurance Company Limited	- (-)	- (-)	46 (23)	- (-)	46 (23)
d) Reimbursement of Expenditure					
i) Reliance General Insurance Company Limited	10 (6)	- (-)	- (-)	- (-)	10 (6)
ii) Reliance Communications Infrastructure Limited * [` 4 23 150 (Previous year ` 4 01 188)]	- (-)	* (*)	- (-)	- (-)	* (*)
iii) Reliance Asset Reconstruction Company Limited * (` 28 25 000)	- (-)	- (-)	* (1)	- (-)	* (1)
iv) Reliance Capital Asset Management Limited	2 (2)	- (-)	- (-)	- (-)	2 (2)
v) Reliance Securities Limited	2 (2)	- (-)	- (-)	- (-)	2 (2)
vi) Reliance Home Finance Limited	4 (9)	- (-)	- (-)	- (-)	4 (9)
vii) Reliance Life Insurance Company Limited	- (-)	- (-)	7 (5)	- (-)	7 (5)
e) Management Fees					
i) Reliance General Insurance Company Limited	6 (6)	- (-)	- (-)	- (-)	6 (6)
ii) Reliance Capital Asset Management Limited	6 (6)	- (-)	- (-)	- (-)	6 (6)
iii) Reliance Home Finance Limited	3 (3)	- (-)	- (-)	- (-)	3 (3)
iv) Reliance Life Insurance Company Limited	- (-)	- (-)	6 (6)	- (-)	6 (6)
v) Reliance Securities Limited	3 (-)	- (-)	- (-)	- (-)	3 (-)
f) Income transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	2 (1)	- (-)	- (-)	- (-)	2 (1)
g) Other operating income					
i) Reliance Asset Reconstruction Company Limited	-	-	1	-	1

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

Particulars	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
	(-)	(-)	(-)	(-)	(-)
h) Profit on sale of fixed assets					
i) Reliance Home Finance Limited	5	-	-	-	5
	(-)	(-)	(-)	(-)	(-)
i) Processing fees					
i) Reliance Big Entertainment Private Limited	-	2	-	-	2
	(-)	(-)	(-)	(-)	(-)
i) Reliance Infratel Limited	-	1	-	-	1
	(-)	(-)	(-)	(-)	(-)
Expenditure					
a) Finance cost					
i) Reliance Securities Limited	1	-	-	-	1
	(4)	(-)	(-)	(-)	(4)
ii) Reliance Capital Asset Management Limited	36	-	-	-	36
	(54)	(-)	(-)	(-)	(54)
iii) Reliance Life Insurance Company Limited	-	-	8	-	8
	(-)	(-)	(9)	(-)	(9)
iv) Reliance General Insurance Company Limited	-	-	-	-	-
	(9)	(-)	(-)	(-)	(9)
b) Insurance					
i) Reliance General Insurance Company Limited	3	-	-	-	3
	(1)	(-)	(-)	(-)	(1)
ii) Reliance Life Insurance Company Limited * ` 46 97 875	-	-	*	-	*
	(-)	(-)	(1)	(-)	(1)
c) Rent					
i) Reliance General Insurance Co. Limited	1	-	-	-	1
	(-)	(-)	(-)	(-)	(-)
d) Brokerage paid during the year					
i) Reliance Securities Limited [* ` 32 49 443 (Previous year ** ` 17 38 384)]	*	-	-	-	*
	(**)	(-)	(-)	(-)	(**)
e) Expenses transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	1	-	-	-	1
	(2)	(-)	(-)	(-)	(2)
f) Reimbursement of Expenditure					
i) Reliance Land Private Limited (Previous year ** ` 31 04 530)	-	-	-	-	-
	(-)	(-)	(**)	(-)	(**)
ii) Reliance Home Finance Limited (Previous year ** ` 25 91 716)	-	-	-	-	-
	(**)	(-)	(-)	(-)	(**)
g) Provision / (Reversal) for diminution in value of investments					
i) Reliance Exchangenext Limited	-	-	-	-	-
	(50)	(-)	(-)	(-)	(50)
ii) Reliance Communications Limited	-	73	-	-	73
	(-)	(-77)	(-)	(-)	(-77)
iii) Reliance Money Precious Metals Private Limited	8	-	-	-	8
	(-)	(-)	(-)	(-)	(-)
h) Provision / (Reversal) for NPA, doubtful debts and balances written off					
i) Reliance Exchangenext Limited	-	-	-	-	-
	(-1)	(-)	(-)	(-)	(-1)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties					
i) Reliance Money Precious Metals Private Limited	-	-	-	-	-
	(12)	(-)	(-)	(-)	(12)
ii) Ammolite Holdings Limited	-	-	-	-	-
	(-)	(-)	(90)	(-)	(90)
iii) Reliance Big Entertainment Private Limited	-	50	-	-	50
	(-)	(100)	(-)	(-)	(100)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

Particulars	(` in crore)				
	Subsidiaries	Fellow Subsidiaries*	Associates	Partnership Firm	Total
Shares given as collateral					
a) Reliance Securities Limited	61 (9)	- (-)	- (-)	- (-)	61 (9)
Shares given as pledge					
a) Reliance Securities Limited	5 (-)	- (-)	- (-)	- (-)	5 (-)

Key Managerial Personnel

Name	(` in crore)				
	Shri V. R. Mohan	Shri Soumen Ghosh	Shri Amit Bapna	Mrs. Caroline Ghosh	Shri Vijay Singh Bapna
Employee benefit expenses	1 (1)	8 (-)	3 (-)	- (-)	- (-)
Loan & Advance balance	* (*)	1 (-)	- (-)	1 (-)	- (-)
*[` 4 06 551 (Previous year ` 4 20 951)]					
Interest Income	- (-)	* (-)	- (-)	** (-)	*** (-)
(* ` 12 69 472, ** ` 6 90 661, *** ` 5 40 423)					

Enterprise over which individual described in clause A(iii) above has control

	(` in crore)		
	Reliance Power Limited	Reliance CleanGen Limited	Jharkhand Integrated Power Limited
Investment balance as at March 31, 2015	3 (3)	- (-)	- (-)
Loan & Advance given during the year	- (-)	950 (530)	- (75)
Loan & Advance repaid during the year	- (-)	950 (530)	- (75)
Loan & Advance given balance as at March 31, 2015	- (-)	- (*)	- (-)
(* ` 45 96 993)			
Interest & Finance Income during the year	- (-)	20 (4)	- (*)
* ` 27 23 658			
Processing fees	- (-)	2 (-)	- (-)

ceased w.e.f March 27, 2015. Thereafter, with individual described in clause A (iii) above has control during the year

Notes :

- Figures in bracket indicate previous year figures.
- Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transaction.
- The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.
- In addition to the above Director Sitting Fees of ` 2 60 000 (Previous year ` 80 000) has been paid to Shri Anil D. Ambani, an individual having control.
- The Company has, during the previous year, sold part of its holding in unlisted equity shares of: Reliance Land Private Limited representing 45% stake (No. of shares 45 00 000, carrying value ` 4 crore) and Reliance Share & Stock Brokers Private Limited representing 45% stake (No. of shares 45 00 000, carrying value ` 4 crore).

Considering that these shares were sold to Company's wholly owned subsidiaries and do not impact the economic interests of the Company's shareholders, the consideration for the sale were fixed at a price equal to or slightly above their cost and not at their fair values (not ascertained) which are significantly higher.

14 Leases (Note 36 of Standalone Financial Statement)

The Company has given assets on Operating lease. Disclosure as per Accounting Standard (AS-19), on "Leases" notified by the Companies (Accounting Standards) Rules 2006:

Particulars	(` in crore)	
	2014-15	2013-14
Within one year of the balance sheet date	22	25
Due in a period between one year and five years	24	34
Due after five years (Previous year ` 1 79 739)	-	-

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(i) Liability side (` in crore)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
b) Deferred credits	-	-	-	-
c) Term loans	7 527	8 133	-	-
d) Inter-corporate loans and borrowing	-	450	-	-
e) Commercial paper	2 930	4 653	-	-
f) Other loans	-	-	-	-
i) Cash credit from banks	1	650	-	-

Particulars	Amount Outstanding	
	March 31, 2015	March 31, 2014
2) Break up of loans and advances including bills receivable other than those included in (3) below (Gross Amount)(Refer Note (b) below)		
a) Secured	12 460	13 540
b) Unsecured	7 856	4 691
Total	20 316	18 231

Notes:

- a) Housing loans / loans against property and construction finance granted are secured by equitable registered mortgage of property and / or undertaking to create a security and other loans and advances are secured by way of hypothecation and/or pledging of the underlying asset.
- b) In case of loans & advances given in para (2) above, Provision for NPA & Doubtful Debts is ` 103 crore (Previous year ` 57 crore)

(ii) Assets side

Particulars	Amount Outstanding	
	March 31, 2015	March 31, 2014
3) Break up of leased assets and stock on hire and other assets counting towards AFC activities: Lease assets including lease rentals under sundry debtors:		
1) Financial lease (net of depreciation and lease adjustment)	-	-
2) Operating lease (net of depreciation)	56	67
4) Break up of investments [(Amount net of provisions of ` 350 crore (Previous Year ` 412 crore)]		
a) Current investments (including current portion of long term investments)		
1) Quoted		
i) Shares		
a) Equity (stock-in trade)	-	-
b) Preference	-	-
ii) Units of mutual fund	6	283
2) Unquoted		
i) Others		
- Preference shares	632	-
- Debentures and Bonds	196	6
- Pass Through Certificates	25	43
- Reliance Capital Partners	135	135
b) Long term investments		
1) Quoted		
i) Shares		
a) Equity	350	693
b) Preference	-	-
ii) Debentures and bonds	-	-
iii) Government securities	-	-
2) Unquoted		
i) Shares		
a) Equity	7 892	7 798
b) Preference	1 652	2 896

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

Particulars	Amount Outstanding	
	March 31, 2015	March 31, 2014
ii) Debentures and bonds	1 004	1 147
iii) Units of Mutual fund	-	-
iv) GOI securities ` 45 000 (Previous year ` 45 000)	-	-
v) Others		
a) Pass Through Certificates & Security Receipts	32	9
b) Units of Private Equity/Seed Fund	202	200
c) Reliance Capital Partners	181	275
d) Investments in joint venture	68	85
Total	12 375	13 570

- 5) Borrower group-wise classification of assets financed as in (2) and (3) above:
 [(Amount net of provisions of ` 103 crore (Previous Year ` 57 crore)]

(` in crore)

Particulars	Secured		Unsecured		Total	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
a) Related parties						
1) Subsidiaries	-	-	91	33	91	33
2) Companies in the same group	-	328	1	95	1	423
3) Other related parties	80	187	569	651	649	838
b) Other than related parties	12 370	13 042	7 158	3 905	19 528	16 947
Total	12 450	13 557	7 819	4 684	20 269	18 241

- 6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted excluding stock in trade)
 [(Amount net of provisions of ` 350 crore (Previous Year ` 412 crore)]

(` in crore)

Particulars	Market value / Fair Value or NAV		Book Value (Net of provisions)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
a) Related parties				
1) Subsidiaries	2 636	2 688	2 636	2 688
2) Companies in the same group	4 825	5 388	4 825	5 388
3) Other related parties	831	1 412	855	1 296
b) Other than related parties	4 130	4 304	4 059	4 198
Total	12 422	13 792	12 375	13 570

- 7) Other information (` in crore)

Particulars	March 31, 2015	March 31, 2014
a) Gross Non Performing Assets		
1) Related Parties	36	36
2) Other than Related Parties	469	307
b) Net Non Performing Assets		
1) Related Parties	-	-
2) Other than Related Parties	347	256
c) Assets Acquired in satisfaction of Debt [Net of provision ` 17 crore (Previous year ` 10 crore)]	110	46

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

Notes :

- Companies in same group means companies under the same management as per section 370(1B) of the Companies Act, 1956.
- In case of unquoted investments, in the absence of market value book value has been considered.
- Capital contribution in Partnership Firm and unincorporated Joint venture have not been considered for the purpose of companies in the same group and other related party:
- Investments are classified between non-current and current investments (including current portion of long term investments) as required under Schedule III, of Companies Act, 2013.
- Gross Non Performing Assets and Net Non Performing Assets given above includes loans & advances and bonds & debentures.

18 Disclosure of details as required by para 9.6 of Reserve Bank of India Circular No RBI /2014-15/299 DNBS (PD) CC. No. 002/03.10.001/2014-15 November 10, 2014 to the extent applicable to the Company. (Note 40 of Standalone Financial Statement)

I. Financial sector regulators

Items	Type	Number reference
i. Securities and Exchange Board of India	Registration No.	IN-DP-48-2015
ii. Reserve Bank of India	Registration No.	B-13.01859
iii. Ministry of Finance	NA	NA
iv. Ministry of Corporate Affairs	Ministry of Corporate Affairs	L65910MH1986PLC165645
v. Insurance Regulatory Authority of India	NA	NA
vi. PFRDA	Registration Code For PoP	1309*

* 3 extensions for registration for Points of Presence (PoP) from PFRDA was granted till March 31, 2015

II. Ratings assigned by rating agencies

Rating agency	Borrowings type	Rating
i. Brickwork Ratings India Private Limited	Long term NCD of ` 5000 crore	BWR AAA
ii. Brickwork Ratings India Private Limited	Subordinated Tier II NCD ` 2000 crore	BWR AAA
iii. Credit Analysis & Research Limited	Long term debt ` 22000 crore	CARE AAA
iv. Credit Analysis & Research Limited	Subordinated Debt ` 2000 crore	CARE AA+
v. Credit Analysis & Research Limited	Principal Protected MLD ` 1000 crore	CARE PP-MLD AAA
vi. ICRA Limited	Short term debt ` 7500 crore	[ICRA] A1+
vii. Crisil Limited	Short term debt ` 7500 crore	CRISIL A1+

III. No penalties were levied upon the Company by any of the regulator.

IV. Other information

Items	March 31, 2015	March 31, 2014
i) Area, country of operation	India	India
ii) Joint venture partners with regard to Joint ventures and Overseas subsidiaries	None	None

V. Capital

Items	March 31, 2015	March 31, 2014
i) CRAR (%)	23.87	16.31
ii) CRAR - Tier I capital (%)	19.05	12.20
iii) CRAR - Tier II capital (%)	4.82	4.11
iv) Amount of subordinated debt raised as Tier-II capital	1 423	1 173
v) Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

(` in crore)

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

VI. Investments

	(` in crore)	
	March 31, 2015	March 31, 2014
1) Value of Investments		
i) Gross Value of Investments		
a) In India	12 656	13 913
b) Outside India	69	69
ii) Provisions for Depreciation		
a) In India	320	383
b) Outside India	30	29
iii) Net Value of Investments		
a) In India	12 336	13 500
b) Outside India	39	40
2) Movement of provisions held towards depreciation of investments		
i) Opening Balance	412	448
ii) Add: Provisions made during the year	164	88
iii) Less: Write-off / write-back of excess provisions during the year	226	124
iv) Closing balance	350	412

VII. The Company sells loans through securitisation and direct assignment. The information related to securitisation and assignment made by the Company during the year, as an originator is given below:

		(` in crore)			
Particulars		Securitisation Outside	Assignment Subsidiaries	Assignment Outside	Total
Total number of loan assets Securitised / Assigned	(Nos.)	-	-	21 766	21 766
		(8 708)	(-)	(24 082)	(32 790)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any)	(`)	-	-	3 536	3 536
		(880)	(-)	(1 409)	(2 289)
Sale consideration received for the Securitised / Assigned assets	(`)	-	-	3 358	3 358
		(880)	(-)	(1 409)	(2 289)
Net gain/(loss) on account of Securitisation / Assignment	(`)	-	-	(178)	(178)
		(-)	(-)	(-)	(-)
Outstanding Credit Enhancement (Funded) as at March 31, 2015	(`)	253	-	-	253
		(281)	(-)	(42)	(323)
Outstanding Liquidity Facility	(`)	-	-	-	-
		(-)	(-)	(-)	(-)
Net Outstanding Servicing Liability as at March 31, 2015	(`)	25	-	180	205
		(73)	(-)	(134)	(207)

Notes: Figures in bracket indicate previous year figures.

(a) Securitisation

		(` in crore)	
S. No.	Particulars	As at March 31, 2015	As at March 31, 2014
1	No of SPVs sponsored by the NBFC for Securitisation Transactions	10	12
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	833	1 508
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(` in crore)

S. No.	Particulars	As at March 31, 2015	As at March 31, 2014
	b) On-balance sheet exposures		
	• First loss	253	281
	• Others	-	3
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	200	101
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-

(b) Assignment

(` in crore)

S. No.	Particulars	As at March 31, 2015	As at March 31, 2014
1	No of Direct Assignments	39	26
2	Total amount of assigned assets as per books of the NBFC	3 542	1 735
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	-	-
	• Others	332	200
4	Amount of exposures to assignment transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own assignments		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party assignments		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own assignments		
	• First loss	-	42
	• Others	-	-
	ii) Exposure to third party assignments		
	• First loss	-	-
	• Others	-	-

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

(c) Non Performing Financials Assets purchased : (₹ in crore)

Particulars	March 31, 2015	March 31, 2014
i) No. of accounts purchased during the year	1 313	-
ii) Aggregate outstanding	67	-
(a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

(d) Non Performing Financials Assets sold : (₹ in crore)

Particulars	March 31, 2015	March 31, 2014
i) No. of accounts sold during the year	-	-
ii) Aggregate outstanding	-	-
iii) Aggregate consideration receive	-	-

(e) The Company invests in Pass Through Certificates (PTCs) and purchases loans through the direct assignment route. In some of the securitisation transactions, the Company also has invested in the assets securitised by it, which, however, is restricted to the maximum limit prescribed by RBI from time to time.

(f) During the year, Company has entered into two agreement for assignment of receivables. As per deeds of assignment, the Company has agreed to purchase the receivables and other rights for a consideration of ₹ 100 crore. The said receivables are included in loans given.

(g) Business Transfer Agreement

In terms of Business Transfer Agreement (BTA) dated April 26, 2010 further amended on January 31, 2011 with its subsidiary company i.e. Reliance Home Finance Limited the Company hold loan assets of ₹ 5 crore (Previous year ₹ 8 crore) related to Reliance Home Finance Limited in the trust capacity as on March 31, 2015.

VIII. Maturity pattern of asset and liabilities (At Book Values) (₹ in crore)

Particulars	1 day to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from bank	170 (150)	200 (-)	1 020 (1 102)	590 (635)	1 360 (2 029)	2 777 (4 037)	1 409 (831)	3 (-)	7 529 (8 783)
Market Borrowings	68 (1 366)	1 671 (2 141)	1 043 (1 239)	498 (587)	1 032 (1 063)	3 174 (1 887)	1 259 (1 274)	5 479 (4 619)	14 224 (14 176)
Assets									
Loans / Advances / Security Deposits	2 685 (577)	762 (625)	237 (367)	1 625 (1 632)	3 382 (2 716)	7 330 (7 905)	1 597 (1 899)	2 630 (2 499)	20 248 (18 220)
Investments	486 (985)	510 (9)	3 (12)	161 (8)	160 (145)	185 (654)	801 (649)	9 790 (11 108)	12 375 (13 570)

Notes:

(a) All quoted investments have been included in 1 day to 30/31 days (one month) bucket considering its liquidity. All unquoted equity shares / warrants including investment in subsidiaries have been included in 'Over 5 years'. The maturity pattern has been prepared in line with various regulations issued by RBI from time to time, best practices & based upon best estimate of the management with regard to the timing of various cashflows.

(b) The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of Schedule III to the Companies Act, 2013. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the Assets-Liability Committee / management with regard to the timing of various cash flows, which has been relied upon by the auditors.

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

IX. Exposures

(a) Exposure to Real Estate (` in crore)

Category	2014-15	2013-14
a) Direct Exposure		
i) Residential Mortgage	51	69
ii) Commercial Real Estate	1 464	1 022
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures		
Residential	-	-
Commercial	-	-
b) Indirect Exposure		
Fund Based and Non Fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	342	333

(b) Exposure to Capital Market (` in crore)

Category	2014-15	2013-14
i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	487	322
ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	94	106
iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	840	1 059
v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	736	105
vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) bridge loans to companies against expected equity flows / issues;	-	-
viii) all exposures to Venture Capital Funds (both registered and unregistered)	200	200
Total Exposure to Capital Market	2 357	1 793

Note :

- i) For the exposure to real estate only loans secured by way of mortgage/hypothecation of housing properties, commercial properties and land are considered.
- ii) In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.
- iii) For the exposure to capital market Company has followed capital market exposure as defined under RBI regulations.

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

X. Concentration of Advances (₹ in crore)

Particulars	2014-15
Total Advances to twenty largest borrowers (Net)	10 212
Percentage of Advances to twenty largest borrowers to Total Advances (Net) of the Company	50.38%

XI. Concentration of Exposures (₹ in crore)

Particulars	2014-15
Total Exposure to twenty largest borrowers (Net)	12 305
Percentage of Exposures to twenty largest borrowers to Total Exposure (Net) of the Company	35.38%

XII. Concentration of NPAs (₹ in crore)

Particulars	2014-15
Total Exposure to top four NPA accounts	124

XIII. Sector-wise NPAs (₹ in crore)

S. No	Particulars	Percentage of NPAs to total advances in that sector
1	Agriculture & allied activities	-
2	MSME	3.58
3	Corporate borrowers	1.18
4	Services	0.53
5	Unsecured personal loans	-
6	Auto loans	7.53
7	Other personal loans	5.49

XIV. Movement of NPAs (including debentures and bonds) (₹ in crore)

Particulars	March 31, 2015	March 31, 2014
i) Net NPAs to Net Advances (%)	1.62%	1.31%
ii) Movement of NPAs(Gross)		
(a) Opening Balance	343	364
(b) Additions during the year	307	192
(c) Reductions during the year	145	213
(d) Closing balance	505	343
iii) Movement of Net NPAs		
(a) Opening Balance	256	238
(b) Additions during the year	225	172
(c) Reductions during the year	134	154
(d) Closing balance	347	256
iv) Movement of provisions for NPAs		
(a) Opening Balance	87	126
(b) Provisions made during the year	82	20
(c) Write-off / write-back of excess provisions	11	59
(d) Closing balance	158	87

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

XV. Break up of 'Provisions and Contingencies' shown under the head Expenditure in statement of Profit and Loss

(` in crore)

Particulars	March 31, 2015	March 31, 2014
(a) Provisions for depreciation / (appreciation) on Investment / written off	(55)	(23)
(b) Provision /(reversal) towards NPA & doubtful debts	49	(25)
(c) Provision made towards Income tax	99	50
(d) Provision for Standard Assets	7	4

XVI. The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards there are no foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

XVII. Customer Complaints (as certified by the Management)

(` in crore)

Particulars	March 31, 2015
(a) No. of complaints pending at the beginning of the year	51
(b) No. of complaints received during the year	1 111
(c) No. of complaints redressed during the year	1 128
(d) No. of complaints pending at the end of the year	34

XVIII. Details of financing of parent company products

There are no parent company products which are financed.

XIX. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

There are no Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company.

Moreover as per prudential norms ceiling on the investment in shares of another company shall not be applicable to a non-banking financial company in respect of investment in the equity capital of an insurance company up to the extent specifically permitted, in writing, by the Reserve Bank of India. The Company has made an application to RBI for its investments in insurance companies.

XX. Unsecured Advances

There are no unsecured advances against intangible assets.

XXI. Policy on dealing with Related Party Transactions

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the link http://www.reliancecapital.co.in/pdf/Policy_for_Related_Party_Transaction.pdf.

XXII. Remuneration of Directors

Director sitting fees ` 36 78 772 and Commission ` 45 00 000

XXIII. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There are no overseas assets other than those disclosed in investments.

XXIV. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

There are no Off-balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.

19 Disclosure of details as required by para 18-21 of the Systematically Important Non-Banking Financial (Non Accepting or Holding) Companies Prudential Norms (Reserve Bank) directions, 2015 (Note 41 of Standalone Financial Statement)

(` in crore)

Particulars	2014-15	2013-14
% of Loans against security of Gold Jewellery to total Assets	-	0.02%
Number of auctions	7	29
Number of loan accounts	44	57
Outstanding amounts	1	1
Value Fetched	1	2
Whether any of the sister concerns participated	No	No

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

20 Disclosure of details of Restructure accounts as required by Para 9 of the RBI Guidelines on Restructuring of Advances vide DNBS.Co.PD.No.367 /03.10.01/ 2013-14 dated January 23, 2014. (Note 42 of Standalone Financial Statement)

(in crore)

Sr. No.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total				
		Standard	Sub Standard	Doubt-ful	Loss	Standard	Sub Standard	Doubt-ful	Loss	Standard	Sub Standard	Doubt-ful	Loss	Standard	Sub Standard	Doubt-ful	Loss	Total
1	Restructured Accounts as on April 1 of the FY 2014-15																	
	No. of borrowers	2	1	-	-	3	-	-	-	-	-	-	-	-	2	1	-	3
	Amount outstanding	29	7	-	-	36	-	-	-	-	-	-	-	29	7	-	36	
	Provision thereon *(^{715.329})	*	1	-	-	1	-	-	-	-	-	-	-	*	1	-	1	
2	Fresh restructuring during the year																	
	No. of borrowers	-	-	-	-	-	-	-	-	1	-	-	-	1	-	-	-	1
	Amount outstanding	-	-	-	-	-	-	-	-	49	-	-	-	49	-	-	-	49
	Provision thereon	-	-	-	-	-	-	-	-	2	-	-	-	2	-	-	-	2
3	Upgradations to restructured standard category																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	2	-	-	-	2	-	-	-	-	-	-	-	2	-	-	-	2
	Provision thereon *(^{60.567})	*	-	-	-	*	-	-	-	-	-	-	-	*	-	-	-	*
5	Downgradations of restructured accounts during the FY																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY																	
	No. of borrowers	-	1	-	-	1	-	-	-	-	-	-	-	-	-	1	-	1
	Amount outstanding	-	7	-	-	7	-	-	-	-	-	-	-	-	7	-	7	
	Provision thereon	-	1	-	-	1	-	-	-	-	-	-	-	-	1	-	1	
7	Restructured Accounts as on March 31 of the FY 2015-16																	
	No. of borrowers	2	-	-	-	2	-	-	-	1	-	-	-	1	3	-	-	3
	Amount outstanding	26	-	-	-	26	-	-	-	49	-	-	-	49	75	-	-	75
	Provision thereon *(^{654.761})	*	-	-	-	*	-	-	-	2	-	-	-	2	2	-	-	2

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

21 Contingent Liabilities and Commitments (As Certified by the Management) (Note 43 of Standalone Financial Statement)

(` in crore)

Particulars	March 31, 2015	March 31, 2014
a Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions on behalf of third parties	2 138	2 416
ii) Claims against the Company not acknowledge as debt	4	12
b Commitments		
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)	52	85
ii) Undrawn Committed Credit lines	451	678
iii) Uncalled amount of Investments	8	7

The Company has a process of reviewing all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements.

22 Expenditure in foreign currency (Note 44 of Standalone Financial Statement)

(` in crore)

Particulars	2014-15	2013-14
i) Travelling Expenses [` 10 16 462 (Previous year ` 10 35 068)]	-	-
ii) Legal & Professional Fees	1	-
iii) Sales & marketing (` 34 40 398)	-	1
iv) Software Maintenance and others	1	1
Total	2	2

23 Value of Imports on CIF basis (Note 45 of Standalone Financial Statement)

(` in crore)

Particulars	2014-15	2013-14
i) Capital Goods [` Nil (Previous year ` 38 05 522)]	-	-
Total	-	-

24 Outstanding Future & Option as on March 31, 2015 (Note 46 of Standalone Financial Statement)

Name of Option	No. of contracts	Units	
		Long	Short
Call option	1 502 (4 711)	75 100 (1 19 350)	- (1 16 200)
Put option	29 078 (33 949)	- (-)	14 53 900 (16 97 450)
Futures	1 12 463 (2 977)	53 94 575 (1 48 825)	2 28 575 (-)

Figures in bracket indicate previous year figures.

25 Depreciation (Note 47 of Standalone Financial Statement)

The Company has revised its policy of providing depreciation on fixed assets pursuant to and in line with the requirements of Part C of Schedule II of the Companies Act, 2013 with effect from April 01, 2014. Depreciation is now provided on a straight line basis for all assets as against the policy of providing on written down value basis for some assets and straight line basis for others. As a result of these changes, the depreciation charge for the year ended March 31, 2015 is lesser by ` 2 crore and the effect relating to the period prior to April 01, 2014 is net credit of ` 4 crore which has been clubbed with current period 'Depreciation' in the statement of profit and loss.

Had the Company continued to use the earlier method of depreciation, the profit before tax for the current year would have been lower by ` 6 crore.

Notes to the Abridged Standalone Financial Statement as at March 31, 2015

26 Corporate Social Expenditures (Note 48 of Standalone Financial Statement)

As per Section 135 of the Companies Act, 2013 the Company is under obligation to incur Corporate Social Expenditures (CSR) amounting to ₹ 12 crore, being 2% of the average net profit during the three immediately preceding financial years towards CSR, calculated in the manner as stated in the Act. Accordingly during the year, the Company has made a contribution of ₹ 12 crore by contributing for Rural outreach initiative to provide cancer care to the communities of interior parts of Maharashtra.

27 Remittance in foreign currency on account of dividend (Note 49 of Standalone Financial Statement)

The Company has paid dividend in respect of shares held by non residents on repatriation basis. This, inter-alia includes portfolio investment, where the amount is also credited to Non Resident External Account (NRE A/c). The total amount remittable in this respect is specified below.

Particulars	2014-15	2013-14
Dividend		
a) Number of Non Resident Shareholders	501	529
b) Number of Equity shares held by them	29 199	30 551
c) i) Amount of Dividend paid (gross) (amount in ₹)	2 48 192	2 44 408
ii) Year to which Dividend relates	2013-14	2012-13

28 In the opinion of management, all the assets other than fixed assets and non current investments are approximately of the value stated if realised in the ordinary course of business. **(Note 50 of Standalone Financial Statement)**

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 29, 2015

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 29, 2015

Anil D. Ambani
Amitabh Jhunjunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bapna
V. R. Mohan

Reliance Capital Limited

Independent Auditors' Report on the Abridged Consolidated Financial Statement

To,

The Members,

Reliance Capital Limited

Report on the abridged consolidated financial statements

The accompanying abridged consolidated financial statements, which comprise the abridged consolidated balance sheet as at March 31, 2015, the abridged consolidated statement of profit & loss, and abridged consolidated cash flow statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Reliance Capital Limited ('the Holding Company') and its subsidiaries and partnership firm (the holding company and its subsidiaries and partnership firm together referred to as "the Group") and its associates for the year ended March 31, 2015. Our opinion dated May 29, 2015 on those consolidated financial statements contains, without being qualified, matter of emphasis and other matters.

The abridged consolidated financial statements do not contain all the disclosures required by the accounting standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 applied in the preparation of the audited consolidated financial statements of the Group and its associates. Reading the abridged consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Group and its associates..

Management's responsibility for abridged consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation of a abridged consolidated financial statements in accordance with first proviso to sub-section (1) of section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 which are derived from the audited consolidated financial statements of the Group and its associates for the year ended March 31, 2015, prepared in accordance with Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India.

Auditors' responsibility

Our responsibility is to express an opinion on the abridged consolidated financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged consolidated financial statements prepared in accordance with first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 are derived from the audited consolidated financial statements of the Company for the year ended March 31, 2015 and are a fair summary of those consolidated financial statements.

Emphasis of matter

We draw attention to Note No. 13 (a) to the abridged consolidated financial statements of the Group and its associates relating to Quant Capital Private Limited ('QCPL') a subsidiary of the Holding Company, has initiated the process of registering itself as a Core Investment Company ('CIC') as defined under the Guidelines issued by the Reserve Bank of India vide its circular RBI/2010-11/360 DNBS (PD) CC. No.206/03.10.001/2010-11 dated January 5, 2011. Our opinion is not modified in this regard.

Other matters

1. The auditors of Reliance General Insurance Company Limited ('RGIC') a subsidiary of the Holding Company, have reported that actuarial valuation of liabilities with respect to claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) as on March 31, 2015 is the responsibility of the RGIC's appointed actuary ("the Appointed Actuary"). The appointed actuary has certified to the RGIC that the assumptions for such valuations are in accordance with the guidelines and norms issued by the Insurance Regulatory & Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with the IRDAI. The independent auditors of the RGIC have relied on the RGIC's Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of the RGIC.
2. The auditors of Reliance Life Insurance Company Limited ('RLIC') an associate of the Holding Company, have reported that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of RLIC's Appointed Actuary ("the Appointed Actuary"). The actuarial valuation of these liabilities as at March 31, 2015 has been duly certified by the Appointed Actuary of RLIC and in his opinion, the assumptions for such valuation are in accordance with the generally accepted actuarial principles and practices requirements of the Insurance Act, regulations notified by the Insurance Regulatory & Development Authority of India ('IRDAI') and Actuarial Practice Standards issued by the Institute of Actuaries of India in concurrence with the IRDAI. The independent auditors of RLIC have relied upon the appointed actuary's certificate in this regard for forming their opinion on the financial statements of RLIC.
3. We did not audit the financial statements / financial information of fifteen subsidiaries and a partnership firm, whose financial statements / financial information reflect total assets of ` 6,694 crore as at March 31, 2015, total revenues of ` 3,596 crore and net cash inflows amounting to ` 23 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ` 4 crore for the year ended March 31, 2015, in respect of one associate, whose financial statements/ financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been

Independent Auditors' Report on the Abridged Consolidated Financial Statement

furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, partnership firm and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, partnership firm and associate, is based solely on the reports of the other auditors.

4. The financial statements / financial information of eleven subsidiaries whose financial statements / financial information reflect total assets of ` 7,806 crore as at March 31, 2015, total revenues of ` 1,627 crore and net cash inflows amounting to ` 108 crore for the year ended on that date, have been audited by one of the joint auditors, which have been considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ` 65 crore for the year ended March 31, 2015, in respect of one associate, whose financial statements / financial information have been audited by one of the joint auditors, along with another joint auditor. These financial statements / financial information have been audited by one of the joint auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associate, is based solely on these reports.

5. The consolidated financial statements also include the Group's share of net profit of ` 11 crore for the year ended March 31, 2015, in respect of two associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion is not modified in respect of other matters

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 29, 2015

Mumbai
May 29, 2015

Reliance Capital Limited

Independent Auditors' Report on the Consolidated Financial Statement

**To,
The Members
Reliance Capital Limited
Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Reliance Capital Limited ("the Holding Company") and its subsidiaries and partnership firm (the Holding Company and its subsidiaries and partnership firm collectively referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies and partners of the firm included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial

statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors / one of the joint auditors in terms of their reports referred to in sub-paragraph (3) & (4) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2015 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 36(a) to the consolidated financial statements of the Group and its associates relating to Quant Capital Private Limited ('QCPL') a subsidiary of the Holding Company, has initiated the process of registering itself as a Core Investment Company ('CIC') as defined under the Guidelines issued by the Reserve Bank of India vide its circular RBI/2010-11/360 DNBS (PD) CC. No. 206/03.10.001/2010-11 dated January 5, 2011. Our opinion is not modified in this regard.

Other Matters

1. The auditors of Reliance General Insurance Company Limited ('RGIC') a subsidiary of the Holding Company, have reported that actuarial valuation of liabilities with respect to claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) as on March 31, 2015 is the responsibility of the RGIC's appointed actuary ("the Appointed Actuary"). The appointed actuary has certified to the RGIC that the assumptions for such valuations are in accordance with the guidelines and norms issued by the Insurance Regulatory & Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with the IRDAI. The independent auditors of the RGIC have relied on the RGIC's Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of the RGIC.
2. The auditors of Reliance Life Insurance Company Limited ('RLIC') an associate of the Holding Company, have reported that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of RLIC's Appointed Actuary ("the Appointed Actuary"). The actuarial valuation of these liabilities as at March 31, 2015 has been duly certified by the Appointed Actuary of RLIC and in his opinion, the assumptions for such valuation are in accordance with the generally accepted actuarial principles and practices requirements of the Insurance Act, regulations notified

Independent Auditors' Report on the Consolidated Financial Statement

by the Insurance Regulatory & Development Authority of India ('IRDAI') and Actuarial Practice Standards issued by the Institute of Actuaries of India in concurrence with the IRDAI. The independent auditors of RLIC have relied upon the appointed actuary's certificate in this regard for forming their opinion on the financial statements of RLIC.

3. We did not audit the financial statements / financial information of fifteen subsidiaries and a partnership firm, whose financial statements / financial information reflect total assets of ` 6,694 crore as at March 31, 2015, total revenues of ` 3,596 crore and net cash inflows amounting to ` 23 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ` 4 crore for the year ended March 31, 2015, in respect of one associate, whose financial statements/ financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, partnership firm and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, partnership firm and associate, is based solely on the reports of the other auditors.
4. The financial statements / financial information of eleven subsidiaries whose financial statements / financial information reflect total assets of ` 7,806 crore as at March 31, 2015, total revenues of ` 1,627 crore and net cash inflows amounting to ` 108 crore for the year ended on that date, have been audited by one of the joint auditors, which have been considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ` 65 crore for the year ended March 31, 2015, in respect of one associate, whose financial statements/ financial information have been audited by one of the joint auditors, along with another joint auditor. These financial statements/ financial information have been audited by one of the joint auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries and associate, is based solely on these reports.
5. The consolidated financial statements also include the Group's share of net profit of ` 11 crore for the year ended March 31, 2015, in respect of two associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory requirements below, is not modified in respect of other matters with respect to our reliance on the work done and the reports of the other auditors/one of the joint auditors and the financial statements and financial information certified by the management.

Report on Other Legal and Regulatory Requirements

6. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the independent auditors' report of the Holding Company, subsidiary companies, associate companies incorporated in India excluding Reliance General Insurance Company Limited, a subsidiary, Reliance Life Insurance Company Limited, an associate and Reliance Capital Partners, a firm, to which said Order does not apply and on the basis of such checks of the books and records of the Holding Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
7. As required by Section 143(3) of the Act, we report, to that extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law related to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other independent auditors;
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associates companies incorporated in India, made available to us by the management, none of the directors of the Group companies and its associate companies incorporated in India, is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of the other auditors on financial statements of subsidiaries and associates as furnished by the management:

Reliance Capital Limited

Independent Auditors' Report on the Consolidated Financial Statement

- | | |
|---|--|
| <p>i) The consolidated financial statements disclose the impact of pending litigations as at March 31, 2015 on the consolidated financial position of the Group and its associates companies – Refer Note No. 45 to the consolidated financial statements;</p> | <p>There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and associate companies incorporated in India during the year ended March 31, 2015.</p> |
| <p>ii) The Group and its associates have made adequate provision in the consolidated financial statements for the year ended March 31, 2015, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts – Refer Note No. 49 to the consolidated financial statements and;</p> | <p>For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W</p> <p>For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W/
W-100022</p> |
| <p>iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2015.</p> | <p>Vijay Napawaliya
Partner
Membership No: 109859</p> <p>Akeel Master
Partner
Membership No: 046768</p> |
| | <p>Mumbai
May 29, 2015</p> <p>Mumbai
May 29, 2015</p> |

Annexure to the Independent Auditors' Report on the Consolidated Financial Statement

(Referred to in our report of even date)

Our Reporting on the matters specified in para 3 & 4 of the Companies (Auditor's Report) Order, 2015 ("the Order") on the consolidated financial statements, includes holding company, its subsidiary companies and its associate companies, incorporated in India, to which Order is applicable excluding Reliance General Insurance Company Limited, a subsidiary, Reliance Life Insurance Company Limited, an associate and Reliance Capital Partners, a firm to which said Order does not apply. Further, this subsidiaries companies and associate company have been audited by other auditors or one of the joint auditors (collectively referred to 'other auditors') and our report in respect to these entities is based solely on the reports of the other auditors, to the extent applicable for reporting under the Order.

In respect of an associate company incorporated in India, which have been included in the consolidated financial statements is based on unaudited financial statements, which was provided to us by management hence, no report under Order is available, and accordingly, the possible effects of the same on our reporting under the Order has not been considered.

- (i) In respect of the fixed assets of the holding company, its subsidiary companies and a associate company incorporated in India:
- a. According to the information and explanation given to us and based on the auditor's report of the other auditors, the respective entities have maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
 - b. According to the information and explanation given to us and based on the auditor's report of the other auditors, the fixed assets were physically verified during the year by management of the respective entities except in case of a subsidiary company, in accordance with a phased periodical programme of verification which, in our opinion and the opinion of the other auditors, is reasonable. According to the information and explanation given to us and based on the auditor's report of other auditors, no material discrepancies were noticed on such verification.
Further, four subsidiary companies and a associate company, incorporated in India, does not have any fixed assets, accordingly paragraph 3 (i) of the Order is not applicable to these entities.
- (ii) In respect of the Inventories of eight subsidiary companies incorporated in India:
- a. According to the information and explanation given to us and based on the auditor's report of the other auditors, the inventories were physically verified during the year by management of the respective entities at reasonable intervals.
 - b. In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, the procedures of physical verification of inventories followed by management of the respective entities were reasonable and adequate in relation to the size of their respective entities and the nature of their business.
 - c. In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
Further, holding company and its fourteen subsidiary companies and a associate company do not have any inventories thus, paragraph 3 (ii) of the Order is not applicable to these entities.
- (iii) According to the information and explanation given to us and based on the auditor's report of the other auditors, during the year the holding company and its subsidiary companies and associate companies incorporated in India, have not granted any loans, secured/unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Therefore, paragraph 3(iii) of the said Order is not applicable.
- (iv) In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, there is adequate internal control system commensurate with the size of the holding company, its subsidiary companies and associate companies incorporated in India, and the nature of their business, for purchase of inventories and fixed assets and for sale of goods and services. During the course of our audit and based on auditor's report of the other auditors, no continuing failure to correct major weaknesses in such internal control system has been observed.
- (v) In our opinion and according to the information and explanations given to us, the holding company is a Systemically Important Non-deposit taking Non-Banking

Annexure to the Independent Auditors' Report on the Consolidated Financial Statement

Financial Company, therefore paragraph 3 (v) of the Order is not applicable to the holding company. In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, the subsidiary companies and associate companies, incorporated in India have not accepted any deposit from the public and hence directives issued by the Reserve Bank of India/National Housing Bank and the provisions of Sections 73 to 76 and any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to these entities. According to the information and explanations given to us and the other auditor, during the year under audit no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of any of the entities.

