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For the exclusive use of LIC Nomura Mutual Fund

Reliance Capital Limited

(the “Company” or the “Issuer”)

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INFORMATION MEMORANDUM OF PRIVATE PLACEMENT FOR ISSUE OF 130 RATED, LISTED, SECURED, REDEEMABLE NON-CONVERTIBLE DEBENTURES (“NCDs” /“DEBENTURES”), OF FACE VALUE OF RS.10,00,000 EACH FOR CASH, AGGREGATING RS.13 CRORE ON A PRIVATE PLACEMENT BASIS (THE “ISSUE”).

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 the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Information Memorandum, 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

CREDIT RATING: CARE AAA (TRIPLE A) by CREDIT ANALYSIS & RESEARCH LIMITED (“CARE”), for borrowings upto an aggregate amount of Rs.22,000 crore, 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 rating is an opinion on credit quality and is not a recommendation to buy sell or hold any security. CARE has based its rating 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 the rating at any time on the basis of new information, etc.

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 March 31, 2015. 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 (“**WDM**”) Segment of the BSE Limited (“**BSE**”).

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 Serilingampally Mandal, Hyderabad – 500032 Telangana, India Tel : +91 40 6716 1771 Fax: +91 40 6716 1791 Email: rclinvestor@karvy.com</p>	 <p>IL & FS Trust Company Limited</p> <p>IL & FS Trust Company Limited The IL & FS Financial Center, Plot C-22, G Block, Bandra- Kurla Complex, Bandra East, Mumbai-400051, Tel : +91-22-26533333 Fax : +91-22-26533297</p>
RATING AGENCY	
 <p>Credit Analysis & Research Limited Office: 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 Email: care@careratings.com</p>	
ISSUE SCHEDULE	
<p>Issue Open Date : July 10, 2015</p> <p>Issue Close Date : July 10, 2015</p> <p>Pay-In Date(s) : July 10, 2015</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 THE [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 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 SERIALY 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

- 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 RS. 13 CRORE 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 ("SEBI DEBT REGULATIONS") AS AMENDED; THE COMPANIES ACT, 2013 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 THE 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 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.

Definitions / Abbreviations/ Terms Used	
Articles of Association	Articles of Association of Reliance Capital Limited
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 Sec. 45 IA of 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) (" 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, Non-Convertible 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 / Debenture Register and shall include Beneficiaries.
Debenture Trust Deed	Shall mean the debenture trust deed between the Issuer and 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	IL & FS Trust Company Limited
Depositories	CDSL and NSDL

Definitions / Abbreviations/ Terms Used	
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 130 Rated, Listed, Secured, Redeemable Non Convertible Debentures of Rs.10,00,000/- (Rupees Ten Lakh Only) each aggregating to Rs.13 crore on a private placement basis.
Issuer Group	The Issuer or any of its affiliate, associate, holding, subsidiary or group entities.
Letter of Allotment	Letter addressed by or on behalf of the Issuer to an Investor stating therein, inter-alia 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 by NBFCs-Debentures etc. vide RBI circular No. RBI/2012-13/560, DNBD(PD) CC No. 330 / 3.10.001 / 2012-13 dated June 27, 2013 and RBI/2013-14/115 DNBS(PD) CC No.349/03.10.001/2013-14 dated July 2, 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. Security documents entered into for creation of security for the benefit of the Debenture Holders.
WDM	Wholesale Debt Segment of BSE Limited

**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.
1.	GENERAL INFORMATION	
a.	Name, address, website and other contact details of the company indicating both registered office and corporate office;	18
b.	Date of incorporation of the company;	27
c.	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	20
d.	Brief particulars of the management of the company;	28
e.	Names, addresses, DIN and occupations of the directors;	23
f.	Management's perception of risk factors;	12
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;	18
2.	PARTICULARS OF THE OFFER	
a.	Date of passing of board resolution;	31
b.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	
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:	

Sr. No.	Particulars	Page No.
	(a) duration;	31
	(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;	31
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);	25
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-	21

Sr. No.	Particulars	Page No.
(i)(a)	the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	
(b)	size of the present offer;	
(c)	paid up capital	
	(A) after the offer;	Not Applicable
	(B) after conversion of convertible instruments (if applicable)	Not 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	21
	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;	22
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
c.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	26
d.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of circulation of offer letter;	Annexure XV
e.	Audited Cash Flow Statement for the three years immediately preceding the date of circulation of offer letter;	Annexure XV
f.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Annexure XV
5.	A DECLARATION BY THE DIRECTORS	51

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 herein below:

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.

(a) *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, of developed that such market will be sustained. Many factors 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 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 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.

(b) 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. 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. 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 and fluctuations in interest rates and/or in exchange rates, and credit spreads. 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.