- (vi) In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, the Central Government has not specified for maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of activities carried on by the holding company, its subsidiary companies and associate companies incorporated in India. Hence the provisions of clause 3 (vi) of the Order is not applicable.
- (vii) According to the information and explanation given to us and based on the auditor's report of the other auditors in respect of statutory dues of the holding company, its subsidiary companies and associate companies incorporated in India:
 - a) The respective entities have generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, except in case of professional tax, in which there were few delays in payment of the said dues by the holding company and a subsidiary company. Further, there are no undisputed amounts payable outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
 - b) There are no dues of income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess, which have not been deposited on account of any dispute, except for sales tax under Gujarat Sales Tax Act, 1969 of ` 4,75,916 for the period 2001-02 which is pending before the Gujarat Sales Tax Tribunal, Ahmedabad and sales tax under Madhya Pradesh General Sales Tax Act, 1958 of ` 4,30,472 for the period 1996-97 which is pending before Appellate Deputy Commissioner of the Commercial Tax, Indore Division - I relating to holding company. In case of a subsidiary company, in respect of stamp duty payable to Tamil Nadu Government of ` 11,41,79,859, Income Tax of ` 1,17,475 for the Assessment Year 2009-10 and ` 41,00,935 for the Assessment Year 2010-11, which are pending before the Commissioner of Income Tax (Appeals), Mumbai and Service Tax of ` 61,800 for the year 2010-11 which is pending before the Commissioner of Central Excise (Appeals), Mumbai.
 - c) The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder by the

holding company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and associate companies.

- (viii) The holding company, sixteen subsidiary companies and a associate company incorporated in India do not have accumulated losses at the end of the financial year and have not incurred cash losses, during the financial year covered by our audit and in the immediately preceding financial year. However, in case of six subsidiary companies accumulated losses have exceeded fifty percent of their net worth and they have incurred cash losses, during the financial year covered by our audit and in the immediately preceding financial year. The Group and its associate company incorporated in India do not have consolidated accumulated losses at the end of the financial year and have not incurred cash losses on consolidated basis, during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, the holding company and subsidiary companies incorporated in India have not defaulted in the repayment of dues to financial institutions, banks and debenture holders as at Balance Sheet Date.
- (x) In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, the terms and conditions of the guarantees given by the holding company and a subsidiary company incorporated in India for loans taken by others from banks and financial institutions are not, prima facie, prejudicial to the interests of the Group and its associates companies.
- (xi) In our opinion and according to the information and explanation given to us and based on the auditor's report of the other auditors, the term loans have been applied by the holding company and its subsidiary companies, incorporated in India, during the year for the purposes for which they were obtained, except loans amounting to ` 350 crore have been taken towards the year end which was lying in bank account at the year end and was subsequently utilized for the purpose for which loans have been taken.
- (xii) According to the information and explanations given to us and based on the reports of the other auditors, we/the other auditors have neither come across any instance of material fraud on or by the holding company, its subsidiaries companies and associate companies, Incorporated in India, nor have we/the other auditors been informed of any such case by the respective Managements of the aforesaid holding company, its subsidiaries companies and associate companies.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 29, 2015

Mumbai
May 29, 2015

Reliance Capital Limited

Abridged Consolidated Balance Sheet as at March 31, 2015

(Statement containing the salient features of Consolidated Balance Sheet as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(` in crore)	
	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Paid-up share capital - equity	253	244
(b) Reserves and surplus		
(i) Capital reserves	172	172
(ii) Capital redemption reserve	54	50
(iii) Securities premium account	3 960	3 532
(iv) General reserve	5 584	5 507
(v) Statutory reserve fund	1 406	1 255
(vi) Special reserve	42	28
(vii) Foreign currency translation reserve	20	25
(viii) Settlement guarantee fund	-	-
[` 4 65 000 (Previous year ` 4 65 000)]		
(ix) Surplus in statement of profit & loss	<u>1 833</u>	<u>1 578</u>
	13 324	12 391
	669	544
Minority interest		
Non-current liabilities		
(a) Long-term borrowings	16 697	14 178
(b) Other long-term liabilities	129	83
(c) Long-Term provisions	<u>66</u>	<u>57</u>
	16 892	14 318
Current liabilities		
(a) Short-term borrowings	4 792	7 134
(b) Trade payables	491	454
(c) Other current liabilities	9 900	9 437
(d) Short-term provisions	<u>1 372</u>	<u>1 250</u>
	16 555	18 275
	47 440	45 528
TOTAL ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets (Original Cost Less Depreciation)	250	193
(ii) Intangible assets (Original Cost Less Depreciation)	280	289
(iii) Intangible assets under development	<u>2</u>	<u>1</u>
	532	483
(b) Non-current investments		
(i) Quoted	2 490	2 504
(ii) Unquoted	10 923	11 633
(c) Deferred tax assets(net) (Refer Note No. 5)	35	29
(d) Long-term loans and advances	16 596	15 631
(e) Other Non-Current Assets	<u>1 461</u>	<u>1 887</u>
	32 037	32 167
Current assets		
(a) Current investments		
(i) Quoted	635	1 256
(ii) Unquoted	1 833	764
(b) Inventories	119	164
(c) Trade receivables	352	932
(d) Cash & bank balances (Refer Note No. 6)	1 624	2 663
(e) Short-term loans and advances	10 194	6 831
(f) Other current assets	<u>646</u>	<u>751</u>
	15 403	13 361
	47 440	45 528

i. See accompanying notes to the abridged consolidated financial statements

ii. Compiled from the Audited Consolidated Financial Statements of the Company referred to in our report dated May 29, 2015.

iii. Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board
Chairman
Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bapna
V. R. Mohan

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 29, 2015

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 29, 2015

Reliance Capital Limited

Abridged Consolidated Statement of Profit and Loss for the year ended March 31, 2015

(Statement containing the salient features of Consolidated Statement of Profit and Loss as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

(` in crore)

	2014-15	2013-14
I Income		
Revenue from operations		
(a) Interest & finance income	3 885	3 681
(b) Premium & commission earned	2 750	2 437
(c) Other financial services	2 152	1 337
	8 787	7 455
II Other income	74	89
III Total Income (I+II)	8861	7 544
IV Expenditure		
(a) Employee benefits expense	693	599
(b) Finance costs	2 642	2 501
(c) Depreciation and amortisation expense	68	61
(d) Claims incurred (Net)	1 804	1 604
(e) Auditors' remuneration (Refer Note No. 19)	4	3
(f) Premium paid on reinsurance ceded	845	579
(g) Amortised DSA commission	45	44
(h) Provision for NPA, doubtful debts and balances written off	334	115
(i) Provision for diminution in value of investments and written off	(71)	(21)
(j) Reserve for Unexpired Risk	(10)	121
(k) Other expenses	1 276	1 091
Total expenditure (a to k)	7 630	6 697
V Profit before tax (III-IV)	1 231	847
VI Tax expense		
Current Tax	242	157
Income tax for earlier years	(10)	1
Deferred Tax (Refer Note No. 5)	(8)	6
	224	164
VII Profit after tax for the year (V-VI)	1 007	683
VIII Share of minority shareholders	130	97
IX Share of profit in associates	79	163
X Profit/(loss) on sale of subsidiary (Refer Note No. 7)	45	(2)
XI Net profit after tax (VII-VIII+IX+X)	1 001	747
XII Earnings per equity share face value of ` 10 each fully paid up (Refer Note No. 21)		
Basic (`)	40.69	30.38
Diluted (`)	40.69	30.38

- See accompanying notes to the abridged consolidated financial statements
- Compiled from the Audited Consolidated Financial Statements of the Company referred to in our report dated May 29, 2015
- Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board
Chairman
Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bapna
V. R. Mohan

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 29, 2015

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 29, 2015

Reliance Capital Limited

Abridged Consolidated Cash Flow Statement for the year ended March 31, 2015

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(₹ in crore)	
	2014-15	2013-14
A. Net Cash generated from / (used in) operating activities	(2 978)	1 471
B. Net Cash generated from / (used in) investing activities	2 144	(214)
C. Net Cash generated from / (used in) financing activities	(35)	(276)
Net increase / (decrease) in Cash and Cash Equivalents (A + B + C)	(869)	981
Cash and cash equivalents at beginning of year	2 094	1 112
Add: On amalgamation	-	1
Cash and cash equivalents at end of year	1 225	2 094

Notes:

- The previous year's figures have been regrouped and reclassified wherever necessary.
- Cash and cash equivalents include cash on hand, cheques on hand and bank balances.

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board
Chairman
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Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 29, 2015

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

1. Background

Reliance Capital Limited ('the Holding Company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company along with the group is broadly engaged in lending, investing activities, asset management, insurance and broking business.

2. Significant Accounting Policies

a Principles of Consolidation

The consolidated financial statements relate to Reliance Capital Limited ('Holding Company'), its subsidiaries including partnership firm and its associates (collectively referred to as "Group"). The consolidated financial statements have been prepared on the following basis:

- i) The Standalone financial statements of the Holding Company and its subsidiaries including partnership firm have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.
- ii) The consolidated financial statements have been prepared using uniform accounting policies for transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's stand-alone financial statements.
- iii) The difference between the costs of investment in the subsidiaries over the net assets as on the date of acquisition is recognised in the Consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- iv) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statements of profit and loss as the profit or loss on disposal of investment in subsidiary as the case may be.
- v) Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- vi) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- vii) The Standalone financial statements of the Holding Company and its associates have been combined on the basis of equity method, whereby the investment is initially recorded at cost, identifying any goodwill / capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for post acquisition change in the Holding Company's share of net assets of the associate. Unrealised profits and losses resulting from transactions between the Holding Company and the associates are eliminated to the extent of the Company's interest in the associate. Unrealised losses are not eliminated if and to the extent the cost of the transferred asset cannot be recovered. The consolidated statement of profit and loss reflects the Holding Company's share of operations of the associate.
- viii) In case of foreign subsidiaries and companies controlled by the Holding Company, in translating the financial statement of non integral foreign subsidiaries for consolidation the following procedures have been followed:
 - a) The assets and liabilities both monetary and non monetary, of the non integral foreign operations are translated at the closing rate;
 - b) Income and expenses items of the non integral foreign operations are translated at the average rate;
 - c) All resulting exchange differences (if any) are accumulated in foreign currency translation reserve.

b Basis of Preparation of Consolidated Financial Statements

The consolidated financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (The Act), read with Rule 7 of the Companies (Accounting Standards) Rules 2014 and relevant provisions of the Companies Act, 2013. In case of Reliance General Insurance Company Limited and Reliance Life Insurance Company Limited the financial statements are drawn up in accordance with the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002 and orders and directions issued by Insurance Regulatory and Development Authority of India (IRDAI) in this behalf and the regulations framed there under read with relevant provisions of the Insurance Act, 1938 and the Companies Act, 2013. This Consolidated financial statements are presented in Indian rupees rounded to the nearest crore except otherwise stated.

c Use of Estimates

The preparation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the Consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

d Revenue Recognition

i) Interest income:

Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non performing assets ("NPA's") where it is recognised, upon realisation. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding / maturity period on constant yield to maturity method, in accordance with policy of Reliance General Insurance Company Limited.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

ii) Dividend income:

Dividend income is recognised when the right to receive payment is established.

iii) Discount on investments:

The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight line basis.

iv) Redemption premium on investments:

Redemption premium on investments is recognised as income over the tenor of the investment.

v) Investment Management Fees:

Investment management fees are recognised on an accrual basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996 based on average assets under management (AUM).

vi) Portfolio Management Fees:

Portfolio Management fees are recognised on an accrual basis in accordance with Portfolio Management Agreement entered with respective clients except in case of Reliance Securities Limited which is as follows:

- a) Processing fees is recognised on upfront basis in the year of receipt
- b) Management fees is recognised as a percentage of the unaudited net asset value at the end of each month
- c) Return based fees is recognised as a percentage of annual profit, in accordance with the terms of the agreement with clients on the completion of the period

vii) Online Access Fees:

Online access fees is recognised on straight line basis, based on the agreement with the clients.

viii) Infrastructure and Resource Management Fees:

Infrastructure and resource management services fees are recognised on accrual basis as per agreements with the clients.

ix) Advisory Services Fee:

Fee for Advisory Services is accounted in accordance with the terms and contracts into with the clients.

x) Trusteeship Fee:

Trusteeship fee income is recognised on the basis of the agreements entered into between the settler and the trustee.

xi) Loan / other processing fee:

Loan processing fee is accounted for upfront as and when it becomes due.

xii) Management fee:

Management fee towards support services is accounted as and when it becomes due on contractual terms with the parties.

xiii) Income from investments:

Profit earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on weighted average basis.

xiv) Income from assignment / securitization:

In case of assignment / securitisation of loans, the assets are derecognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned/ securitised loans in accordance with Reserve Bank of India / National Housing Bank Guidelines if any. The profit if any, as reduced by the estimated provision for loss/ expenses and incidental expenses related to the transaction, is recognised as gain or loss arising on assignment / securitisation over the tenure of the deal. Loss arising from these transactions if any will be recognised immediately in the statement of profit and loss.

xv) Income from Trading in Securities and Derivatives:

The initial margin and the additional margin paid for entering into contracts for equity futures and options are disclosed under the head Loans and Advances in the Balance Sheet.

Income from trading in commodities comprises of profit/loss on hedged positions in commodity stocks and futures. All the hedged positions in commodity and commodity Futures are marked to market and difference between the transaction price and settlement price is recognized as Gains or Losses.

The Brokerage and other payments made in connection with the acquisition of securities are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage and Security Transaction Tax.

xvi) Income from Exchange Traded Derivatives:

Income from trading in securities comprises Profit/Loss on sale of Securities held as Stock In Trade and Profit/Loss on equity derivative instruments. Profit/Loss on securities are determined based on first in first out (FIFO) cost of securities sold. Profit/Loss on equity derivative transaction is accounted for based on the Guidance Note on Accounting for Equity Index and Equity Stock Future and Options issued by the Institute of Chartered Accountant of India which is explained below:

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

A. Equity Index/Stock Futures:

- (a) "Initial Margin-Equity Derivatives Instrument", representing the initial margin paid, and "Margin Deposits" representing the additional margin paid over and above the initial margin, for entering into contracts for equity index/stock futures which are released on final settlement/squaring-up of underlying contracts, are disclosed under Loans and Advances.
- (b) Equity index stock futures are marked-to-market on daily basis. Debit or credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", represents the net amount paid or received on the basis of movement in the prices of index/stock futures till the Balance Sheet date.
- (c) As on the Balance Sheet date, profit/loss on open positions in equity index/stock futures are accounted for as follows: Credit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", being the anticipated profit is ignored and no credit for the same is taken in the Statement of Profit and Loss. Debit balance in the "Mark-to-Market Margin-Equity Index/Stock Futures Account", being anticipated loss, is adjusted in the Statement of Profit and Loss Account.

B. Equity Index/Stock Options:

- (a) "Initial Margin Equity Derivative Instrument" representing the initial margin paid, and "Margin Deposit" representing the additional margin paid over and above the initial margin, for entering into contracts for equity index/stock options, which are released on final settlement/squaring up of the underlying contracts are disclosed under Loans and Advances.
- (b) "Equity Index/Stock Option Premium Account" represents the premium paid or received for buying or selling the options, respectively.
- (c) As at the Balance Sheet date, in the case of long positions, provision is made for the amount by which the premium paid for those options exceeds the premium prevailing on the Balance Sheet date, and in the case of short positions, for the amount by which the premium prevailing on the Balance Sheet date exceeds the premium received for those options, and is reflected in "Provision for Loss on Equity Index/Stock Option Account".

xvii) Income from Trading in Commodities:

The initial margin and the additional margin paid for entering into contracts for commodity futures and options are disclosed under the head Loans and Advances in the Balance Sheet.

Income from trading in commodities comprises of profit/loss on hedged positions in commodity stocks and futures. All the hedged positions in commodity and commodity Futures are marked to market and difference between the transaction price and settlement price is recognized as Gains or Losses.

The Brokerage and other payments made in connection with the acquisition of commodities are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage.

xviii) Income from Trading in Currency Derivatives:

The initial margin and the additional margin paid for entering into contracts for commodity futures and options are disclosed under the head Loans and Advances in the Balance Sheet.

Income from trading in currency comprises of profit/loss on currency futures. All the positions in currency and currency futures are marked to market and difference between the transaction price and settlement price is recognized as Gains or Losses.

The Brokerage, STT and other payments made in connection with the acquisition of currency derivatives are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage and STT.

xix) Income from lease:

Lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

xx) Income on Money changer:

Revenue on foreign exchange transactions is recognised at the time of sale. The income arising from selling of foreign currencies represents the margin earned on sale of foreign currencies.

xxi) Premium:

Premium net of service tax is recognised as income over the contract period or the period of risk whichever is appropriate. Any subsequent revisions to or cancellations of premium are recognised in the year in which they occur.

xxii) Commission:

- i) Commission income on reinsurance cessions is recognised as income in the period in which reinsurance premium is ceded.
- ii) Profit commission under reinsurance treaties, wherever applicable, is recognised on accrual. Any subsequent revisions of profit commission are recognized for the year in which final determination of the profits is intimated by reinsurers.
- iii) Commission income of money transfer services is recognised on rendering the service at contractual rates. Incentives received from western union are recognised on receipt basis. Service income received on account of gain on foreign currency from Western Union is accounted when accrued and due.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

xxiii) Reinsurance Ceded:

- i) Reinsurance ceded is accounted in the year in which the risk commences and recognised over the contract period. Any subsequent revision to refunds or cancellation of premiums, are recognised in the year in which they occur.
- ii) Reinsurance inward is accounted to the extent of the returns received from the reinsurers.

xxiv) Premium Received in Advance:

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

xxv) Sales & Services :

Revenue from sale is recognized on transfer of all significant risks and rewards of ownership as per terms of contracts with the customers. (net of VAT, sales return, service tax recovery and trade discount).

xxvi) Brokerage Income:

Brokerage income is recognized net of service tax on the date of transaction.

e Fixed assets

i) Tangible assets

- Leased assets

All assets given on operating lease are shown as fixed assets net of depreciation and impairment loss, if any. Initial direct costs in respect of leases are expensed in the year in which such costs are incurred.

- Own assets

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

ii) Intangible assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Group and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development.

f Depreciation / Amortisation

Depreciation on Fixed Asset is provided as follows.

i) Tangible assets

The Company has provided for depreciation over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 as per straight line method except Plant & Machinery and data processing machineries given on lease where useful life is considered 8 years and 5 years, respectively based on management's assessments of useful life in respect of these assets. Lease hold improvements are amortised over the primary period of the lease on straight-line basis.

ii) Intangible Assets are amortised on straight line basis over the useful life of the asset up to a maximum of five years commencing from the month in which such asset is first installed.

The Group provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

g Impairment of assets

The group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

h Investments

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued, scrip wise at cost or fair value, whichever is lower. Long-term investments are carried at carrying cost less diminution in value which is other than temporary, determined separately for each individual investment scrip wise. In case of insurance companies, investments have been valued in accordance with the provisions of the Insurance Act, 1938 and the Regulations and / or orders / directions / circulars / guidelines issued by the IRDAI in this behalf.

i Inventories

- Securities held as inventories are valued scrip wise at weighted average cost or fair value, whichever is lower.
- Commodities held as inventories are valued at weighted average cost or net realisable value, whichever is lower.
- Stock of foreign currencies have been valued at weighted average cost or net realisable value, whichever is lower.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

- Stock of gold have been valued at weighted average cost or net realisable value, whichever is lower.
- Stock of paintings and antiques are of such nature that the market value of which cannot be easily available, hence valued at cost only.

j Repossessed assets

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount. The classification and provision is based on the underlying Days Past Due (DPD) for these loans.

k Provisions for Non Performing Assets(NPA) and Doubtful Debts

NPA including loans and advances, receivables are identified as bad / doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning meets the NBFC / NHB prudential norms prescribed by Reserve Bank of India / National Housing Bank.

l Provisions for Standard Assets

Provisions on Standard Assets are made as per Provisions for standard assets are made as per para 10 of the Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) directions, 2015 and prudential norms as per Housing Finance companies (NHB) Directions, 2010.

m Security of Loans Given

Housing loans / loans against property granted are secured by equitable registered mortgage of property and / or undertaking to create a security. Other Secured loans are secured against hypothecation of respective assets.

n Foreign currency transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates. Non monetary foreign currency items are carried at cost

o Employee benefits

i) Provident fund:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

ii) Gratuity:

The group gratuity benefit scheme is a defined benefit plan. The group net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss .

iii) Leave encashment:

Leave encashment which is a defined benefit, is accrued for based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

The employees of the group are entitled to compensated absence. The employees can carry forward a portion of the unutilised accrued leave balance and utilise it in future periods. The group records an obligation for compensated absences in the period in which the employee renders the service that increases the entitlement.

p Employee Stock Option Scheme ("ESOS")

The Employees Stock Option Scheme ("the Scheme") provides for grant of equity shares of the Group to directors (including whole-time) (excluding independent directors) and employees of the Group. The Scheme provides that employees are granted an option to acquire equity shares of the Group that vests in a graded manner. The options may be exercised within a specified period. The Group follows the intrinsic value method to account for its stock-based employee compensation plans. Compensation cost is measured as the excess, if any, of the fair market price of the underlying stock over the exercise price on the grant date and is amortized over the vesting period of the option on a straight line basis.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

For the listed shares, the fair market price is the latest closing price, immediately prior to the date of the Board of Directors meeting in which the options are granted, on the stock exchange on which the shares of the group are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered. If the shares are unlisted, then the fair value of options granted is estimated on the date of grant using the Black Scholes Model.

q **Loan origination/acquisition cost**

The direct commission cost incurred for the loan origination is written off over the average tenure of the loan.

r **Discount on Commercial Paper**

The difference between the issue price and the redemption value of commercial papers is apportioned on time basis and recognised as discounting expense.

s **New fund offer expenses of schemes**

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except for closed ended schemes which are recognised over the duration of the scheme.

t **Expenses of Management**

Expense relating to insurance business is allocated on the basis of net premium written to the Revenue Account(s).

Expenses relating to investment activities are charged to the statement of profit and loss .

u **Financial Derivatives and Commodity Hedging Transactions**

Financial Derivatives and Commodity Hedging transaction are accounted for on a mark to market basis. Payments of margin requirements on this contract are recognised on the Balance Sheet.

v **Claims Incurred**

Claims incurred comprises of claims paid (net of salvage and other recoveries), estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey / legal fees and other directly attributable costs.

Salvaged vehicles are recognized on realization basis.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognised on the date of intimation on management estimates of ultimate amounts likely to be paid on each claim based on the past experience. These estimates are progressively revaluated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') is based on actuarial estimate duly certified by the appointed actuary of RGIC.

w **Reserve for Unexpired Risk**

Reserve for unexpired risk is made on the amount representing that part of the net premium written which attributable to, and to be allocated to the succeeding accounting period (using 1/365 method).

x **Premium Deficiency**

Premium deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the sum of related premium carried forward to subsequent accounting period as the reserve for unexpired risk. Premium deficiency is recognised for the Company as a whole, on an annual basis as per IRDAI circular IRDA/F&A/CIR/FA/126/07/2013. The Company considers maintenance cost as relevant costs incurred for ensuring claim handling operations.

y **Acquisition Cost**

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred.

z **Fund Expenses**

Expenses incurred on behalf of schemes of Reliance Mutual Fund are recognised in the statement of profit and loss under advertisement/brokerage expenses unless considered recoverable from the schemes in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

Expenses directly incurred on behalf of the schemes of Fund are charged to the statement of profit & loss under respective heads.

aa **Market linked debentures**

The group has issued certain non-convertible debentures, the rate of interest on which is linked to performance of specified indices over the period of the debenture.

The group Hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain/loss on these hedge positions are netted against with interest expense on MLD and resultant 'net loss' is recognised in statement of profit and loss immediately, however 'net gain' if any is ignored.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

ab Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

ac Leases

(i) Operating leases

Lease payments for assets taken on an operating lease are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

(ii) Hire purchase

Assets held under hire purchase arrangements are classified as finance leases and are recognised as assets of Reliance Capital Asset Management Limited at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Reliance Capital Asset Management Limited general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

ad Earnings per share

The basic earnings per share is computed by dividing the net profit / loss attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share, is computed by dividing the net profit after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit per share are included.

ae Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognized where there is convincing evidence that the same can be realised in future.

Deferred taxation:

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

af Provisions, contingent liabilities and contingent assets

The Group creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

3 The abridged consolidated financial statements have been prepared in accordance with first proviso to sub-section (1) of section 136 of the Companies Act 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 from the audited consolidated financial statements of the Group for the year ended March 31, 2015, prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India and which is approved by the Board of Directors at the meeting held on May 29, 2015.

4 Previous year (Note 3 of Consolidated Financial Statement)

Previous year figures have been rearranged and reclassified wherever necessary.

The current year figures are not comparable with the previous year's figures as during the year Fairwinds Asset Managers Limited (formerly Reliance Equity Advisors (India) Limited), Reliance Consultants (Mauritius) Limited, Fairwinds Assets Management Trustee Company Limited (formerly Reliance Alternative Investments Service Private Limited) Indian Agri Services Private Limited

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

Reliance Composite Insurance Broking Limited, Quant Commodities Private Limited, Quant Capital Advisors Private Limited and Reliance Assets Management (Malaysia) SDN BHD have ceased to be subsidiaries and Reliance Land Private Limited and Reliance Share & Stock Brokers Private Limited have ceased to be associates of the holding company.

(` in crore)

	As at March 31, 2015	As at March 31, 2014
5 Deferred tax assets (Note 15 of Consolidated Financial Statement)		
Deferred tax asset included in the balance sheet comprises the following:		
(a) Deferred tax assets		
Provision for non performing assets/diminution in the value of assets & investments	14	77
Straightlining of lease rentals	1	1
Unabsorbed depreciation and carried forward losses as per Income Tax Act, 1961	36	34
Depreciation on fixed assets	3	-
Employee compensation/ leave encashment	4	3
Total (a)	58	115
(b) Deferred tax liabilities		
Depreciation on fixed assets	-	10
Reserve for unexpired risk & others	11	8
Unamortised expenditure	12	68
Total (b)	23	86
Net deferred tax assets [(a)-(b)]	35	29

(` in crore)

	As at March 31, 2015	As at March 31, 2014
6 Cash & bank balances (Note 21 of Consolidated Financial Statement)		
(a) Cash & cash equivalents		
Balances with banks		
- In current accounts	1 110	2 036
- Fixed deposits (less than 3 months)	84	25
Cheques on hand	24	23
Cash on hand	7	10
(b) Other bank balances		
- Unclaimed dividend accounts	16	14
- In fixed deposit accounts		
- Under lien (Refer Note given below)	353	492
- Under margin (Refer Note given below)	30	63
	1 624	2 663

Notes:

- In respect of balances with Banks in Fixed Deposit accounts above includes:
 - ` 124 crore (Previous Year ` 154 crore) is kept as credit enhancement towards securitisation transaction.
 - ` 105 crore (Previous Year ` 72 crore) as collateral security deposit in favour of National Stock Exchange of India Limited and BSE Limited and ` 30 crore (Previous Year ` 63 crore) placed as margin for the issue of bank guarantee favouring National Securities Clearing Corporation Limited.
 - ` 18 crore (Previous Year ` 24 crore) placed as margin for the issue of bank guarantee favouring Multi Commodity Exchange of India Limited and National Commodity and Derivatives Exchange Limited.
 - ` 86 crore (Previous Year ` 230 crore) are liened against bank overdraft facility.
 - ` 20 crore (Previous Year ` 12 crore) is kept as deposit with bank for issuing of bank guarantees.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

7 Profit /(loss) on sale of subsidiaries & associates : (Note 30 of Consolidated Financial Statement)

(` in crore)

	2014-2015	2013-2014
Profit /(Loss) on sale of subsidiaries	11	(2)
Profit /(Loss) on sale of associates	34	-
Total	45	(2)

8 Corporate Social Expenditures (Note 31 of Consolidated Financial Statement)

As per Section 135 of the Companies Act, 2013 the Group is under obligation to incur Corporate Social Expenditures (CSR) amounting to ` 19 crore, being 2% of the average net profit during the three immediately preceding financial years towards CSR, calculated in the manner as stated in the Act. Accordingly during the year, the Group has made a contribution of ` 19 crore by contributing for Rural outreach initiative to provide cancer care to the communities of interior parts of Maharashtra.

9 Goodwill on Consolidation of Subsidiaries (Note 32 of Consolidated Financial Statement)

On Consolidation, the Group has recognised the following goodwill :

(` in crore)

	2014-15	2013-14
Opening balance of Goodwill/(Capital Reserve) on consolidation of subsidiaries (Net)	233	216
Add : Goodwill/(Capital Reserve) on acquisition of subsidiaries (Net)	-	17
Less : Goodwill on sale / amalgamation of investments in subsidiaries (Net)	18	-
Closing balance of Goodwill/(Capital Reserve) on consolidation of subsidiaries	215	233

10 Employees Stock Option Plan (ESOP) (Note 33 of Consolidated Financial Statement)

A) Reliance Capital Limited

The Company operates two Employee Stock Option Plans; ESOS Plan A and ESOS Plan B introduced in the financial year 2009-10, which cover eligible employees of the Company, the Holding Company and its subsidiaries. The vesting of the options is from expiry of one year and ranges till four to five years as per Plan under the respective ESOS(s). Each Option entitles the holder thereof to apply for and be allotted / transferred one Equity Share of the Company of ` 10 each upon payment of the exercise price during the exercise period. The Company implements and manages the ESOS plan through a trust. Advance of ` 60 crore (net of diminution ` 64 crore) [Previous year ` 62 crore (net of diminution ` 64 crore)] has been granted to Trust. Out of the said advance Trust has purchased 16,00,000 (Previous year 16,00,000) Equity Shares for the above purpose.

Details of scheme of Employee Stock Option Plans are as under:

	Plan A	Plan B
Date of Grant	February 1, 2010	February 1, 2010
Prices of the Underlying Stock (`)	790	790
Exercise / Strike Price (`)	800	800

The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:

	Plan A	Plan B
Risk Free Interest Rate	7.01% - 7.27%	7.01% - 7.34%
Expected Dividend Yield	0.62%	0.62%
Expected Life (years)	5.5 to 7.0	5.5 to 7.5
Expected Volatility	61.23% to 64.04%	59.56% to 64.04%
Weighted Average Fair Value (`)	536	546

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows: (As certified by the management):

	No. of Stock Options			
	Plan A		Plan B	
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014
Outstanding at the beginning of the year	1 33 000	1 70 620	2 31 900	2 52 460
Granted	Nil	Nil	Nil	Nil
Exercised	Nil	Nil	Nil	Nil
Lapsed / Forfeited / Surrendered	7 680	37 620	14 400	20 560
Outstanding at the end of the year	1 25 320	1 33 000	2 17 500	2 31 900
Exercisable at end of the year	1 25 320	1 33 000	2 17 500	1 19 300

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

B) Reliance Capital Asset Management Limited (RCAM)

- (i) a Pursuant to the shareholder's resolution dated 20 September 2007 the RCAM introduced Employee Stock Option Plan I - 2007 under which the RCAM may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme is on the basis of their performance and other eligibility criteria. The Plan has been amended and restated vide shareholder's resolution dated 3 February 2011.
- b On 21 December 2007, the RCAM issued 200,000 equity shares at a price of ₹ 2,000 per equity share to Reliance Capital Asset Management Employee Benefits Trust ('The Trust') pursuant to the above Plan.
- (iii) a Pursuant to the shareholder's resolution dated 3 February 2011, the RCAM introduced Employee Stock Option Plan II - 2011 under which the RCAM may grant options to its employees from time to time. The grant of options to the employees under the ESOP scheme is on the basis of their performance and other eligibility criteria.
- b On 30 March 2011, the RCAM issued 50,000 equity shares at a price of ₹ 3,009 per equity share to the Trust.
- (iii) All above options are planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of vesting. The options existing during the year are as follows:

a) Year 2007

The option under ESOP I - 2007 at an exercise price of ₹ 2,000 per share and vest on a graded basis as follows:

Grant Date	September 28, 2007
Vesting Period	Vesting Schedule
On completion of 3 Years	30%
On completion of 4 Years	30%
On completion of 5 Years	40%

b) Year 2011

The option under ESOP I - 2007 at an exercise price of ₹ 3,009 per share and vest on a graded basis as follows:

Grant Date	March 30, 2011
Vesting Period	Vesting Schedule
On completion of 1 Year	30%
On completion of 2 Years	30%
On completion of 3 Years	40%

c) Year 2011

The option under ESOP I - 2007 and Plan II-2011 at an exercise price of ₹ 3,009 per share and vest on a graded basis as follows:

Grant Date	March 30, 2011
Vesting Period	Vesting Schedule
On completion of 1 Year	10%
On completion of 2 Years	10%
On completion of 3 Years	20%
On completion of 4 Years	20%
On completion of 5 Years	40%

- (iv) The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

	As of March 31, 2015		As of March 31, 2014	
	No. of stock options	Weighted average exercise Price (₹)	No. of stock options	Weighted average exercise Price (₹)
Number of shares under option:				
Year 2007				
Outstanding at beginning of year	1 100	2 000	4 250	2 000
Exercised	-	-	400	2 000
Cancelled or expired	1 100	-	2 750	-
Outstanding at the year end	-	-	1 100	2 000
Exercisable at end of year	-	-	1 100	2 000
Year 2011				
Outstanding at beginning of year	14 175	3 009	23 795	3 009
Exercised	12 965	-	8 940	-

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

	As of March 31, 2015		As of March 31, 2014	
	No. of stock options	Weighted average exercise Price (₹)	No. of stock options	Weighted average exercise Price (₹)
Cancelled or expired	400	-	680	-
Outstanding at the year end	810	3 009	14 175	3 009
Exercisable at end of year	810	-	14 175	-
Year 2011				
Outstanding at beginning of year	97 595	3 009	1 14 785	3 009
Exercised	22 930	-	11 675	3 009
Cancelled or expired	4 280	-	5 515	-
Outstanding at the year end	70 385	3 009	97 595	3 009
Exercisable at end of year	23 395	3 009	24 445	3 009

- (v) The fair value of the options granted was estimated on the date of grant using the Black- Scholes model with the following assumptions

	Year ended March 31, 2015	Year ended March 31, 2014
Risk Free Interest Rate	8%	8%
Expected Life	7 Years	7 Years
Dividend yield	0%	0%

- (vi) RCAM has chosen to account for the Plan by the Intrinsic Value Method. The total expense recognised for the period arising from stock option plan as per Intrinsic Value Method is ₹ Nil (previous year ₹ Nil). The net result for the year, had RCAM adopted the Fair Value Method, would have been lower by ₹ 1 crore (net of tax saving ₹ 1 crore).

C) In case of Reliance General Insurance Company Limited (RGIC)

The RGIC had introduced the Employee Stock Option Plan during the F. Y. 2008-09 under which options were granted to the employees of the RGIC on the basis of their performance and other eligibility criteria. During the year the RGIC granted Nil equity shares (Previous year Nil) to Reliance General Insurance Employees' Benefit Trust. These options are planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of respective grants. The plan existing during the year is as follows:

Exercised Period	On completion of 3 years	30%
	On completion of 4 years	30%
	On completion of 5 years	40%

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:

	As of March 31, 2015			As of March 31, 2014		
	No. of stock options	Weighted average exercise Price (₹)	Weighted average remaining contractual Life (in Years)	No. of stock options	Weighted average exercise Price (₹)	Weighted average remaining contractual Life (in Years)
Outstanding at beginning of year	4 14 900	70	0.42	4 14 900	70	1.42
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Lapsed / Forfeited	4 14 900	-	-	-	-	-
Outstanding at the year end	-	-	-	4 14 900	70	-
Exercisable at end of year	-	-	-	4 14 900	70	-

As there are no exercisable options as at the year end there is no requirement of valuation or accounting of the same.

D) In case of Reliance Securities Limited (RSL)

- (i) Pursuant to the board members, resolution dated October 24, 2007, RSL introduced the Employee Stock Option Plan under which RSL decided to grant, from time to time, options to the employees of RSL.
- (ii) On October 1 2009, RSL issued a total of 100,000 equity shares at a price ₹ 50 per equity share to the Trust, Reliance ADA Group Trustees Private Limited as Trustees of Reliance Securities Limited Employee Benefit Trust.
- (iii) All above options are planned to be settled in cash or equity at the time of exercise and have maximum period of 7 years from the date of respective grants. The plan existing during the year is as follows:

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

Employee Stock Option Plan Plan – IB, 2009 Plan

The option under this plan has an exercise price of ₹ 50 per share and vest on a graded basis as follows:

Vesting Period	Vesting Schedule
On completion of 3 Years	30%
On completion of 4 Years	30%
On completion of 5 Years	40%

(iv) The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

	As of March 31, 2015		As of March 31, 2014	
	No. of stock options	Weighted average exercise Price (₹)	No. of stock options	Weighted average exercise Price (₹)
IB, 2009				
Outstanding at beginning of year	19 000	50	30 300	50
Granted / Exercised	-	-	-	-
Cancelled or expired*	19 000	-	11 300	-
Outstanding at the year end	-	-	19 000	50
Exercisable at end of year	-	-	19 000	50

* Note : During the year all the employees have surrendered their rights, interest and claim in respect of, or in relation to the option vested with them.

11 In case of Reliance Money Express Limited (RMEL) (Note 34 of Consolidated Financial Statement)

- a) In the year 2008-2009, RMEL had claimed service tax refund of ₹ 7 crore pertaining to period March 2005 to January 2009, pursuant to circular no.111/05-2009 dated 24/02/2009 issued by Central Board of Excise and Customs (CBEC) in respect of money transfer services. During the year 2009-2010, RMEL had received ₹ 3 crore towards service tax refund claim for the period December 2007 to January 2009. During the year 2010-2011, RMEL received a show cause notice dated January 27, 2011 reclaiming the refund granted. Further, RMEL has received a show cause cum demand notice dated March 22, 2011 demanding service tax aggregating ₹ 3 crore (excluding interest and penalty) for the period October 2009 to September 2010.

The Management is of the opinion that the money transfer services are construed as 'export' of services and hence not liable to service tax. Accordingly, no provision for the same has been made in the financial statements.

- b) During the financial year 2009-10, the Directorate of Enforcement (DoE) seized foreign currency amounting to ₹ 3 crore. Based on investigations conducted by the DoE and documents furnished by RMEL, the DoE department released foreign currency worth ₹ 3 crore to RMEL in the financial year 2009-10. RMEL is confident of getting back the balance currency worth ₹ 16,64,322.
- c) RMEL had filed scheme of demerger of its Money Transfer Service Scheme (MTSS) division to YouFirst Money Express Private Limited in Bombay High Court which got approved on 18th April, 2015. However as per Scheme the date of demerger will be from the date of permission granted by Reserve Bank of India (RBI) for transfer of MTSS business. Till date the RBI has not given the permission to transfer the MTSS division and the matter is still pending for want of approval from RBI.

12 In case of Reliance General Insurance Company Limited (RGIC) (Note 35 of Consolidated Financial Statement)

(a) Terrorism Pool

In accordance with the requirements of IRDAI, RGIC together with other insurance companies participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India (GIC). Amount collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee (TAC) are ceded at 100% of the terrorism premium collected to the Terrorism Pool.

In accordance with the terms of the agreement, GIC retrocedes to RGIC, terrorism premium to the extent of RGIC's share in the risk which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from GIC. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the last statement received from GIC.

The RGIC has created liability to the extent of 50% of premium retroceded to RGIC through reserve for unexpired risks.

(b) Indian Motor Third Party Insurance Pool (IMTPIP)

In accordance with the directions of IRDAI, RGIC, together with other insurance companies, had participated in the Indian Motor Third Party Insurance Pool (IMTPIP). The IMTPIP was a multilateral reinsurance arrangement, in which all member companies were compulsorily required to participate. The IMTPIP was administered by the General Insurance Corporation of India ('GIC'). The IMTPIP had covered reinsurance of third party risks of specified motor vehicles ("Specified Risks"). Amounts collected as premium in respect of Specified Risks were ceded at 100% of such premium, 100% of claims incurred against risks ceded being recoverable from the pool.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

In accordance with the terms of the agreement, each participant RGIC was compulsorily required to share in the revenues, expenses, assets and liabilities of the IMTPIP, including Unexpired Risks Reserve, in the proportion that RGIC's Gross Direct Premium written in India (GDPI), bears to the total GDPI of all participant companies. RGIC's share as specified above had been recorded based on the returns submitted by GIC, under the respective heads.

IRDAI through its Orders dated December 23, 2011, January 3, 2012 and March 22, 2012 had directed the dismantling of the Pool on a clean cut basis and advised recognition of the Pool liabilities as per loss ratios estimated by Government's Actuary Department UK ("GAD Estimates") at 159%, 188%, 200%, 213% and 145% for underwriting year 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 respectively with the option to recognise the additional liabilities for the period 2009-10, 2010-11 and 2011-12 over a three year period, The RGIC had exercised this option and IMTPIP liability relating to underwriting years 2009-10, 2010-11, 2011-12 is being recognized based on straight line basis over three years beginning with financial year 31st March, 2012. Accordingly, the profit of RGIC for the financial year 2013-14 was lower by ₹ 79 crore pursuant to recognition of the liability pertaining to the dismantling of IMTPIP.

During the year 2013-14, RGIC had also accounted investment income of ₹ 79 crore (including ₹ 47 crore pertaining to earlier period) as interest income from IMTPI Pool as per IRDAI Order No. IRDA/F&A/ORD/MTPP/070/03-2012 dated March 22, 2012 read with IRDAI Order No. IRDA/NL/ORD/MPL/100/03/2014. In the current year, the pool account is settled with the receipt of payment on account of dismantling of pool. Accordingly figures of the current year are not comparable to the previous year to the above extent.

(c) Basis used by actuary for determining IBNR / IBNER.

The liability for IBNR and IBNER as at March 31, 2015 has been estimated by the Appointed Actuary as per IRDAI circular Ref: 11/IRDA/ACTL/IBNR/2005-06 dated June 8, 2005.

For lines of business other than motor third party, the estimation was carried out using past trends in claims experience as indicated by paid claims chain ladder approach. Bornhuetter-Ferguson method of estimation was also applied for some lines as considered appropriate by the Appointed Actuary.

For motor third party line of business, the estimations were done using ultimate loss ratio method. For liabilities relating to erstwhile motor third party pool and declined risk pool, the ultimate loss ratios as specified in regulatory circulars were referred to in determining the estimates.

(d) Contribution to Environment Relief Fund:

During the year, RGIC had collected ₹ 0.14 crore (Previous year ₹ 0.61 crore) towards Environment Relief Fund (ERF) for public liability policies, Out of which an amount of ₹ 0.14 crore (Previous year ₹ 0.61 crore) transferred to "United India Insurance Company Limited, Environment Fund Account" as per Notification of ERF scheme under the public liability Insurance Act, 1991 as amended, balance amount of ₹ 0.01 crore (Previous year ₹ 0.01 crore is shown under current liabilities in schedule 11.

(e) Health Care Insurance Policy:

The RGIC had in February 2006 obtained Regulatory approval for a health product titled "Reliance Health Care Insurance Policy" which was launched as a retail product in December 2006 under the name "Reliance Health Wise Policy".

Based on the review of product performance, the RGIC has effected increase in premium w.e.f. 1st December 2007. IRDAI in May 2008 raised the issue concerning the change in name and pricing of the product. IRDAI has subsequently issued show cause notice to the RGIC and had imposed a penalty of ₹ 0.20 crore on the RGIC in the year 2009-10. The RGIC had subsequently remitted the penalty amount of ₹ 0.20 crore to IRDAI.

Based on further inquiry in the matter in the current year, it came to notice that excess premium was charged by the company which based on advice from the IRDAI vide its letter dated 16th October, 2014, is to be refunded to the policyholder and the letter directed RGIC to take following actions:

1. Open a separate bank account and deposit the now declared excess premium charged during the year 2007-08 and 2008-09.
2. Identify each and every policy holder from whom excess amount has been received and refund the same along with appropriate interest at 2% above the current Bank rate.
3. Issue advertisements in the media to draw the attention of the policyholders regarding refund due to them as a result of the excess collection.

Accordingly RGIC has taken the following actions:

1. RGIC has reversed premium amounting to ₹ 20 crore as per the directions of the IRDAI vide letter dated 16th October, 2014 and has transferred equivalent amount of ₹ 20 crore to a separate bank account towards the base premium refund amount.
2. During the year, RGIC has also provided ₹ 15 crore (including ₹ 10 000 paid during the year) towards interest liability upto the period March 31, 2015 on the unpaid cases. Thus a total impact of ₹ 35 crore including premium reversal has been charged to statement of profit & loss and respective Revenue Account for the period.
3. RGIC has issued several advertisements & taken various other steps to draw attention of various policyholder & to expedite refunds due to them as a result of such excess collection.

(f) Contribution to Solatium Fund:

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 4, 2005, the RGIC has provided 0.1% of gross written premium on all motor third party policies (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the solatium fund.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

(g) Indian Motor Third Party Decline Risk Pool (IMTPDRP):

In accordance with the directions of IRDAI, RGIC, together with other insurance companies, is participating in the Indian Motor Third Party Decline Risk Pool (IMTPDRP). The IMTPDRP is a multilateral reinsurance arrangement, in which all member companies are compulsorily required to participate. The IMTPDRP is administered by the General Insurance Corporation of India (GIC).

The Authority vide Order dated January 3, 2012 has created IMTPDRP for Act only Commercial Vehicle third party risks i.e. Act only policies.

Under this arrangement, any business relating to Act only policies of Commercial Vehicles which does not fall within the underwriting parameters of insurers shall be ceded to IMTPDRP. This arrangement is called the Declined Risk Pool.

IRDAI has mandated that every insurer has to comply with the obligation to underwrite a minimum percentage of such policies that is calculated as an average of insurer's total gross premium percentage share in the industry and gross motor premium percentage share in the industry.

The insurers are required to retain 20% of such risk, while 5% is ceded to GIC under obligatory cession and remaining 75% ceded to IMTPDRP.

RGIC has received its share of premium, claims and expenses of the pool, which is recorded as inward reinsurance business, based on the statement received from GIC. Accordingly RGIC has recognized pool retrocession up to 9 month period ended 31st December 2014, the accounts for which statement received.

RGIC has accounted for its share in Decline Risk Pool for the 3 months period January 2015 to March 2015 on provisional basis based on management estimate and recorded the net amount if any under claims incurred. Unexpired risks reserve is provided for at 50% of net premium of such inward business.

(h) Reserve for unexpired risk :

Reserve for unexpired risk (URR) for the current year has been computed on the basis of 1/365 method i.e. actual number of days left in the policy period divided by total number of days of policy period. In the previous year, the above URR was subject to a minimum of 100% in case of marine hull business and 50% in case of other business, of net written premium, of unexpired policies as on the balance sheet date (i.e. those policies are not considered, where policy period has lapsed during the year itself based on IRDAI circular no. IRDA/F&A/CIR/FA/126/07/2013) as required by Section 64V (1)(ii) (b) of the Insurance Act, 1938. This change in the previous year had resulted in decrease in URR creation amount of ` 65 crore with consequential impact in respective revenue accounts and accordingly previous year figures are not comparable to the current year.

During the current year, the minimum of 100% in case of marine hull business and 50% in case of other business, of net written premium, of unexpired policies as on the balance sheet date is not considered for the purpose of URR calculation based on IRDAI circular no. IRDA/F&A/CIR/FA/126/07/2013. Had RGIC continued accounting on the basis of the minimum requirement, it would have resulted in creation of additional unexpired risk reserve amounting to ` 0.06 crore with consequential impact on the respective revenue accounts.

13 In case of Quant Capital Private Limited (QCPL) (Note 36 of Consolidated Financial Statement)

- (a) As at the close of the year, the QCPL has initiated compliance with respect to the requirements of Registering itself as a Core investment Company (CIC) as per the guidelines of the Reserve Bank of India vide its circular RBI/2010-11/360 DNBS (PD) CC. No. 206/03.10.001/2010-11 dated 5 January, 2011.
- (b) QCPL's Subsidiary Companies has collected stamp duty on account of its statutory obligation towards transactions entered on various segments in the state of Tamilnadu. The Company has not deposited the same since in its opinion the same is not payable which is disputed by the state. The matter is pending with The Honorable High Court, Tamilnadu. In the interim the amount so collected is reflected under Statutory Liability. The amount outstanding is to the tune of ` 11 crore (Previous Year ` 9 crore).
- (c) Quant Transactional Services Private Limited (Plaintiffs) has filed a Suit in Honorable High Court against the Company under section 6 of Specific Relief Act, 1963 and has claimed that the Company and its subsidiaries has forcefully dispossessed the Plaintiffs from the Goregaon Premises and taken over the possession of the Fixed Assets. The interim relief claimed in Notice of Motion was repossession of the premises and inventory of the Fixed Assets. However, The Honorable High Court of Bombay has not granted any Interim Relief and Suit and Notice of Motion is pending hearing and for final disposal.
- (d) Based on a Share Purchase Agreement, the Company has sold its entire holding in the following 100% owned Subsidiary Companies viz., (i) Quant Commodities Private Limited, (ii) Quant Capital Advisors Private Limited, to Quant Capital Holdings Private Limited and accordingly the above Companies ceased to be subsidiary companies of the Company with effect from 01st April 2014 & 01st July 2014 respectively. However, certain conditions precedent to the above Agreement, namely, necessary approvals from Regulatory Bodies are pending as at the close of the year. As explained, the Company is hopeful of obtaining the said approvals in the next financial year.
- (e) Mr. Adil Patrawala has filed a Petition u/s 397 and 398 of Companies Act, 1956 against the Company claiming mismanagement in the affairs of the Company and oppression on the Minority Shareholder. The said Petition is pending hearing for the final disposal. There were certain Ad Interim reliefs claimed which were not granted by Hon'ble Company Law Board except one relief i.e. Mr. Adil Patrawala's holding in Quant Capital Private Limited cannot be diluted.
- (f) QCPL has filed Summary Suit against Quant Transactional Services Private Limited for recovery of outstanding dues amounting to ` 9 crore. The Notice of Motion was filed in the said Suit claiming Ad Interim Relief praying lien over the Assets of Quant Transactional Services Private Limited which High Court has denied. Both Notice of Motion and Suit are pending hearing and final disposal.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

14 In case of Reliance Exchangenext Limited (RNext) (Note 37 of Consolidated Financial Statement)

- (i) Investment in equity shares of Indian Commodity Exchange Limited ('ICEX') :

As per share sale & purchase agreement dated October 13, 2010 between Indiabulls Financial Services Limited ("IBFSL") and Reliance Exchangenext Limited ('the Company'), the Company had acquired 5,20,00,000 equity shares of Indian Commodity Exchange Limited ('ICEX') from the IBFSL, at a purchase price of ₹ 47,35,00,000 which represents 26% stake in the ICEX on December 13, 2010.

Pursuant to the ICEX application, Government of India and Forward Market Commission granted their approval vide their letters dated September 23, 2010 and October 4, 2010, respectively, for the said transfer by IBFSL to the Company. The aforesaid approval from Government of India and Forward Markets Commission are subject to the following conditions: -

- (a) that three years lock-in period condition shall apply to the Company, anchor investor, the Company afresh with effect from the date of Government approval, i.e., September 23, 2010;
- (b) that in case MMTC Ltd., which now becomes co-anchor investor, exercises its right to stake a claim to 14% in the Exchange from IBFSL in pursuance to its right to first refusal, IBFSL will be bound to transfer its remaining 14% to MMTC Ltd. at the same price at which it has been offered to the Company.

On October 21, 2011, MMTC Ltd. submitted a petition before the Company Law Board (CLB), New Delhi, in terms of Sections 397, 398, 402 and 403 of the Companies Act, 1956, seeking declaration of the aforesaid transfer of shares as void, injunction and investigation into the affairs of the ICEX and appointment of Administrative Special Officer, Auditor, etc.

Subsequently the ICEX has submitted its response to the aforesaid petition before the Honourable Company Law Board on February 10, 2012 refuting and denying the purported allegations against it. Subsequently, on February 11, 2014, MMTC Ltd. has provided an affidavit to CLB stating that they are contemplating withdrawal of the Petition and taking required steps in that directions. The matter is under consideration by the Company Law Board. Any future financial impact on the financial statements is contingent upon the final order by the appropriate authority.

- (ii) During the previous year RNext has made 100% provision amounting to ₹ 35 crore for diminution in the value of its equity investments in Indian Commodity Exchange Limited (ICEX), based on management estimate and assesment of ICEX financial position, its accumulated losses and ICEX operation, which is scaled down during the year by ICEX and the management of ICEX has decided not to launch fresh derivative contracts for trading, while existing series of contracts expired on April 1, 2014.

15 In case of Reliance Capital Asset Management Limited (RCAM) (Note 38 of Consolidated Financial Statement)

(a) Scheme of Arrangement:

- (i) Pursuant to the Scheme of Arrangement ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble Bombay High Court vide Order dated 07 November 2014 and filed with the Registrar of Companies (RoC) on 26 November, 2014 ("the Effective date"), Digital Marketing division ("the division") of Azalia Distribution Private Limited ("ADPL", "Demerged Company"), engaged in the business of providing digital marketing services to financial products and other related research has been demerged into RCAM ("Resulting Company") with effect from the 01 April 2013. ("the Appointed date")

- (ii) The salient features of the scheme are as under:

- a) The Resulting Company shall record the assets and liabilities pertaining to the Demerged Undertaking, at their respective book values as appearing in the books of the Demerged Company.
- b) The Resulting Company shall credit to its share capital account, the aggregate face value of the Preference Shares issued;
- c) Inter-company balances and transaction between the Resulting Company and the Demerged Undertaking of the Demerged Company, if any, will stand cancelled;
- d) The difference being excess of assets over liabilities recorded by the Resulting Company shall be credited to the Capital Reserve Account.
- e) If considered appropriate for the purpose of application of uniform accounting methods and policies between the Demerged Company and the Resulting Company, the Resulting Company may make suitable adjustments to its accounting methods and policies and debit the difference to its General Reserve Account.
- f) As agreed by the management of ADPL and RCAM w.e.f. the Appointed date, the following assets and liabilities of the division have been demerged at their respective book values on the basis of the audited accounts of ADPL.

Particulars	Amount (₹ in crore)
Fixed Assets	1
Current Assets	49
Liabilities	27

- g) Consideration for arrangement: Fully paid-up 6% Non-Cumulative Redeemable Preference Shares of ₹ 30 crore comprising of 3,000,000 6% Non-Cumulative Redeemable Preference Shares issued at a face value of ₹ 100/- each will be issued to equity shareholders of ADPL.
- h) Excess of liabilities over assets amounting to ₹ 6 crore has been treated as Goodwill. The Goodwill has been written off during the year.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

- (iii) According to the scheme, with effect from the Appointed date, ADPL has carried out all the business activities of the division in trust till the scheme became effective. Shareholders of ADPL had infused funds by way of Capital to the extent of ` 59 crore between April 2013 and December 2013 into ADPL. The said funds were used for settlement of dues of creditors pertaining to the expense of demerged division for FY 13-14. As per the understanding between the parties, the above does not create any liability on the Resulting Company.
- (iv) Total impact in Profit & Loss Account of current period on account of previous year (FY 13-14) transactions pertaining to the division is as below:

Particulars	Amount (` in crore)
Business Income	4
Employee Expenses	(2)
Other Administrative & Business expenses	63
Depreciation	1
Share Capital Infused in ADPL in FY 13-14 as referred to in para (iii) above	59
Inter Division balances (` 36 32 324)	-
Net Loss for FY 13-14 charged to P&L as "Net Expenses of demerged division for 13-14	3

- (v) Operations of the division for the current year, 2014-15, are included under the appropriate heads of income and expense aggregating to total income ` 1 crore & total expenses ` 1 crore.

(b) Foreign Subsidiaries:

On October 26, 2013 the Board Of Directors passed resolutions to wind down the operations of Reliance Asset Management (Malaysia) SDN BHD ("RAMMY") and Reliance Capital Asset Management UK Plc. ("RAMUK"), wholly owned subsidiaries of the Company, domiciled in Malaysia and United Kingdom respectively. The Company had decided upon this, keeping in view the long-term strategy of profitable growth.

RAMMY has been liquidated during the financial year 2014-15. In case of RAMUK, the Company has surrendered the FCA license.

16 In case of Reliance Money Precious Metals Private Limited (RMPMPL) (Note 39 of Consolidated Financial Statement)

RMPMPL has entered into an agreement with World Gold Council for its daily sale of gold and have appointed Computer Age Management Services Private Limited as its data processing service provider. RMPMPL has appointed IDBI Trusteeship Services Limited as a Security Trustee for and on behalf of the customer. Lemiu Secure Logistics Private Limited is appointed as custodian and maintains physical stock of accumulated gold on behalf of trustees.

17 The Group is organised into following reportable segments referred to in Accounting Standard (AS 17) "Segment Reporting" (Note 40 of Consolidated Financial Statement)

(` in crore)

Particular	Finance & Investments	Asset Management	General Insurance	Commercial Finance	Others	Elimination	Total
Revenue							
External	2 021 (1 472)	813 (622)	3 376 (2 931)	2 361 (2 210)	290 (309)	- (-)	8 861 (7 544)
Inter Segment	26 (33)	36 (54)	13 (14)	- (-)	9 (13)	84 (114)	- (-)
Total Revenue	2 047 (1 505)	849 (676)	3 389 (2 945)	2 361 (2 210)	299 (322)	84 (114)	8 861 (7 544)
Results							
Segment Results - Profit / (Loss) before Tax	422 (144)	343 (260)	81 (64)	441 (430)	(54) (-49)	- (-)	1 233 (849)
Unallocated Expenses							2 (2)
Profit / (Loss) before Tax	422 (144)	343 (260)	81 (64)	441 (430)	(54) (-49)	- (-)	1 231 (847)
Other information							
Segment Assets	25 094 (25 353)	585 (214)	5 661 (4 887)	17 769 (17 153)	1 102 (1 220)	2 771 (3 299)	47 440 (45 528)
Unallocated Assets	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

([^] in crore)

Particular	Finance & Investments	Asset Management	General Insurance	Commercial Finance	Others	Elimination	Total
Total Asset	25 094	585	5 661	17 769	1 102	2 771	47 440
	(25 353)	(214)	(4 887)	(17 153)	(1 220)	(3 299)	(45 528)
Segment Liabilities	12 782	330	4 733	15 367	646	411	33 447
	(13 987)	(120)	(4 039)	(14 545)	(667)	(765)	(32 593)
Unallocated Liabilities	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Liabilities	12 782	330	4 733	15 367	646	411	33 447
	(13 987)	(120)	(4 039)	(14 545)	(667)	(765)	(32 593)
Capital Expenditure	64	11	23	73	10	-	181
	(25)	(3)	(15)	(52)	(5)	(-)	(100)
Depreciation	13	13	13	19	10	-	68
	(13)	(7)	(11)	(21)	(9)	(-)	(61)
Non Cash Expenses other than Depreciation	199	(8)	(6)	171	8	-	364
	-(3)	(4)	(121)	(133)	(50)	(-)	(305)

Figures in bracket indicates previous year figures.

Notes:

- (i) As per Accounting Standard (AS-17) on "Segment Reporting", notified by the Companies (Accounting Standards) Rules 2006, the Group has reported segment information on the consolidated basis including business conducted through its subsidiaries.
- (ii) The reportable segments of the Reliance Capital Group are further described below
 - (a) Finance & Investment - This includes the corporate lending and investment activities.
 - (b) Asset Management - This includes the asset management activities including Mutual Fund and Portfolio Management Services.
 - (c) General Insurance - This includes the general insurance business.
 - (d) Commercial Finance - This includes the consumer finance and home finance business.
 - (e) Others - This includes other financial and allied services
- iii) Since all the operations of the Group are largely conducted within India, as such there is no separate reportable geographical segment.

18 Related party disclosures (Note 41 of Consolidated Financial Statement)

A. List of related parties

i) **Holding Company**

Reliance Innoventures Private Limited (ceased w.e.f March 27, 2015)

ii) **Subsidiary of Holding Company***

Reliance Inceptum Private Limited (formerly AAA Enterprises Private Limited)

*ceased w.e.f March 27, 2015, thereafter Major Investing Party.

iii) **Individual Promoter**

Shri Anil D. Ambani, the person having control during the year.

iv) **Associates**

- | | |
|---|---|
| 1 Reliance Life Insurance Company Limited | 4 Ammolite Holdings Limited |
| 2 Reliance Asset Reconstruction Company Limited | 5 Reliance Land Private Limited (ceased w.e.f April 2, 2014) |
| 3 Indian Commodity Exchange Limited | 6 Reliance Share & Stock Brokers Private Limited (ceased w.e.f April 2, 2014) |

v) **Fellow subsidiaries***

- | | |
|--|---------------------------------------|
| 1 Big Flicks Private Limited | 7 Reliance Webstores Limited |
| 2 Zapak Mobile Games Private Limited | 8 Zapak Digital Entertainment Limited |
| 3 Reliance Big Entertainment Private Limited | 9 AAA Entertainment Private Limited |
| 4 Reliance Communications Infrastructure Limited | 10 Reliance Infratel Limited |
| 5 Reliance Communications Limited | 11 Reliance Globalcom Limited |
| 6 Reliance Infocomm Infrastructure Limited | |

*ceased w.e.f March 27, 2015. Thereafter, with individual described in clause A (iii) above has control during the year.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

vii) Key management personnel

1. Shri V. R. Mohan – President & Company Secretary
2. Shri Soumen Ghosh – Chief Executive Officer
3. Shri Amit Bapna – Chief Financial Officer
4. Mrs. Caroline Ghosh – KMP Relative
5. Shri Vijay Singh Bapna – KMP Relative

B. Other related parties with whom transactions have taken place during the year

Enterprise over which individual described in clause A (iii) above has control

Reliance Power Limited Reliance Cleangen Limited Jharkhand Integrated Power Limited

C. Transactions during the year with related parties:

Particulars	(` in crore)		
	Fellow Subsidiaries#	Associates	Total
Debentures			
a) Balance as at March 31, 2015	-	50	50
	(-)	(50)	(50)
b) Accrued interest on debentures as at March 31, 2015	-	3	3
	(-)	(1)	(1)
Commercial Paper			
a) Repaid during the year	-	-	-
	(-)	(300)	(300)
Investments			
a) Balance as at March 31, 2015	-	5 389	5 389
[Net of provision ` 64 crore (Previous year ` 64 crore)]	(1 568)	(5 848)	(7 416)
Interest / Finance income accrued on Investment			
a) Balance as at March 31, 2015	-	-	-
	(637)	(225)	(862)
Loans Given			
a) Given during the year	559	-	559
	(1 278)	(674)	(1 952)
b) Returned /Adjusted during the year	746	-	746
	(1 024)	(284)	(1 308)
c) Balance as at March 31, 2015	-	-	-
	(837)	(424)	(1 261)
d) Interest accrued on Loans	-	-	-
	(9)	(26)	(35)
Advances			
a) Balance as at March 31, 2015	-	1	1
	(1)	(-)	(1)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)	188	-	188
	(228)	(85)	(313)
b) Rent	1	-	1
	(1)	(-)	(1)
c) Dividend Income	-	47	47
	(1)	(23)	(24)
d) Reimbursement of Expenditure (* ` 4 23 150)	*	7	7
	(1)	(5)	(6)
e) Management Fees	-	6	6
	(-)	(6)	(6)

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

(` in crore)

Particulars	Fellow Subsidiaries#	Associates	Total
f) Other operating income	-	1	1
	(-)	(-)	(-)
g) Processing fees	3	-	3
	(-)	(-)	(-)
Expenditure			
a) Finance cost	-	-	-
	(-)	(9)	(9)
b) Insurance * ` 46 97 875	-	*	*
	(-)	(1)	(1)
c) Miscellaneous Expenditure	-	-	-
	(-)	(1)	(1)
d) Provision /(Reversal) for Diminution in value of Investments	73	-	73
	-(77)	(-)	-(77)
Contingent Liability			
a) Guarantees to Banks and Financial Institutions on behalf of third parties	50	-	50
	(100)	(90)	(190)

D. The nature and volume of material transactions for the year with above related parties are as follows:

(` in crore)

Particulars	Fellow Subsidiaries#	Associates	Total
Debentures			
a) Balance as at March 31, 2015			
i) Reliance Life Insurance Company Limited	-	50	50
	(-)	(50)	(50)
b) Interest accrued on debentures as at March 31, 2015			
i) Reliance Life Insurance Company Limited	-	3	3
	(-)	(1)	(1)
Commercial Papers			
a) Repaid during the year			
i) Reliance Life Insurance Company Limited	-	-	-
	(-)	(300)	(300)
Investments			
a) Redeemed /Sold during the year			
i) Reliance Big Entertainment Private Limited	368	-	368
	(-)	(-)	(-)
a) Balance as at March 31, 2015- carrying cost			
i) Reliance Land Private Limited	-	-	-
	(-)	(470)	(470)
ii) Reliance Share & Stock Brokers Private Limited	-	-	-
	(-)	(67)	(67)
iii) Reliance Big Entertainment Private Limited	-	-	-
	(1 275)	(-)	(1 275)
iv) Reliance Communications Limited	-	-	-
	(293)	(-)	(293)
v) Reliance Asset Reconstruction Company Limited	-	65	65
	(-)	(61)	(61)
vi) Reliance Life Insurance Company Limited	-	5 300	5 300
	(-)	(5 234)	(5 234)

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

(` in crore)

Particulars	Fellow Subsidiaries [#]	Associates	Total
vii) Indian Commodity Exchange Limited (*Net of Provision ` 35 crore)	- (-)	* (*)	* (*)
Interest / Finance income accrued on investment			
a) Balance as at March 31, 2015			
i) Reliance Land Private Limited	- (-)	- (225)	- (225)
ii) Reliance Big Entertainment Private Limited	- (637)	- (-)	- (637)
Loans Given			
a) Given during the year			
i) Reliance Land Private Limited	- (-)	- (579)	- (579)
ii) Reliance Infratel Limited	213 (250)	- (-)	213 (250)
iii) Reliance Big Entertainment Private Limited	346 (1 028)	- (-)	346 (1 028)
vii) Zapak Digital Entertainment Limited	- (2)	- (-)	- (2)
vi) Zapak Mobile Games Private Limited	- (4)	- (-)	- (4)
b) Returned/Adjusted during the year			
i) Reliance Land Private Limited	- (-)	- (275)	- (275)
ii) Reliance Asset Reconstruction Company Limited	- (-)	- (1)	- (1)
iii) Reliance Big Entertainment Private Limited	533 (768)	- (-)	533 (768)
iv) Reliance Infratel Limited	213 (250)	- (-)	213 (250)
c) Balance as at March 31, 2015			
i) Reliance Land Private Limited	- (-)	- (329)	- (329)
ii) Reliance Big Entertainment Private Limited	- (837)	- (-)	- (837)
iii) Reliance Share & Stock Brokers Private Limited	- (-)	- (95)	- (95)
d) Interest accrued on loans			
i) Reliance Big Entertainment Limited	- (9)	- (-)	- (9)
ii) Reliance Land Private Limited	- (-)	- (24)	- (24)
Advances			
a) Balance as at March 31, 2015			
i) Reliance Communications Limited	- (1)	- (-)	- (1)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)			
i) Reliance Land Private Limited	- (-)	- (84)	- (84)

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

(` in crore)

Particulars		Fellow Subsidiaries#	Associates	Total
ii)	Reliance Big Entertainment Private Limited	187 (220)	- (-)	187 (220)
b)	Rent			
i)	Reliance Communications Infrastructure Limited	1 (1)	- (-)	1 (1)
c)	Dividend Income			
i)	Reliance Communications Limited	- (1)	- (-)	- (1)
ii)	Reliance Life Insurance Company Limited	- (-)	46 (23)	46 (23)
d)	Reimbursement of Expenditure			
i)	Reliance Communications Infrastructure Limited *[` 4 23 150 (Previous year ` 4 01 188)]	* (*)	- (-)	* (*)
ii)	Reliance Asset Reconstruction Company Limited	- (-)	- (1)	- (1)
iii)	Reliance Life Insurance Company Limited	- (-)	7 (5)	7 (5)
e)	Management Fees			
i)	Reliance Life Insurance Company Limited	- (-)	6 (6)	6 (6)
f)	Other operating income			
i)	Reliance Asset Reconstruction Company Limited	- (-)	1 (-)	1 (-)
g)	Processing fees			
i)	Reliance Big Entertainment Private Limited	2 (-)	- (-)	2 (-)
i)	Reliance Infratel Limited	1 (-)	- (-)	1 (-)
Expenditure				
a)	Finance cost			
i)	Reliance Life Insurance Company Limited	- (-)	8 (9)	8 (9)
b)	Insurance			
i)	Reliance Life Insurance Company Limited (* ` 46 97 875)	- (-)	* (1)	* (1)
c)	Miscellaneous Expenditure			
i)	Reliance Land Private Limited	- (-)	- (1)	- (1)
d)	Provision for Diminution in value of Investments			
i)	Reliance Communications Limited	73 (77)	- (-)	73 (77)
Contingent Liability				
a)	Guarantees to Banks and Financial Institutions			
i)	Ammolite Holdings Limited	- (-)	- (90)	- (90)
ii)	Reliance Big Entertainment Private Limited	50 (100)	- (-)	50 (100)

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

Key Managerial Personnel

(` in crore)

Name	Shri V. R. Mohan	Shri Soumen Ghosh	Shri Amit Bapna	Mrs. Caroline Ghosh	Shri Vijay Singh Bapna
Employee benefit expenses	1 (1)	8 (-)	3 (-)	- (-)	- (-)
Loan & Advance balance *[` 4 06 551 (Previous year ` 4 20 951)]	* (*)	1 (-)	- (-)	1 (-)	- (-)
Interest Income (* ` 12 69 472, ** ` 6 90 661, *** ` 5 40 423)	- (-)	* (-)	- (-)	** (-)	*** (-)

Enterprise over which individual described in clause A(iii) above has control

(` in crore)

	Reliance Power Limited	Reliance Cleangen Limited	Jharkhand Integrated Power Limited
Investment balance as at March 31, 2015	3 (3)	- (-)	- (-)
Loan & Advance given during the year	- (-)	950 (530)	- (75)
Loan & Advance repaid during the year	- (-)	950 (530)	- (75)
Loan & Advance given balance as at March 31, 2015 (* ` 45 96 993)	- (-)	- (*)	- (-)
Interest & Finance Income during the year * ` 27 23 658	- (-)	20 (4)	- (*)
Processing fees	- (-)	2 (-)	- (-)

ceased w.e.f March 27, 2015. Thereafter, with individual described in clause A (iii) above has control during the year

Notes :

- Figures in bracket indicate previous year figures.
- Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transaction.
- The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.
- In addition to the above, Commission of ` Nil (Previous year ` Nil) and Director Sitting Fees of ` 2 60 000 (Previous year ` 80 000) has been paid to Shri Anil D. Ambani, an individual having control.
- Reliance Capital Partner's (firm) stake in Ravissant Private Limited, though in excess of 20% of their shareholdings, has not been considered as associates, as the firm does not have any "Significant Influence" on the same, as defined by Accounting Standard (AS-18) on "Related Party Disclosures" as per the Companies (Accounting Standards), Rules 2006 and hence the transaction with these parties have not been considered for Related Party Disclosures.

19 Auditors' remuneration includes (Note 42 of Consolidated Financial Statement)

(` in crore)

	2014-15	2013-14
i) Audit Fees	3	3
ii) Tax Audit Fees [` 5 61 800 (Previous year ` 7 10 618)]	-	-
iii) Certification and other reimbursement charges (Previous year ` 3 07 049)]	1	-
Total	4	3

20 Leases (Note 43 of Consolidated Financial Statement)

Details of Future Minimum Lease Receivables are as under:

(` in crore)

	2014-15	2013-14
Within one year of the balance sheet date	22	25
Due in a period between one year and five years	24	34
Due after five years (Previous year ` 1 79 739)	-	-

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

Details of future minimum lease rent payable under operating lease for each of the following periods:

Particulars	(` in crore)	
	2014-15	2013-14
Not Later than one year	4	5
Later than one year and not later than five years	2	3
Later than five years	-	-

21 Basic and diluted earnings per share (Note 44 of Consolidated Financial Statement)

The computation of earnings per share is set out below:

	(` in crore)	
	2014-15	2013-14
a) Amounts used as the numerators		
Net Profit after tax	1 001	747
Net Profit attributable to equity shareholders	1 001	747
b) Weighted average number of equity shares (Nos.)	24 60 16 362	24 56 32 800
c) Basic earnings per share of face value ` 10 each (`)	40.69	30.38
d) Diluted earnings per share of face value ` 10 each (`)	40.69	30.38

22 Contingent Liabilities and Commitments (As Certified by the Management) (Note 45 of Consolidated Financial Statement)

	(` in crore)	
	March 31, 2015	March 31, 2014
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions	2 553	2 878
ii) Claims against the Company not acknowledge as debt	48	20
iii) Outstanding Forward Exchange Contract	66	66
Commitments		
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)	56	92
ii) Undrawn Committed Credit lines	1 088	968
iii) Uncalled amount of Investments	8	7

Share of company in contingent liabilities and capital commitments of an associate are as follows

	(` in crore)	
	March 31, 2015	March 31, 2014
Contingent Liabilities		
i) Claims against the Company not acknowledge as debt	31	15
ii) Statutory Demands /liabilities in disputed not provided for	18	19
iii) Guarantees to Banks and Financial Institutions	-	-
Commitments		
i) Commitment towards fixed Assets	2	3
ii) Other commitments	3	3

23 The subsidiaries / associate companies considered in the consolidated financial statement with their proportion of ownership are as under: (Note 46 of Consolidated Financial Statement)

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
List of Subsidiaries			
Reliance Capital Asset Management Limited	India	March 31, 2015	56.23%
Reliance Asset Management (Mauritius) Limited	Mauritius	March 31, 2015	56.23%
Reliance Asset Management (Singapore) Pte Limited	Singapore	March 31, 2015	56.23%
Reliance Capital Asset Management (UK) Plc	United Kingdom	March 31, 2015	56.23%
Reliance Asset Management (Malaysia) SDN BHD (ceased w.e.f. July 14, 2014)	Malaysia	March 31, 2015	56.23%

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
Reliance Capital Pension Fund Limited	India	March 31, 2015	71.55%
Reliance AIF Management Company Limited	India	March 31, 2015	56.23%
Reliance General Insurance Company Limited	India	March 31, 2015	99.46%
Reliance Capital Trustees Company Limited	India	March 31, 2015	100.00%
Reliance Gilts Limited	India	March 31, 2015	100.00%
Reliance Money Express Limited	India	March 31, 2015	100.00%
Reliance Equity Advisors (India) Limited (ceased w.e.f. July 2, 2014)	India	March 31, 2015	100.00%
Reliance Home Finance Limited	India	March 31, 2015	100.00%
Reliance Securities Limited	India	March 31, 2015	100.00%
Reliance Composite Insurance Broking Limited (ceased w.e.f. June 30, 2014)	India	March 31, 2015	100.00%
Reliance Commodities Limited	India	March 31, 2015	100.00%
Reliance Financial Limited	India	March 31, 2015	100.00%
Reliance Alternative Investments Services Private Limited (ceased w.e.f. July 2, 2014)	India	March 31, 2015	100.00%
Reliance Wealth Management Limited	India	March 31, 2015	100.00%
Reliance Money Precious Metals Private Limited	India	March 31, 2015	100.00%
Reliance Money Solutions Private Limited	India	March 31, 2015	100.00%
Reliance Capital AIF Trustee Company Private Limited	India	March 31, 2015	100.00%
Reliance Spot Exchange Infrastructure Limited	India	March 31, 2015	100.00%
Reliance Exchangenext Limited	India	March 31, 2015	100.00%
Indian Agri Services Private Limited (ceased w.e.f. April 2, 2014)	India	March 31, 2015	100.00%
Reliance Consultants (Mauritius) Limited (ceased w.e.f. July 2, 2014)	Mauritius	March 31, 2015	100.00%
Quant Capital Private Limited	India	March 31, 2015	74.00%
Quant Broking Private Limited	India	March 31, 2015	74.00%
Quant Capital Advisors Private Limited (ceased w.e.f. July 31, 2014)	India	March 31, 2015	74.00%
Quant Commodity Broking Private Limited	India	March 31, 2015	74.00%
Quant Services Private Limited	India	March 31, 2015	74.00%
Quant Commodities Private Limited (ceased w.e.f. April 4, 2014)	India	March 31, 2015	74.00%
Quant Investments Services Private Limited	India	March 31, 2015	74.00%
Quant Capital Finance and Investments Private Limited	India	March 31, 2015	74.00%
List of Associates			
Indian Commodity Exchange Limited	India	March 31, 2015	26.00%
Ammolite Holding Limited	Jersey	March 31, 2015	* 50.00%
Reliance Asset Reconstruction Company Limited	India	March 31, 2015	49.00%
Reliance Life Insurance Company Limited	India	March 31, 2015	47.78%
Reliance Land Private Limited (ceased w.e.f. April 2, 2014)	India	March 31, 2015	50.00%
Reliance Share & Stock Brokers Private Limited (ceased w.e.f. April 2, 2014)	India	March 31, 2015	50.00%
Partnership Firm			
Reliance Capital Partners (Partnership Firm)	India	March 31, 2015	#

Notes:-

- # Proportion of ownership interest in Partnership firm is on the basis of weighted average capital
- * The Financial statements of Ammolite Holdings Limited, have been certified by the management.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

24 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates. (Note 47 of Consolidated Financial Statement)

(` in crore)

Sr. No	Name	As % of consolidated net assets	Net asset Amount	As % of consolidated profit or loss	Profit/(loss) after Taxation Amount
A Parent					
1	Reliance Capital Limited	76.86%	10,241.41	47.33%	476.64
B Subsidiaries					
(i) Indian					
1	Reliance Capital Asset Management Limited	6.53%	869.67	30.95%	311.65
2	Reliance Capital Pension Fund Limited	-	0.40	0.01%	0.15
3	Reliance AIF Management Company Limited	0.02%	2.38	0.12%	1.25
4	Reliance Capital Trustee Company Limited	0.01%	0.85	0.01%	0.13
5	Reliance General Insurance Company Limited	5.92%	788.22	7.79%	78.43
6	Reliance Gilts Limited	-	0.62	-	0.02
7	Reliance Home Finance Limited	4.00%	533.36	6.70%	67.47
8	Reliance Securities Limited	0.86%	114.56	(1.19)%	(12.01)
9	Reliance Money Express Limited	0.13%	17.24	0.16%	1.63
10	Reliance Money Precious Metals Private Limited	0.01%	1.58	(0.20)%	(1.98)
11	Reliance Commodities Limited	0.06%	8.02	(0.20)%	(2.06)
12	Reliance Financial Limited	0.02%	2.39	(0.54)%	(5.46)
13	Reliance Wealth Management Limited	0.04%	5.46	0.02%	0.18
14	Reliance Exchangenext Limited	0.00%	0.27	-	(0.01)
15	Reliance Spot Exchange Infrastructure Limited	(0.04)%	(4.75)	(0.02)%	(0.18)
16	Reliance Money Solutions Private Limited	0.05%	6.75	(3.61)%	(36.33)
17	Reliance Capital AIF Trustee Company Private Limited	0.00%	0.01	-	(0.01)
18	Quant Capital Limited	1.13%	151.07	0.07%	0.67
19	Quant Broking Private Limited	1.26%	167.62	0.46%	4.59
20	Quant Securities Private Limited	0.01%	1.28	(0.13)%	(1.30)
21	Quant Commodity Broking Private Limited	0.01%	1.45	(0.07)%	(0.67)
22	Quant Investments Services Private Limited	0.04%	5.45	(0.05)%	(0.55)
23	Quant Captial Finance and Investments Private Limited	0.16%	21.64	-	(0.00)
24	Fairwinds Asset Managers Limited (formerly Reliance Equity Advisors (India) Private Limited)	-	-	0.98%	9.91
25	Fairwinds Trustees Services Private Limited (formerly Reliance Alternative Investment Services Private Limited)	-	-	-	(0.04)
26	Indian Agri Services Private Limited	-	-	-	-
27	Reliance Composite Insurance Broking Limited	-	-	-	-
28	Quant Capital Advisors Private Limited	-	-	-	-
29	Quant Commodities Private Limited	-	-	-	-
(ii) Foreign					
1	Reliance Asset Management (Mauritius) Limited	0.10%	13.37	0.03%	0.34
2	Reliance Asset Management (Singapore) Pte. Limited	0.24%	31.92	0.08%	0.78
3	Reliance Capital Asset Management (UK) Plc	0.20%	25.99	0.01%	0.15
4	Reliance Asset Management (Malaysia) SDN BHD	-	-	-	-
5	Reliance Consultants (Mauritius) Limited	-	-	-	-
C Partnership firm					
1	Reliance Capital Partners	2.37%	315.77	11.28%	113.61
Total		100.00%	13,324.00	100.00%	1,007.00
D Minority interest					
1	Reliance Capital Asset Management Limited	-	596.53	-	128.31
2	Reliance General Insurance Company Limited	-	5.03	-	0.44
3	Quant Capital Private Limited	-	66.18	-	0.67
4	Reliance Capital Partners	-	1.43	-	0.36
Total Minority		-	669.17	-	129.78

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2015

(` in crore)

Sr. No	Name	As % of consolidated net assets	Net asset Amount	As % of consolidated profit or loss	Profit/(loss) after Taxation Amount
E Associate					
(i) Indian					
1	Reliance Life Insurance Company Limited	-	5,300.00	-	64.59
2	Reliance Asset Reconstruction Company Limited	-	64.92	-	3.92
3	Indian Commodity Exchange Limited	-	-	-	-
4	Reliance Land Private Limited	-	-	-	-
5	Reliance Share & Stock Brokers Private Limited	-	-	-	-
(ii) Foreign					
1	Ammolite Holdings Limited		23.70		10.71
Total Associate		-	5,388.62	-	79.22

25 Strategic Investments (Note 48 of Consolidated Financial Statement)

In accordance with Para 7 of Accounting Standard (AS-23) on Accounting for Investments in Associates in Consolidated Financial Statements as per the Companies (Accounting Standard), Rules 2006, Reliance Capital Partner's stake in Ravissant Private Limited though in excess of 20% of their shareholdings have not been accounted for as associates in the preparation of consolidated financial statements as the Company does not have any "Significant Influence" on these companies, as defined by Accounting Standard (AS-18) on Related Party Disclosures as per the Companies (Accounting Standard), Rules 2006.

26 Long Term Contracts (Note 49 of Consolidated Financial Statement)

The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, respective companies in the Group have reviewed and ensured that adequate provision as required under any law / accounting standards there are no foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

27 Goodwill (Note 50 of Consolidated Financial Statement)

Goodwill of ` 4 567 crore (Previous year ` 4 567 crore) arising at the time of acquisition of associates has been included in the carrying amount of investments in associates, as per Accounting Standard-23 (AS-23) on "Accounting for Investment in Associates in Consolidated Financial Statements".

28 Depreciation (Note 51 of Consolidated Financial Statement)

The Group has revised its policy of providing depreciation on fixed assets pursuant to and in line with the requirements of Part C of Schedule II of the Companies Act, 2013 with effect from April 1, 2014. Depreciation is now provided on a straight line basis for all assets as against the policy of providing on written down value basis for some assets and straight line basis for others. As a result of these changes, the depreciation charge for the year ended March 31, 2015 is lesser by ` 4 crore and the effect relating to the period prior to April 1, 2014 is net credit of ` 5 crore which has been clubbed with current period 'Depreciation' in the statement of profit and loss and ` 6 crore is adjusted against reserves.

Had the Group continued to use the earlier method of depreciation, the profit before tax for the current year would have been lower by ` 9 crore.