(c) *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.

(d) 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.

(e) 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 interest 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.

(f) *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.

Internal Risk Factors

(a) Debenture Redemption Reserve

No debenture redemption reserve is being created for the present issue of NCDs.

Per Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, issued by the vide G.S.R 265(E) dated March 31, 2014, NBFCs registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997, need not create 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, 2015, the Company has net Standalone NPAs of Rs. 347 crore. In addition, the Company follows a conservative provisioning and write-off policy, which is in line with what is prescribed by the RBI.

(c) **Contingent Liabilities**

Company's contingent liabilities could adversely affect its financial condition. As on March 31, 2015 Company has contingent liabilities of Rs. 2,652 crore.

(d) **NPAs**

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

As on March 31, 2015, the Company has net Standalone NPAs of Rs. 347 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.

(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. like 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.

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 the RBI though currently NBFCs not accepting public deposits are exempt from most 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. The 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 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.

(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 macroeconomic 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. 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

Phone: 022-30479800 Fax: 022- 30327202

Website: www.reliancecapital.co.in

2 Name and address of the office of the Issuer

Reliance Capital Limited

570, Rectifier House, 2nd Floor, Naigaum Cross Road, Next to Royal Industrial Estate, Wadala, Mumbai 400031

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

Phone: 022-30479800 Email: mohan.vellore@relianceada.com

4 Name and address of the CFO of the Issuer

Shri Amit Bapna - Chief Financial Officer

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

Phone: 022-30479800 Email: amit.bapna@relianceada.com

5 Name and address of the Arrangers of the Issue

Not Applicable

6 Name of the Debenture Trustee of the Issue

IL & FS Trust Company Limited

The IL & FS Financial Center, Plot C-22, G Block, Bandra- Kurla Complex, Bandra East, Mumbai-400051.

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 Serilingampally Mandal, Hyderabad – 500032, Telengana, India

8 Name of the Credit Rating Agencies of the Issuer

Credit Analysis & Research Limited

4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E),
Mumbai 400 022

9 Name of the Auditors of the Issuer

a Chaturvedi & Shah

714-715, Tulsiani Chambers

212 Nariman Point

Mumbai 400 020

b B S R & Co. LLP

Lodha Excelus, 1st Floor

Apollo Mills Compound

N.M. Joshi Marg, Mahalaxmi

Mumbai 400 011

ii. A brief summary of the business / activities of the Issuer and its line of business.

Overview

Reliance Capital Limited is a part of Reliance Group

Reliance Capital Limited ("RCL"), incorporated in 1986, is a part of the Reliance Group and is one of India's leading and fastest growing private sector financial services companies, and ranks amongst the top 4 private sector financial services and banking groups, in terms of net worth.

Reliance Capital has interests in asset management and mutual funds; life and general insurance; commercial and home finance; stock broking; wealth management services; distribution of financial products; asset reconstruction; proprietary investments and other activities in financial services.

Commercial Finance

Reliance Capital offers a wide range of products which include home loans, loans against property, SME loans, vehicle loans, loans for construction equipment and infrastructure loans. Reliance Commercial Finance ("RCF") is amongst the leading lenders in the Indian non banking finance sector. The focus in this business continues to be on asset backed lending and productive asset creation. As on March 31, 2015, the outstanding loan book was Rs. 15,409 crore as against Rs. 13,667 crore at the end of March 31, 2014. This loan book is spread across 69,400 customers across 44 Indian cities. As on March 31, 2015, the assets under management (including securitised portfolio) was Rs. 19,923 crore.

Finance & Investments

RCL's investment portfolio as on March 31, 2015 was Rs. 12,724 crore at cost. RCL's strategy for its proprietary investment and private equity is to focus on asset quality and asset mix to achieve superior returns. The Company has increasingly diversified its scope of operations into a verity of avenues as afforded under the Indian NBFC regulatory framework, through its interests in asset management and mutual funds, life and general insurance, private equity and proprietary investments, commercial finance and other forms of lending, stock broking and other activities in financial services.

Reliance Capital Asset Management

Reliance Capital Asset Management Limited ("RCAM") is the largest asset management company ("AMC") in India managing Rs. 2,44,649 crore as on March 31, 2015, across mutual funds, pension funds, managed accounts, hedge funds and real estate fund, as against Rs. 1,93,620 crore as on March 31, 2014, an increase of 26 per cent.

RCAM continues to be amongst the most profitable AMCs in India.

Reliance Mutual Fund

Reliance Mutual Fund ("RMF") is amongst the top mutual funds in India, in terms of Assets Under Management, with market share of 11.5 per cent at the end of March 31, 2015. The Average Assets Under Management ("AAUM") of RMF for March 31, 2015 was Rs.1,37,124 crore against Rs.1,03,542 crore as on March 31, 2014, an increase of 32 per cent.

Reliance Life Insurance

Reliance Life Insurance ("RLI") currently offers a total of 27 products that fulfill the savings and protection needs of customers. Of these, 18 are targeted at individuals and 9 at group businesses. RLI is committed to emerging as a transactional Life Insurer of global scale and standard and attaining leadership rankings in the industry within the next few years. RLI is amongst the leading private sector life insurers with a private sector market share of 6 per cent, in terms of new business premium. (Source: Financial Year 2014-15 data, IRDA website). The total net premium for the year stood at Rs. 4,592 crore. The total funds under management were at Rs. 16,927 crore.

Broking businesses

Reliance Capital's broking business is carried out by its subsidiary viz. Reliance Securities Limited ("RSL"), 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, mutual funds and Initial

Public Offers (“IPOs”), which caters to wholesale client segment of capital markets, including foreign and domestic institutions, corporations and ultrahigh net worth individuals. The broking and distribution business achieved revenues of Rs. 285 crore for the year ended March 31, 2015 as against Rs. 283 crore as on March 31, 2014.

Reliance General Insurance

Reliance General Insurance (“RGI”) offers insurance solutions for auto, health, home, property, travel, marine, commercial and other specialty products.

RGI is the amongst the leading private sector general insurance players in India with a private sector market share of 8 per cent. The distribution network composed of over 125 branches and over 17,200 intermediaries as on March 31, 2015.

Reliance Asset Reconstruction

Reliance Asset Reconstruction Company Limited (Reliance ARC) is in the business of acquisition, management and resolution of distressed debt/assets. The assets under management as on March 31, 2015 rose to Rs.1,088 crore as against Rs.684 crore as on March 31, 2014.

In addition to the above, the subsidiaries and associates of RCL and the details of branches are given in Annexure I.

iii Corporate Structure

a. Details of Share Capital as on March 31, 2015:-

Share Capital	(Rs. in crore)
Authorized 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
Less: Advance to ESOP trust	1.60
Total	251.56

b. The Company has allotted 70,00,000 equity shares of face value of Rs.10/- each at a premium of Rs.520/- each on Preferential basis to Sumitomo Mitsui Trust Bank on March 12, 2015.

c. Equity Share Capital History of the Company as on March 31, 2015.

Sr. No.	Date of Allotment	Particular	Price per equity share	No. of equity shares	Cumulative Total	Consideration (Cash, other than cash, etc.)
1	05-03-1986	Shares issued upon incorporation	10	7 000	7 000	Cash
2	14-06-1990 & 21-06-1990	1 st Public Issue	10	1 99 93 000	2 00 00 000	Cash
3	28-08-1992	Shares issued upon amalgamation of Arasina hotels with the Company	10	18 70 000	2 18 70 000	Cash
4	10-02-1993	1 st Rights Issue 1992 with a ratio of 1:1	40	2 18 77 500	4 37 47 500	Cash
5	18-07-1994 & 29-10-1994	Preferential Allotment to Promoters	50	2 74 00 000	7 11 47 500	Cash
6	20-01-1995 & 17-02-1995	Public Issue 1995	140	4 33 97 592	11 45 45 092	Cash
7	29-03-1995	Rights Issue 1995	50	1 40 01 970	12 85 47 062	Cash
8	11-07-1995	Allotment of Rights kept in abeyance	50	42 790	12 85 89 852	Cash
9	13-11-1995	Allotment of Rights kept in abeyance	50	13 280	12 86 03 132	Cash
10	09-02-1996	Allotment of Rights kept in abeyance	50	9 620	12 86 12 752	Cash
11	29-06-1996	Allotment of Rights kept in abeyance	150	12 400	12 86 25 152	Cash
12	31-03-1997	Allotment of Rights kept in abeyance	50	25 298	12 86 50 450	Cash
13	04-11-1996	Forfeiture of equity shares relating to Public Issue of 1990 and Rights Issue 1992	-	(1 23 400)	12 85 27 050	Cash
14	27-04-2000	Forfeiture of equity shares relating to Public and Rights Issue 1995	-	(12 61 455)	12 72 65 595	Cash
15	27-04-2000 to 29-07-2003	Forfeiture of equity shares annulled	-	40 649	12 73 06 244	Cash
16	21-07-2005	Preferential Allotment to FII's	228	1 62 60 001	14 35 66 245	Cash
17	02-08-2005	Preferential Allotment to Promoters	228	6 00 00 000	20 35 66 245	Cash
18	22-08-2005	Allotment to Promoter upon Conversion of warrants on preferential basis	228	38 00 000	20 73 66 245	Cash
19	31-03-2006	Allotment to Promoter upon Conversion of warrants on preferential basis	228	1 55 00 000	22 28 66 245	Cash
20	07-08-2006	Allotment pursuant to amalgamation of Reliance Capital Ventures Ltd. (RCVL) with the Company	10	6 11 56 521		
21	07-08-2006	Less: Shares extinguished due to amalgamation of RCVL with the Company	-	(6 00 89 966)	22 39 32 800	Cash
22	30-01-2007	Allotment to Promoter upon Conversion of warrants on preferential basis	228	2 17 00 000	24 56 32 800	Cash
23	12-03-2015	Preferential Allotment to Sumitomo Mitsui Trust Bank	530	70 00 000	25 26 32 800	Cash