As per our report of even date attached

For **Chaturvedi & Shah**
Partner
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 29, 2015

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary

Mumbai
Dated: May 29, 2015

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani

Soumen Ghosh
Amit Bapna
V. R. Mohan

Statement containing salient features of the financial statement of subsidiaries / associate companies

(Pursuant to first proviso to sub section (3) of Section 129 read with rule 5 of the Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(- in crore)

Sr. No.	Name	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
1	Reliance Capital Asset Management Limited	41.27	1,304.59	1,663.79	317.93	796.95	930.11	443.32	85.98	357.33	312.19	56.23
2	Reliance Asset Management (Singapore) Pte Limited	26.09	5.83	35.34	3.42	12.15	3.03	0.78	-	0.78	-	56.23
3	Reliance Asset Management (Mauritius) Limited	12.21	1.15	15.60	2.22	0.01	4.91	0.37	0.03	0.34	-	56.23
4	Reliance Capital Asset Management (UK) Plc	29.98	(29.58)	0.44	0.03	-	-	(0.13)	-	(0.13)	-	56.23
5	Reliance Capital Pension Fund Limited	25.00	0.99	26.31	0.32	25.75	1.75	0.15	-	0.15	-	71.55
6	Reliance AIF Management Company Limited	0.51	1.87	20.75	18.38	0.03	13.93	7.97	6.72	1.25	-	56.23
7	Reliance Capital Trustee Co. Limited	0.05	0.80	0.86	0.01	0.76	0.55	0.18	0.06	0.13	-	100.00
8	Reliance General Insurance Company Limited	122.77	805.47	5,662.86	4,734.60	5,048.33	3,388.02	81.39	-	81.39	-	99.46
9	Reliance Gilts Limited (* ` 14,978)	12.30	(2.82)	9.49	0.01	9.17	-	0.02	*	0.02	-	100.00
10	Reliance Money Express Limited	13.81	27.43	57.42	16.18	-	42.25	1.00	(0.37)	0.63	-	100.00
11	Reliance Money Precious Metals Private Limited	8.00	(19.97)	4.95	16.92	-	73.40	(4.21)	0.01	(4.21)	-	100.00
12	Reliance Home Finance Limited	65.82	467.54	5,557.39	5,024.03	-	512.60	105.91	(36.85)	69.06	-	100.00
13	Reliance Securities Limited	150.00	(20.66)	350.16	220.82	5.19	146.40	(14.92)	(1.08)	(16.00)	-	99.60
14	Reliance Commodities Limited (* ` 20,000)	3.00	5.02	36.79	28.77	*	8.82	(3.31)	0.10	(3.21)	-	100.00
15	Reliance Financial Limited (* ` 20,000)	11.00	30.67	56.41	14.74	*	6.06	0.69	(2.76)	(2.08)	-	100.00
16	Reliance Wealth Management Limited (* ` 19,013)	15.50	(11.46)	6.26	2.21	-	15.96	0.19	(*)	0.19	-	100.00
17	Reliance Money Solutions Private Limited	0.05	(41.61)	10.54	52.09	-	9.47	(36.33)	-	(36.33)	-	100.00
18	Reliance Exchangent Limited (* ` 14,978)	6.91	(13.29)	0.28	6.66	0.02	-	(0.01)	(*)	(0.01)	-	100.00
19	Reliance Spot Exchange Infrastructure Limited	17.65	(22.40)	1.16	5.91	-	0.02	(0.18)	-	(0.18)	-	100.00
20	Reliance Capital AIF Trustee Company Private Limited	0.06	(0.05)	0.03	0.01	-	0.01	(0.01)	-	(0.01)	-	100.00
21	Quant Capital Private Limited	10.00	207.09	225.99	8.90	0.30	7.08	13.16	0.17	12.99	-	74.00
22	Quant Broking Private Limited (* ` 5,810)	18.01	149.61	371.25	203.63	50.00	53.68	7.60	2.35	5.36	*	74.00
23	Quant Securities Private Limited	1.54	(0.26)	33.79	32.51	-	1.68	(1.33)	(0.03)	(1.30)	-	74.00
24	Quant Commodity Broking Private Limited	0.14	1.31	14.17	12.73	-	2.21	(0.68)	(0.02)	(0.67)	-	74.00
25	Quant Capital Finance and Investments Private Limited	3.83	17.81	28.46	6.82	-	4.49	0.03	0.03	-	-	74.00
26	Quant Investments Services Private Limited (* ` 27,000)	0.74	4.71	5.51	0.07	-	0.64	(0.55)	(*)	(0.55)	-	74.00

Notes:

- The Financial Year of the Subsidiaries is for 12 months from April 1, 2014 to March 31, 2015
- Investment exclude investment in Subsidiaries
- Exchange rate as of March 31, 2015: 1 USD = ` 62.3355 1 GBP = ` 92.5462 1 SGD = ` 45.4326

Name of Subsidiaries which are yet to commence operations - Nil

Name of Subsidiaries which have been liquidated or sold during the year -

Reliance Alternative Investments Services Private Limited, Reliance Asset Management (Malaysia) Sdn. Bhd., Reliance Composite Insurance Broking Limited, Fairwinds Assets Managers Limited (formerly Reliance Equity Advisors (India) Limited), Reliance Consultants (Mauritius) Limited, Quant Capital Advisors Private Limited, Quant Commodities Private Limited and Indian Agri Services Private Limited.

Statement containing salient features of the financial statement of subsidiaries / associate companies

Part "B": Associates

Sr. No.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associate held by the Company on the year end		Description of how there is significant influence Refer Note 1 below	Reason why the associate / joint venture is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			No.	Amount of Investment in Associate / Joint Venture				i. Considered in Consolidation	i. Not Considered in Consolidation
1	Ammolite Holdings Limited	31.03.2015	1 000	29	50	-	24	10.71	
2	Indian Commodity Exchange Limited	31.03.2015	5 20 00 000	47	26	-	0.26	-	
3	Reliance Asset Reconstruction Co. Limited	31.03.2015	4 90 00 000	49	49	-	63	3.92	
4	Reliance Life Insurance Company Limited	31.03.2015	57 15 64 410	4 777	47.78	-	716	64.59	

(in crore)

Name of associates which are yet to commence operations – There is no associate which is yet to commence operation.

Name of associates which have been liquidated or sold during the year – Reliance Land Private Limited and Reliance Share & Stock Brokers Private Limited.

Notes:

- There is significant influence due to percentage (%) of share capital
- The Company does not have any joint venture during the year.

For and on behalf of the Board

Chairman

Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai

Dated: May 29, 2015

RELIANCE

Capital

**Annual Report
2015-16
(Abridged)**

Reliance Capital Limited

Independent Auditors' Report on the Abridged Standalone Financial Statement

**To,
The Members of
Reliance Capital Limited
Report on the abridged standalone financial statements**

The accompanying abridged standalone financial statements of Reliance Capital Limited ('the Company'), which comprise the abridged balance sheet as at March 31, 2016, the abridged statement of profit and loss, abridged cash flow statement for the year then ended, and related notes, are derived from the audited standalone financial statements of the Company for the year ended March 31, 2016. We expressed an unmodified audit opinion on those standalone financial statements in our report dated May 6, 2016.

The abridged standalone financial statements do not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 applied in the preparation of the audited standalone financial statements of the Company. Reading the abridged standalone financial statements, therefore, is not a substitute for reading the audited standalone financial statements of the Company.

Management's responsibility for the abridged standalone financial statements

The Company's Board of Directors is responsible for the preparation of abridged standalone financial statements in accordance with first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 from the audited standalone financial statements of the Company for the year ended March 31, 2016, prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India.

Auditor's Responsibility

Our responsibility is to express an opinion on the abridged standalone financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged standalone financial statements, prepared in accordance with first proviso to sub-section (1) of Section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 are derived from the audited standalone financial statements of the Company for the year ended March 31, 2016 and are a fair summary of those standalone financial statements.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 6, 2016

Mumbai
May 6, 2016

Independent Auditors' Report on the Standalone Financial Statement

**To
The Members,
Reliance Capital Limited**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Reliance Capital Limited ("the Company"), which comprise the balance sheet as at March 31, 2016, the statement of profit and loss, cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity

with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comments in the Annexure A, and as required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" and;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Company has disclosed the impact of pending litigations as at March 31, 2016 on its standalone financial position in its standalone financial statements-Refer Note No. 44 (a) (ii) to the standalone financial statements;
 - ii) the Company has made adequate provision for the year ended March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts Refer Note No. 41 (XVI) to the standalone financial statements; and
 - iii) there has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
May 6, 2016

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Akeel Master
Partner
Membership No: 046768
Mumbai
May 6, 2016

Reliance Capital Limited

Annexure A to the Independent Auditors' Report on the Financial Statement

(Referred to in our report of even date)

- (i) In respect of its fixed assets:
- a. The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
- b. The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is a Systemically Important Non-deposit taking Non-Banking Financial Company which is primarily engaged in lending and investing activities. Accordingly, Company's business does not involve inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, during the year the Company has not granted any loans secured/unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Act. Thus, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year under audit, the Company has not given any loan, guarantee or securities to parties covered under section 185. As the Company is registered as a non banking financial Company with the Reserve Bank of India, the provision of Section 186 except sub-section (1) of the Act is not applicable to the Company. In our opinion and according to the information and explanations given to us, during the year, the Company has not made any investments through more than two layers of investment companies as mentioned in sub-section (1) of section 186 of the Act.
- (v) According to the information and explanations given to us, the Company is a Systemically Important Non-deposit taking Non-Banking Financial Company, therefore paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified for maintenance of cost records under sub section (1) of Section 148 of the Act in respect of activities carried on by the Company. Thus, paragraph 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues except in case of professional tax in which there were few delays in payment of the said dues. Further, there are no undisputed amounts payable outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute, except in respect of sales tax under Gujarat Sales Tax Act, 1969 of ` 4,75,916 for the year 2001-02 which is pending before the Gujarat Sales Tax Tribunal, Ahmedabad and sales tax under Madhya Pradesh General Sales Tax Act, 1958 of ` 4,30,472 for the year 1996-97 which is pending before Appellate Deputy Commissioner of the Commercial Tax, Indore Division - I.
- (viii) According to the information and explanations given to us, and based on our audit procedures, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government, or dues to debenture holders as at March 31, 2016.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer during the year under audit. The Company has raised moneys through debt instruments and term loans during the year. Fund raised through debt instruments and term loans by the Company have been applied for the purpose for which they were raised except in case where term loans amounting to ` 95 crore have been taken which were lying in bank accounts at the year end, and were subsequently utilized for the purpose for which loans have been taken.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) In our opinion and according to the information and explanations given to us, during the year the Company has paid managerial remuneration in accordance with the requisite approvals mandate by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in accordance with the provisions of Section 177 and Section 188 of the Companies Act, 2013. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
- (xiv) In our opinion and according to the information and explanations given to us, during the year under audit,

Annexure A to the Independent Auditors' Report on the Financial Statement

the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Hence the provisions of clause 3 (xiv) of the Order is not applicable to the Company.

Section 45-IA of the Reserve Bank of India Act, 1934.

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered any non-cash transactions with directors and persons connected with him. Hence the provisions of clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company has been registered as required under

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 6, 2016

Mumbai
May 6, 2016

Annexure B to the Independent Auditors' Report on the Financial Statement

(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Reliance Capital Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial

reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 6, 2016

Mumbai
May 6, 2016

Reliance Capital Limited

Abridged Balance Sheet as at March 31, 2016

(Statement containing the salient features of Balance Sheet as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(` in crore)	
	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Paid-up share capital -equity	253	253
(b) Reserves and surplus		
(i) Capital reserve	852	852
(ii) Capital redemption reserve	10	10
(iii) Securities premium account	3 655	3 655
(iv) General reserve	4 817	4 817
(v) Statutory reserve fund	1 593	1 398
(vi) Surplus in statement of profit & loss	<u>2 101</u>	<u>1 598</u>
	13 281	12 583
Non-current liabilities		
(a) Long-term borrowings	13 615	14 101
(b) Deferred tax liabilities (net) (Refer Note No. 5)	-	-
(c) Other long-term liabilities	121	125
(d) Long-term provisions	<u>59</u>	<u>36</u>
	13 795	14 262
Current liabilities		
(a) Short-term borrowings	3 812	3 772
(b) Trade payables	6	17
(c) Other current liabilities	5 167	4 784
(d) Short-term provisions	<u>293</u>	<u>284</u>
	9 278	8 857
TOTAL	<u>36 354</u>	<u>35 702</u>
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	155	183
(ii) Intangible assets	<u>24</u>	<u>31</u>
	179	214
(b) Non-current investments		
(i) Quoted	422	350
[Market value ` 345 crore (Previous year ` 397 crore)]		
(ii) Unquoted	10 687	11 031
(c) Long-term loans and advances	16 426	11 945
(d) Other non-current assets	<u>743</u>	<u>1 343</u>
	28 457	24 883
Current assets		
(a) Current investments		
(i) Quoted	6	6
[Market value ` 6 crore (Previous year ` 6 crore)]		
(ii) Unquoted	131	988
(b) Trade receivables [` 15 01 520 (Previous year ` 12 76 998)]	-	-
(c) Cash & bank balances (Refer Note No. 6)	1 670	731
(d) Short-term loans and advances	5 643	8 694
(e) Other current assets	<u>447</u>	<u>400</u>
	7 897	10 819
TOTAL	<u>36 354</u>	<u>35 702</u>

i. See accompanying notes to the abridged standalone financial statements

ii. Compiled from the Audited Standalone Financial Statements of the Company referred to in our report dated May 6, 2016.

iii. Complete Balance Sheet, Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bapna
V. R. Mohan

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 6, 2016

Abridged Statement of Profit and Loss for the year ended March 31, 2016

(Statement containing the salient features of Statement of Profit and Loss as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

(` in crore)

	2015-16	2014-15
I Income		
Revenue from operations		
(a) Interest & Finance Income	3 006	2 939
(b) Other financial services	1 070	1 009
	<u>4 076</u>	3 948
II Other income	69	40
III Total Income (I + II)	<u>4 145</u>	<u>3 988</u>
IV Expenditure		
(a) Employee benefits expense	194	194
(b) Finance costs	2 297	2 357
(c) Depreciation and amortisation expense	37	31
(d) Auditors' remuneration (Refer Note No. 8)	2	2
(e) Amortised DSA commission	44	38
(f) Provision for NPA, doubtful debts and balances written off	100	308
(g) Provision and loss on repossessed stock	49	29
(h) Reversal of provision for diminution in the value investments / written off	(11)	(55)
(i) Other expenses	257	240
Total Expenditure (a to i)	<u>2 969</u>	<u>3 144</u>
V Profit before tax (III - IV)	1 176	844
VI Profit before tax from continuing operations (V-IX)	864	510
VII Tax expense:		
(1) Current tax	114	23
(2) Taxation for earlier years	11	-
(3) Deferred tax	-	(12)
VIII Profit after tax from continuing operations (VI-VII)	739	499
IX Profit before tax from discontinuing operations (V-VI)	312	334
X Tax expense:		
(1) Current tax	74	76
XI Profit after tax from discontinuing operations (IX-X)	238	258
XII Profit after tax (VIII+XI)	<u>977</u>	<u>757</u>
XIII Earnings per equity share face value of ` 10 each fully paid up		
(1) Basic (`)	38.67	30.77
(2) Diluted (`)	38.67	30.77

i. See accompanying notes to the abridged standalone financial statements

ii. Compiled from the Audited Standalone Financial Statements of the Company referred to in our report dated May 6, 2016

iii. Complete Standalone Balance Sheet, Standalone Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Babna
V. R. Mohan

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 6, 2016

Reliance Capital Limited

Abridged Cash Flow Statement for the year ended March 31, 2016

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(` in crore)	
	2015-16	2014-15
A. Net Cash generated from / (used in) operating activities	709	(534)
B. Net Cash generated from / (used in) investing activities	2 807	2 795
C. Net Cash generated from / (used in) financing activities	(2 652)	(3 298)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	864	(1 037)
Cash and cash equivalents at beginning of year	631	1 668
Cash and cash equivalents at end of year (Refer Note No. 6)	1 495	631

Note:

The previous year's figures have been regrouped and reclassified wherever necessary.

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

Akeel Master
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For and on behalf of the Board

Chairman
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Anil D. Ambani
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Soumen Ghosh
Amit Bapna
V. R. Mohan

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

1 Background

Reliance Capital Limited ('the Company') is registered as a Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is principally engaged in lending and investing activities.

2 Significant Accounting Policies

a Basis of Preparation of Standalone Financial Statements

The accompanying standalone financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated in accordance with the generally accepted accounting principles (GAAP) in India and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (The Act), read with Rule 7 of the Companies (Accounts) Rules, 2014 and relevant provisions of the Act. These financial statements are presented in Indian rupees rounded to the nearest crore except otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of the services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

The Company complies in all material respects, with the prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the directions issued by the Reserve Bank of India in terms of Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 issued vide Reserve Bank of India ('RBI') Notification No. DNBR.009/CGM (CDS)-2015 dated March 27, 2015, as applicable to the Company.

b Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

c Revenue Recognition

i) Interest income:

Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non performing assets ("NPAs") where it is recognised, upon realisation.

ii) Dividend income:

Dividend income is recognised when the right to receive payment is established.

iii) Income from investments:

Profit / (Loss) earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on weighted average basis.

iv) Lease rental income:

Lease rental income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

v) Discount on investments:

The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight-line basis.

vi) Redemption premium on investments :

Redemption premium on investments is recognised as finance income over the tenor of the investments.

vii) Share of profits or losses in partnership firm:

Share of profits / losses in partnership firm is accounted for once the amount of the share of profit/loss is ascertained and credited/debited to the Company's account in the books of the partnership firm.

viii) Loan processing fee income:

Loan processing fee income is accounted for upfront upon processing of loan as and when it becomes due.

ix) Management fee income:

Management fee income towards support services is accounted as and when services are rendered and it becomes due on contractual terms with the parties.

x) Income from assignment / securitization:

In case of assignment / securitisation of loans, the assets are derecognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned/ securitised loans in accordance with the Guidelines issued by Reserve Bank of India vide RBI/2012-13/170 DNBS. PD. No. 301/3.10.01/2012-13 dated August 21, 2012. The profit if any, as reduced by the estimated provision for loss/ expenses and incidental expenses related to the transaction, is recognised as gain or loss arising on assignment

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

/ securitisation over the tenure of the deal. Loss arising from these transactions if any are recognised immediately in the statement of profit and loss.

xi) Servicing fee income:

Servicing fees received is accounted for based on the underlying deal structure of the transaction as per the agreement.

d Fixed assets

i) Tangible assets

Leased assets

All assets given on operating lease are shown as fixed assets net of depreciation and impairment loss, if any. Initial direct costs in respect of leases are expensed in the year in which such costs are incurred.

Own assets

Tangible Assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes acquisition cost which is directly attributable to bring the asset to its working condition for its intended use.

ii) Intangible assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development.

e Depreciation / Amortisation

Depreciation on fixed assets is provided as follows:

i) Tangible assets

The Company has provided for depreciation over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 as per straight line method except Plant & Machinery and data processing machineries given on lease where useful life is considered 8 years and 5 years, respectively based on management's assessments of useful life in respect of these assets. Lease hold improvements are amortised over the primary period of the lease on straight-line basis.

ii) Intangible Assets are amortised on straight-line basis over the useful life of the asset up to a maximum of 5 years commencing from the month in which such asset is first installed.

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

f Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

g Investments

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued, scrip wise at cost and fair value, whichever is lower. Long-term investments are carried at carrying cost less diminution in value which is other than temporary, determined separately for each individual investment scrip wise.

An investment property is accounted for in accordance with cost model. The cost of any shares in a co-operative society or a company, the holding of which is directly related to the right to hold the investment property, is added to the carrying amount of the investment property.

h Repossessed assets

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount. The classification and provision is based on the underlying Days Past Due (DPD) for these loans.

i Loan origination/acquisition cost

All direct cost incurred for the loan origination is amortised over the tenure of the loan.

j Security of loans given

Housing loans / loans against property granted are secured by equitable registered mortgage of property and / or undertaking to create a security. Other secured loans are secured against hypothecation of respective assets.

k Provisions for Non Performing Assets (NPA) and doubtful debts

Loans and advances, receivables are identified as bad/ doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning meets the NBFC prudential norms prescribed by the Reserve Bank of India.

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

l Provisions for standard assets

Provisions for standard assets are made as per para 10 of the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.

m Market linked debentures (MLD)

The Company has issued certain non-convertible debentures, the rate of interest which is linked to performance of specified indices over the period of the debentures. The Company hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain/loss on these hedge positions are netted against with interest expense on MLD and resultant 'net loss' is recognised in Statement of Profit and Loss immediately, however 'net gain' if any, is ignored.

n Discount on commercial paper

The difference between the issue price and the redemption value of commercial papers is apportioned on time basis and recognised as discounting expense.

o Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates.

p Employee benefits

i) Provident fund: Company's contributions to the recognised provident fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss.

ii) Gratuity: The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

iii) Leave encashment: Leave encashment which is a defined benefit, is accrued for based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

iv) Phantom Shares: As a long term incentive plan to employees, the Company has initiated Phantom stock option plan which are cash settlement rights where the employees are entitled to get cash compensation based on agreed formulae linked to market value of group company shares upon exercise of phantom stock options over notional or hypothetical shares, whereby instead of becoming entitled to buy the actual shares on vesting, they become entitled to cash payment equivalent to appreciation in the value over defined base price of shares. The present value of the obligation under such plan is determined based on actuarial valuation.

q Employee Stock Option Scheme ("ESOS")

The employees of the Company and its subsidiaries are entitled for grant of stock options (equity shares), based on the eligibility criteria set in ESOS plan of the Company. The employee compensation expenses are accounted on the basis of "intrinsic value method" as prescribed by the Guidance Note on Employee share based payments issued by the Institute of Chartered Accountants of India as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The excess, if any, of quoted market price over the exercise price on the date of grant would be recognised as compensation cost over the vesting period. The Company recognises compensation cost on the basis of estimated number of stock options expected to vest.

r Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

s Operating leases

Lease payments for assets taken on an operating lease are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

t Earnings per share

The basic earnings per share is computed by dividing the net profit / (loss) after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share, is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / increase loss per share are included.

u Taxation

- Current Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognised where there is convincing evidence that the same can be realised in future.

- Deferred tax

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised when there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised to the extent there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

v Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised nor disclosed in the financial statements.

3 The abridged standalone financial statements have been prepared in accordance with first proviso to sub-section (1) of section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 from the audited standalone financial statements of the Company for the year ended March 31, 2016, prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India and which is approved by the Board of Directors at the meeting held on May 6, 2016.

4 Previous year (Note 3 of Standalone Financial Statement)

Previous year figures has been regrouped /reclassified wherever necessary.

(` in crore)

	As at March 31, 2016	As at March 31, 2015
5 Deferred tax liabilities / (assets) (Note 7 of Standalone Financial Statement)		
Deferred tax liabilities / (assets) included in the balance sheet comprises the following:		
(a) Deferred tax liabilities		
Depreciation on fixed assets	22	21
Unamortised expenditures	<u>52</u>	<u>67</u>
Total (a)	74	88
(b) Deferred tax assets		
Provision for non performing assets / diminution in the value of assets and investments	86	115
Provision for leave encashment / gratuity	<u>1</u>	<u>3</u>
Total (b)	87	118
Net deferred tax liabilities / (assets) [(a)-(b)]	<u>(13)</u>	<u>(30)</u>

Note: As a matter of prudence the Company has decided not to recognise Deferred tax assets (net) in books of accounts.

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(` in crore)

	As at March 31, 2016	As at March 31, 2015
6 Cash and bank balances (Note 20 of Standalone Financial Statement)		
(a) Cash and cash equivalents		
Balances with banks		
- In current accounts	1 489	618
- Fixed Deposits (less than 3 months)	2	12
Cash on hand	<u>4</u>	<u>1</u>
(b) Other bank balances		
- Fixed Deposits under lien (less than 3 months)*	157	84
- Unclaimed dividend accounts	18	16
	<u>1 670</u>	<u>731</u>

* In respect of balances with Scheduled Banks in Fixed Deposit accounts ` 157 crore (Previous Year ` 48 crore) is kept as credit enhancement towards securitisation / assignment transaction, and ` Nil (Previous Year ` 36 crore) is kept as deposit with bank for issuing of Bank Guarantee.

7 The Company is a partner in Reliance Capital Partners (Note 29 of Standalone Financial Statement)

a) The firm consists of following partners and their balances:

(` in crore)

Name of Partners	As at March 31, 2016	As at March 31, 2015
i) Reliance Capital Limited	76	316
ii) Reliance Land Private Limited	4	1
Total	80	317

b) Profit Sharing Ratio: The profit / (loss) is distributed between the partners on the basis of the weighted average capital. The profit for the current financial year is ` 13 crore (Previous year ` 113 crore).

8 Auditors' remuneration includes: (Note 30 of Standalone Financial Statement)

(` in crore)

	2015-16	2014-15
i) Audit Fees	1	1
ii) Tax Audit Fees [` 1 07 500 (Previous year ` 1 06 180)]	-	-
iii) Certification charges and other reimbursement	1	1
Total	2	2

9 Tax on Proposed Dividend (Note 31 of Standalone Financial Statement)

In view of Section 115 - O of the Income Tax Act, 1961, the Company has reduced its dividend tax liabilities to the extent dividend received / receivable from its subsidiary company viz. Reliance Capital Asset Management Limited:

(` in crore)

	2015-16	2014-15
Company Dividend		
Company Proposed dividend	253	227
Less : Dividend Receivable from Subsidiary	126	81
Dividend for Distribution Tax	127	146
Dividend Distribution Tax thereon	26	30
Subsidiary Dividend		
No. of shares held by the Company	58 75 200	64 78 000
Date of Final Dividend	April 22, 2016	April 29, 2015
Final Dividend (per share)	215	125
Final Dividend Receivable	126	81

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

	(₹ in crore)	
	2015-16	2014-15
Date of Interim Dividend	Nil	March 19, 2015
Interim Dividend (per share)	Nil	146
Interim Dividend Received	Nil	95
Dividend Distribution Tax credit on Interim Dividend	Nil	16

10 Employees Stock Option Plans (Note 32 of Standalone Financial Statement)

- a) The Company operated two Employee Stock Option Plans; ESOS Plan A and ESOS Plan B introduced in the financial year 2009-10. All options granted under the ESOS Plan A and ESOS Plan B have been surrendered and lapsed. The Company managed the ESOS Plan A and ESOS Plan B through a Trust. Advance of ₹ 59 crore (net of written off ₹ 64 crore) Previous Year ₹ 62 crore (net of written off ₹ 64 crore) has been granted to Trust. Out of the said advance, Trust has purchased 16 00 000 equity shares for the above purpose.
- b) The Company introduced ESOS 2015 which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till five years as per Plan. Each Option entitles the holder thereof to apply for and be allotted/transferred one Equity Share of the Company upon payment of the exercise price during the exercise period.

Details of ESOS 2015 are as under :

	ESOS 2015
Date of Grant	October 15, 2015
Price of Underlying Stock (₹)	396
Exercise / Strike Price (₹)	396
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	7.51% - 7.56%
Expected Dividend Yield	2.28%
Expected Life (years)	4.51 to 6.51
Expected Volatility	44.61% to 46.39%

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows: (As certified by the management)

	No. of Stock Options
	As at March 31, 2016
Outstanding at the beginning of the year	-
Granted	6 46 080
Exercised	-
Lapsed / Forfeited / Surrendered	3 520
Outstanding at the end of the year	6 42 560
Exercisable at end of the year	-

11 Employee benefits (Note 33 of Standalone Financial Statement)

a) Defined contribution plan

Contribution to defined contribution plans, recognised as expense for the year is as under: (₹ in crore)

	2015-16	2014-15
Employer's contribution to provident fund	5	5
Employer's contribution to superannuation fund [₹ 21 63 390 (Previous year ₹ 19 54 267)]	-	-
Employer's contribution to pension scheme	3	2
	8	7

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

b) Defined benefit plans

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of Profit and Loss, the fund status and amount recognised in the balance sheet for the gratuity benefit plan and leave encashment plan.

(` in crore)

Particulars	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
I. Table showing change in				
Liability at the beginning of the period	9.55	4.60	3.62	2.98
Interest Cost	0.76	0.43	0.28	0.26
Current Service Cost	1.27	0.76	0.57	0.57
Benefit Paid	(1.35)	(0.88)	(0.38)	(0.48)
Actuarial (gain)/loss on obligations	(0.10)	4.63	0.70	0.28
Liability at the end of the period	10.13	9.55	3.39	3.62
II. Changes in the Fair Value of Plan Assets and the reconciliation thereof				
Fair Value of Plan Assets at the beginning of the period	5.80	5.99	-	-
Expected return on Plan Assets	0.46	0.56	-	-
Contributions	4.42	0.00	0.38	0.46
Benefit paid	(1.35)	(0.88)	(0.38)	(0.48)
Actuarial gain/(loss) on Plan Assets	(0.05)	0.13	(0.70)	(0.36)
Fair value of Plan Assets at the end of the period	9.28	5.80	-	-
Total Actuarial gain/(loss) to be recognised	0.05	(4.50)	(0.70)	(0.27)
III. Actual return on Plan Assets				
Expected return on Plan Assets	0.46	0.56	-	-
Actuarial gain/(loss) on Plan Assets	(0.05)	0.13	-	-
Actual return on Plan Assets	0.42	0.69	-	-
IV. Amount recognised in the Balance Sheet				
Liability at the end of the period	10.13	9.55	3.39	3.62
Fair Value of Plan Assets at the end of the period	9.28	5.80	-	-
Difference Funded status	(0.85)	(3.75)	(3.39)	(3.62)
Unrecognised Actual Gain / (Loss)	-	-	-	-
Amount recognised in the Balance Sheet (liability)	(0.85)	(3.75)	(3.39)	(3.62)
V. Expenses recognised in the Profit and Loss Account				
Current Service Cost	1.27	0.76	0.57	0.57
Interest Cost	0.76	0.43	0.28	0.26
Expected return on Plan Assets	(0.46)	(0.56)	-	-
Net Actuarial (gain)/loss to be recognised	(0.05)	4.50	0.70	0.28
Expense recognised in Profit and Loss Account	1.52	5.13	0.16	1.11
VI. Amount recognised in the Balance Sheet				
Opening Net Liability	3.74	(1.40)	3.62	2.98
Expense as above	1.52	5.13	0.16	1.11
Employers Contribution paid	(4.42)	0.00	(0.38)	(0.48)
Closing Net Liability/(Assets)	0.85	3.74	3.39	3.62

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(` in crore)

Particulars	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2015-16	2014-15	2015-16	2014-15
VII. Assumptions				
Discount Rate	8.07%	8.01%	8.00%	8.00%
Rate of return on Plan Assets	8.07%	8.01%	-	-
Salary Escalation Rate	6.00%	6.00%	5.00%	5.00%

VIII. Particulars of the amounts for the year and previous years

	Gratuity for the year ended March 31				
	2 016	2 015	2 014	2 013	2 012
Present value of benefit obligation	10.13	9.55	4.60	5.54	4.36
Fair value of plan assets	9.28	5.80	5.99	6.69	4.35
Excess of obligation over plan assets	0.85	3.75	(1.39)	(1.15)	0.01

IX. Experience adjustment

Experience adjustment on Plan Assets Gain/(Loss)	(0.05)	0.13	(0.07)	(0.03)	(0.25)
Experience adjustment on Plan Liabilities(Gain)/Loss	0.08	(0.69)	(0.77)	0.72	0.58

c) Other employee benefits

Phantom Stock Option Scheme:

As a long term incentive plan to employees, the Company has initiated Phantom Stock Option Plan on October 15, 2015 which are cash settlement rights where the employees are entitled to get cash compensation based on a agreed formulae linked to market value of subsidiary company shares upon exercise of phantom stock options over notional or hypothetical shares,

Liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end. The valuation of the shares is done considering the Project Unit Credit Method and the progression of share price up to the exercise of the option. Fair Value of Phantom Stock Options was estimated on the date of grant on the assumptions of Discount Rate of 7.72% and Expected Life of 5 years.

Vested Phantom Options can be exercised on continuation of employment any time upto 3 years from the date of last vesting and upon cessation of employment as per the terms of the Scheme. Settlement of Phantom Option is done in cash within 90 days from the date of exercise. For the current year the Company has created provision of ` 1 crore.

Notes:

- i) The above figures are shown in rupees in crore with two decimals to be more representative.
- ii) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.
- iii) General Descriptions of significant defined plans:
 - a) Gratuity plan
Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial.
 - b) Leave plan
Encashment of leave can be availed by the employee for balance in the earned account as on January 1, 2009. All carry forward earned leaves with a maximum limit of 10 Days, are available for availment but not for encashment.

12 Segment reporting (Note 34 of Standalone Financial Statement)

As per paragraph 4 of Accounting Standard (AS-17), on "Segment Reporting" notified by the Companies (Accounts) Rules, 2014, where a single financial report contains both consolidated financial statements and the separate financial statements of the holding company, segment reporting needs to be presented only on the basis of consolidated financial statements. In view of this, segment information has been presented at Note No. 20 of the Abridged consolidated financial statements.

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

13 Related party disclosures (Note 35 of Standalone Financial Statement)

A. List of Related Parties and their relationship:

i) **Major investing party**

Reliance Inceptum Private Limited

ii) **Individual Promoter**

Shri Anil D. Ambani, the person having control during the year.

iii) **Subsidiaries**

1	Reliance Capital Asset Management Limited	15	Reliance Securities Limited
2	Reliance Asset Management (Mauritius) Limited	16	Reliance Commodities Limited
3	Reliance Asset Management (Singapore) Pte. Limited	17	Reliance Financial Limited
4	Reliance Capital Asset Management (UK) Limited (formerly Reliance Capital Asset Management (UK) Plc)	18	Reliance Money Express Limited
5	Reliance Capital Pension Fund Limited	19	Reliance Money Precious Metals Private Limited
6	Reliance AIF Management Company Limited	20	Reliance Money Solutions Private Limited
7	Reliance Capital Trustee Co. Limited	21	Reliance Wealth Management Limited
8	Reliance General Insurance Company Limited	22	Quant Capital Private Limited
9	Reliance Life Insurance Company Limited (w.e.f. March 30, 2016)	23	Quant Capital Finance and Investments Private Limited
10	Reliance Gilts Limited	24	Quant Broking Private Limited
11	Reliance Home Finance Limited	25	Quant Commodity Broking Private Limited
12	Reliance Exchangenext Limited	26	Quant Investment Services Private Limited
13	Reliance Spot Exchange Infrastructure Limited	27	Quant Securities Private Limited
14	Reliance Capital AIF Trustee Company Private Limited		

iv) **Partnership firm**

Reliance Capital Partners

v) **Associates**

1	Reliance Life Insurance Company Limited (ceased w.e.f. March 30, 2016)	3	Indian Commodity Exchange Limited
2	Reliance Asset Reconstruction Company Limited	4	Ammolite Holdings Limited

vi) **Key Managerial Personnel (KMP) and KMP Relatives**

- 1 Shri Soumen Ghosh – Executive Director & Group CEO
- 2 Shri Amit Bapna – Chief Financial Officer
- 3 Shri V. R. Mohan – President & Company Secretary
- 4 Smt. Caroline Ghosh – KMP Relative
- 5 Shri Vijay Singh Bapna – KMP Relative

B. Other related parties with whom transactions have taken place during the year

Enterprise over which individual described in clause A (ii) above has control or significant influence.

1	Reliance Power Limited	6	Reliance Infocomm Infrastructure Limited
2	Reliance Communications Limited	7	Reliance Infratel Limited
3	Zapak Mobile Games Private Limited	8	Reliance IDC Limited
4	Reliance Big Entertainment Private Limited	9	Reliance Webstore Limited
5	Reliance Communications Infrastructure Limited	10	Reliance Transport & Travels Private Limited (ceased w.e.f. November 28, 2015)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

C. Transactions during the year with related parties:

Particulars					(` in crore)
	Subsidiaries	Associates	Partnership Firm	Others (B above)	Total
Debentures					
a) Issued during the year	-	-	-	-	-
	(14)	(-)	(-)	(-)	(14)
b) Redeemed during the year	158	-	-	-	158
	(63)	(-)	(-)	(-)	(63)
c) Balance as at March 31, 2016	243	-	-	-	243
	(240)	(50)	(-)	(-)	(290)
d) Accrued interest on debentures as at March 31, 2016	10	-	-	-	10
	(10)	(3)	(-)	(-)	(13)
Loans Taken					
a) Returned during the year	-	-	-	-	-
	(450)	(-)	(-)	(-)	(450)
Fixed Assets					
a) Purchase during the year* (` 48 86 889)	-	-	-	*	*
	(-)	(-)	(-)	(-)	(-)
b) Sold during the year* (` 6 06 392)	*	-	-	-	*
	(31)	(-)	(-)	(-)	(31)
Investments					
a) Subscribed/Purchased during the year	174	-	-	-	174
	(5)	(-)	(-)	(-)	(5)
b) Redeemed / Sold during the year	-	-	-	632	632
	(229)	(-)	(-)	(368)	(597)
c) Balance as at March 31, 2016	7 976	49	-	223	8 248
[Net of provision ` 76 crore (Previous year ` 182 crore)]	(2 636)	(4 825)	(-)	(855)	(8 316)
Partnership Current Accounts					
a) Withdrawal during the year	-	-	253	-	253
	(-)	(-)	(207)	(-)	(207)
b) Profit of Partnership firm during the year	-	-	13	-	13
	(-)	(-)	(113)	(-)	(113)
c) Balance as at March 31, 2016	-	-	76	-	76
	(-)	(-)	(316)	(-)	(316)
Loans Given					
a) Given during the year	117	-	-	2 654	2 771
	(40)	(-)	(-)	(559)	(599)
b) Returned /Adjusted during the year	112	-	-	2 469	2 601
	(72)	(-)	(-)	(746)	(818)
c) Balance as at March 31, 2016	5	-	-	815	820
[Net of provision ` 7 crore (Previous year ` 7 crore)]	(-)	(-)	(-)	(649)	(649)
d) Interest accrued on Loans	-	-	-	78	78
	(-)	(-)	(-)	(77)	(77)
Advances					
a) Balance as at March 31, 2016	95	-	-	1	96
	(91)	(1)	(-)	(-)	(92)
Income					
a) Interest & Finance Income (including Premium on Preference Shares) (* ` 11 34 247)	2	-	-	125	127
	(*)	(-)	(-)	(188)	(188)
b) Rent (* ` 9 00 000)	-	-	-	*	*
	(0)	(-)	(-)	(1)	(1)
c) Dividend Income	81	47	-	-	128
	(207)	(47)	(-)	(1)	(255)
d) Reimbursement of Expenditure [* ` 11 69 618 (Previous year ` 4 23 150)]	19	10	-	*	29
	(18)	(7)	(-)	(*)	(25)
e) Management Fees	21	6	-	-	27
	(18)	(6)	(-)	(-)	(24)
f) Income transferred as per Business Transfer Agreement	1	-	-	-	1
	(2)	(-)	(-)	(-)	(2)

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(` in crore)

Particulars	Subsidiaries	Associates	Partnership Firm	Others (B above)	Total
g) Other income (* ` 10 000, ** ` 29 63 000)	*	**	-	-	-
	(-)	(1)	(-)	(-)	(1)
h) Profit on sale of fixed assets	-	-	-	-	-
	(5)	(-)	(-)	(-)	(5)
Expenditure					
a) Finance cost paid	80	-	3	-	83
	(36)	(-)	(-)	(-)	(36)
b) Insurance [** 48 17 137 (Previous year ` 46 97 875)]	3	*	-	-	3
	(3)	(*)	(-)	(-)	(3)
c) Rent	-	-	-	1	1
	(1)	(-)	(-)	(-)	(1)
d) Brokerage paid during the year [(Previous year ** 36 55 563)]	1	-	-	-	1
	(**)	(-)	(-)	(-)	(**)
e) Expenses transferred as per Business Transfer Agreement	1	-	-	-	1
	(1)	(-)	(-)	(-)	(1)
f) Reimbursement of Expenditure [(Previous year ** 32 49 443)]	1	-	-	-	1
	(**)	(-)	(-)	(-)	(**)
g) Provision / (Reversal) for Diminution in value of Investments	(77)	-	-	-	(77)
	(8)	(-)	(-)	(73)	(81)
h) Investments written off	77	-	-	-	77
	(-)	(-)	(-)	(-)	(-)
i) Valuation Expenses (* ` 38 57 142)	*	-	-	-	*
	(-)	(-)	(-)	(-)	(-)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties	-	-	-	50	50
	(-)	(-)	(-)	(50)	(50)
Shares given as collateral /pledged					
a) Shares given as collateral (* ` 29 96 529)	*	-	-	-	*
	(61)	(-)	(-)	(-)	(61)
b) Shares given as pledged	67	-	-	-	67
	(5)	(-)	(-)	(-)	(5)

D. The nature and volume of material transactions for the year with above related parties are as follows:

(` in crore)

Particulars	Subsidiaries	Associates	Partnership Firm	Others (B above)	Total
Debentures					
a) Issued during the year					
i) Reliance Securities Limited	-	-	-	-	-
	(13)	(-)	(-)	(-)	(13)
ii) Reliance Capital Asset Management Limited	-	-	-	-	-
	(1)	(-)	(-)	(-)	(1)
b) Redeemed during the year					
i) Reliance Securities Limited	152	-	-	-	152
	(13)	(-)	(-)	(-)	(13)
ii) Reliance General Insurance Company Limited	-	-	-	-	-
	(50)	(-)	(-)	(-)	(50)
c) Balance as at March 31, 2016					
i) Reliance Securities Limited	12	-	-	-	12
	(15)	(-)	(-)	(-)	(15)
ii) Reliance Life Insurance Company Limited	-	-	-	-	-
	(-)	(50)	(-)	(-)	(50)
iii) Reliance General Insurance Company Limited	225	-	-	-	225
	(225)	(-)	(-)	(-)	(225)
d) Interest accrued on debentures as at March 31, 2016					
i) Reliance Life Insurance Company Limited	-	-	-	-	-
	(-)	(3)	(-)	(-)	(3)
ii) Reliance General Insurance Company Limited	10	-	-	-	10
	(10)	(-)	(-)	(-)	(10)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(` in crore)

Particulars	Subsidiaries	Associates	Partnership Firm	Others (B above)	Total
Loans Taken					
a) Returned during the year					
i) Reliance Capital Asset Management Limited	-	-	-	-	-
	(450)	(-)	(-)	(-)	(450)
Fixed Assets					
a) Purchased during the year					
i) Reliance Communications Infrastructure Limited * (` 48 86 889)	-	-	-	*	*
	(-)	(-)	(-)	(-)	(-)
b) Sold during the year					
i) Reliance Home Finance Limited	-	-	-	-	-
	(31)	(-)	(-)	(-)	(31)
ii) Reliance Money Solutions Private Limited * (` 6 06 392)	*	-	-	-	*
	(-)	(-)	(-)	(-)	(-)
Investments					
a) Subscribed / Purchased during the year					
i) Reliance Gilts Limited	51	-	-	-	51
	(5)	(-)	(-)	(-)	(5)
ii) Reliance Financial Limited	66	-	-	-	66
	(-)	(-)	(-)	(-)	(-)
iii) Reliance Money Solutions Private Limited	25	-	-	-	25
	(-)	(-)	(-)	(-)	(-)
iv) Reliance Money Precious Metals Private Limited	17	-	-	-	17
	(-)	(-)	(-)	(-)	(-)
b) Redeemed / Sold during the year					
i) Reliance AIF Management Company Limited	-	-	-	-	-
	(54)	(-)	(-)	(-)	(54)
ii) Reliance Capital Asset Management Limited	-	-	-	-	-
	(125)	(-)	(-)	(-)	(125)
iii) Reliance Big Entertainment Private Limited	-	-	-	632	632
	(-)	(-)	(-)	(368)	(368)
iv) Quant Capital Private Limited	-	-	-	-	-
	(50)	(-)	(-)	(-)	(50)
c) Balance as at March 31, 2016					
i) Reliance General Insurance Company Limited	1 742	-	-	-	1 742
	(1 742)	(-)	(-)	(-)	(1 742)
ii) Reliance Home Finance Limited	321	-	-	-	321
	(321)	(-)	(-)	(-)	(321)
iii) Reliance Communications Limited [Net of provision of ` 73 crore (Previous year ` 73 crore)]	-	-	-	220	220
	(-)	(-)	(-)	(220)	(220)
iv) Reliance Asset Reconstruction Company Limited	-	49	-	-	49
	(-)	(49)	(-)	(-)	(49)
v) Ammolite Holdings Limited *[Net of Provision ` 29 crore (Previous year ` 29 crore)]	-	*	-	-	*
	(-)	(*)	(-)	(-)	(*)
vi) Reliance Securities Limited	150	-	-	-	150
	(150)	(-)	(-)	(-)	(150)
vii) Quant Capital Private Limited	200	-	-	-	200
	(200)	(-)	(-)	(-)	(200)
viii) Reliance Exchangenext Limited *[Written off ` 69 crore (Previous year provision ` 69 crore)]	13	-	-	-	13
	(*)	(-)	(-)	(-)	(*)
ix) Reliance Life Insurance Company Limited	5 077	-	-	-	5 077
	(-)	(4 776)	(-)	(-)	(4 776)
x) Reliance Capital Asset Management Limited	247	-	-	-	247
	(158)	(-)	(-)	(-)	(158)
xi) Reliance Big Entertainment Private Limited	-	-	-	-	-
	(-)	(-)	(-)	(632)	(632)
Partnership Current Accounts					
a) Withdrawal during the year					
i) Reliance Capital Partners	-	-	253	-	253
	(-)	(-)	(207)	(-)	(207)

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(` in crore)

Particulars	Subsidiaries	Associates	Partnership Firm	Others (B above)	Total
b) Profit of Partnership firm during the year					
i) Reliance Capital Partners	-	-	13	-	13
	(-)	(-)	(113)	(-)	(113)
c) Balance as at March 31, 2016					
i) Reliance Capital Partners	-	-	76	-	76
	(-)	(-)	(316)	(-)	(316)
Loans Given					
a) Given during the year					
i) Reliance Money Solutions Private Limited	27	-	-	-	27
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Financial Limited	23	-	-	-	23
	(40)	(-)	(-)	(-)	(40)
iii) Reliance Infratel Limited	-	-	-	325	325
	(-)	(-)	(-)	(213)	(213)
iv) Reliance Securities Limited	65	-	-	-	65
	(-)	(-)	(-)	(-)	(-)
v) Reliance Big Entertainment Private Limited	-	-	-	140	140
	(-)	(-)	(-)	(346)	(346)
vi) Reliance Communications Limited	-	-	-	2 104	2 104
	(-)	(-)	(-)	(-)	(-)
b) Returned/Adjusted during the year					
i) Reliance Money Solutions Private Limited	27	-	-	-	27
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Financial Limited	18	-	-	-	18
	(40)	(-)	(-)	(-)	(40)
iii) Reliance Securities Limited	65	-	-	-	65
	(-)	(-)	(-)	(-)	(-)
iv) Reliance Big Entertainment Private Limited	-	-	-	80	80
	(-)	(-)	(-)	(533)	(533)
v) Reliance Infratel Limited	-	-	-	325	325
	(-)	(-)	(-)	(213)	(213)
vi) Reliance Communications Limited	-	-	-	1 999	1 999
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2016					
i) Reliance Financial Limited	5	-	-	-	5
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Exchangenext Limited *[Net of Provision of ` 7 crore (Previous year ` 7 crore)]	*	-	-	-	*
	(*)	(-)	(-)	(-)	(*)
iii) Reliance Big Entertainment Private Limited	-	-	-	709	709
	(-)	(-)	(-)	(649)	(649)
iv) Reliance Communications Limited	-	-	-	106	106
	(-)	(-)	(-)	(-)	(-)
d) Interest accrued on loans					
i) Reliance Big Entertainment Private Limited	-	-	-	77	77
	(-)	(-)	(-)	(77)	(77)
Advances					
a) Balance as at March 31, 2016					
i) Reliance General Insurance Company Limited	93	-	-	-	93
	(90)	(-)	(-)	(-)	(90)
ii) Reliance Asset Reconstruction Company Limited *[` 18 06 490 (Previous year ` 32 33 993)]	-	*	-	-	*
	(-)	(*)	(-)	(-)	(*)
iii) Reliance Life Insurance Company Limited (* ` 26 26 243)	1	-	-	-	1
	(-)	(*)	(-)	(-)	(*)
iv) Reliance Communications Limited	-	-	-	1	1
	(-)	(-)	(-)	(-)	(-)
v) Reliance Communications Infrastructure Limited (* Net of ` 75 crore given & refund)	-	-	-	*	*
	(-)	(-)	(-)	(-)	(-)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(` in crore)

Particulars	Subsidiaries	Associates	Partnership Firm	Others (B above)	Total
Income					
a) Interest & Finance Income (including Premium on Preference Shares)					
i) Reliance Securities Limited	1	-	-	-	1
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Financial Limited *[*` 3 63 616 (Previous year ` 11 34 247)]	*	-	-	-	*
	(*)	(-)	(-)	(-)	(*)
iii) Reliance Money Solutions Private Limited	1	-	-	-	1
	(-)	(-)	(-)	(-)	(-)
iv) Reliance Communications Limited	-	-	-	24	24
	(-)	(-)	(-)	(-)	(-)
v) Reliance Big Entertainment Private Limited	-	-	-	91	91
	(-)	(-)	(-)	(187)	(187)
b) Rent					
i) Reliance Communications Infrastructure Limited (* ` 9 00 000)	-	-	-	*	*
	(-)	(-)	(-)	(1)	(1)
c) Dividend Income					
i) Reliance Capital Asset Management Limited	81	-	-	-	81
	(207)	(-)	(-)	(-)	(207)
ii) Reliance Life Insurance Company Limited	-	46	-	-	46
	(-)	(46)	(-)	(-)	(46)
d) Reimbursement of Expenditure					
i) Reliance General Insurance Company Limited	7	-	-	-	7
	(10)	(-)	(-)	(-)	(10)
ii) Reliance Communications Infrastructure Limited *[*` 11 69 618 (Previous year ` 4 23 150)]	-	-	-	*	*
	(-)	(-)	(-)	(*)	(*)
iii) Reliance Capital Asset Management Limited	2	-	-	-	2
	(2)	(-)	(-)	(-)	(2)
iv) Reliance Securities Limited	2	-	-	-	2
	(2)	(-)	(-)	(-)	(2)
v) Reliance Home Finance Limited	8	-	-	-	8
	(4)	(-)	(-)	(-)	(4)
vi) Reliance Life Insurance Company Limited	-	10	-	-	10
	(-)	(7)	(-)	(-)	(7)
e) Management Fees					
i) Reliance General Insurance Company Limited	6	-	-	-	6
	(6)	(-)	(-)	(-)	(6)
ii) Reliance Capital Asset Management Limited	6	-	-	-	6
	(6)	(-)	(-)	(-)	(6)
iii) Reliance Home Finance Limited	3	-	-	-	3
	(3)	(-)	(-)	(-)	(3)
iv) Reliance Life Insurance Company Limited	-	6	-	-	6
	(-)	(6)	(-)	(-)	(6)
v) Reliance Securities Limited	6	-	-	-	6
	(3)	(-)	(-)	(-)	(3)
f) Income transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	1	-	-	-	1
	(2)	(-)	(-)	(-)	(2)
g) Other income					
i) Reliance Asset Reconstruction Company Limited (* ` 29 63 000)	-	*	-	-	*
	(-)	(1)	(-)	(-)	(1)
h) Profit on sale of fixed assets					
i) Reliance Home Finance Limited	-	-	-	-	-
	(5)	(-)	(-)	(-)	(5)

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(` in crore)

Particulars	Subsidiaries	Associates	Partnership Firm	Others (B above)	Total
Expenditure					
a) Finance cost					
i) Reliance Securities Limited	54	-	-	-	54
	(1)	(-)	(-)	(-)	(1)
ii) Reliance Capital Asset Management Limited	-	-	-	-	-
	(36)	(-)	(-)	(-)	(36)
iii) Reliance Life Insurance Company Limited	-	3	-	-	3
	(-)	(8)	(-)	(-)	(8)
iv) Reliance General Insurance Company Limited	23	-	-	-	23
	(-)	(-)	(-)	(-)	(0)
b) Insurance					
i) Reliance General Insurance Company Limited	3	-	-	-	3
	(3)	(-)	(-)	(-)	(3)
ii) Reliance Life Insurance Company Limited* [` 48 17 137 (Previous year ` 46 97 875)]	-	*	-	-	*
	(-)	(*)	(-)	(-)	(*)
c) Rent					
i) Reliance General Insurance Company Limited	-	-	-	-	-
	(1)	(-)	(-)	(-)	(1)
ii) Reliance Communications Limited	-	-	-	1	1
	(-)	(-)	(-)	(-)	(-)
d) Brokerage paid during the year					
i) Reliance Securities Limited (Previous year **` 36 55 563)	1	-	-	-	1
	(**)	(-)	(-)	(-)	(**)
e) Expenses transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	1	-	-	-	1
	(1)	(-)	(-)	(-)	(1)
f) Reimbursement of Expenditure					
i) Reliance General Insurance Company Limited	1	-	-	-	1
	(-)	(-)	(-)	(-)	(-)
g) Provision / (Reversal) for diminution in value of investments					
i) Reliance Exchangenext Limited	(69)	-	-	-	(69)
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Communications Limited	-	-	-	-	-
	(-)	(-)	(-)	(73)	(73)
iii) Reliance Money Precious Metals Private Limited	(8)	-	-	-	(8)
	(8)	(-)	(-)	(-)	(8)
h) Investments written off					
i) Reliance Exchangenext Limited	69	-	-	-	69
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Money Precious Metals Private Limited	8	-	-	-	8
	(-)	(-)	(-)	(-)	(-)
i) Valuation Expenses					
i) Reliance Home Finance Limited *(` 38 57 142)	*	-	-	-	*
	(-)	(-)	(-)	(-)	(-)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties					
i) Reliance Big Entertainment Private Limited	-	-	-	50	50
	(-)	(-)	(-)	(50)	(50)
Shares given as collateral					
a) Reliance Securities limited *(` 29 96 529)	*	-	-	-	*
	(61)	(-)	(-)	(-)	(61)
Shares given as pledge					
a) Reliance Securities Limited	67	-	-	-	67
	(5)	(-)	(-)	(-)	(5)

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

Key Managerial Personnel

(` in crore)

Name	Shri Soumen Ghosh	Shri Amit Bapna	Shri V. R. Mohan
Employee benefit expenses	8 (8)	3 (3)	1 (1)
Loan & Advance balance [*` 44 64 047 (Previous year ` 4 06 551)]	1 (1)	- (-)	* (*)
Interest Income [*` 3 29 535, ** 9 96 021, (Previous year ** 12 69 472)]	* (*)	- (-)	# (-)

Smt. Caroline Ghosh loan ` 47 74 487 (Previous year ` 1 crore) and interest income ` 6 62 387 (Previous year ` 6 90 661)
Shri Vijay Singh Bapna interest income ` 1 62 534 (Previous year ` 5 40 423)

Notes :

- Figures in bracket indicate previous year figures.
- Expenses incurred towards public utilities services such as communication and electricity charges have not been considered for related party transaction.
- The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.
- Director Sitting Fees of ` 1 60 000 (Previous year ` 2 60 000) has been paid to Shri Anil D. Ambani, an individual having control.
- In accordance with Para 7 of Accounting Standard (AS-23) on Accounting for Investments in Associates in Consolidated Financial statement as per the Companies (Accounts) Rules, 2014, the Company's stake in Sula Vineyards Private Limited though in excess of 20% of their shareholdings have not been accounted for as associates in the preparation of consolidated financial statement as the Company does not have any "Significant Influence" on these companies, as defined by Accounting Standard (AS-18) on Related Party Disclosures as per the Companies (Accounts) Rules, 2014 and hence the transaction with these parties have not been considered for Related Party Disclosures.

14 Leases (Note 36 of Standalone Financial Statement)

The Company has given assets on Operating lease. Disclosure as per Accounting Standard (AS-19), on "Leases" notified by the Companies (Accounting Standards) Rules 2006:

Particulars	2015-16	2014-15
Within one year of the balance sheet date	15	22
Due in a period between one year and five years	14	24
Due after five years	-	-

15 Basic and diluted earnings per share (Note 37 of Standalone Financial Statement)

The computation of earnings per share is set out below:

Particulars	2015-16	2014-15
a) Amounts used as the numerators		
Net profit after tax	977	757
Net profit attributable to equity shareholders	977	757
b) Weighted average number of equity shares (Nos.)	25 26 32 800	24 60 16 362
c) Basic earnings per share of face value ` 10 each (`)	38.67	30.77
d) Diluted earnings per share of face value ` 10 each (`)	38.67	30.77

As the fair value of ESOS is less than exercise price no expense has been charge to the Statement of Profit & Loss.

16 Discontinuing operations (Note 38 of Standalone Financial Statement)

The Board of Directors of the Company at its Meeting held on February 25, 2016 has considered and approved a Scheme of Arrangement (Demerger) between the Company, and its wholly owned subsidiary Reliance Gilts Limited. As per the Scheme the Commercial Finance Business of the Company would be demerged and transferred to Reliance Gilts Limited. The Appointed Date in respect of the Scheme is April 1, 2016. The Scheme is subject to requisite approvals, including sanction of the Hon'ble High Court of Judicature at Bombay. Accordingly, aforesaid Commercial Finance Division has been considered as discontinuing operations. Post Demerger the Company would be applying to the Reserve Bank of India for registering itself as a Core Investment Company.

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

18 Disclosure of details as required by Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 (Note 40 of Standalone Financial Statement)

Liabilities side:

(` in crore)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
(1) Loans and advances availed by NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures (Other than falling within the meaning of public deposits)				
i) Secured [inclusive of ` 546 crore (Previous year ` 487 crore) interest accrued thereon]	9 916	10 357	-	-
ii) Unsecured [inclusive of ` 61 crore (Previous year ` 58 crore) interest accrued thereon]	1 484	1 481	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans	7 927	7 528		
(d) Inter-corporate Loans and Borrowing	-	-	-	-
(e) Commercial Paper	2 824	2 931	-	-
(f) Other loans				
i) Cash credit from banks	3	1	-	-

Assets side:

(` in crore)

Particulars	Amount Outstanding	
	March 31, 2016	March 31, 2015
(2) Break-up of Loans and Advances including bills receivables other than those included in (4) below (Gross Amount) (Refer Note (b) below)		
(a) Secured	15 567	12 460
(b) Unsecured	6 084	7 856
Total	21 651	20 316

Notes:

- Housing loans / loans against property and construction finance granted are secured by equitable registered mortgage of property and / or undertaking to create a security and other loans and advances are secured by way of hypothecation and/or pledging of the underlying asset.
- In case of loans & advances given in para (2) above, Provision for NPA & Doubtful Debts is ` 99 crore (Previous year ` 103 crore)
- Break up of Leased Assets and stock on hire and other assets counting towards AFC activities
 - Lease assets including lease rentals under sundry debtors:
 - Financial lease (net of depreciation and lease adjustment) - -
 - Operating lease (net of depreciation) 43 56
- Break up of investments [(Amount net of provisions of ` 194 crore (Previous Year ` 350 crore)]

Current Investments:

 - Quoted
 - Shares
 - Equity (stock-in trade) - -
 - Preference - -
 - Units of mutual fund 6 6
 - Unquoted
 - Others
 - Preference shares 10 632
 - Debentures and Bonds - 196
 - Pass Through Certificates 46 25
 - Reliance Capital Partners (Partnership Firm) 76 135

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

Assets side: (₹ in crore)

Particulars	Amount Outstanding	
	March 31, 2016	March 31, 2015
Long Term investments		
1. Quoted		
(i) Shares		
(a) Equity	422	350
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Government securities	-	-
2. Unquoted		
(i) Shares		
(a) Equity	8 343	7 892
(b) Preference	1 267	1 652
(ii) Debentures and Bonds	631	1 004
(iii) Units of Mutual funds	-	-
(iv) Government of India securities ` 45 000 (Previous year ` 45 000)	-	-
(v) Others		
(a) Pass Through Certificates & Security Receipts	29	32
(b) Units of Private Equity/Seed Fund	211	202
(c) Reliance Capital Partners (Partnership Firm)	-	181
(d) Investments in joint venture	68	68
(e) Investments in properties	138	-
Total	11 246	12 375

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:
[[Amount net of provisions of ₹ 99 crore (Previous Year ₹ 103 crore)]

(₹ in crore)

Category	Secured		Unsecured		Total	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
1. Related parties						
(a) Subsidiaries	-	-	100	91	100	91
(b) Companies in the same group - Associates	-	-	-	1	-	1
(c) Other related parties	247	80	569	569	816	649
2. Other than related parties	15 271	12 370	5 408	7 158	20 679	19 528
Total	15 518	12 450	6 077	7 819	21 595	20 269

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted excluding stock in trade)

[[Amount net of provisions of ₹ 194 crore (Previous Year ₹ 350 crore)]

(₹ in crore)

Category	Market value / Fair Value or NAV		Book Value (Net of provisions)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
1. Related parties				
(a) Subsidiaries	7 976	2 636	7 976	2 636
(b) Companies in the same group - Associates	49	4 825	49	4 825
(c) Other related parties	169	831	223	855
2. Other than related parties	2 975	4 130	2 998	4 059
Total	11 169	12 422	11 246	12 375

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(7) Other information		(` in crore)	
Particulars	March 31, 2016	March 31, 2015	
(i) Gross Non-Performing Assets			
(a) Related parties	36		36
(b) Other than related parties	464		469
(ii) Net Non-Performing Assets			
(a) Related parties	-		-
(b) Other than related parties	372		347
(iii) Assets acquired in satisfaction of debt [Net of provision ` 29 crore (Previous year ` 17 crore)]	206		110

Notes :

- Companies in same group means companies under the same management as per Section 370(1B) of the Companies Act, 1956.
- In case of unquoted investments, in the absence of market value book value has been considered.
- Capital contribution in Partnership Firm and unincorporated Joint venture have not been considered for the purpose of companies in the same group and other related party.
- Investments are classified between non-current and current investments (including current portion of long term investments) as required under Schedule III of Companies Act, 2013.
- Gross Non-Performing Assets and Net Non Performing Assets given above includes loans & advances and bonds & debentures.

19 Disclosure of details as required by para 9.6 of Reserve Bank of India Circular No. RBI /2014-15/299 DNBS (PD) CC. No. 002/03.10.001/2014-15 dated November 10, 2014 to the extent applicable to the Company. (Note 41 of Standalone Financial Statement)

I. Registration obtained from financial sector regulators

Items	Type	Number reference
i. Securities and Exchange Board of India	Registration No.	IN-DP-48-2015
ii. Reserve Bank of India	Registration No.	B-13.01859
iii. Ministry of Corporate Affairs	Registration No.	L65910MH1986PLC165645
iv. Pension Fund Regulatory and Development Authority	Registration Code for Point of Presence (PoP)	PoP 25112015

II. Ratings assigned by credit rating agencies

Rating agency	Borrowing type	Rating
i. Brickwork Ratings India Private Limited	Long term NCD of ` 5000 crore	BWR AAA
ii. Credit Analysis & Research Limited	Long term debt ` 22000 crore	CARE AAA Credit Watch
iii. Credit Analysis & Research Limited	Principal Protected MLD ` 1000 crore	CARE PP-MLD AAA Credit Watch
iv. ICRA Limited	Short term debt ` 7500 crore	[ICRA] A1+
v. CRISIL Limited	Short term debt ` 7500 crore	CRISIL A1+
vi. Brickwork Ratings India Private Limited	Subordinated Tier II NCD ` 2000 crore	BWR AAA
vii. Credit Analysis & Research Limited	Subordinated Debt ` 2000 crore	CARE AA+ Credit Watch

III. No penalties were levied upon the Company by any of the regulator.

IV. Other information

Items	March 31, 2016	March 31, 2015
i) Area, country of operation	India	India
ii) Joint venture partners with regard to Joint ventures and Overseas subsidiaries	None	None

V. Capital

		(` in crore)	
Items	March 31, 2016	March 31, 2015	
i) CRAR (%)	24.81		23.87
ii) CRAR - Tier I Capital (%)	20.03		19.05
iii) CRAR - Tier II Capital (%)	4.78		4.82
iv) Amount of subordinated debt raised as Tier-II Capital	1 423		1 423
v) Amount raised by issue of Perpetual Debt Instruments	Nil		Nil

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

VI. Investments

	(₹ in crore)	
	March 31, 2016	March 31, 2015
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	11 371	12 656
(b) Outside India	69	69
(ii) Provisions for Depreciation		
(a) In India	164	320
(b) Outside India	30	30
(iii) Net Value of Investments		
(a) In India	11 207	12 336
(b) Outside India	39	39
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	350	412
(ii) Add: Provisions made during the year	6	164
(iii) Less: Write-off / write-back of excess provisions during the year	(162)	226
(iv) Closing balance	194	350

VII. The Company sells loans through securitisation and direct assignment. The information related to securitisation and assignment made by the Company during the year, as an originator is given below:

		(₹ in crore)			
Particulars		Securitisation Outside	Assignment Subsidiaries	Assignment Outside	Total
Total number of loan assets Securitised / Assigned	(Nos.)	-	-	29 108	29 108
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any)	(₹)	(-)	(-)	(21 766)	(21 766)
Sale consideration received for the Securitised/ Assigned assets	(₹)	-	-	3 848	3 848
Net gain/(loss) on account of Securitisation / Assignment	(₹)	(-)	(-)	(3 536)	(3 536)
Outstanding Credit Enhancement (Funded) as at March 31, 2016	(₹)	-	-	3 848	3 848
Outstanding Liquidity Facility	(₹)	(-)	(-)	(3 358)	(3 358)
Net gain/(loss) on account of Securitisation / Assignment	(₹)	-	-	-	-
Outstanding Credit Enhancement (Funded) as at March 31, 2016	(₹)	(-)	(-)	-	(-)
Outstanding Liquidity Facility	(₹)	198	-	-	198
Net Outstanding Servicing Liability as at March 31, 2016	(₹)	(253)	(-)	(-)	(253)
Net Outstanding Servicing Liability as at March 31, 2016	(₹)	-	-	-	-
Net Outstanding Servicing Liability as at March 31, 2016	(₹)	7	-	248	255
Net Outstanding Servicing Liability as at March 31, 2016	(₹)	(25)	(-)	(180)	(205)

Notes: Figures in bracket indicate previous year figures.

(a) Securitisation

		(₹ in crore)	
S. No.	Particulars	As at March 31, 2016	As at March 31, 2015
1	No. of SPVs sponsored by the NBFC for securitisation transactions	6	10
2	Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	444	833
3	Total amount of exposures retained by the NBFC to comply with Minimum Retention Requirements (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	198	253
	• Others	-	-

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(₹ in crore)

S. No.	Particulars	As at March 31, 2016	As at March 31, 2015
4	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	199	200
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-

During the year there are no financial assets sold to securitisation / reconstruction Company for asset reconstruction.

(b) Assignment

(₹ in crore)

S. No.	Particulars	As at March 31, 2016	As at March 31, 2015
1	No. of Direct Assignments	64	39
2	Total amount of assigned assets as per books of the NBFC	4 665	3 542
3	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	-	-
	• Others	458	332
4	Amount of exposures to assignment transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own assignments		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party assignments		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own assignments		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party assignments		
	• First loss	-	-
	• Others	-	-

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

(c) Non-performing financial assets purchased : (₹ in crore)

Particulars	March 31, 2016	March 31, 2015
1. No. of accounts purchased during the year	-	1 313
2. Aggregate outstanding	-	67
(a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-

(d) Non-performing financial assets sold : (₹ in crore)

Particulars	March 31, 2016	March 31, 2015
1. No. of accounts sold during the year	-	-
2. Aggregate outstanding	-	-
3. Aggregate consideration receive	-	-

(e) The Company invests in Pass Through Certificates (PTCs) and purchases loans through the direct assignment route. In some of the securitisation transactions, the Company also has invested in the assets securitised by it, which, however, is restricted to the maximum limit prescribed by RBI from time to time.

(f) During the financial year 2015, Company has entered into two agreements for assignment of receivables. As per deeds of assignment, the Company has agreed to purchase the receivables and other rights for a consideration of ₹ 100 crore. The said receivables are included in loans given.

(g) Business Transfer Agreement

In terms of Business Transfer Agreement (BTA) dated April 26, 2010 further amended on January 31, 2011 with its subsidiary company i.e. Reliance Home Finance Limited the Company hold loan assets of ₹ 5 crore (Previous year ₹ 5 crore) related to Reliance Home Finance Limited in the trust capacity as on March 31, 2016.

VIII. Maturity pattern of asset and liabilities (At Book Values) (₹ in crore)

Particulars	1 day to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from bank	23 (170)	70 (200)	795 (1 020)	780 (590)	1 352 (1 360)	3 241 (2 777)	1 648 (1 409)	18 (3)	7 927 (7 529)
Market Borrowings	632 (68)	2 409 (1 671)	328 (1 043)	213 (498)	1 327 (1 032)	2 597 (3 174)	952 (1 259)	5 159 (5 479)	13 617 (14 224)
Assets									
Loans / Advances / Security Deposits	1 279 (2 685)	386 (762)	478 (237)	1 000 (1 625)	2 492 (3 382)	12 041 (7 330)	1 310 (1 597)	2 600 (2 630)	21 586 (20 248)
Investments	439 (486)	9 (510)	7 (3)	15 (161)	95 (160)	136 (185)	787 (801)	9 758 (9 790)	11 246 (12 375)

Notes:

(a) All quoted investments have been included in 1 day to 30/31 days (one month) bucket considering its liquidity. All unquoted equity shares / warrants including investment in subsidiaries have been included in 'Over 5 years'. The maturity pattern has been prepared in line with various regulations issued by RBI from time to time, best practices and based upon best estimate of the management with regard to the timing of various cash flows.

(b) The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of Schedule III to the Companies Act, 2013. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the Assets-Liability Committee / management with regard to the timing of various cash flows, which has been relied upon by the auditors.

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

IX. Exposures

(a) Exposure to Real Estate		(` in crore)	
Category	2015-16	2014-15	
a) Direct Exposure			
i) Residential Mortgages	53	51	
ii) Commercial Real Estate	1 077	1 464	
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures			
a. Residential	-	-	
b. Commercial	-	-	
b) Indirect Exposure			
Fund Based and Non Fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	334	342	
Total Exposure to Real Estate Sector	1 464	1 857	
(b) Exposure to Capital Market		(` in crore)	
Category	2015-16	2014-15	
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	563	487	
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	4	94	
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	833	840	
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	891	736	
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	
(vii) bridge loans to companies against expected equity flows / issues;	-	-	
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	200	200	
Total Exposure to Capital Market	2 491	2 357	

Note :

- i) For the exposure to real estate only loans secured by way of mortgage/hypothecation of housing properties, commercial properties and land are considered.
- ii) In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.
- iii) For the exposure to capital market Company has followed capital market exposure as defined under RBI regulations.

X. Concentration of Advances

(` in crore)

Particulars	2015-16	2014-15
Total Advances to twenty largest borrowers	11 251	10 212
Percentage of Advances to twenty largest borrowers to Total Advances of the Company	52.10%	50.38%

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

XI. Concentration of Exposures (₹ in crore)

Particulars	2015-16	2014-15
Total Exposure to twenty largest borrowers	12 022	12 305
Percentage of Exposures to twenty largest borrowers to Total Exposure of the Company on borrowers	33.93%	35.38%

XII. Concentration of NPAs (₹ in crore)

Particulars	2015-16	2014-15
Total Exposure to top four NPA accounts	130	124

XIII. Sector-wise NPAs (₹ in crore)

S. No	Sector	Percentage of NPAs to Total Advances in that sector	
		2015-16	2014-15
1	Agriculture & allied activities	1.34	-
2	MSME	3.01	3.58
3	Corporate borrowers	1.15	1.18
4	Services	10.05	0.53
5	Unsecured personal loans	-	-
6	Auto loans	8.25	7.53
7	Other personal loans	9.35	5.49

XIV. Movement of NPAs (including debentures and bonds) (₹ in crore)

Particulars	March 31, 2016	March 31, 2015
i) Net NPAs to Net Advances (%)	1.68%	1.62%
ii) Movement of NPAs (Gross)		
(a) Opening balance	505	343
(b) Additions during the year	285	307
(c) Reductions during the year	290	145
(d) Closing balance	500	505
iii) Movement of Net NPAs		
(a) Opening balance	347	256
(b) Additions during the year	223	225
(c) Reductions during the year	198	134
(d) Closing balance	372	347
iv) Movement of provisions for NPAs		
(a) Opening balance	158	87
(b) Provisions made during the year	62	82
(c) Write-off / write-back of excess provisions	92	11
(d) Closing balance	128	158

XV. Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss (₹ in crore)

Particulars	March 31, 2016	March 31, 2015
(a) Provisions for depreciation/ (appreciation) on Investment / written off	(11)	(55)
(b) Provision / (reversal) towards NPA & doubtful debts	(5)	49
(c) Provision made towards Income tax	199	99
(d) Contingent provision against standard assets	13	7
(e) Provision for repossessed Stock	12	7

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

XVI. The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards there are no foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

XVII. Customer Complaints (as certified by the Management)

Particulars	March 31, 2016	March 31, 2015
(a) No. of complaints pending at the beginning of the year	34	51
(b) No. of complaints received during the year	899	1 111
(c) No. of complaints redressed during the year	912	1 128
(d) No. of complaints pending at the end of the year	21	34

XVIII. Details of financing of parent company products

There is no parent company, hence no products are financed.

XIX. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

There are no Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company.

Moreover as per prudential norms ceiling on the investment in shares of another company shall not be applicable to a non-banking financial company in respect of investment in the equity capital of an insurance company up to the extent specifically permitted, in writing, by the Reserve Bank of India. The Company has made an application to RBI for its investments in insurance companies.

XX. Unsecured Advances

There are no advances against intangible assets.

XXI. Policy on dealing with Related Party Transactions

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at the link http://www.reliancecapital.co.in/pdf/Policy_for_Related_Party_Transaction.pdf.

XXII. Remuneration of Directors

(` in crore)

Particulars	March 31, 2016	March 31, 2015
Directors' sitting fees [` 42 40 416 (Previous year ` 36 78 772)]	-	-
Commission (Previous year ` 45 00 000)	1	-

XXIII. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There are no overseas assets other than those disclosed in investments.

XXIV. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

There are no off-balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.

20 Disclosure of details as required by para 18-21 of the Systemically Important Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015. (Note 42 of Standalone Financial Statement)

(` in crore)

Particulars	2015-16	2014-15
% of Loans against security of Gold Jewellery to total Assets	-	-
Number of auctions	-	7
Number of loan accounts	-	44
Outstanding amounts	-	1
Value fetched	-	1
Whether any of the sister concerns participated	No	No

* Gold Loan outstanding as on March 31, 2016 is ` 51 649.

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

21 Disclosure of details of Restructure accounts as required by Para 9 of the RBI Guidelines on Restructuring of Advances by NBFCs vide DNBS.Co.PD.No.367 /03.10.10/2013-14 dated January 23, 2014 (Note 43 of Standalone Financial Statement)

(in crore)

Sr. No.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total				
		Standard	Sub Standard	Doubt-ful	Loss	Standard	Sub Standard	Doubt-ful	Loss	Standard	Sub Standard	Doubt-ful	Loss	Standard	Sub Standard	Doubt-ful	Loss	Total
1	Restructured Accounts as on April 1 of the FY 2015-16																	
	No. of borrowers	2	-	-	-	2	-	-	-	-	-	-	-	1	3	-	-	3
	Amount outstanding	26.19	-	-	26.19	-	-	-	-	48.61	-	-	-	48.61	74.80	-	-	74.80
	Provision thereon	0.07	-	-	0.07	-	-	-	-	2.43	-	-	-	2.43	2.50	-	-	2.50
2	Fresh restructuring during the year																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	5.02	-	-	5.02	-	-	-	-	8.66	-	-	-	8.66	13.68	-	-	13.68
	Provision thereon	0.00	-	-	0.00	-	-	-	-	0.43	-	-	-	0.43	0.43	-	-	0.43
5	Downgradations of restructured accounts during the FY																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY																	
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2015-16																	
	No. of borrowers	2	-	-	-	2	-	-	-	1	-	-	-	1	3	-	-	3
	Amount outstanding	21	-	-	21	-	-	-	-	40	-	-	-	40	61.12	-	-	61.12
	Provision thereon	0	-	-	0	-	-	-	-	2	-	-	-	2	2.07	-	-	2.07

Reliance Capital Limited

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

22 Contingent Liabilities and Commitments (As Certified by the Management) (Note 44 of Standalone Financial Statement)

(` in crore)

Particulars	March 31, 2016	March 31, 2015
a Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions on behalf of third parties	2 590	2 138
ii) Claims against the Company not acknowledge as debt	4	4
b Commitments		
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)	106	52
ii) Undrawn Committed Credit lines	780	451
iii) Uncalled amount of Investments	23	8

23 Expenditure in foreign currency (Note 45 of Standalone Financial Statement)

(` in crore)

Particulars	2015-16	2014-15
i) Travelling Expenses [` 2 77 588 (Previous year ` 10 16 462)]	-	-
ii) Legal & Professional Fees	1	1
iii) Sales & Marketing [` 36 93 602 (Previous year ` 34 40 398)]	-	-
iv) Software Maintenance and Others	1	1
Total	2	2

24 Value of Imports on CIF basis (Note 46 of Standalone Financial Statement)

(` in crore)

Particulars	2015-16	2014-15
i) Capital Goods	2	-
Total	2	-

25 Outstanding Futures & Options as on March 31, 2016 (Note 47 of Standalone Financial Statement)

Name of Option	No. of contracts	Units	
		Long	Short
Call option	211	10 000	525
	(1 502)	(75 100)	(-)
Put option	15 214	-	7 60 700
	(29 078)	(-)	(14 53 900)
Futures	912	26 090	19 500
	(1 12 463)	(53 94 575)	(2 28 575)

Figures in bracket indicate previous year figures.

26 Corporate Social Responsibility Expenditure (Note 48 of Standalone Financial Statement)

As per Section 135 of the Companies Act, 2013 the Company is under obligation to incur ` 10 crore (Previous year ` 12 crore) and has incurred the same in cash, being 2% of the average net profit during the three immediately preceding financial years, calculated in the manner as stated in the Act towards Corporate Social Responsibility through a non-profit centre engaged in the provision of health care for the purpose other than construction / acquisition of asset.

Notes to the Abridged Standalone Financial Statement as at March 31, 2016

27 Remittance in foreign currency on account of dividend (Note 49 of Standalone Financial Statement)

The Company has paid dividend in respect of shares held by non residents on repatriation basis. This, inter-alia includes portfolio investment, where the amount is also credited to Non Resident External Account (NRE A/c). The total amount remittable in this respect is specified below:

Particulars	2015-16	2014-15
Dividend		
a) Number of Non Resident Shareholders	478	501
b) Number of Equity shares held by them	26 377	29 199
c) i) Amount of Dividend paid (gross) (amount in `)	2 37 393	2 48 192
ii) Year to which Dividend relates	2014-15	2013-14

28 In the opinion of management, all the assets other than fixed assets and non current investments are approximately of the value stated if realised in the ordinary course of business. **(Note 50 of Standalone Financial Statement)**

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 6, 2016

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani

Soumen Ghosh
Amit Bapna
V. R. Mohan

Reliance Capital Limited

Independent Auditors' Report on the Abridged Consolidated Financial Statement

To,

The Members,

Reliance Capital Limited

Report on the abridged consolidated financial statements

The accompanying abridged consolidated financial statements, which comprise the abridged consolidated balance sheet as at March 31, 2016, the abridged consolidated statement of profit & loss, and abridged consolidated cash flow statement for the year then ended, and related notes, are derived from the audited consolidated financial statements of Reliance Capital Limited ('the Holding Company') and its subsidiaries and partnership firm (the holding company and its subsidiaries and partnership firm together referred to as "the Group") and its associates for the year ended March 31, 2016. Our opinion dated May 6, 2016 on those consolidated financial statements contains, without being qualified, matter of emphasis and other matters.

The abridged consolidated financial statements do not contain all the disclosures required by the accounting standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 applied in the preparation of the audited consolidated financial statements of the Group and its associates. Reading the abridged consolidated financial statements, therefore, is not a substitute for reading the audited consolidated financial statements of the Group and its associates.

Management's responsibility for abridged consolidated financial statements

The Holding Company's Board of Directors is responsible for the preparation of a abridged consolidated financial statements in accordance with first proviso to sub-section (1) of section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 which is derived from the audited consolidated financial statements of the Group and its associates for the year ended March 31, 2016, prepared in accordance with Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India.

Auditors' responsibility

Our responsibility is to express an opinion on the abridged consolidated financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged consolidated financial statements prepared in accordance with first proviso to sub-section (1) of Section 136 of the Act read with Rule 10 of Companies (Accounts) Rules, 2014 are derived from the audited consolidated financial statements of the Company for the year ended March 31, 2016 and are a fair summary of those consolidated financial statements.

Emphasis of matter

We draw attention to Note No. 13 (c) to the abridged consolidated financial statements of the Group and its associates relating to Reliance General Insurance Company Limited ('RGIC'), a subsidiary of the Company, whose auditors have reported that provision for claims outstanding towards incurred but not reported (IBNR) and incurred but not enough reported (IBNER) and expected claim cost for Premium Deficiency Reserve creation as at March 31 2016, has been certified by a consulting actuary instead of appointed actuary as required by the Insurance Regulatory and Development Authority of India ('IRDAI') Regulations, for the reasons stated therein.

Other matters

1. The auditors of Reliance General Insurance Company Limited ('RGIC') a subsidiary of the Holding Company, have reported that actuarial valuation of liabilities with respect to claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) as on March 31, 2016 is the responsibility of the RGIC's appointed actuary ("the Appointed Actuary"). However, the RGIC's Appointed Actuary had resigned from the RGIC on August 28, 2015 and the RGIC has made provision based on the report from an external consulting actuary and said actuary has certified actuarial valuation of liability including assumptions for such valuations are in accordance with the guidelines and norms issued by the Insurance Regulatory & Development Authority of India ('IRDAI') and the Institute of Actuaries of India in concurrence with the IRDAI. The independent auditors of the RGIC have relied on the RGIC's Appointed Actuary's certificate in this regard for forming their opinion on the financial statements of the RGIC.
2. The auditors of Reliance Life Insurance Company Limited ('RLIC') a subsidiary of the Holding Company, have reported that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of RLIC's Appointed Actuary ("the Appointed Actuary"). The actuarial valuation of these liabilities as at March 31, 2016 has been duly certified by the Appointed Actuary of RLIC and in his opinion, the assumptions for such valuation are in accordance with the generally accepted actuarial principles and practices requirements of the Insurance Act, regulations notified by the Insurance Regulatory & Development Authority of India ('IRDAI') and Actuarial Practice Standards issued by the Institute of Actuaries of India in concurrence with the IRDAI. The independent auditors of RLIC have relied upon the appointed actuary's certificate in this regard for forming their opinion on the financial statements of RLIC.
3. We did not audit the financial statements / financial information of seventeen subsidiaries and a partnership firm, whose financial statements / financial information reflect total assets of ` 23,773 crore as at March 31, 2016, total revenues of ` 3,597 crore and net cash outflows amounting to ` 35 crore for the year ended on that date, as considered

Independent Auditors' Report on the Abridged Consolidated Financial Statement

in the consolidated financial statements. The consolidated financial statements also include the Group's share in net loss of ` 89 crore for the year ended March 31, 2016, in respect of three associate, out of which one associate became a subsidiary of the Company on March 30, 2016, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, partnership firm and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, partnership firm and associates, is based solely on the reports of the other auditors.

4. The financial statements / financial information of ten subsidiaries whose financial statements / financial information reflect total assets of ` 10,135 crore as at March 31, 2016, total revenues of ` 2,373 crore and net cash inflows amounting to ` 371 crore for the year ended on that date, have been audited by one of the joint auditors, which have been considered in the consolidated financial statements. These financial statements / financial information have been audited by one of the joint auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on these reports.

5. The consolidated financial statements also include the Group's share in net profit of ` 1 crore for the year ended March 31, 2016, in respect of an associate, whose financial statements / financial information have not been audited. These financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group.

Our opinion is not modified in respect of other matters.

For Chaturvedi & Shah
Chartered Accountants
Firm Reg. No: 101720W

For B S R & Co. LLP
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 6, 2016

Mumbai
May 6, 2016

Independent Auditors' Report on the Consolidated Financial Statement

To,
The Members
Reliance Capital Limited

Report on the Consolidated Financial statements

We have audited the accompanying consolidated financial statement of Reliance Capital Limited ("the Holding Company") and its subsidiaries and partnership firm (the Holding Company and its subsidiaries and partnership firm collectively referred to as "the Group") and its associates, comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies and partners of the firm included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated

financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors / one of the joint auditors in terms of their reports referred to in sub-paragraph (3) & (4) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 37 (c) to the consolidated financial statements of the Group and its associates relating to Reliance General Insurance Company Limited ('RGIC'), a subsidiary of the Company, whose auditors have reported that provision for claims outstanding towards incurred but not reported (IBNR) and incurred but not enough reported (IBNER) and expected claim cost for Premium Deficiency Reserve creation as at March 31 2016, has been certified by a consulting actuary instead of appointed actuary as required by the Insurance Regulatory and Development Authority of India ('IRDAI') Regulations, for the reasons stated therein.

Other Matters

1. The auditors of Reliance General Insurance Company Limited ('RGIC'), a subsidiary of the Holding Company, have reported that actuarial valuation of liabilities with respect to claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) as on March 31, 2016 is the responsibility of the RGIC's appointed actuary ("the Appointed Actuary"). However, the RGIC's Appointed Actuary had resigned from the RGIC on August 28, 2015 and the RGIC has made provision based on the report from an external consulting actuary and said actuary has certified actuarial valuation of liability including assumptions for such valuations are in accordance with the guidelines and norms issued by the Insurance Regulatory & Development Authority of India ('IRDAI') and the Institute of Actuaries of India. The independent auditors of the RGIC have relied on the external consulting actuary and management of the RGIC in this regard for forming their opinion on the financial statements of the RGIC.

Independent Auditors' Report on the Consolidated Financial Statement

2. The auditors of Reliance Life Insurance Company Limited ('RLIC'), a subsidiary of the Holding Company, have reported that the actuarial valuation of liabilities for life policies in force and policies where premium is discontinued is the responsibility of RLIC's Appointed Actuary ("the Appointed Actuary"). The actuarial valuation of these liabilities as at March 31, 2016 has been duly certified by the Appointed Actuary of RLIC and in his opinion, the assumptions for such valuation are in accordance with the generally accepted actuarial principles and practices requirements of the Insurance Act, regulations notified by the Insurance Regulatory & Development Authority of India ('IRDAI') and Actuarial Practice Standards issued by the Institute of Actuaries of India in concurrence with the IRDAI. The independent auditors of RLIC have relied upon the appointed actuary's certificate in this regard for forming their opinion on the financial statements of RLIC.
 3. We did not audit the financial statements / financial information of seventeen subsidiaries and a partnership firm, whose financial statements / financial information reflect total assets of ` 23,773 crore as at March 31, 2016, total revenues of ` 3,597 crore and net cash outflows amounting to ` 35 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share in net loss of ` 89 crore for the year ended March 31, 2016, in respect of three associate, out of which one associate became a subsidiary of the Company on March 30, 2016, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, partnership firm and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, partnership firm and associates, is based solely on the reports of the other auditors.
 4. The financial statements / financial information of ten subsidiaries whose financial statements / financial information reflect total assets of ` 10,135 crore as at March 31, 2016, total revenues of ` 2,373 crore and net cash inflows amounting to ` 371 crore for the year ended on that date, have been audited by one of the joint auditors, which have been considered in the consolidated financial statements. These financial statements / financial information have been audited by one of the joint auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on these reports.
 5. The consolidated financial statements also include the Group's share in net profit of ` 1 crore for the year ended March 31, 2016, in respect of an associate, whose financial statements / financial information have not been audited. These financial statements / financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information are not material to the Group.
- Our opinion on the consolidated financial statements is not modified in respect of other matters with respect to our reliance on the work done and the reports of the other auditors/one of the joint auditors and the financial statements and financial information certified by the management.
- ### Report on Other Legal and Regulatory Requirements
6. As required by Section 143(3) of the Act, based on our audit and the consideration of report of the other auditors on separate financial statements of subsidiaries and partnership firm as furnished by the management as noted in the Other Matter paragraph, we report, to that extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law related to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other independent auditors;
 - c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associates companies incorporated in India, made available to us by the management, none of the directors of the Group companies and its associate companies incorporated in India, is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company its subsidiary companies and associates companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"; and

Reliance Capital Limited

Independent Auditors' Report on the Consolidated Financial Statement

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on consideration of the report of the other auditors on financial statements of subsidiaries and associates as furnished by the management:
- i) The consolidated financial statements discloses the impact of pending litigations as at March 31, 2016 on the consolidated financial position of the Group and its associates companies. Refer Note No. 49(a)(ii) to the consolidated financial statements;
 - ii) The Group and its associates have made adequate provision in the consolidated financial statements for the year ended March 31, 2016, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note No. 53 to the consolidated financial statements.
 - iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2016. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies and associate companies incorporated in India during the year ended March 31, 2016.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 6, 2016

Mumbai
May 6, 2016

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statement

(Referred to in our report of even date)

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Reliance Capital Limited ("the Holding Company"), and its subsidiaries companies, and associates companies, incorporate in India as of date (the Holding Company, its subsidiaries companies and its associates companies, collectively referred to as "the Group").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries companies and its associates companies, incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed

to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by the other auditors in terms of their reports referred to in the other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally

Annexure A to the Independent Auditors' Report on the Consolidated Financial Statement

accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiaries companies and its associates companies, incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over

financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act, on the adequacy and operating effectiveness of the internal financial controls system over financial reporting insofar as it relates to fourteen subsidiaries and three associates companies, incorporate in India, out of which one associate company became a subsidiary of the Company on March 30, 2016, is based on the corresponding reports of the auditors of such subsidiaries, incorporate in India and in case of ten subsidiaries, incorporate in India, is based on the reports of the one of the joint auditors of the Company, who are the auditors of such subsidiaries, incorporate in India.

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No: 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No: 101248W/
W-100022

Vijay Napawaliya
Partner
Membership No: 109859

Akeel Master
Partner
Membership No: 046768

Mumbai
May 6, 2016

Mumbai
May 6, 2016

Reliance Capital Limited

Abridged Consolidated Balance Sheet as at March 31, 2016

(Statement containing the salient features of Consolidated Balance Sheet as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(` in crore)	
	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Paid-up share capital - equity	253	253
(b) Reserves and surplus		
(i) Capital reserves	172	172
(ii) Capital redemption reserve	24	54
(iii) Securities premium account	4 035	3 960
(iv) General reserve	5 579	5 584
(v) Statutory reserve fund	1 601	1 406
(vi) Special reserve	59	42
(vii) Foreign currency translation reserve	20	20
(viii) Settlement guarantee fund	-	-
[` 4 65 000 (Previous year ` 4 65 000)]		
(ix) Surplus in statement of profit & loss	<u>2 400</u>	<u>1 833</u>
	14 143	13 324
	1 448	669
Minority interest		
Non-current liabilities		
(a) Long-term borrowings	18 057	16 697
(b) Other long-term liabilities	13 601	129
(c) Long-Term provisions	<u>99</u>	<u>66</u>
	31 757	16 892
Current liabilities		
(a) Short-term borrowings	4 755	4 792
(b) Trade payables	553	491
(c) Other current liabilities	13 055	9 900
(d) Short-term provisions	<u>1 401</u>	<u>1 372</u>
	19 764	16 555
	67 112	47 440
TOTAL		
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets (Original Cost Less Depreciation)	262	250
(ii) Intangible assets (Original Cost Less Depreciation)	5 250	280
(iii) Intangible assets under development	<u>3</u>	<u>2</u>
	5 515	532
(b) Non-current investments		
(i) Quoted	10 470	2 490
(ii) Unquoted	10 266	10 923
(c) Deferred tax assets(net) (Refer Note No. 5)	39	35
(d) Long-term loans and advances	22 795	16 596
(e) Other Non-Current Assets	<u>909</u>	<u>1 461</u>
	49 994	32 037
Current assets		
(a) Current investments		
(i) Quoted	2 638	635
(ii) Unquoted	1 905	1 833
(b) Inventories	62	119
(c) Trade receivables	933	352
(d) Cash & bank balances (Refer Note No. 6)	3 335	1 624
(e) Short-term loans and advances	7 292	10 194
(f) Other current assets	<u>953</u>	<u>646</u>
	17 118	15 403
	67 112	47 440

i. See accompanying notes to the abridged consolidated financial statements

ii. Compiled from the Audited Consolidated Financial Statements of the Company referred to in our report dated May 6, 2016.

iii. Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board
Chairman
Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bajna
V. R. Mohan

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 6, 2016

Reliance Capital Limited

Abridged Consolidated Statement of Profit and Loss for the year ended March 31, 2016

(Statement containing the salient features of Consolidated Statement of Profit and Loss as per the Companies Act, 2013)

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

(` in crore)

	2015-16	2014-15
I Income		
Revenue from operations		
(a) Interest & finance income	4 242	3 885
(b) Premium & commission earned	2 863	2 750
(c) Other financial services	2 836	2 152
	<u>9 941</u>	8 787
II Other income	<u>57</u>	74
III Total Income (I+II)	<u>9 998</u>	<u>8861</u>
IV Expenditure		
(a) Employee benefits expense	828	693
(b) Finance costs	2 821	2 642
(c) Depreciation and amortisation expense	70	68
(d) Claims incurred (Net)	1 788	1 804
(e) Auditors' remuneration (Refer Note No. 19)	3	4
(f) Premium paid on reinsurance ceded	850	845
(g) Amortised DSA commission	55	45
(h) Provision for NPA, doubtful debts and balances written off	132	334
(i) Reversal of Provision for diminution in value of investments and written off	(6)	(71)
(j) Reserve for Unexpired Risk	22	(10)
(k) Other expenses	1 703	1 276
Total expenditure (a to k)	<u>8 266</u>	<u>7 630</u>
V Profit before tax (III-IV)	1 732	1 231
VI Tax expense		
Current Tax	377	242
Income tax for earlier years	6	(10)
Deferred Tax (Refer Note No. 5)	(4)	(8)
	<u>379</u>	<u>224</u>
VII Profit after tax for the year (V-VI)	1 353	1 007
VIII Share of minority shareholders	164	130
IX Share of profit in associates	(88)	79
X Profit /(loss) on sale of subsidiary (Refer Note No. 7)	-	45
XI Net profit after tax (VII-VIII+IX+X)	<u>1 101</u>	<u>1 001</u>
XII Earnings per equity share face value of ` 10 each fully paid up (Refer Note No. 24)		
Basic (`)	43.56	40.69
Diluted (`)	43.56	40.69

i. See accompanying notes to the abridged consolidated financial statements

ii. Compiled from the Audited Consolidated Financial Statements of the Company referred to in our report dated May 6, 2016

iii. Complete Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, other statements and notes thereto prepared as per the requirements of Schedule III to the Companies Act, 2013 are available at the Company's website at link www.reliancecapital.co.in

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

For and on behalf of the Board
Chairman
Vice Chairman

Directors

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Bapna
V. R. Mohan

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 6, 2016

Reliance Capital Limited

Abridged Consolidated Cash Flow Statement for the year ended March 31, 2016

(Pursuant to first proviso to sub-section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

	(₹ in crore)	
	2015-16	2014-15
A. Net Cash generated from / (used in) operating activities	(225)	(1 002)
B. Net Cash generated from / (used in) investing activities	2 642	2 144
C. Net Cash generated from / (used in) financing activities	(1 246)	(2 011)
Net increase / (decrease) in Cash and Cash Equivalents (A + B + C)	1 171	(869)
Cash and cash equivalents at beginning of year	1 225	2 094
Add: On acquisition of subsidiary (Refer Note b below)	350	-
Cash and cash equivalents at end of year (Refer Note No. 6)	2 746	1 225

Notes:

- The previous year's figures have been regrouped and reclassified wherever necessary.
- During the year Reliance Life Insurance Company Limited became a subsidiary of the Company.

As per our report of even date attached

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

Akeel Master
Partner
Membership No: 046768

For and on behalf of the Board

Chairman
Vice Chairman

Directors

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 6, 2016

Anil D. Ambani
Amitabh Jhunjhunwala
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Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani
Soumen Ghosh
Amit Babna
V. R. Mohan

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

1 Background

Reliance Capital Limited ('the Holding Company') is registered as a Non-Banking Financial Company ('NBFC') as defined under section 45-IA of the Reserve Bank of India Act, 1934. The Company along with the group is broadly engaged in lending, investing activities, asset management, insurance and broking business.

2 Significant Accounting Policies

a Principles of Consolidation

The consolidated financial statement relate to Reliance Capital Limited ('Holding Company'), its subsidiaries including a partnership firm and its associates (collectively referred to as "Group"). The consolidated financial statement have been prepared on the following basis

- i) The Standalone financial statement of the Holding Company and its subsidiaries including a partnership firm have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.
- ii) The consolidated financial statement have been prepared using uniform accounting policies for transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's standalone financial statement.
- iii) The difference between the costs of investment in the subsidiaries over the net assets as on the date of acquiring control is recognised in the consolidated financial statement as Goodwill or Capital Reserve as the case may be.
- iv) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognised in the consolidated statement of profit and loss as the profit or loss on disposal of investment in subsidiary as the case may be.
- v) Minority interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- vi) Minority interest's share of net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Company's shareholders.
- vii) The standalone financial statement of the Holding Company and its associates have been combined on the basis of equity method, whereby the investment is initially recorded at cost, identifying any goodwill / capital reserve arising at the time of acquiring control. The carrying amount of the investment is adjusted thereafter for post acquisition change in the Holding Company's share of net assets of the associates. Unrealised profits and losses resulting from transactions between the Holding Company and the associates are eliminated to the extent of the Company's interest in the associates. Unrealised losses are not eliminated if and to the extent the cost of the transferred asset cannot be recovered. The consolidated statement of profit and loss reflects the Holding Company's share of operations of the associates.
- viii) In case of foreign subsidiaries and companies controlled by the Holding Company, in translating the financial statement of non integral foreign subsidiaries for consolidation the following procedures have been followed:
 - a) The assets and liabilities both monetary and non monetary, of the non integral foreign operations are translated at the closing rate;
 - b) Income and expenses items of the non integral foreign operations are translated at the average rate;
 - c) All resulting exchange differences (if any) are accumulated in foreign currency translation reserve.

b Basis of Preparation of Consolidated Financial statement

The consolidated financial statement are prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (The Act), read with Rule 7 of the Companies (Accounts) Rules 2014 and relevant provisions of the Act. In case of Reliance General Insurance Company Limited and Reliance Life Insurance Company Limited the financial statement are drawn up in accordance with the Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority (Preparation of Financial statement and Auditors Report of Insurance Companies) Regulations, 2002 and orders and directions issued by Insurance Regulatory and Development Authority of India (IRDAI) in this behalf and the regulations framed thereunder read with relevant provisions of the Insurance Act, 1938 as amended in Insurance (Law) Amendment Act, 2015 and the Companies Act, 2013. These consolidated financial statement are presented in Indian rupees rounded to the nearest crore except otherwise stated.

c Use of Estimates

The preparation of consolidated financial statement requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the consolidated financial statement and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

d Revenue Recognition

i) Interest income:

Interest income is recognised as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of Non Performing Assets ("NPAs") where it is recognised, upon realisation. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding / maturity period on constant yield to maturity method, in accordance with policy of Reliance General Insurance Company Limited.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

ii) Dividend income:

Dividend income is recognised when the right to receive payment is established.

iii) Discount on investments:

The difference between the acquisition cost and face value of debt instruments is recognised as interest income over the tenor of the instrument on straight line basis.

iv) Redemption premium on investments:

Redemption premium on investments is recognised as finance income over the tenor of the investment.

v) Investment Management Fees:

Investment management fees are recognised on an accrual basis in accordance with Investment Management Agreement and SEBI (Mutual Fund) Regulations, 1996 based on average Assets Under Management (AUM) of Reliance Mutual Fund Schemes.

vi) Portfolio Management Fees:

Portfolio Management fees are recognised on an accrual basis in accordance with Portfolio Management Agreement entered with respective clients except in case of Reliance Securities Limited which is as follows:

- a) Processing fees is recognised on upfront basis in the year of receipt;
- b) Management fees is recognised as a percentage of the unaudited net asset value at the end of each month;
- c) Return based fees is recognised as a percentage of annual profit, in accordance with the terms of the agreement with clients on the completion of the period.

vii) Online Access Fees:

Online access fees is recognised on straight line basis, based on the agreement with the clients.

viii) Infrastructure and Resource Management Fees:

Infrastructure and resource management services fees are recognised on accrual basis as per agreements with the clients.

ix) Advisory Services Fee:

Fee for Advisory Services is accounted in accordance with the terms and contracts into with the respective clients / investment managers / advisors.

x) Trusteeship Fee:

Trusteeship fee income is recognised on the basis of the agreements entered into between the Settler and the Trustee.

xi) Loan / other processing fee:

Loan processing fee is accounted for upfront upon processing of loans, as and when it becomes due.

xii) Management fee:

Management fee towards support services is accounted as and when services are rendered and it becomes due on contractual terms with the parties.

xiii) Income from investments:

Profit earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on weighted average basis.

xiv) Income from assignment / securitization and servicing fee:

In case of assignment / securitisation of loans, the assets are derecognised when all the rights, title, future receivables and interest thereof along with all the risks and rewards of ownership are transferred to the purchasers of assigned/ securitised loans in accordance with Reserve Bank of India / National Housing Bank Guidelines if any. The profit if any, as reduced by the estimated provision for loss/ expenses and incidental expenses related to the transaction, is recognised as gain or loss arising on assignment / securitisation over the tenure of the deal. Loss arising from these transactions if any are recognised immediately in the statement of profit and loss. Servicing fees received is accounted for based on the underlying deal structure of the transaction as per the agreement.

xv) Income from Trading in Securities and Derivatives:

The initial margin and the additional margin paid for entering into contracts for equity futures and options are disclosed under the head Loans and Advances in the Balance Sheet.

Income from trading in securities and derivatives comprises of profit/loss on hedged positions in securities and futures. All the hedged positions in securities and securities Futures are marked to market and difference between the transaction price and settlement price is recognized as Gains or Losses.

The Brokerage, Securities Transaction Tax (STT) and other payments made in connection with the acquisition of securities are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage and STT.

xvi) Income from Exchange Traded Derivatives:

In respect of exchange traded derivatives undertaken, net gain/loss arising from settlement of such transactions during the year or loss from restatement of such transactions that are pending settlement at the year end are recognised in the Statement of Profit and Loss for the year.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

xvii) Income from Trading in Commodities:

The initial margin and the additional margin paid for entering into contracts for commodity futures and options are disclosed under the head Short term Loans and Advances in the Balance Sheet.

Income from trading in commodities comprises of profit/loss on hedged positions in commodity stocks and futures. All the hedged positions in commodity and commodity Futures are marked to market and difference between the transaction price and settlement price is recognized as Gains or Losses.

The Brokerage and other payments made in connection with the acquisition of commodities are added to the cost of acquisition. The amount shown under sale of commodities is net of Brokerage.

xviii) Income from Trading in Currency Derivatives:

The initial margin and the additional margin paid for entering into contracts for currency futures and options are disclosed under the head Loans and Advances in the Balance Sheet.

Income from trading in currency comprises of profit/loss on currency futures. All the positions in currency and currency futures are marked to market and difference between the transaction price and settlement price is recognized as Gains or Losses.

The Brokerage and other payments made in connection with the acquisition of currency derivatives are added to the cost of acquisition. The amount shown under sale of currency derivatives is net of Brokerage.

xix) Income from lease:

Lease rental income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

xx) Revenue on Money changer:

Revenue on foreign exchange transactions is recognised at the time of sale. The income arising from selling of foreign currencies represents the margin earned on sale of foreign currencies.

xxi) Premium:

Premium net of service tax is recognised as income over the contract period or the period of risk whichever is appropriate. Any subsequent revisions to or cancellations of premium are recognised in the year in which they occur.

xxii) Commission:

- i) Profit commission under reinsurance treaties, wherever applicable, is recognised on accrual. Any subsequent revisions of profit commission are recognized for the year in which final determination of the profits is intimated by reinsurers.
- ii) Commission income of money transfer services is recognised on rendering the service at contractual rates. Incentives received from western union are recognised on receipt basis. Service income received on account of gain on foreign currency from Western Union is accounted when accrued and due.

xxiii) Reinsurance Ceded:

- i) Commission income on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded.
- ii) Profit commission under reinsurance treaties, wherever applicable, is recognized on accrual basis. Any subsequent revisions of profit commission are recognized in the year in which final determination of the profits are intimated by reinsurers.

xxiv) Reinsurance Premium:

- i) Insurance premium ceded is accounted in the year in which the risk commences and recognized over the Contract period. Any subsequent revision to refunds & cancellation of policies are recognized in the year in which they occur.
- ii) Reinsurance inward is accounted to the extent of the returns received from the reinsurer.

xxv) Premium Received in Advance:

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the balance sheet date.

xxvi) Sales & Services :

Revenue from sale is recognized on transfer of all significant risks and rewards of ownership as per terms of contracts with the customers. (net of VAT, sales return, service tax recovery and trade discount).

xxvii) Brokerage Income:

Brokerage income is recognized net of service tax on the date of transaction.

e Fixed assets

i) Tangible assets

- Leased assets

All assets given on operating lease are shown as fixed assets net of depreciation and impairment loss, if any. Initial direct costs in respect of leases are expensed in the year in which such costs are incurred.

- Own assets

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

ii) Intangible assets

Intangible assets are recognised where it is probable that the future economic benefit attributable to the assets will flow to the Company and its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation.

Expenditure incurred on acquisition / development of intangible assets which are not put / ready to use at the reporting date is disclosed under intangible assets under development.

f Depreciation / Amortisation

i) Tangible assets

The Company has provided for depreciation over the useful life of the assets as prescribed under part C of Schedule II of the Companies Act, 2013 as per straight line method except Plant & Machinery and data processing machineries given on lease where useful life is considered 8 years and 5 years, respectively based on management's assessments of useful life in respect of these assets. Lease hold improvements are amortised over the primary period of the lease on straight-line basis.

ii) Intangible assets

The Company has amortised intangible asset on straight line basis over the useful life of the asset up to a maximum of five years commencing from the month in which such asset is first installed.

The Company provides pro-rata depreciation from the day the asset is put to use and for any asset sold, till the date of sale.

g Impairment of assets

The group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the group estimates the recoverable amount of the asset. If such recoverable amount of the asset is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

h Investments

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued, scrip wise at cost or fair value, whichever is lower. Long-term investments are carried at carrying cost less diminution in value which is other than temporary, determined separately for each individual investment scrip wise. In case of insurance companies, investments have been valued in accordance with the provisions of the Insurance Act, 1938 and the Regulations and / or orders / directions/ circulars / guidelines issued by the IRDAI in this behalf, except in case of RLIFE where investments are valued as follows:

i) Non-linked policyholders' investments, non-unit reserve and shareholders' investments

All debt securities held by RLIFE are considered as 'held to maturity' and measured at historical cost subject to amortisation of the premium/discount over the remaining period to maturity of these securities on straight line basis.

In respect of listed equities, ETF and mutual funds, the unrealised gains/losses between the cost price and the fair value price are accounted in the "Fair Value Change" account in the balance sheet.

Mutual fund units are valued at the previous day's net asset value of the respective fund.

ii) Linked business

Securities issued by Government of India (except Treasury Bills) and State government securities are valued at prices released by Credit Rating Information Services of India Limited (CRISIL).

Bonds and debentures including asset backed securities are valued on the basis of CRISIL Bond Valuer.

Money market instruments including treasury bills are valued at historical cost, subject to amortisation of premium or accretion of discount on straight-line basis over the remaining period to maturity of these securities.

Listed equities and ETF are measured at fair value, being the quoted closing prices on the National Stock Exchange (in case it is not traded on the National Stock Exchange then quoted closing price on the Bombay Stock Exchange is used) on the last trading day of the financial year.

Mutual fund units are valued at the previous day's net asset value of the respective fund.

iii) Transfer of investments

Any transfer of investments from shareholders to policyholders is carried out at amortised cost or market value whichever is lower.

In case of linked funds, inter fund transfer of debt securities is carried out at latest available price and equities at the prevailing market price during market hours.

An investment property is accounted for in accordance with cost model. The cost of any shares in a co-operative society or a company, the holding of which is directly related to the right to hold the investment property, is added to the carrying amount of the investment property.

i Inventories

- Securities held as inventories are valued scrip wise at weighted average cost or fair value, whichever is lower.
- Commodities held as inventories are valued at weighted average cost or realisable value, whichever is lower.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

- Stock of foreign currencies have been valued at weighted average cost or realisable value, whichever is lower.
- Stock of gold have been valued at weighted average cost or realisable value, whichever is lower.
- Stock of paintings are of such nature that the market value of which cannot be easily available, hence valued at cost.

j Repossessed assets

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount. The classification and provision is based on the underlying Days Past Due (DPD) for these loans.

k Provisions for Non Performing Assets(NPA) and Doubtful Debts

NPA including loans and advances, receivables are identified as bad / doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management's assessment of the degree of impairment of loan assets and the level of provisioning which meets the NBFC / NHB prudential norms prescribed by Reserve Bank of India / National Housing Bank.

l Provisions for Standard Assets

Provisions on Standard Assets are made as per para 10 of the Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) directions, 2015 and prudential norms as per Housing Finance Companies (NHB) Directions, 2010.

m Security of Loans Given

Housing loans / loans against property granted are secured by equitable registered mortgage of property and / or undertaking to create a security. Other Secured loans are secured against hypothecation of respective assets.

n Foreign currency transactions

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the year end are restated at year end rates. Non monetary foreign currency items are carried at cost.

o Employee benefits

i) Provident fund:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss.

ii) Gratuity:

The group gratuity benefit scheme is a defined benefit plan. The group net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets, if any, is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Accrued Benefit Method (same as Projected Unit Credit Method), which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

iii) Leave encashment:

Leave encashment which is a defined benefit, is accrued for based on an actuarial valuation at the balance sheet date carried out by an independent actuary.

The employees of the group are entitled to compensated absence. The employees can carry forward a portion of the unutilised accrued leave balance and utilise it in future periods. The group records an obligation for compensated absences in the period in which the employee renders the service that increases the entitlement.

iv) Phantom Shares: As a long term incentive plan to employees, the Company has initiated Phantom stock option plan which are cash settlement rights where the employees are entitled to get cash compensation based on agreed formulae linked to market value of shares upon exercise of phantom stock options over notional or hypothetical shares, whereby instead of becoming entitled to buy the actual shares on vesting, they become entitled to cash payment equivalent to appreciation in the value over defined base price of shares. The present value of the obligation under such plan is determined based on actuarial valuation.

p Employee Stock Option Scheme ("ESOS")

The employees of the Company and its subsidiaries are entitled for grant of stock options (equity shares), based on the eligibility criteria set in ESOS plan of the Company. The employee compensation expenses are accounted on the basis of "intrinsic value method" as prescribed by the Guidance Note on Employee share based payments issued by the Institute of Chartered Accountants of India as required by the Securities and Exchange Board of India (Share Based Employee Benefits)

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Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

Regulations, 2014. The excess, if any, of quoted market price over the exercise price on the date of grant would be recognised as compensation cost over the vesting period. The Company recognises compensation cost on the basis of estimated number of stock options expected to vest.

For the listed shares, the fair market price is the latest closing price, immediately prior to the date of the Board of Directors meeting in which the options are granted, on the stock exchange on which the shares of the group are listed. If the shares are listed on more than one stock exchange, then the stock exchange where there is highest trading volume on the said date is considered. If the shares are unlisted, then the fair value of options granted is estimated on the date of grant using the Black Scholes Model.

q **Loan origination/acquisition cost**

The direct commission cost incurred for the loan origination is written off over the average tenure of the loan.

r **Discount on Commercial Paper**

The difference between the issue price and the redemption value of commercial papers is apportioned on time basis and recognised as discounting expense.

s **New fund offer expenses of schemes**

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except for closed ended schemes which are recognised over the duration of the scheme.

t **Expenses of Management**

Expense relating to insurance business is allocated on the basis of net premium written to the Revenue Account(s).

Expenses relating to investment activities are charged to the statement of profit and loss.

u **Financial Derivatives and Commodity Hedging Transactions**

Financial Derivatives and Commodity Hedging transaction are accounted for on a mark to market basis. Payments of margin requirements on this contract are recognised on the Balance Sheet.

v **Claims Incurred**

Claims incurred comprises of claims paid (net of salvage and other recoveries), change in estimated liability for outstanding claims made following a loss occurrence reported and change in estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey / legal fees and other directly attributable costs.

Salvaged vehicles are recognized on realization basis.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognised on the date of intimation on management estimates of ultimate amounts likely to be paid on each claim based on the past experience. These estimates are progressively revaluated on availability of further information.

IBNR represents that amount of claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, if any, required for claims IBNER. Estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER') is required to be certified by the Appointed Actuary of Reliance General Insurance Company Limited (RGIC). However, during the current year RGIC has made the provision based on the report from an external consulting Actuary.

w **Reserve for Unexpired Risk**

Reserve for unexpired risk is made on the amount representing that part of the net premium written which is attributable to, and to be allocated to the succeeding accounting period (using 1/365 method).

x **Premium Deficiency**

Premium deficiency is recognized if the cost of expected net claim cost, related expenses and maintenance cost exceeds the sum of related premium carried forward to subsequent accounting period as the reserve for unexpired risk. Premium deficiency is recognised for RGIC at reportable segmental revenue account (i.e. Fire, Marine and Miscellaneous). RGIC considers maintenance cost as relevant cost incurred for ensuring claim handling operations. The expected claim cost is required to be calculated and duly certified by the Appointed Actuary of RGIC. However, during the current year RGIC has made the provision based on the report from an external consulting Actuary.

y **Acquisition Cost**

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts / policies and are expended in the period in which they are incurred.

z **Fund Expenses**

Expenses incurred on behalf of schemes of Reliance Mutual Fund are recognised in the statement of profit and loss under advertisement/brokerage expenses unless considered recoverable from the schemes in accordance with the provisions of SEBI (Mutual Fund) Regulations, 1996.

Expenses directly incurred for the schemes of Reliance Mutual Fund are charged to the statement of profit and loss under respective heads. Distribution cost is recognised over the duration or clawback period of the scheme for close ended and open ended schemes respectively.

Expenses relating to new fund offer of mutual fund and PMS schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except for distribution cost which is recognised over the duration or clawback period of the scheme for close ended and open ended schemes respectively.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

aa Actuarial liability valuation

A brief methodology used for the various line of business is as given below:

- i. Liabilities on life insurance policies are determined by the Appointed Actuary by using generally accepted actuarial practice in accordance with the actuarial practice standards and guidance notes issued by the Institute of Actuaries of India, the requirements of the Insurance Act, 1938 and the relevant regulations issued by the IRDAI.
- ii. The liabilities under Non-Linked individual policies are calculated by the prospective Gross Premium Valuation (GPV) method. The liabilities are calculated so that together with the estimated future premium payments and investment income, the assets of Reliance Life Insurance Company Limited (RLIFE) are expected to be sufficient to meet future claims (including bonus entitlements to policyholders, if any) and expenses.
- iii. The liabilities for Linked individual comprises of unit and non-unit reserves. The unit reserve is determined as number of units, as on valuation date multiplied by the unit prices at the valuation date. The non-unit reserve is calculated using the cash flow method by ensuring that at each point of time in future projection there is flooring at zero. The non-unit reserve is calculated on gross premium valuation on prospective basis. No credit is given to the positive profits after the month of last negative profit.
- iv. The liabilities for one year renewable group protection business are calculated by using the Unearned Premium Reserve (UPR) approach. The reserve is further compared with the reserve computed as per the Gross Premium Valuation (GPV) method and the reserve has been kept as the higher of the two. For more than one year renewable group business, the liabilities are calculated using gross premium valuation method.
- v. For the Fund based Group (linked business and non linked) business with explicit charging structure, the liabilities are taken as the sum of the policyholder's account balances plus additional reserve for mortality and expenses calculated using the projection method.
- vi. For some liabilities, the Appointed Actuary has used a method of valuation other than the Gross Premium Method as appropriate, in accordance with IRDA (Assets, Liabilities and Solvency Margins of Insurers) Regulations 2000 Section 2.7 of Schedule II-A.
- vii. The Riders are valued at higher of Gross Premium Valuation (GPV) and Unearned Premium Reserve (UPR).

ab Benefits paid

Benefits paid comprise of policy benefits, claims and claim settlement costs, if any. Death benefit, rider benefits and surrender claims are accounted for on receipt of intimation. Survival benefit claims and maturity claims are accounted when due.

Withdrawals and surrenders for unit linked policies are accounted in the respective schemes when the associated units are cancelled, for variable insurance policies and policies with explicit charge structures are accounted when the policy accounts are debited. Surrenders includes amount payable on lapsed insurance policies which are recognised when the revival period of such policies is over and on discontinued policies which are recognised after expiry of lock-in period. Withdrawals and surrenders are disclosed at net of recovered charges. Interest payment, if any, to policyholder is accounted on payment basis.

Reinsurance recoveries on claims are accounted for, in the same period as the related claims and netted off against claim expenses incurred.

ac Market Linked Debentures (MLD)

The group has issued certain non-convertible debentures, the rate of interest on which is linked to performance of specified indices over the period of the debenture.

The group Hedges its interest rate risk on MLD by taking positions in future & options based on specified indices. Any gain/loss on these hedge positions are netted against with interest expense on MLD and resultant 'net loss' is recognised in statement of profit and loss immediately, however 'net gain' if any is ignored.

ad Borrowing costs

Borrowing costs, which are directly attributable to the acquisition / construction of fixed assets, till the time such assets are ready for intended use, are capitalised as part of the cost of the assets. Other borrowing costs are recognised as an expense in the year in which they are incurred. Brokerage costs directly attributable to a borrowing are expensed over the tenure of the borrowing.

ae Leases

(i) Operating leases

Lease payments for assets taken on an operating lease are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

(ii) Hire purchase

Assets held under hire purchase arrangements are classified as finance leases and are recognised as assets of Reliance Capital Asset Management Limited at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a hire purchase liability. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with Reliance Capital Asset Management Limited general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

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Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

af Earnings per share

The basic earnings per share is computed by dividing the net profit / (loss) after tax attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share, is computed by dividing the net profit / (loss) after tax by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / (loss) per share are included.

ag Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit entitlement is recognized where there is convincing evidence that the same can be realised in future.

Deferred taxation:

The deferred tax charge or benefit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

ah Provisions, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statement. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statement. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

3 The abridged consolidated financial statements have been prepared in accordance with first proviso to sub-section (1) of section 136 of the Companies Act, 2013 read with Rule 10 of Companies (Accounts) Rules, 2014 from the audited consolidated financial statements of the Group for the year ended March 31, 2016, prepared in accordance with Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and accounting principles generally accepted in India and which is approved by the Board of Directors at the meeting held on May 6, 2016.

4 Previous year (Note 3 of Consolidated Financial Statement)

Previous year figures have been rearranged and reclassified wherever necessary.

The current year's figures are not comparable with the previous year's figures as during the year, Reliance Life Insurance Company Limited has ceased to be an associate and has become a subsidiary of the Holding Company.

(` in crore)

	As at March 31, 2016	As at March 31, 2015
5 Deferred tax assets (Note 15 of Consolidated Financial Statement)		
Deferred tax asset included in the balance sheet comprises the following:		
(a) Deferred tax assets		
Provision for non performing assets/diminution in the value of assets & investments	18	14
Straight lining of lease rentals (` 40 94 473)	-	1
Unabsorbed depreciation and carried forward losses as per Income Tax Act, 1961	2	36
Depreciation on fixed assets	37	3
Employee compensation / leave encashment	6	4
Total (a)	63	58
(b) Deferred tax liabilities		
Reserve for unexpired risk & others	15	11
Unamortised expenditure	9	12
Total (b)	24	23
Net deferred tax assets [(a)-(b)]	39	35

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

(` in crore)

	As at March 31, 2016	As at March 31, 2015	
6 Cash & bank balances (Note 21 of Consolidated Financial Statement)			
(a) Cash & cash equivalents			
Balances with banks			
- In current accounts	2 532	1 110	
- Fixed deposits (less than 3 months)	32	84	
Cheques on hand	109	24	
Cash on hand	73	7	1 225
(b) Other bank balances			
- Unclaimed dividend accounts	18		16
- In fixed deposit accounts			
- Under lien (Refer Note below)	453	353	
- Under margin (Refer Note below)	65	30	
- Others	53	-	383
	<u>3 335</u>	<u>-</u>	<u>1 624</u>

Notes:

1. In respect of balances with Banks in Fixed Deposit accounts above includes:
 - (a) ` 200 crore (Previous Year ` 124 crore) is kept as credit enhancement towards securitisation transaction.
 - (b) ` 57 crore (Previous Year ` 105 crore) as collateral security deposit in favour of National Stock Exchange of India Limited and BSE Limited and ` 65 crore (Previous Year ` 30 crore) placed as margin for the issue of bank guarantee favouring National Securities Clearing Corporation Limited.
 - (c) ` Nil (Previous Year ` 18 crore) placed as margin for the issue of bank guarantee favouring Multi Commodity Exchange of India Limited and National Commodity and Derivatives Exchange Limited.
 - (d) ` 10 crore (Previous Year ` 86 crore) are liened against bank overdraft facility.
 - (e) ` 184 crore (Previous Year ` 20 crore) is kept as deposit with Bank for issuing guarantees.
 - (f) ` 1 crore (Previous Year ` Nil) is kept as deposit with Sales Tax Authority.
 - (g) ` 1 crore (Previous Year ` Nil) is kept as deposit with Directorate of Enforcement.

7 Profit /(loss) on sale of subsidiaries & associates (Note 31 of Consolidated Financial Statement)

(` in crore)

	2015-16	2014-15
Profit on sale of subsidiaries	-	11
Profit on sale of associates	-	34
Total	-	45

8 Corporate Social Responsibility Expenditure (Note 32 of Consolidated Financial Statement)

As per Section 135 of the Companies Act, 2013 (the "Act") the Group is under obligation to incur ` 19 crore (Previous year ` 19 crore) and has incurred the same in cash, being 2% of the average net profit during the three immediately preceding financial years, calculated in the manner as stated in the Act towards Corporate Social Responsibility, *inter-alia*, through a non-profit centre engaged in the provision of health care for the purpose other than construction / acquisition of asset.

9 Goodwill on Consolidation of Subsidiaries (Note 33 of Consolidated Financial Statement)

On Consolidation, the Company has recognised the following goodwill:

(` in crore)

	2015-16	2014-15
Opening balance of Goodwill/(Capital Reserve) on consolidation of subsidiaries	215	233
Add : Goodwill/(Capital Reserve) on acquisition of subsidiaries	4 969	-
Less : Goodwill on sale / amalgamation of investments in subsidiaries	-	18
Closing balance of Goodwill/(Capital Reserve) on consolidation of subsidiaries	5 184	215

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

10 Employees Stock Option Plans (Note 34 of Consolidated Financial Statement)

A) Reliance Capital Limited

- a) The Company operated two Employee Stock Option Plans; ESOS Plan A and ESOS Plan B introduced in the financial year 2009-10. All options granted under the ESOS Plan A and ESOS Plan B have been surrendered and lapsed. The Company managed the ESOS Plan A and ESOS Plan B through a Trust. Advance of ₹ 59 crore (net of written off ₹ 64 crore) Previous Year (₹ 62 crore (net of written off ₹ 64 crore) has been granted to Trust. Out of the said advance, Trust has purchased 16 00 000 equity shares for the above purpose.
- b) The Company introduced ESOS 2015 which covers eligible employees of the Company and its subsidiaries. The vesting of the options is from expiry of one year till five years as per Plan. Each Option entitles the holder thereof to apply for and be allotted/transferred one Equity Share of the Company upon payment of the exercise price during the exercise period.

Details of ESOS 2015 are as under :

	ESOS 2015
Date of Grant	October 15, 2015
Price of Underlying Stock (₹)	396
Exercise / Strike Price (₹)	396
The fair value of the options granted was estimated on the date of grant using the Black Scholes Model with the following assumptions:	
Risk Free Interest Rate	7.51% - 7.56%
Expected Dividend Yield	2.28%
Expected Life (years)	4.51 to 6.51
Expected Volatility	44.61% to 46.39%

The information covering stock options granted, exercised, forfeited and outstanding at the year end is as follows:
(As certified by the management)

	No. of Stock Options As at March 31, 2016
Outstanding at the beginning of the year	-
Granted	6 46 080
Exercised	-
Lapsed / Forfeited / Surrendered	3 520
Outstanding at the end of the year	6 42 560
Exercisable at end of the year	-

B) Reliance Capital Asset Management Limited (RCAM)

RCAM introduced ESOP Plan RCAM ESOP Plan I – 2007 and ESOP Plan II – 2011. All Options granted under the ESOP Plan have either been exercised or lapsed. There are no outstanding options as on March 31, 2016.

C) In case of Reliance General Insurance Company Limited (RGIC)

RGIC Introduced RGIC ESOP Plan 2008-09. All Options granted under the ESOP Plan have either been surrendered or lapsed. There are no outstanding options as on March 31, 2016.

D) In case of Reliance Securities Limited (RSL)

RGIC Introduced RSL ESOP Plan 2009. All Options granted under the ESOP Plan have either been surrendered or lapsed. There are no outstanding options as on March 31, 2016.

E) Reliance Life Insurance Company Limited (RLIC)

RLIC Introduced ESOP Plan 2010. All Options granted under the ESOP Plan have either been surrendered or lapsed. There are no outstanding options as on March 31, 2016.

11 Phantom Stock Option Scheme (PSOS) (Note 35 of Consolidated Financial Statement)

As a long term incentive plan to employees, the Group has initiated Phantom stock option plan which are cash settlement rights where the employees are entitled to get cash compensation based on a formulae linked to market value of group company shares upon exercise of phantom stock options over notional or hypothetical shares,

Liability towards the scheme is accounted for on the basis of an independent actuarial valuation done at the year end. The valuation of the shares is done considering the Project Unit Credit Method and the progression of share price up to the exercise of the option. Fair Value of Phantom Stock Options was estimated on the date of grant on the assumptions of Discount Rate of 7.72% and Expected Life of 5 years.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

Phantom Options can be exercised on continuation of employment any time upto 3 years from the date of last vesting and upon cessation of employment as per the terms of the Scheme. Settlement of Phantom Option is done in cash within 90 days from the date of exercise. For the current year the Group has created provision of ₹ 11 crore.

12 In case of Reliance Money Express Limited (RMEL) (Note 36 of Consolidated Financial Statement)

- (a) In the year 2008-09, RMEL had claimed service tax refund of ₹ 7 crore pertaining to period March 2005 to January 2009, pursuant to circular no.111/05-2009 dated 24/02/2009 issued by the Central Board of Excise and Customs (CBEC) in respect of money transfer services. During the year 2009-10, RMEL had received ₹ 3 crore towards service tax refund claim for the period December 2007 to January 2009. During the year 2010-11, RMEL received a show cause notice dated January 27, 2011 reclaiming the refund granted. From the above balance amount Service tax department had rejected the refund claim ₹ 2 crore. RMEL had filed an appeal against the order of the services tax department with Customs, Excise & Service Tax Appellate Tribunal (CESTAT). The CESTAT has decided the matter in the favor of RMEL and cancel the order issued by assessing officer. The Service Tax Department had filed a cross appeal on the matter before the High Court of Judicature at Bombay on February 3, 2016. Further, RMEL has received a show cause cum demand notice dated March 22, 2011 demanding service tax aggregating ₹ 3 crore (excluding interest and penalty) for the period October 2009 to September 2010.

The Management of RMEL is of the opinion that the money transfer services are construed as 'export' of services and hence not liable to service tax. Accordingly, no provision for the same has been made.

- (b) During the financial year 2009-10, the Directorate of Enforcement (DoE) seized foreign currency amounting to ₹ 3 crore. Based on investigations conducted by the DoE and documents furnished by RMEL, the DoE department released foreign currency worth ₹ 3 crore to RMEL in the financial year 2009-10. RMEL is confident of getting back the balance currency worth ₹ 16 64 322.
- (c) Pursuant to the Scheme of Arrangement ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Judicature at Bombay vide its Order dated August 28, 2015 and filed with the Registrar of Companies (RoC), Maharashtra on September 30, 2015 the Money Transfer Services (MTSS) and Full Fledged Money Changer (FFMC) division of RMEL has been demerged and transferred to You First Money Express Private Limited (YMEPL) with effect from the Appointed Date (Effective Date) i.e. October 01, 2015.

Consequently the following assets and liabilities have been transferred to YMEPL:

(₹ in crore)

Particulars	Amount
Purchase consideration	45
Assets taken by YMEPL :	
Fixed assets (₹ 24 87 981)	-
Long term loans and advances	2
Current assets	1
Cash & Bank	31
Total	34
Liabilities taken by YMEPL (₹ 34 88 220)	-
Net assets taken by YMEPL	34
Excess Money over the Net Assets	11

Consideration for arrangement :

In consideration of transfer of FFMC and MTSS division of RMEL to YMEPL upon the terms of Scheme, YMEPL shall be required to pay lumpsum consideration without value being assigned to individual assets and liabilities, a total consideration amount of ₹ 45 crore.

The aforesaid Consideration would be discharged by YMEPL in 5 equal installments of ₹ 9 crore each.

13 In case of Reliance General Insurance Company Limited (RGIC) (Note 37 of Consolidated Financial Statement)

(a) **Terrorism Pool**

In accordance with the requirements of IRDAI, RGIC together with other insurance companies participates in the Terrorism Pool. This pool is managed by the General Insurance Corporation of India (GIC). Amount collected as terrorism premium in accordance with the requirements of the Tariff Advisory Committee (TAC) are ceded at 100% of the terrorism premium collected to the Terrorism Pool.

In accordance with the terms of the agreement, GIC retrocedes to RGIC, terrorism premium to the extent of RGIC's share in the risk which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on quarterly statements received from GIC. The reinsurance accepted on account of terrorism pool has been recorded in accordance with the last statement received from GIC.

The RGIC has created liability to the extent of 50% of premium retroceded to RGIC through reserve for unexpired risks.

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(b) Indian Motor Third Party Decline Risk Pool (IMTPDRP)

In accordance with the directions of IRDAI, RGIC, together with other insurance companies, is participating in the Indian Motor Third Party Decline Risk Pool (IMTPDRP). The IMTPDRP is a multilateral reinsurance arrangement, in which all member companies are compulsorily required to participate. The IMTPDRP is administered by the General Insurance Corporation of India (GIC).

The Authority vide Order dated January 03, 2012 has created IMTPDRP for Act only Commercial Vehicle third party risks i.e. Act only policies.

Under this arrangement, any business relating to Act only policies of Commercial Vehicles which does not fall within the underwriting parameters of insurers shall be ceded to IMTPDRP. This arrangement is called the Declined Risk Pool.

IRDAI has mandated that every insurer has to comply with the obligation to underwrite a minimum percentage of such policies that is calculated as an average of insurer's total gross premium percentage share in the industry and gross motor premium percentage share in the industry. The insurers are required to retain 20% of such risk, while 5% is ceded to GIC under obligatory cession and remaining 75% ceded to IMTPDRP. RGIC has received its share of premium, claims and expenses of the pool, which is recorded as inward reinsurance business, based on the statement received from GIC.

Accordingly RGIC has recognized pool retrocession up to 9 months period ended December 31, 2015, the accounts for which statement received. RGIC has accounted for its share in Decline Risk Pool for the 3 months period January 2016 to March 2016 on provisional basis based on management estimate and recorded the net amount if any under claims incurred. Unexpired risks reserve is provided for at 50% of net premium of such inward business, being the minimum rate specified in Section 64V(1)(ii) of the Insurance Act, 1938.

(c) Basis used by actuary for determining IBNR / IBNER

As per the provision of Insurance Regulatory and Development Authority of India (IRDAI) Appointed Actuary Regulation 2000, as amended by the Insurance Regulatory and Development Authority (Appointed Actuary) (First Amendment) Regulations, 2013, IBNR / IBNER reserve should be certified by Appointed Actuary. The RGIC's Appointed Actuary had resigned from RGIC on August 28, 2015 and RGIC has initiated the process of appointment of new Appointed Actuary and is awaiting approval from IRDAI. Meanwhile since there is no Appointed Actuary in the current period, RGIC has made the provision based on the report from an external consulting Actuary.

For lines of business other than motor third party, the estimation was carried out using past trends in claims experience as indicated by paid claims chain ladder approach and Bomhuetter-Ferguson method as considered appropriate by an external consulting Actuary.

For motor third party line of business, the estimations were done using ultimate loss ratio method. For liabilities relating to erstwhile motor third party pool and declined risk pool, the ultimate loss ratios as specified in regulatory circulars were referred to in determining the estimates.

(d) Contribution to Environment Relief Fund

During the year, RGIC had collected ` 0.14 crore (Previous year ` 0.14 crore) towards Environment Relief Fund (ERF) for public liability policies, Out of which an amount of ` 0.14 crore (Previous year ` 0.14 crore) transferred to "United India Insurance RGIC Limited, Environment Fund Account" as per Notification of ERF scheme under the Public Liability Insurance Act, 1991 as amended, balance amount of ` 0.01 crore (Previous year ` 0.01 crore) is shown under current liabilities.

(e) Contribution to Solatium Fund

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 4, 2005, RGIC has provided 0.1% of gross written premium on all motor third party policies (excluding reinsurance premium accepted on motor third party for commercial vehicles) towards contribution to the solatium fund.

(f) Pursuant to the Hon'ble Bombay High Court Order dated January 8, 2016 and filed with Registrar of Companies on March 16, 2016, RGIC has reduced its Share Premium account from ` 1 624 crore to ` 805 crore and such reduction has been utilized towards writing off the deficit in Profit and Loss account of ` 819 crore as on March 31, 2015. RGIC has received a communication from IRDAI that the above matter is under examination. However, based on a legal opinion obtained by RGIC, it has complied with Hon'ble Bombay High Court Order.

(g) In accordance with Master Circular and Corrigendum on Master Circular on preparation of financial statement issued by IRDA vide circular number IRDA/F&I/CIR/F&A/231/10/2012 dated October 05, 2012 and circular number IRDA/F&A/CIR/FA/126/07/2013 dated July 03, 2013 respectively, in respect of calculation and recognition of Premium deficiency, there is premium deficiency at reportable segmental revenue account level in Marine segment for ` 0.26 crore (Previous Year: ` Nil). The expected claim cost is calculated based on the report from an external consulting Actuary since there is no Appointed Actuary in the current year.

14 In case of Quant Capital Private Limited (QCPL) (Note 38 of Consolidated Financial Statement)

(a) Quant Transactional Services Private Limited (Plaintiffs) has filed a Suit in Hon'ble High Court against QCPL under section 6 of Specific Relief Act, 1963 and has claimed that QCPL and its subsidiaries has forcefully dispossessed the Plaintiffs from the Goregaon Premises and taken over the possession of the Fixed Assets. The interim relief claimed in Notice of Motion was repossession of the premises and inventory of the Fixed Assets. However, the Hon'ble High Court of Bombay has not granted any Interim Relief and Suit and Notice of Motion is pending hearing and for final disposal.

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- (b) Mr. Adil Patrawala has filed a Petition under section 397 and 398 of Companies Act, 1956 against QCPL claiming mismanagement in the affairs of QCPL and oppression on the Minority Shareholder. The said Petition is pending hearing for the final disposal. There were certain Ad Interim reliefs claimed which were not granted by Hon'ble Company Law Board except one relief i.e. Mr. Adil Patrawala's holding in QCPL cannot be diluted.
- (c) QCPL has filed Summary Suit against Quant Transactional Services Private Limited for recovery of outstanding dues amounting to ₹ 9 crore (Previous year ₹ 9 crore). The Notice of Motion was filed in the said Suit claiming Ad Interim Relief praying lien over the Assets of Quant Transactional Services Private Limited which High Court has denied. Both Notice of Motion and Suit are pending hearing and final disposal.
- (d) QCPL's subsidiary companies has collected stamp duty on account of its statutory obligation towards transactions entered on various segments in the State of Tamil Nadu. QCPL's subsidiary companies has not deposited the same since in its opinion the same is not payable which is disputed by the State. The matter is pending with Hon'ble High Court, Tamil Nadu. In the Interim the amount so collected is reflected under statutory liability. The amount outstanding is to the tune of ₹ 12 crore (Previous year ₹ 11 crore).
- (e) One of the former employee has filed petition under the Industrial Dispute Act, 1947 for reinstatement of the service against the QCPL. QCPL has filed the rejoinder for the same as QCPL does not fall within the Definition of Industry under the said Act and also the Applicant is not workmen within the Definition, the same is pending for hearing.
- (f) In case of one of QCPL's Subsidiary Company, as per the provision of the merger scheme of Reliance Equities International Private Limited with QCPL vide Bombay High Court order dated June 11, 2010 and Madras High Court order June 14, 2010 excess balance of Net Assets transferred over Purchase Consideration, had been credited to general reserve.
In the above merger scheme, certain documentation and other compliances are in the process of being regularized as at the close of the year. Following are the brief details:
 - (i) Security Deposit paid towards lease of Indiabulls premise ₹ 2 crore for occupation of Holding Company shown under the head deposit.
 - (ii) Details of amount as contribution to corpus of Gratuity Fund ₹ 43 89 000.
 - (iii) Decision as to Service Tax Input Credit amounting to ₹ 18 22 000.
 - (iv) Year wise details of TDS receivable amounting to ₹ 2 crore.
 - (v) Recoverable balances pending open for more than two years aggregating to ₹ 18 02 000 for which no information is available.
 - (vi) Banks accounts aggregating to ₹ 1 30 000 without confirmation.

15 In case of Reliance Capital Asset Management Limited (RCAM) (Note 39 of Consolidated Financial Statement)

- (a) **Scheme of Arrangement during the previous year:**
 - (i) Pursuant to the Scheme of Arrangement ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble Bombay High Court vide Order dated November 07, 2014 and filed with the Registrar of Companies (RoC) on November 26, 2014 ("the Effective date"), Digital Marketing division ("the division") of Azalia Distribution Private Limited ("ADPL", "Demerged Company"), engaged in the business of providing digital marketing services to financial products and other related research has been demerged into RCAM ("Resulting Company") with effect from the April 01, 2013 ("the Appointed date").
 - (ii) Operations of the division for the previous year, 2014-15, are included under the appropriate heads of income and expense aggregating to total income ₹ 1 crore & total expenses ₹ 1 crore.
- (b) RCAM along with Reliance Capital Trustee Co. Limited has entered into an agreement jointly with Goldman Sachs Asset Management (India) Private Limited, Goldman Sachs Trustee Company (India) Private Limited and Goldman Sachs Asset Management, L.P., on October 20, 2015 to acquire the Asset Management Rights of the mutual fund schemes of Goldman Sachs Asset Management (India) Private Limited for consideration of USD 37.50 million, subject to necessary regulatory approvals. As on March 31, 2016 RCAM has deposited USD 18.75 million in an escrow account for the acquisition of the above mentioned rights as per the terms of the agreement and balance shall be paid after obtaining various regulatory approvals and fulfilling the conditions of the agreement.
- (c) **Foreign Subsidiaries:**
RCAM has applied for strike off of the UK subsidiary to the Companies House, Registrar of Companies London. In F.Y. 2014-15, loss of ₹ 37 crore on account of liquidation of Malaysian subsidiary adjusted against reversal of ₹ 37 crore diminution provided in earlier years.

16 In case of Reliance Money Precious Metals Private Limited (RMPMPL) (Note 40 of Consolidated Financial Statement)

- (a) RMPMPL has entered into an agreement with World Gold Council for its daily sale of gold and Computer Age Management Services Private Limited for data processing services. RMPMPL has appointed IDBI Trusteeship Services Limited as a Security Trustee for and on behalf of the customer. Lemiur Secure Logistics Private Limited is appointed as custodian and maintains physical stock of accumulated gold on behalf of trustees.
- (b) RMPMPL runs a plan, My Gold Plan where in, the customer subscribes for a plan with a tenor from 1 year to 15 years. The monthly subscription amount received from the customers is utilized for buying of gold. The gold is bought in twenty equated working days and is credited to the customer's account. The delivery of gold to the customer will be at the

Reliance Capital Limited

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maturity, as decided by the customer. Till such time the gold stock will be held by RMPMPL and the same is shown as inventory. The corresponding money received from the customers is shown as advance received from the customer.

- (c) The members of RMPMPL have passed a special resolution at extraordinary general meeting held on March 02, 2016, to transfer the business of 'Reliance My Gold Plan' to Stock Holding Corporation of India Limited (SHCIL). However, there is no scheme of sale agreed as of the balance sheet date and hence, the financial statement of the RMPMPL are prepared on going concern basis.
- (d) RMPMPL collects making charges, delivery charges, value added tax, central sales tax at the time of redemption of gold coins to the customers. Until the customer pay these charges and tax, the accumulated grams of gold coins allocated to them lies with RMPMPL in fiduciary capacity. As on March 31, 2016, 52.83 Kgs of gold coins worth ` 16 crore is lying with RMPMPL (Previous Year, 43.72 Kgs worth ` 14 crore).

17 In case of Reliance Life Insurance Company Limited (RLIFE) (Note 41 of Consolidated Financial Statement)

- (a) Main Actuarial Assumptions for valuation of life policies in force:
 - (i) Interest Rate – The valuation interest rate is determined based on the expected return on the existing assets, current asset mix and expected investment return on the future investment taking into consideration the asset classes mix and expected future mix. The interest rates used for the valuation vary according to the type of product and is in the range 5.50% p.a. to 6.25% p.a.
 - (ii) Expense Inflation Rate – The assumed rate of expense inflation is consistent with the investment returns assumed.
 - (iii) Expense assumption – Policy related maintenance expenses are set on the basis of expense analysis performed by RLIFE. The expense assumption used for valuation is ` 655 for in force policies and ` 437 for paid-up, fully paid-up and single premium policies.
 - (iv) Mortality basis – Mortality assumptions are set in accordance with Schedule 5(5) of Asset, Liability and Solvency Margin Regulations, 2000, in reference to published Indian Assured Lives Mortality (IALM) (2006-08) (modified) Ultimate with adjustment to reflect expected experience and with an allowance for adverse deviation. The same is in the range of 33.33% – 416.625% of IALM 2006-08 (36.36% – 416.625% of IALM 2006-08 as at March 31, 2015).
 - (v) Future bonuses – Based on supportable bonus rates with allowance for tax and shareholder distributions.
 - (vi) Lapse and surrender – A prudent estimate of future lapses and surrenders has been assumed based on the current experience of RLIFE.
 - (vii) Tax – The tax rate as at March 31, 2016 is 14.42% p.a.

(b) Shareholders' contribution

During the year, RLIFE has contributed ` 382 crore, to make good the accumulated deficit in the Policyholders Revenue Account. Any contribution made by the shareholder's to the policyholder's account is irreversible in nature and shall not be recouped to the shareholders at any point of time in future. The shareholders approval with regard to the contribution during the current year shall be obtained in the ensuing Annual General Meeting of RLIFE.

- (c) In accordance with the Investment Regulations, 2013 and IRDAI Circular IRDA/F&I/INV/Cir/062/03/2013 dated March 26, 2013, RLIFE has declared March 31, 2016 as a business day and NAV for all ULIP funds were declared on March 31, 2016. All application received till 3 p.m. on March 31, 2016 were processed with NAV of March 31, 2016. Applications received after this cut-off are taken into the next financial year.
- (d) Pursuant to the Hon'ble Bombay High Court Order dated January 08, 2016, RLIFE has reduced its Share Premium account from ` 2 198 crore to ` 303 crore and such reduction has been utilized towards writing off the deficit in Profit and Loss account of ` 1 895 crore as on March 31, 2015. RLIFE has received a communication from IRDAI that the above matter is under examination. However, based on the legal opinion, RLIFE has complied with Hon'ble Bombay High Court Order.
- (e) The actuarial valuation of liabilities for life policies in- force and policies where premium is discounted is the responsibility of RLIFE's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of the liabilities as at March 31, 2016 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuations are in accordance with the generally accepted actuarial principles and practices requirements of the Insurance Act, regulations notified by the IRDAI and Actuarial Practices Standards issued by the Institute of Actuaries of India in concurrence with the IRDAI.

18 In case of Reliance Home Finance Limited (RHFL) (Note 42 of Consolidated Financial Statement)

During the year, RHFL has changed the basis of calculation of Days Past Due (DPD) for the purpose of Non Performing Assets (NPA) identification and Provision for NPA & Doubtful Debt. DPD will be counted from the first date, on which borrower becomes NPA and will continue as Non Performing Assets, till the borrower becomes standard and regular in payment of Equated Monthly Income (EMI), as per observations, in the NHB Inspection report dated August 06, 2015 vide NHB (ND)/HFC/DRS/Sup./7637/2015.

RHFL has classified the loans in Sub-standard, Doubtful & Loss categories and calculated provision for NPA & doubtful debts based on the NHB Inspection Report. Accordingly an additional Provision for NPA & Doubtful Debts amounting to ` 35 47 052 and additional Bad Debts Written Off amounting to ` 1 crore has been charged off to profit & loss account by RHFL during the current year. Had RHFL continued to use the earlier basis for calculation of Days Past Due (DPD) for the purpose of Non Performing Assets (NPA) identification and Provision for NPA & Doubtful Debt, the profit after tax for the current year and its Net Owned Fund (NOF) as on March 31, 2016 would have been higher by ` 1 crore.

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19 In case of Reliance Exchangenext Limited (RNext) (Note 43 of Consolidated Financial Statement)

As per share sale & purchase agreement dated October 13, 2010 between Indiabulls Financial Services Limited ("IBFSL") and RNext, RNext had acquired 5 20 00 000 equity shares of Indian Commodity Exchange Limited ("ICEX") from the IBFSL, at a purchase price of ₹ 47 crore which represents 26% stake in the of ICEX on December 13, 2010.

Pursuant to the ICEX application, Government of India and Forward Markets Commission granted their approval vide their letters dated September 23, 2010 & October 04, 2010, respectively, for the said transfer by IBFSL to RNext. The aforesaid approval from Government of India and Forward Markets Commission are subject to the following conditions: -

- (a) that three years lock-in period condition shall apply to RNext, anchor investor, RNext afresh with effect from the date of Government approval, i.e., September 23, 2010;
- (b) that in case MMTC Ltd., which now becomes co-anchor investor, exercises its right to stake a claim to 14% in the Exchange from IBFSL in pursuance to its right to first refusal, IBFSL will be bound to transfer its remaining 14% to MMTC Ltd. at the same price at which it has been offered to RNext.

On October 21, 2011, MMTC Ltd. submitted a petition before the Company Law Board (CLB), New Delhi, in terms of Sections 397, 398, 402 and 403 of the Companies Act, 1956, seeking declaration of the aforesaid transfer of shares as void, injunction and investigation into the affairs of the ICEX and appointment of Administrative Special Officer, Auditor, etc.

Subsequently, the ICEX has submitted its response to the aforesaid petition before the Hon'ble Company Law Board on February 10, 2012 refuting and denying the purported allegations against it. Subsequently, on February 11, 2014, MMTC has provided an affidavit to CLB stating that they are contemplating withdrawal of the Petition and taking required steps in that directions. The matter is under consideration by the Company Law Board. Any future financial impact on the financial statements is contingent upon the final order by the appropriate authority.

20 The Group is organised into following reportable segments referred to in Accounting Standard (AS 17) "Segment Reporting" (Note 44 of Consolidated Financial Statement)

(₹ in crore)

Particulars	Finance & Investments	Asset Management	General Insurance	Life Insurance#	Commercial Finance	Others	Elimination	Total
Revenue								
External	2 314	1 191	3 517	-	2 654	322	-	9 998
	(2 021)	(813)	(3 376)	(-)	(2 361)	(358)	(-)	(8 929)
Inter Segment	34	12	13	-	-	13	72	-
	(26)	(36)	(13)	(-)	(-)	(9)	(84)	(-)
Total Revenue	2 348	1 203	3 530	-	2 654	335	72	9 998
	(2 047)	(849)	(3 389)	(-)	(2 361)	(367)	(84)	(8 929)
Results								
Segment Results - Profit / (Loss) before Tax	898	393	99	-	448	(102)	-	1 736
	(422)	(343)	(81)	(-)	(441)	(-54)	(-)	(1 233)
Unallocated Expenses								4
								(2)
Profit / (Loss) before Tax	898	393	99	-	448	(102)	-	1 732
	(422)	(343)	(81)	(-)	(441)	(-54)	(-)	(1 231)
Other information								
Segment Assets	24 810	612	6 307	16 924	20 732	963	3 236	67 112
	(25 094)	(585)	(5 661)	(-)	(17 769)	(1 102)	(2 771)	(47 440)
Unallocated Assets	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Asset	24 810	612	6 307	16 924	20 732	963	3 236	67 112
	(25 094)	(585)	(5 661)	(-)	(17 769)	(1 102)	(2 771)	(47 440)
Segment Liabilities	12 097	386	5 279	15 622	18 128	615	606	51 521
	(12 782)	(330)	(4 733)	(-)	(15 367)	(646)	(411)	(33 447)
Unallocated Liabilities	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Liabilities	12 097	386	5 279	15 622	18 128	615	606	51 521
	(12 782)	(330)	(4 733)	(-)	(15 367)	(646)	(411)	(33 447)

Reliance Capital Limited

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(` in crore)

Particulars	Finance & Investments	Asset Management	General Insurance	Life Insurance#	Commercial Finance	Others	Elimination	Total
Capital Expenditure	12	9	15	30	18	21	-	105
	(64)	(11)	(23)	(-)	(73)	(10)	(-)	(181)
Depreciation	14	4	17	-	24	11	-	70
	(13)	(13)	(13)	(-)	(19)	(10)	(-)	(68)
Non Cash Expenses other than Depreciation	17	9	20	-	244	12	-	302
	(199)	(-8)	(-6)	(-)	(171)	(8)	(-)	(364)

Figures in bracket indicates previous year figures.

Since the control was acquired on March 30, 2016 the figures of expenses and revenue are negligible and they are not included.

Notes:

- (i) As per Accounting Standard (AS-17) on "Segment Reporting", notified by the Companies (Accounts) Rules, 2014, the Group has reported segment information on the consolidated basis including business conducted through its subsidiaries.
- (ii) The reportable segments of the Reliance Capital Group are further described below
 - (a) Finance & Investments - This includes the corporate lending and investment activities.
 - (b) Asset Management - This includes the asset management activities including Mutual Fund and Portfolio Management Services.
 - (c) General Insurance - This includes the general insurance business.
 - (d) Life Insurance - This includes the life insurance business.
 - (e) Commercial Finance - This includes the commercial finance and home finance business.
 - (f) Others - This includes other financial and allied services.
- (iii) Since all the operations of the Group are largely conducted within India, as such there is no separate reportable geographical segment.

21 Related party disclosures (Note 45 of Consolidated Financial Statement)

A. List of Related Parties and their relationship:

- i) **Major investing party**
Reliance Inceptum Private Limited
- ii) **Individual Promoter**
Shri Anil D. Ambani, the person having control during the year.
- iii) **Associates**
 - 1 Reliance Life Insurance Company Limited
 - 2 Reliance Asset Reconstruction Company Limited
 - 3 Indian Commodity Exchange Limited
 - 4 Ammolite Holdings Limited
- iv) **Key Managerial Personnel (KMP) and KMP Relatives**
 - 1 Shri Soumen Ghosh - Executive Director & Group CEO
 - 2 Shri Amit Bapna - Chief Financial Officer
 - 3 Shri V. R. Mohan - President & Company Secretary
 - 4 Smt. Caroline Ghosh - KMP Relative
 - 5 Shri Vijay Singh Bapna - KMP Relative

B. Other related parties with whom transactions have taken place during the year

Enterprise over which individual described in clause A (ii) above has control or significant influence.

- 1 Reliance Power Limited
- 2 Reliance Communications Limited
- 3 Zapak Mobile Games Private Limited
- 4 Reliance Big Entertainment Private Limited
- 5 Reliance Communications Infrastructure Limited
- 6 Reliance Telecom Limited
- 7 Big Animation (India) Private Limited
- 8 Big Flicks Private Limited
- 9 Reliance Infocomm Infrastructure Limited
- 10 Reliance Infratel Limited
- 11 Reliance IDC Limited
- 12 Reliance Webstore Limited
- 13 Campion Properties Limited
- 14 Reliance Big Broadcasting Private Limited
- 15 Zapak Digital Entertainment Limited
- 16 Reliance Transport & Travels Private Limited (ceased w.e.f. November 28, 2015)

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C. Transactions during the year with related parties:

(` in crore)

Particulars	Associates	Others (B above)	Total
Debentures			
a) Balance as at March 31, 2016	-	-	-
	(50)	(-)	(50)
b) Accrued interest on debentures as at March 31, 2016	-	-	-
	(3)	(-)	(3)
Investments			
a) Redeemed / Sold during the year	-	632	632
	(-)	(368)	(368)
b) Balance as at March 31, 2016	99	268	377
[Net of provision ` 137 crore (Previous year ` 137 crore)]	(5 389)	(852)	(6 241)
Interest / Finance income accrued on Investment			
a) Balance as at March 31, 2016	-	-	-
	(225)	(637)	(862)
Loans Given			
a) Given during the year	-	2 654	2 654
	(-)	(559)	(559)
b) Returned /Adjusted during the year	-	2 489	2 489
	(-)	(746)	(746)
c) Balance as at March 31, 2016	-	815	815
	(-)	(649)	(649)
d) Interest accrued on Loans	-	78	78
	(-)	(77)	(77)
Advances			
a) Balance as at March 31, 2016	-	1	1
	(1)	(-)	(1)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)	-	125	125
	(-)	(188)	(188)
b) Rent (*` 9 00 000)	-	*	*
	(-)	(1)	(1)
c) Dividend Income	47	-	47
	(47)	(1)	(48)
d) Reimbursement of Expenditure (*` 11 69 618, Previous Year ` 4 23 150)	10	(*)	10
	(7)	(*)	(7)
e) Management Fees	6	-	6
	(6)	(-)	(6)
f) Other income (*` 29 63 000)	*	-	*
	(1)	(-)	(1)
Expenditure			
a) Insurance *[*` 48 17 137 (Previous year ` 46 97 875)]	*	1	1
	(*)	(-)	(*)
b) Rent	-	1	1
	(1)	(-)	(1)
c) Provision for Diminution in value of Investments	-	-	-
	(-)	(73)	(73)
Contingent Liability			
a) Guarantees to Banks and Financial Institutions on behalf of third parties	-	50	50
	(-)	(50)	(50)

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

D. The nature and volume of material transactions for the year with above related parties are as follows:

(` in crore)

Particulars	Associates	Others (B above)	Total
Debentures			
a) Balance as at March 31, 2016			
i) Reliance Life Insurance Company Limited	-	-	-
	(50)	(-)	(50)
b) Interest accrued on debentures as at March 31, 2016			
i) Reliance Life Insurance Company Limited	-	-	-
	(3)	(-)	(3)
Fixed Assets			
a) Purchased during the year			
i) Reliance Communications Infrastructure Limited *(` 48 86 889)	-	*	*
	(-)	(-)	(-)
Investments			
a) Redeemed / Sold during the year			
i) Reliance Big Entertainment Private Limited	-	632	632
	(-)	(368)	(368)
b) Balance as at March 31, 2016			
i) Reliance Communications Limited [Net of provision of ` 73 crore (Previous year ` 73 crore)]	-	265	265
	(-)	(220)	(220)
ii) Reliance Asset Reconstruction Company Limited	71	-	71
	(65)	(-)	(65)
iii) Ammolite Holdings Limited [Net of Provision ` 29 crore (Previous year ` 29 crore)]	28	-	28
	(24)	(-)	(24)
iv) Reliance Life Insurance Company Limited	-	-	-
	(4 776)	(-)	(4 776)
v) Reliance Big Entertainment Private Limited	-	-	-
	(-)	(632)	(632)
vi) Indian Commodity Exchange Limited * ` Nil [Net of provision of ` 35 crore (Previous year ` 35 crore)]	*	-	*
	(*)	(-)	(*)
Loans Given			
a) Given during the year			
i) Reliance Big Entertainment Private Limited	-	140	140
	(-)	(346)	(346)
ii) Reliance Infratel Limited	-	325	325
	(-)	(213)	(213)
iii) Reliance Communications Limited	-	2 104	2 104
	(-)	(-)	(-)
b) Returned/Adjusted during the year			
i) Reliance Big Entertainment Private Limited	-	80	80
	(-)	(533)	(533)
ii) Reliance Infratel Limited	-	325	325
	(-)	(213)	(213)
iii) Reliance Communications Limited	-	1 999	1 999
	(-)	(-)	(-)
c) Balance as at March 31, 2016			
i) Reliance Big Entertainment Private Limited	-	709	709
	(-)	(649)	(649)

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

(` in crore)

Particulars	Associates	Others (B above)	Total
ii) Reliance Communications Limited	-	106	106
	(-)	(-)	(-)
d) Interest accrued on loans			
i) Reliance Big Entertainment Private Limited	-	77	77
	(-)	(77)	(77)
Advances			
a) Balance as at March 31, 2016			
i) Reliance Asset Reconstruction Company Limited *[` 18 06 490 (Previous year ` 32 33 993)]	*	-	*
	(*)	(-)	(*)
ii) Reliance Life Insurance Company Limited *(` 26 26 243)	-	-	-
	(*)	(-)	(*)
iii) Reliance Communications Infrastructure Limited (* Net of ` 75 crore given & refund)	-	*	*
	(-)	(-)	(-)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)			
i) Reliance Communications Limited	-	24	24
	(-)	(-)	(-)
ii) Reliance Big Entertainment Private Limited	-	91	91
	(-)	(187)	(187)
b) Rent			
i) Reliance Communications Infrastructure Limited (* ` 9 00 000)	-	*	*
	(-)	(1)	(1)
c) Dividend Income			
i) Reliance Communications Limited	-	-	-
	(-)	(1)	(1)
ii) Reliance Life Insurance Company Limited	46	-	46
	(46)	(-)	(46)
d) Reimbursement of Expenditure			
i) Reliance Communications Infrastructure Limited *[` 11 69 618 (Previous year ` 4 23 150)]	-	*	*
	(-)	(*)	(*)
ii) Reliance Life Insurance Company Limited	10	-	10
	(7)	(-)	(7)
e) Management Fees			
i) Reliance Life Insurance Company Limited	6	-	6
	(6)	(-)	(6)
f) Other income			
i) Reliance Asset Reconstruction Company Limited (* ` 29 63 000)	*	-	-
	1	(-)	1
Expenditure			
a) Finance cost			
i) Reliance Life Insurance Company Limited	3	-	3
	(8)	(-)	(8)
b) Insurance			
i) Reliance Life Insurance Company Limited *[` 48 17 137 (Previous year ` 46 97 875)]	*	-	*
	(*)	(-)	(*)

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

		(` in crore)		
Particulars	Associates	Others (B above)	Total	
ii) Reliance Communications Limited	-	1	1	
	(-)	(-)	(-)	
c) Rent				
i) Reliance Communications Limited	-	1	1	
	(-)	(-)	(-)	
d) Provision for Diminution in value of Investments				
i) Reliance Communications Limited	-	-	-	
	(-)	(73)	(73)	
Contingent Liability				
a) Guarantees to Banks and Financial Institutions				
i) Reliance Big Entertainment Private Limited	-	50	50	
	(-)	(50)	(50)	

Key Managerial Personnel

(` in crore)			
Name	Shri Soumen Ghosh	Shri Amit Bapna	Shri V. R. Mohan
Employee benefit expenses	8 (8)	3 (3)	1 (1)
Loan & Advance balance [* 44 64 047 (Previous year ` 4 06 551)]	1 (1)	- (-)	* (*)
Interest Income [* 3 29 535, ** 9 96 021, (Previous year * 12 69 472)]	* (*)	- (-)	# (-)

Smt. Caroline Ghosh loan ` 47 74 487 (Previous year ` 1 crore) and interest income ` 6 62 387 (Previous year ` 6 90 661)
Shri Vijay Singh Bapna interest income ` 1 62 534 (Previous year ` 5 40 423)

Notes :

- i) Figures in bracket indicate previous year figures.
- ii) Expenses incurred towards public utilities services such as communication and electricity charges have not been considered for related party transaction.
- iii) The above discloses transactions entered during the period of existence of related party relationship. The balances and transactions are not disclosed before existence of related party relationship and after cessation of related party relationship.
- iv) Director Sitting Fees of ` 1 60 000 (Previous year ` 2 60 000) has been paid to Shri Anil D. Ambani, an individual having control.
- v) Refer Note No. 28.

22 Auditors' remuneration includes (Note 46 of Consolidated Financial Statement)

		(` in crore)	
		2015-16	2014-15
i) Audit Fees		2	3
ii) Tax Audit Fees [` 4 89 155 (Previous year ` 5 61 800)]		-	-
iii) Certification and other reimbursement charges		1	1
Total		3	4

23 Leases (Note 47 of Consolidated Financial Statement)

Details of Future Minimum Lease Receivables are as under :

		(` in crore)	
Particulars		2015-16	2014-15
Not later than one year		15	22
Later than one year and not later than five years		14	24
Later than five years		-	-

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

Details of Future Minimum Lease Payable under operating lease for each of the following periods:

	(` in crore)	
Particulars	2015-16	2014-15
Not later than one year	22	4
Later than one year and not later than five years	47	2
Later than five years	-	-

24 Basic and diluted earnings per share (Note 48 of Consolidated Financial Statement)

The computation of earnings per share is set out below:

	(` in crore)	
Particulars	2015-16	2014-15
a) Amounts used as the numerators		
Net profit after tax	1 101	1 001
Net profit attributable to equity shareholders	1 101	1 001
b) Weighted average number of equity shares (Nos.)	25 26 32 800	24 60 16 362
c) Basic earnings per share of face value ` 10 each (`)	43.56	40.69
d) Diluted earnings per share of face value ` 10 each (`)	43.56	40.69

As the fair value of ESOP is less than exercise price no expense has been charge to Statement of Profit & Loss.

25 Contingent Liabilities and Commitments (As Certified by the Management) (Note 49 of Consolidated Financial Statement)

Contingent liabilities and capital commitments of the Holding Company and its subsidiaries are as follows:

	(` in crore)	
Particulars	March 31, 2016	March 31, 2015
a Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions	2 977	2 553
ii) Claims against the Group not acknowledge as debt	112	48
iii) Outstanding Forward Exchange Contract	-	66
iv) Others	62	-
b Commitments		
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)	127	56
ii) Undrawn Committed Credit lines	1 547	1 088
iii) Uncalled amount of Investments	32	8

Share of Company in contingent liabilities and capital commitments of an associate is as follows:

	(` in crore)	
Particulars	March 31, 2016	March 31, 2015
a. Contingent Liabilities		
i) Claims against the Group not acknowledge as debt	1	31
ii) Statutory Demands /liabilities in disputed not provided for	-	18
iii) Guarantees to Banks and Financial Institutions	-	-
b. Commitments		
i) Commitment towards fixed Assets	-	2
ii) Other commitments	-	3

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

26 The subsidiaries / associate companies considered in the consolidated financial statement with their proportion of ownership are as under: (Note 50 of Consolidated Financial Statement)

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
List of Subsidiaries			
Reliance Capital Asset Management Limited	India	March 31, 2016	51.00%
Reliance Asset Management (Mauritius) Limited	Mauritius	March 31, 2016	51.00%
Reliance Asset Management (Singapore) Pte Limited	Singapore	March 31, 2016	51.00%
Reliance Capital Asset Management (UK) Limited (formerly Reliance Capital Asset Management (UK) Plc)	United Kingdom	March 31, 2016	51.00%
Reliance Capital Pension Fund Limited	India	March 31, 2016	68.15%
Reliance AIF Management Company Limited	India	March 31, 2016	51.00%
Reliance Capital Trustee Co. Limited	India	March 31, 2016	100.00%
Reliance General Insurance Company Limited	India	March 31, 2016	99.46%
Reliance Gilts Limited	India	March 31, 2016	100.00%
Reliance Money Express Limited	India	March 31, 2016	100.00%
Reliance Home Finance Limited	India	March 31, 2016	100.00%
Reliance Securities Limited	India	March 31, 2016	100.00%
Reliance Commodities Limited	India	March 31, 2016	100.00%
Reliance Financial Limited	India	March 31, 2016	100.00%
Reliance Wealth Management Limited	India	March 31, 2016	100.00%
Reliance Money Precious Metals Private Limited	India	March 31, 2016	100.00%
Reliance Money Solutions Private Limited	India	March 31, 2016	100.00%
Reliance Exchangenext Limited	India	March 31, 2016	100.00%
Reliance Spot Exchange Infrastructure Limited	India	March 31, 2016	100.00%
Reliance Capital AIF Trustee Company Private Limited	India	March 31, 2016	100.00%
Reliance Life Insurance Company Limited (w.e.f. March 30, 2016)	India	March 31, 2016	51.00%
Quant Capital Private Limited	India	March 31, 2016	74.00%
Quant Broking Private Limited	India	March 31, 2016	74.00%
Quant Commodity Broking Private Limited	India	March 31, 2016	74.00%
Quant Investment Services Private Limited	India	March 31, 2016	74.00%
Quant Securities Private Limited	India	March 31, 2016	74.00%
Quant Capital Finance and Investments Private Limited	India	March 31, 2016	74.00%
List of Associates			
Reliance Life Insurance Company Limited (ceased w.e.f. March 30, 2016)	India	March 31, 2016	47.78%
Reliance Asset Reconstruction Company Limited	India	March 31, 2016	49.00%
Indian Commodity Exchange Limited	India	March 31, 2016	26.00%
Ammolite Holdings Limited	Jersey	March 31, 2016	*50.00%
Partnership Firm			
Reliance Capital Partners	India	March 31, 2016	#

Notes:-

- * The Unaudited Financial statement of Ammolite Holdings Limited, have been certified by the management.
- # Proportion of ownership interest in Partnership firm is on the basis of weighted average capital.

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

27 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary / Associates. (Note 51 of Consolidated Financial Statement)

A For the year ended March 31, 2016

(` in crore)

Sr. No.	Name	As % of consolidated net assets	Net asset amount	As % of consolidated profit or loss	Profit/(loss) after taxation amount
A Parent					
1	Reliance Capital Limited	75.13%	10,625.44	65.45%	885.79
B Subsidiaries					
(i) Indian					
1	Reliance Capital Asset Management Limited	5.28%	747.12	28.05%	379.67
2	Reliance Capital Pension Fund Limited	0.18%	26.01	0.00%	0.02
3	Reliance AIF Management Company Limited	0.08%	10.87	0.63%	8.49
4	Reliance Capital Trustee Co. Limited	0.01%	0.99	0.05%	0.68
5	Reliance General Insurance Company Limited	6.20%	877.02	6.29%	85.06
6	Reliance Gilts Limited	0.36%	51.34	0.00%	0.03
7	Reliance Money Express Limited	0.18%	25.56	0.63%	8.55
8	Reliance Money Precious Metals Private Limited	0.01%	1.41	-0.23%	(3.14)
9	Reliance Home Finance Limited	4.35%	615.09	6.66%	90.14
10	Reliance Securities Limited	0.75%	106.75	-4.93%	(66.78)
11	Reliance Commodities Limited	0.05%	6.59	0.24%	3.29
12	Reliance Financial Limited	0.33%	47.00	-0.09%	(1.24)
13	Reliance Wealth Management Limited	0.04%	5.44	-0.30%	(4.08)
14	Reliance Money Solutions Private Limited	0.10%	14.50	-2.48%	(33.57)
15	Reliance Exchangenext Limited	0.09%	13.25	0.00%	(0.02)
16	Reliance Spot Exchange Infrastructure Limited	0.01%	1.06	-0.01%	(0.10)
17	Reliance Capital AIF Trustee Company Private Limited	0.00%	0.01	0.00%	0.00
18	Reliance Life Insurance Company Limited (w.e.f. March 30, 2016)	4.70%	665.04	0.00%	-
19	Quant Capital Private Limited	-0.01%	(1.56)	0.05%	0.65
20	Quant Broking Private Limited	1.11%	156.75	-0.84%	(11.41)
21	Quant Securities Private Limited	0.01%	1.97	0.05%	0.69
22	Quant Commodity Broking Private Limited	0.01%	1.54	0.01%	0.09
23	Quant Capital Finance and Investments Private Limited	0.15%	21.70	0.00%	0.06
24	Quant Investment Services Private Limited	0.00%	-	0.00%	0.03
(ii) Foreign					
1	Reliance Asset Management (Mauritius) Limited	0.10%	14.74	0.04%	0.55
2	Reliance Asset Management (Singapore) Pte. Limited	0.22%	31.63	-0.20%	(2.76)
3	Reliance Capital Asset Management (UK) Limited (formerly Reliance Capital Asset Management (UK) Plc)	0.00%	-	-0.03%	(0.41)
C Partnership firm					
1	Reliance Capital Partners	0.53%	75.63	0.97%	13.11
Total		100.00%	14,142.88	100.00%	1,353.38
D Minority interest					
1	Reliance Capital Asset Management Limited	-	736.79	-	166.07
2	Reliance General Insurance Company Limited	-	5.55	-	0.54
3	Quant Capital Private Limited	-	63.31	-	(2.61)
4	Reliance Capital Partners	-	3.90	-	0.11
5	Reliance Life Insurance Company Limited	-	638.08	-	-
Total Minority interest		-	1,447.64	-	164.11

Reliance Capital Limited

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

(` in crore)					
Sr. No.	Name	As % of consolidated net assets	Net asset amount	As % of consolidated profit or loss	Profit/(loss) after taxation amount
E Associate					
(i) Indian					
1	Reliance Asset Reconstruction Company Limited	-	66.40	-	4.76
2	Reliance Life Insurance Company Limited (ceased w.e.f. March 30, 2016)	-	622.19	-	(94.26)
3	Indian Commodity Exchange Limited	-	0.26	-	-
(ii) Foreign					
1	Ammolite Holdings Limited	-	26.32	-	1.24
Total Associate		-	715.17	-	(88.26)

B For the year ended March 31, 2015

(` in crore)					
Sr. No	Name	As % of consolidated net assets	Net asset Amount	As % of consolidated profit or loss	Profit/(loss) after Taxation Amount
A Parent					
1	Reliance Capital Limited	76.86%	10,241.41	47.33%	476.64
B Subsidiaries					
(i) Indian					
1	Reliance Capital Asset Management Limited	6.53%	869.67	30.95%	311.65
2	Reliance Capital Pension Fund Limited	-	0.40	0.01%	0.15
3	Reliance AIF Management Company Limited	0.02%	2.38	0.12%	1.25
4	Reliance Capital Trustee Co. Limited	0.01%	0.85	0.01%	0.13
5	Reliance General Insurance Company Limited	5.92%	788.22	7.79%	78.43
6	Reliance Gilts Limited	-	0.62	-	0.02
7	Reliance Home Finance Limited	4.00%	533.36	6.70%	67.47
8	Reliance Securities Limited	0.86%	114.56	(1.19)%	(12.01)
9	Reliance Money Express Limited	0.13%	17.24	0.16%	1.63
10	Reliance Money Precious Metals Private Limited	0.01%	1.58	(0.20)%	(1.98)
11	Reliance Commodities Limited	0.06%	8.02	(0.20)%	(2.06)
12	Reliance Financial Limited	0.02%	2.39	(0.54)%	(5.46)
13	Reliance Wealth Management Limited	0.04%	5.46	0.02%	0.18
14	Reliance Exchangenext Limited	0.00%	0.27	-	(0.01)
15	Reliance Spot Exchange Infrastructure Limited	(0.04)%	(4.75)	(0.02)%	(0.18)
16	Reliance Money Solutions Private Limited	0.05%	6.75	(3.61)%	(36.33)
17	Reliance Capital AIF Trustee Company Private Limited	0.00%	0.01	-	(0.01)
18	Quant Capital Private Limited	1.13%	151.07	0.07%	0.67
19	Quant Broking Private Limited	1.26%	167.62	0.46%	4.59
20	Quant Securities Private Limited	0.01%	1.28	(0.13)%	(1.30)
21	Quant Commodity Broking Private Limited	0.01%	1.45	(0.07)%	(0.67)
22	Quant Investment Services Private Limited	0.04%	5.45	(0.05)%	(0.55)
23	Quant Capital Finance and Investments Private Limited	0.16%	21.64	-	(0.00)
24	Fairwinds Asset Managers Limited (formerly Reliance Equity Advisors (India) Private Limited)	-	-	0.98%	9.91
25	Fairwinds Trustees Services Private Limited (formerly Reliance Alternative Investment Services Private Limited)	-	-	-	(0.04)
26	Indian Agri Services Private Limited	-	-	-	-
27	Reliance Composite Insurance Broking Limited	-	-	-	-

Notes to the Abridged Consolidated Financial Statement as at March 31, 2016

(₹ in crore)

Sr. No	Name	As % of consolidated net assets	Net asset Amount	As % of consolidated profit or loss	Profit/(loss) after Taxation Amount
28	Quant Capital Advisors Private Limited	-	-	-	-
29	Quant Commodities Private Limited	-	-	-	-
(ii) Foreign					
1	Reliance Asset Management (Mauritius) Limited	0.10%	13.37	0.03%	0.34
2	Reliance Asset Management (Singapore) Pte. Limited	0.24%	31.92	0.08%	0.78
3	Reliance Capital Asset Management (UK) Plc	0.20%	25.99	0.01%	0.15
4	Reliance Asset Management (Malaysia) SDN BHD	-	-	-	-
5	Reliance Consultants (Mauritius) Limited	-	-	-	-
C Partnership firm					
1	Reliance Capital Partners	2.37%	315.77	11.28%	113.61
Total		100.00%	13,324.00	100.00%	1,007.00
D Minority interest					
1	Reliance Capital Asset Management Limited	-	596.53	-	128.31
2	Reliance General Insurance Company Limited	-	5.03	-	0.44
3	Quant Capital Private Limited	-	66.18	-	0.67
4	Reliance Capital Partners (Partnership Firm)	-	1.43	-	0.36
Total Minority		-	669.17	-	129.78
E Associate					
(i) Indian					
1	Reliance Life Insurance Company Limited	-	5,300.00	-	64.59
2	Reliance Asset Reconstruction Company Limited	-	64.92	-	3.92
3	Indian Commodity Exchange Limited	-	-	-	-
(ii) Foreign					
1	Ammolite Holdings Limited	-	23.70	-	10.71
Total Associate		-	5,388.62	-	79.22

28 Strategic Investments (Note 52 of Consolidated Financial Statement)

In accordance with Para 7 of Accounting Standard (AS-23) on Accounting for Investments in Associates in Consolidated Financial Statement as per the Companies (Accounts) Rules, 2014, the Company's stake in Sula Vineyards Private Limited and Reliance Capital Partner's stake in Ravissant Private Limited though in excess of 20% of their shareholdings have not been accounted for as associates in the preparation of consolidated financial statement as the Company does not have any "Significant Influence" on these companies, as defined by Accounting Standard (AS-18) on Related Party Disclosures as per the Companies (Accounts) Rules, 2014 and hence the transaction with these parties have not been considered for Related Party Disclosures.

29 Long Term Contracts (Note 53 of Consolidated Financial Statement)

The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, respective companies in the Group have reviewed and ensured that adequate provision as required under any law / accounting standards there are no foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

As per our report of even date attached

For and on behalf of the Board

For **Chaturvedi & Shah**
Chartered Accountants
Firm Reg. No. : 101720W

For **B S R & Co. LLP**
Chartered Accountants
Firm Reg. No. : 101248W/
W-100022

Chairman
Vice Chairman

Anil D. Ambani
Amitabh Jhunjhunwala
Rajendra P. Chitale
Dr. Bidhubhusan Samal
V. N. Kaul
Chhaya Virani

Directors

Vijay Napawaliya
Partner
Membership No: 109859
Mumbai
Dated: May 6, 2016

Akeel Master
Partner
Membership No: 046768

Executive Director & Group CEO
Chief Financial Officer
President & Company Secretary
Mumbai
Dated: May 6, 2016

Soumen Ghosh
Amit Bapna
V. R. Mohan

Statement containing salient features of the financial statement of subsidiaries / associate companies

(Pursuant to first proviso to subsection (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)
Part "A": Subsidiaries

(in crore)

Sr. No.	Name	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend (Excluding Dividend Tax)	% of shareholding
1	Reliance Capital Asset Management Limited	41.52	1,404.06	1,886.64	441.06	878.17	1,271.02	495.87	125.70	370.18	247.68	51.00
2	Reliance Asset Management (Mauritius) Limited	12.97	1.77	16.29	1.54	0.01	4.99	0.62	0.07	0.55	-	51.00
3	Reliance Asset Management (Singapore) Pte Limited	28.22	3.41	33.06	1.44	6.46	9.81	(2.76)	-	(2.76)	-	51.00
4	Reliance Capital Asset Management (UK) Limited (formerly Reliance Capital Asset Management (UK) Pte)	30.83	(30.83)	-	-	-	-	(0.41)	-	(0.41)	-	51.00
5	Reliance Capital Pension Fund Limited	25.00	1.01	26.45	0.44	26.11	0.01	0.02	(0.00)	0.02	-	68.15
6	Reliance AIF Management Company Limited	0.51	10.36	32.72	21.85	-	22.61	8.68	0.19	8.49	-	51.00
7	Reliance Capital Trustee Co. Limited	0.05	0.94	0.99	0.01	0.93	0.56	0.20	0.06	0.14	-	100.00
8	Reliance General Insurance Company Limited	122.77	904.56	6,293.05	5,265.72	5,381.37	3,530.07	99.08	-	99.08	-	99.46
9	Reliance Life Insurance Company Limited (w.e.f. March 30, 2016)	1,196.32	105.88	16,934.92	15,632.71	15,750.73	-	-	-	-	-	51.00
10	Reliance Gifts Limited	63.30	(2.80)	60.51	0.01	59.17	0.05	0.03	0.01	0.03	-	100.00
11	Reliance Money Express Limited	13.81	38.13	59.74	7.80	28.63	15.08	15.08	3.92	11.16	-	100.00
12	Reliance Money Precious Metals Private Limited	25.00	(23.56)	3.59	2.15	-	48.10	(3.59)	-	(3.59)	-	100.00
13	Reliance Home Finance Limited	65.82	554.30	7,693.59	7,073.47	80.42	815.03	136.70	49.95	86.76	-	100.00
14	Reliance Securities Limited	200.00	(119.57)	391.81	311.37	5.19	141.53	(73.89)	0.02	(73.91)	-	100.00
15	Reliance Commodities Limited	3.00	8.12	34.92	23.80	0.00	14.77	2.12	(0.98)	3.11	-	100.00
16	Reliance Financial Limited	40.16	67.98	132.51	24.37	39.24	5.83	1.60	1.13	0.47	-	100.00
17	Reliance Wealth Management Limited	17.50	(14.35)	9.84	6.69	-	24.61	(2.88)	0.00	(2.88)	-	100.00
18	Reliance Money Solutions Private Limited	25.05	(70.63)	21.59	67.17	-	22.40	(29.02)	0.00	(29.02)	-	100.00
19	Reliance Exchangevent Limited	19.91	(13.31)	13.26	6.66	0.02	-	(0.02)	0.00	(0.02)	-	100.00
20	Reliance Spot Exchange Infrastructure Limited	17.65	(22.47)	1.09	5.91	-	-	(0.07)	0.00	(0.07)	-	100.00
21	Reliance Capital AIF Trustee Company Private Limited	0.06	(0.05)	0.03	0.02	-	0.02	0.00	0.00	0.00	-	100.00
22	Quant Capital Private Limited	10.00	207.73	218.53	0.80	0.30	4.11	0.84	0.19	0.65	-	74.00
23	Quant Broking Private Limited	18.01	138.83	284.30	127.46	50.00	18.72	(10.76)	0.02	(10.78)	-	74.00
24	Quant Securities Private Limited	1.54	(0.25)	9.18	7.89	-	0.68	0.01	(0.01)	0.01	-	74.00
25	Quant Commodity Broking Private Limited	0.14	1.40	9.06	7.52	-	0.50	0.12	0.03	0.09	-	74.00
26	Quant Capital Finance and Investments Private Limited	3.83	17.87	34.13	12.43	-	2.64	0.15	0.09	0.06	-	74.00
27	Quant Investment Services Private Limited	0.74	4.75	7.40	1.92	-	2.15	0.04	0.01	0.03	-	74.00

Notes:

- The Financial Year of the Subsidiaries is for 12 months from April 1, 2015 to March 31, 2016
- Investment exclude investment in Subsidiaries
- Exchange rate as of March 31, 2016: 1 USD = ` 66.1752 1 GBP = ` 95.1622 1 SGD = ` 49.1470

Name of Subsidiaries which are yet to commence operations - Nil

Name of Subsidiaries which have been liquidated or sold during the year - Nil

Statement containing salient features of the financial statement of subsidiaries / associate companies

Part "B": Associates

(in crore)

Sr. No.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associate held by the Company on the year end		Description of how there is significant influence Refer Note 1 below	Reason why the associate / joint venture is not consolidated	Networth attributable to shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			No.	Amount of Investment in Associate / Joint Venture				Extend of Holding %	i. Considered in Consolidation
1	Reliance Life Insurance Company Limited (ceased w.e.f. March 30, 2016)	31.03.2016	-	-	47.78	-	-	(94.26)	-
2	Reliance Asset Reconstruction Company Limited	31.03.2016	4,90,00,000	49	49	-	66.40	4.76	-
3	Indian Commodity Exchange Limited	31.03.2016	5,20,00,000	47	26	-	1.01	-	-
4	Ammolite Holdings Limited	31.03.2016	1,000	29	50	-	26.32	1.24	-

Name of associates which are yet to commence operations – There is no associate which is yet to commence operation.

Name of associates which have been liquidated or sold during the year – Nil

Notes:

1. There is significant influence due to percentage (%) of share capital.
2. The Company does not have any joint venture during the year.

For and on behalf of the Board

Chairman	Anil D. Ambani
Vice Chairman	Amitabh Jhunjhunwala
Directors	Rajendra P. Chitale Dr. Bidhubhusan Samal V. N. Kaul Chhaya Virani
Executive Director & Group CEO	Soumen Ghosh
Chief Financial Officer	Amit Bapna
President & Company Secretary	V. R. Mohan
Mumbai	

Dated: May 6, 2016

Capital

I/WE ARE BANK () FINANCIAL INSTITUTION () COMPANY () SEBI REGISTERED FII ()
OTHERS () SPECIFY _____

RESIDENTIAL STATUS INDIAN () NON INDIAN ()

TAX RESIDENTIAL STATUS RESIDENT () NON-RESIDENT ()

TAX STATUS NON EXEMPT () EXEMPT () (IF EXEMPT PLEASE SPECIFY) _____

(IF EXEMPT, PLEASE PROVIDE SUPPORTING DOCUMENTS FROM INCOME TAX AUTHORITIES)

I/We have read and understood the Terms and Conditions of the issue of these Debentures. I/We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures.

I/We confirm that I/we are not a Non-Resident Indian and/or an Overseas Corporate Body. We request you to please place our name(s) on the Register of Debenture Holders.

I/We confirm that I/we are aware that the Distributor (if any) has been or will be remunerated by the Company as per the arrangement with the Company for the distribution of The Debentures. I/We confirm that I/we are aware that for each Debenture applied for, I/we shall pay to the Issuer the applicable Placement Fee (if any) over and above the Issue Price of the Debentures. I/We confirm that I/we are aware that the Issuer shall pay the Placement Fee to the Distributor (if any).

I/We confirm that unless expressly set out in the Application Form, I/We are applying to the Debentures as Investors and not as distributors.

TO BE FILLED IN ONLY IF THE APPLICANT IS AN INSTITUTION / COMPANY / BODY CORPORATE (INCLUDING SOCIETY)

Name of the Authorised Signatory (ies)	Designation	Signature

Unless otherwise requested, the Debentures will be issued in dematerialised form. Applicant(s) are required to fill up the following particulars for such issuance:

REQUEST FOR SERIES IN DEMATERIALIZED FORM
TOTAL NUMBER OF SERIES

I/We the undersigned, want to hold the Series of the Company in the dematerialised form. Details of my/our Beneficiary Account are given below:

DEPOSITORY PARTICIPANT NAME	
DP-ID	
CLIENT -ID	
NAME OF THE APPLICANT(S) _____	

I/We understand that: i) in case of allotment of Debentures to me/us, my/our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant(s) in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to my/our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole option to reject the application.

Capital

I/We understand that in case of allotment of Debentures to me/us, the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name in the debenture certificate.

The details mentioned above would be used for all correspondence with the applicants including mailing of Allotment Letters and printing of bank particulars on the refund/interest order (if any). By signing the Application Form, the applicant would have deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue these relevant details. Applicant may note that delivery of Refund Orders/Allotment of Debentures in the Demat Account/Allotment Letters may get delayed if the details provided by the applicant are incorrect. Please note that any such delay shall be at the applicant's sole risk and neither Company nor the Registrars shall be liable to compensate the applicant for any losses caused to the applicant due to any such delay or liable to pay any interest for such delay.

I/We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the principal, returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Issuer (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. I / We confirm that we are aware that, as returns on the Debentures are structured and linked to one or more equity or debt securities, indices, baskets, formulas or other assets or basis of reference, we may receive negligible returns, not receive any returns at all or receive negative returns and as a result at any time during the life of the Debentures till the Final Valuation Date the value of the Debentures may be substantially less than its redemption value.

I / We understand that the Issuer may communicate to or intimate me / us only by e-mail or facsimile message and I / we undertake to accept the same as a valid communication or intimation as if such communication or intimation had been otherwise hand delivered or delivered by registered post or courier. I / We undertake that upon sale or transfer to subsequent investor or transferee ("**Transferee**"), I / We shall convey all the terms and conditions contained herein (including the fact that these Debentures cannot be sold to a Non-Resident Indian and/or an Overseas Corporate Body) to such Transferee. I / We undertake that we shall not sell or transfer the Debentures to a Non-Resident Indian and/or an Overseas Corporate Body. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer (and all such persons acting on its or their behalf) and also hold the Issuer and each of such person harmless in respect of any claim by any Transferee.

I / We confirm that there are no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter.

Sole/First Applicant's

Second Applicant's

Third Applicant's

Signature

Signature

Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

DECLARATION TO BE FILLED IN ONLY IF THE APPLICANT IS INVESTING IN THE DEBENTURES AS A DISCRETIONARY PORTFOLIO MANAGER:

- 1) We, as Portfolio Managers, are fully in compliance with the laws and regulations applicable to us including the Securities and Exchange Board of India (Portfolio Managers) Rules, 1993 and the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, the requirements of Circular dated 20th March 2006 “Guidelines on Anti-Money Laundering Standards” of the Securities and Exchange Board of India and the Guidelines for Issue and Listing of Structured Products/Market Linked Debentures,2011;
- 2) We are appropriately investing in the Debentures on behalf of our client, (“**Client**”). Client’s identity:
 - (i) is not disclosed by us [_____]; or
 - (ii) is disclosed by us [_____],

and the investment in the Debentures is within the scope of our authority including pursuant to the agreement entered into by us with the Client, as provided for by Regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 (the “**Agreement**”), and accordingly binds the Client. Should there be any dispute by the Client as regards the investment in the Debentures including but not limited to the scope of our authority with regard to such investment, the same shall be dealt with entirely by us with the Client, with no reference to Reliance Capital Limited (“**RCL**”);
- 3) We have conducted suitability and appropriateness checks on our Clients pursuant to the PM Regulations (as applicable) and the Structured Products Guidelines, and we have fully advised each of our Clients of the risks relating to investment in the Debentures and of their rights against us as their principal and we accept responsibility for such advice
- 4) We shall ensure that the Client understands the risks involved in investment in the Debentures and is capable of taking the risks posed by such Debentures and shall satisfy ourselves that the Debentures are suitable to the risk profile of the Client;
- 5) We shall provide our Clients with a copy of the Information Memorandum;
- 6) We shall guide the Clients as to where the valuations (of the Debentures) will be available;
- 7) We shall guide the Clients as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Company or through the secondary market;
- 8) We have strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients;
- 9) We consent to the disclosure or provision by RCL to any governmental or regulatory authority, or under any requirement of law, any information regarding the Client (to the extent made available to RCL by us) and the investment in the Debenture, as required of RCL under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law;
- 10) We further agree to provide to RCL such additional information that RCL deems necessary or appropriate in order for RCL to comply with any such regulations and/or requests or requirements;
- 11) We also further agree (including on the basis of any request made by RCL in this regard), to provide to any governmental or regulatory authority any information regarding the Client, the investment in the Debenture as required under regulations and/or as requested by any governmental or regulatory or other authority; and
- 12) We confirm and undertake that we are appropriately investing in these Debentures on behalf of our Clients and our activities have not violated and will not violate the RBI Private Placement Directions. We further confirm and undertake that we have not and shall not use the name of the Issuer or any of its group entities or any of the words in any of our advertisement or any marketing material and that we have not acted and shall not act in a manner that would render this private placement of Debentures, an offer to the public.

Sole/First Applicant’s

Second Applicant’s

Third Applicant’s

Signature

Signature

Signature

DECLARATION TO BE FILLED IN ONLY IF THE APPLICANT IS INVESTING IN THE DEBENTURES AS A NON DISCRETIONARY PORTFOLIO MANAGER:

- 1) We, as Portfolio Managers, are fully in compliance with the laws and regulations applicable to us including the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 (“Portfolio Manager Regulations”), the Structured Products Guidelines, the Prevention of Money Laundering Act, 2002 (“PML Act”), the Prevention of Money Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 (“PML Rules”), the requirements of Circular dated 20th March 2006 “Guidelines on Anti-Money Laundering Standards” of the SEBI (“AML Guidelines”) together with the PML Act and the PML Rules, the “AML Laws & Rules”) and all applicable know-your-client norms (“KYC Guidelines”) issued by any relevant regulator, as amended, from time to timer;
- 2) We are appropriately selling the Debentures to / investing in the Debentures on behalf of our client, (“**Client**”). The Sale of / investment in the Debentures is within the scope of our authority (including as provided for in the Portfolio Manager Regulations), and accordingly binds the Client. Should there be any dispute by the Client as regards the investment in the Debentures regarding the scope of our authority with regard to such investment, the same shall be dealt with entirely by us with the Client, with no reference to Reliance Capital Limited (“**RCL**”);
- 3) We have conducted a risk profiling of each Client pursuant to the PM Regulations (as applicable) and the Structured Products Guidelines, and we have satisfied ourselves that the Debentures are suitable to the risk profile of the Client. We have fully advised each of our Clients of the risks relating to investment in the Debentures and of their rights against us as their principal and we accept responsibility for such advice
- 4) We shall ensure that the Client understands the risks involved in investment in the Debentures and is capable of taking the risks posed by such Debentures and shall satisfy ourselves that the Debentures are suitable to the risk profile of the Client;
- 5) We shall provide our Clients with the Information Memorandum;
- 6) We shall guide the Clients as to where the valuations will be available;
- 7) We shall guide the Clients as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Company or through the secondary market;
- 8) We have strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients;
- 9) We consent to the disclosure or provision by RCL to any governmental or regulatory authority, or under any requirement of law, any information regarding the Client (to the extent made available to RCL by us) and the investment in the Debentures, as required of RCL under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law;
- 10) We further agree to provide to RCL such additional information that RCL deems necessary or appropriate in order for RCL to comply with any such regulations and/or requests or requirements;
- 11) We also further agree (including on the basis of any request made by RCL in this regard), to provide to any governmental or regulatory authority any information regarding the Client, the investment in the Debentures as required under regulations and/or as requested by any governmental or regulatory or other authority; and
- 12) We confirm and undertake that we are appropriately investing in these Debentures on behalf of our Clients and our activities have not violated and will not violate the RBI Private Placement Directions. We further confirm and undertake that we have not and will not use the name of the Issuer or any of its group entities or any of the words in any of our advertisement or any marketing material.

Sole/First Applicant's

Second Applicant's

Third Applicant's

Signature

Signature

Signature

Capital

Name of Investor: _____

Address: _____

Section 1: Declaration of Tax Residency

Country of tax residence (as per section 6 of the Income-tax Act, 1961)

- a) Only India
- b) India and any other country
- c) Any other country

If answer to option (b) or (c) is Yes, please provide the following details and documents:

For the purposes of taxation, I am a resident in the following countries and my Tax Identification Number (TIN)/functional equivalent in each country is set out below or I have indicated that a TIN/functional equivalent is unavailable (kindly fill details of all countries of tax residence if more than one):

Country/Countries of Tax Residency	Tax Identification Number (TIN)/ Functional Equivalent	Country Issuing TIN/ Functional Equivalent	Documents Provided (Copy of Certificate of Residence/Copy of TIN)

Documents required: A copy of certificate of residence or a copy of TIN for all the countries listed in the above table.

Section 2: Individual Identification

- a) Father's Name: _____
- b) Place of birth: _____
- c) Country of birth: _____
- d) Occupation: _____
- e) Nationality: _____
- f) Citizenship: _____

Undertaking

I / We certify that:

- a) the information provided in the Form is in accordance with section 285BA of the Income Tax Act, 1961 read with Rules 114F to 114H of the Income tax Rules, 1962.
- b) the information provided by me/us in the Form, its supporting Annexures as well as in the documentary evidence provided by me/us are, to the best of our knowledge and belief, true, correct and complete and that I/we have not withheld any material information that may affect the assessment/categorization of the account as a Reportable account or otherwise.
- c) I/We permit/authorise the Company to collect, store, communicate and process information relating to the Account and all transactions therein, by the Company and any of its affiliates wherever situated including sharing, transfer and disclosure between them and to the authorities in and/or outside India of any confidential information for compliance with any law or regulation whether domestic or foreign.
- d) I / We undertake the responsibility to declare and disclose within 30 days from the date of change, any changes that may take place in the information provided in the Form, its supporting Annexures as well as in the documentary evidence provided by us or if any certification becomes incorrect and to provide fresh self-certification alongwith documentary evidence.
- e) I / We also agree that our failure to disclose any material fact known to us, now or in future, may invalidate our application and the Company would be within its right to put restrictions in the operations of my/our account or close it or report to any regulator and/or any authority designated by the Government of India (GOI) /RBI for the purpose or take any other action as may be deemed appropriate by the Company if the deficiency is not remedied by us within the stipulated period.
- f) I / We hereby accept and acknowledge that the Company shall have the right and authority to carry out investigations from the information available in public domain for confirming the information provided by me / us to the Company.
- g) It shall be my / our responsibilities to educate myself / ourself and to comply at all times with all relevant laws relating to reporting under section 285BA of the Act read with the Rules thereunder.
- h) I/We also agree to furnish such information and/or documents as the Company may require from time to time on account of any change in law either in India or abroad in the subject matter herein.
- i) I/We shall indemnify the Company for any loss that may arise to the Company on account of providing incorrect or incomplete information.

Dated

Client Signature  _____

Capital

FATCA / CRS Declaration for Non Individual

Section 1: Identification Details

Please tick / fill and complete as appropriate.

- a) Name of the Entity: _____
- b) Nature of Business (kindly fill in details from Annexure 4): _____
- c) Identification Number: _____ d) Identification issuing Country: _____
- e) Identification Type (tick as applicable): Tax Identification Number Company Identification Number
US GIIN Global entity Identification No. Other
- f) Identification Issuing Country: _____

Section 2: Declaration of Tax Residency

Please indicate the Entity's country of tax residence (if resident in more than one country please detail all countries and associated tax identification number and TIN issuing country)

Country/Countries of Tax Residency	Tax Identification Number (TIN)	TIN Issuing Country

(Kindly attach documentary evidence of country of tax residence and the tax identification number)

If tax resident of Country outside India, kindly provide confirmation as under:

- 1) If US tax resident, are you US Specified Person: Yes No
(If No, Kindly tick Exclusion from Annexure 1) - (i) / (ii) / (iii) / (iv) / (v) / (vi) / (vii) / (viii) / (ix) / (x) / (xi) / (xii) / (xiii)
- (2) If tax resident of country other than USA: Yes No
(If No, Kindly tick if any of the applicable)
 a corporation, the stock of which is regularly traded on one or more established securities markets;
 any corporation that is a related entity of a corporation mentioned above
 a Governmental entity; an International organisation; a Central bank; or a financial institution

Section 3: Entity Classification

- 3.1 If you are a reporting Financial Institution, please tick atleast one of the below categories, and provide your FATCA Global Intermediary Identification Number (GIIN):
Depository Institution Custodial Institution Investment Entity Specified Insurance Company
GIIN _____
- 3.2 If you are a Financial Institution but are non-reporting financial institution, please tick one of the below reasons:
 The Entity is a Non-Reporting Financial Institution. Please tick exemption from Annexure 2: (a) / (b) / (c) / (d) / (e) / (f) / (g) / (h) / (i) / (j) / (k) / (l) / (m).
 The Entity is a Sponsored Financial Institution and has not yet obtained a GIIN but is sponsored by another entity that has registered as a Sponsoring Entity. Please provide the Sponsoring Entity's name and GIIN.
Sponsoring Entity's Name: _____ Sponsoring Entity's GIIN: _____
 The Entity is a Trustee Documented Trust and has not yet obtained a GIIN. Please provide the Trustee's name and the GIIN
Name of the Trustee of the Trust: _____ GIIN of the Trustee: _____
- 3.3 The Entity is an owner documented Financial Institution. Please provide the details of each of the substantial owners of the financial institution in the form for Controlling Persons attached.
- 3.4 The Entity is a Non-Participating Financial Institution
- 3.5 If the Entity is not a Financial Institution, please confirm the Entity's status below:
 The Entity is an Active Non-Financial Entity (Please tick as per Annexure 3) (i) / (ii) / (iii) / (iv) / (v) / (vi) / (vii) / (viii)
 The Entity is a Passive Non-Financial Entity (NFE) (Please tick as per Annexure 3A): (i) / (ii) / (iii).

If Passive Entity is ticked please fill the Form of all Controlling Persons¹:

Controlling Person Self-Certification AND tick the below:

- Controlling Persons of the Entity are tax resident of India
- Controlling Persons of the Entity are tax resident of USA
- Controlling Persons of the Entity are tax resident of countries other than India and USA.

Kindly specify the countries of which the controlling persons are tax resident of _____
(if more than one, list of all countries should be specified.)

The Entity is Direct reporting NFE. If ticked, please provide the GIIN of the Direct Reporting NFE _____

To be filled in by the Controlling Person

1. Controlling Person Type:
 - a) In case of legal Person: Ownership Other means Senior Managing Official
 - b) In case of legal Arrangement - Trust: Settlor Trustee Protector beneficiary Others
 - c) In case of legal Arrangement - others Settlor equivalent Trustee equivalent Protector equivalent beneficiary equivalent Others equivalent
 - d) Unknown
2. Full Name of the Controlling Person: _____ 3. Customer ID, if allotted: _____
4. Gender: Male Female Others 5. PAN: _____ 6. Aadhaar No: _____
7. Identification Type (tick and provide as proof of identity): A-Passport B- Election ID Card C- PAN Card D- ID Card E- Driving License F -UIDAI letter G-NREGA Job Card H- Others X- Not categorised
8. Identification Number (mentioned in identification document): _____
9. Occupation Type: S-Service B-Business O-Others X- Not categorised
10. Date of Birth (DD/MM/YYYY): _____ 11. Nationality: _____
12. Place of Birth: _____ 13. Country of Birth: _____
14. Address Type of Controlling Person: 1-Residential or Business 2-Residential 3-Business 4- Registered Office 5-Unspecified.
15. Address of Controlling Person: _____
16. Mobile/Telephone Number: _____
17. Please indicate the Country of tax residence (if resident in more than one country please detail all countries and associated tax identification number and TIN issuing country).

Country/countries of Tax Residency	Tax Identification Number (TIN)	TIN Issuing Country

(Kindly attach documentary evidence of country of tax residence and the tax identification number)

Undertaking

I / We certify that:

- a) the information provided in the Form is in accordance with section 285BA of the Income Tax Act, 1961 read with Rules 114F to 114H of the Income tax Rules, 1962.
- b) the information provided by me/us in the Form, its supporting Annexures as well as in the documentary evidence provided by me/us are, to the best of our knowledge and belief, true, correct and complete and that I/we have not withheld any material information that may affect the assessment/categorization of the account as a Reportable account or otherwise.
- c) I/We permit/authorise the Company to collect, store, communicate and process information relating to the Account and all transactions therein, by the Company and any of its affiliates wherever situated including sharing, transfer and disclosure between them and to the authorities in and/or outside India of any confidential information for compliance with any law or regulation whether domestic or foreign.
- d) I / We undertake the responsibility to declare and disclose within 30 days from the date of change, any changes that may take place in the information provided in the Form, its supporting Annexures as well as in the documentary evidence provided by us or if any certification becomes incorrect and to provide fresh self-certification alongwith documentary evidence.
- e) I / We also agree that our failure to disclose any material fact known to us, now or in future, may invalidate our application and the Company would be within its right to put restrictions in the operations of my/our account or close it or report to any regulator and/or any authority designated by the Government of India (GOI) / RBI for the purpose or take any other action as may be deemed appropriate by the Company if the deficiency is not remedied by us within the stipulated period.
- f) I / We hereby accept and acknowledge that the Company shall have the right and authority to carry out investigations from the information available in public domain for confirming the information provided by me / us to the Company.
- g) It shall be my / our responsibilities to educate myself / ourself and to comply at all times with all relevant laws relating to reporting under section 285BA of the Act read with the Rules thereunder.
- h) I/We also agree to furnish such information and/or documents as the Company may require from time to time on account of any change in law either in India or abroad in the subject matter herein.
- i) I/We shall indemnify the Company for any loss that may arise to the Company on account of providing incorrect or incomplete information.
- j) I / We certify that I/we have the capacity to sign for the Entity as per CBDT rules/SEBI guidelines.

Authorised Signature:  _____

Name: _____

Position/Title: _____

Date: (dd/mm/yyyy) _____

Seal and Stamp of the Entity

¹Controlling persons means natural persons who exercise control over an entity who includes a beneficial owner as defined in Explanation to sub-rule (3) of rule 9 Prevention of Money-laundering (Maintenance of Records) Rules, 2005. In determining the beneficial owner the procedure specified in the RBI/SEBI/IRDA circulars shall be applied. In the case of Trust, the controlling persons mean the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, the said expression means the person in equivalent position.

Annexure 1: Specified US Persons:

1	A Specified US Person is a US Person but not falling within the category mentioned
	(i) a corporation the stock of which is regularly traded on one or more established securities markets;
	(ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i);
	(iii) the United States or any wholly owned agency or instrumentality thereof
	(iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing
	(v) any organization exempt from taxation under section 501(a) of the U.S. Internal Revenue Code or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code;
	(vi) any bank as defined in section 581 of the U.S. Internal Revenue Code;
	(vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code
	(viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (ix) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code;
	(x) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code
	(xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State;
	(xii) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code;
	(xiii) any tax-exempt trust under a plan that is described in section 403(b) or section 457(g) of the U.S. Internal Revenue Code

Annexure 2: “Non-reporting financial institution”

(a) a Governmental entity, International Organisation or Central Bank, other than with respect to a payment that is derived from an obligation held in connection with a commercial financial activity of a type engaged in by a specified insurance company, custodial institution, or depository institution;

(b) a Treaty Qualified Retirement Fund; a Broad Participation Retirement Fund; a Narrow Participation Retirement Fund; or a Pension Fund of a Governmental entity, International Organization or Central Bank;

(c) a non-public fund of the armed forces, Employees’ State Insurance Fund, a gratuity fund or a provident fund;

(d) an entity that is an Indian financial institution only because it is an investment entity, provided that each direct holder of an equity interest in the entity is a financial institution referred to in sub-clauses (a) to (c), and each direct holder of a debt interest in such entity is either a depository institution (with respect to a loan made to such entity) or a financial institution referred to in sub-clauses (a) to (c);

(e) a qualified credit card issuer;

(f) an investment entity established in India that is a financial institution only because it,-

(I) enders investment advice to, and acts on behalf of; or

(II) manages portfolios for, and acts on behalf of; or

(III) cutes trades on behalf of,

a customer for the purposes of investing, managing, or administering funds or securities deposited in the name of the customer with a financial institution other than a non-participating financial institution;

(g) n exempt collective investment vehicle;

(h) a trust established under any law for the time being in force to the extent that the trustee of the trust is a reporting financial institution and reports all information required to be reported under rule 114G with respect to all reportable accounts of the trust;

(i) a financial institution with a local client base;

(j) a local bank;

(k) financial institution with only low-value accounts;

(l) sponsored investment entity and controlled foreign corporation, in case of any U.S. reportable account;
or

(m) ponsored closely held investment vehicle, in case of any U.S. reportable account.

Annexure 3: Active Non-Financial Entity (NFE)

<u>Sr no.</u>	<u>Category of Active NFFE</u>
(i)	Less than 50 per cent of the entity's gross income for the preceding <i>financial year</i> is passive income and less than 50 per cent of the assets held by the entity during the preceding financial year are assets that produce or are held for the production of passive income; or
(ii)	The stock of the entity is regularly traded on an established securities market or the non-financial entity is a related entity of an entity the stock of which is regularly traded on an established securities market; or <i>Explanation.-</i> For the purpose of this sub-clause, an established securities market means an exchange that is officially recognised and supervised by a governmental authority in which the securities market is located and that has a meaningful annual value of shares traded on the exchange.
(iii)	the entity is a Governmental Entity, an International Organization, a Central Bank , or an entity wholly owned by one or more of the foregoing;

(iv)	substantially all of the activities of the entity consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a financial institution, except that an entity does not qualify for this status if it functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
(v)	the entity is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a financial institution, provided that the entity does not qualify for this exception after the date that is 24 months after the date of the initial organization of the entity;
(vi)	the entity was not a financial institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a financial Institution;
(vii)	the entity primarily engages in financing and hedging transactions with, or for, related entities that are not financial institutions, and does not provide financing or hedging services to any entity that is not a related entity, provided that the group of any such related entities is primarily engaged in a business other than that of a financial institution;
(viii)	<p>the entity meets all of the following requirements, namely:-</p> <p>(a) It is established and operated in India exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in India and it is a professional organization, business league, chamber of commerce, labour organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;</p> <p>(b) It is exempt from income-tax in India;</p> <p>(c) It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;</p> <p>(d) The applicable laws of the entity's jurisdiction of residence or the entity's formation documents do not permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the entity's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the entity has purchased; and</p> <p>(e) The applicable laws of the entity's jurisdiction of residence or the entity's formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to a Governmental Entity or other non-profit organization, or escheat to the government of the entity's jurisdiction of residence or any political subdivision thereof.</p>

	<p>Explanation.- For the purpose of this sub-clause, the following shall be treated as fulfilling the criteria provided in the said sub-clause, namely:-</p> <p>(I) n Investor Protection Fund referred to in clause (23EA);</p> <p>(II) Credit Guarantee Fund Trust for Small Industries referred to in clause 23EB; and</p> <p>(III) Investor Protection Fund referred to in clause (23EC), of section 10 of the Act</p>
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Annexure 3A - Passive Non-Financial Entity (NFE)

Sr no.	Category of Passive NFFE
1	Any non-financial entity which is not an active non-financial entity
2	An investment entity described in sub-clause (B) of clause (c) of the Explanation to clause (3)*, which is not located in any of the jurisdictions specified by the CBDT in this behalf.
3	A withholding foreign partnership or withholding foreign trust

*Explanation to Rule 114F

(c) “investment entity” means any entity,-

(A) that primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer, namely:-

(i) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading; or

(ii) individual and collective portfolio management; or

(iii) otherwise investing, administering, or managing financial assets or money on behalf of other persons; or

(B) the gross income of which is primarily attributable to investing, reinvesting, or trading in financial assets, if the entity is managed by another entity that is a depository institution, a custodial institution, a specified insurance company, or an investment entity mentioned in sub-clause (A) of this clause.

Annexure 4: Business codes as per income-tax return form ITR 6

Sr. No.	Sector	Sub-sector	Code
1	Manufacturing Industry	Agro-based industries	0101
		Automobile and Auto parts	0102
		Cement	0103
		Diamond cutting	0104
		Drugs and Pharmaceuticals	0105
		Electronics including Computer Hardware	0106

		Engineering goods	0107
		Fertilizers, Chemicals, Paints	0108
		Flour & Rice Mills	0109
		Food Processing units	0110
		Marble & Granite	0111
		Paper	0112
		Petroleum and Petrochemicals	0113
		Power and energy	0114
		Printing & Publishing	0115
		Rubber	0116
		Steel	0117
		Sugar	0118
		Tea, Coffee	0119
		Textiles, handloom, Power looms	0120
		Tobacco	0121
		Tyre	0122
		Vanaspati & Edible Oils	0123
		Others	0124
2	Trading	Chain Stores	0201
		Retailers	0202
		Wholesalers	0203
		Others	0204
3	Commission Agents	General Commission Agents	0301
4	Builders	Builders	0401
		Estate Agents	0402
		Property Developers	0403
		Others	0404
5	Contractors	Civil Contractors	0501
		Excise Contractors	0502
		Forest Contractors	0503
		Mining Contractors	0504
		Others	0505
6	Professionals	Chartered Accountants, Companies Secretaries, etc	0601

		Fashion designers	0602
		Legal professionals	0603
		Medical professionals	0604
		Nursing Homes	0605
		Specialty hospitals	0606
		Others	0607
7	Service Sector	Advertisement agencies	0701
		Beauty Parlours	0702
		Consultancy services	0703
		Courier Agencies	0704
		Computer training/educational and coaching institutes	0705
		Forex Dealers	0706
		Hospitality services	0707
		Hotels	0708
		I.T. enabled services, BPO service providers	0709
		Security agencies	0710
		Software development agencies	0711
		Transporters	0712
		Travel agents, tour operators	0713
		Others	0714
8	Financial Service Sector	Banking Companies	0801
		Chit Funds	0802
		Financial Institutions	0803
		Financial service providers	0804
		Leasing Companies	0805
		Money Lenders	0806
		Non-Banking Finance Companies	0807
		Share Brokers, Sub-brokers, etc.	0808
		Others	0809
9	Entertainment Industry	Cable T.V. productions	0901
		Film distribution	0902
		Film laboratories	0903
		Motion Picture Producers	0904
		Television Channels	0905
		Others	0906