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

The Company has neither acquired any entity nor amalgamated with any entity in the last one year

e. Details of any Reorganization or Reconstruction in the last 1 year :-

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

f 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. March 31, 2015 Please refer Annexure IV
ii.	List of top 10 holders of equity shares of the Company as on the latest quarter end i.e. March 31, 2015 Please refer Annexure V

g. Details regarding the directors of the Company:-

Details of the current directors of the Company:

Sr. No.	Name of Director Designation DIN Occupation	Age	Address	Date of Appointment	Details of other Directorship																						
1.	Shri Anil D. Ambani Chairman DIN 00004878 Industrialist	56	39, 'Sea Wind', Cuffe Parade, Colaba, Mumbai - 400 005	19/06/2005	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 5%; text-align: center;">1.</td><td>Reliance Communications Limited</td></tr> <tr><td style="text-align: center;">2.</td><td>Reliance Infrastructure Limited</td></tr> <tr><td style="text-align: center;">3.</td><td>Reliance Power Limited</td></tr> <tr><td style="text-align: center;">4.</td><td>Reliance Innoventures Private Limited</td></tr> <tr><td style="text-align: center;">5.</td><td>Reliance Inceptum Private Limited (formerly AAA Enterprises Private Limited)</td></tr> <tr><td style="text-align: center;">6.</td><td>Reliance Project Ventures and Management Private Limited (formerly AAA Project Ventures Private Limited)</td></tr> <tr><td style="text-align: center;">7.</td><td>Reliance Communications Enterprises Private Limited (formerly AAA Communication Private Limited)</td></tr> <tr><td style="text-align: center;">8.</td><td>Indian School of Business (Section 8 Company)</td></tr> <tr><td style="text-align: center;">9.</td><td>Telecom Infrastructure Finance Private Limited</td></tr> <tr><td style="text-align: center;">10.</td><td>Reliance Defence Technologies Private Limited</td></tr> <tr><td style="text-align: center;">11.</td><td>Reliance Defence Limited</td></tr> </table>	1.	Reliance Communications Limited	2.	Reliance Infrastructure Limited	3.	Reliance Power Limited	4.	Reliance Innoventures Private Limited	5.	Reliance Inceptum Private Limited (formerly AAA Enterprises Private Limited)	6.	Reliance Project Ventures and Management Private Limited (formerly AAA Project Ventures Private Limited)	7.	Reliance Communications Enterprises Private Limited (formerly AAA Communication Private Limited)	8.	Indian School of Business (Section 8 Company)	9.	Telecom Infrastructure Finance Private Limited	10.	Reliance Defence Technologies Private Limited	11.	Reliance Defence Limited
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11.	Reliance Defence Limited																										

Sr. No.	Name of Director Designation DIN Occupation	Age	Address	Date of Appointment	Details of other Directorship
2.	Shri Amitabh Jhunjhunwala Vice Chairman DIN 00045174 Company Director	58	A - 212, NCPA Apartments, 21 st Floor, Nariman Point, Mumbai - 400 021	7/03/2003	1. Reliance Anil Dhirubhai Ambani Group Limited (Guarantee Company)
3.	Shri Rajendra Prabhakar Chitale Independent Director DIN 00015986 Professional	54	131/B, Tanna Residency Bay View, Opp. Siddhivinayak Temple,392, Veer Sarvarkar Marg Prabhadevi, Mumbai - 400 025	19/06/2005	1. Hinduja Ventures Limited 2. Ambuja Cements Limited 3. JM Financial Asset Management Limited 4. Intuit Consulting Private Limited 5. Reliance General Insurance Company Limited 6. Hinduja Global Solutions Limited 7. Chitale Advisory Services Private Limited 8. Reliance Life Insurance Company Limited 9. Chitale Consulting Private Limited 10. The Clearing Corporation of India Limited
4.	Dr. Bidhubhusan Samal Independent Director DIN 00007256 Corporate Director	72	Flat 1101, Lokhandwala Galaxy, Junction of K. K. & N.M Joshi Marg, Byculla (West) 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	72	W-75 G/F, Greater Kailash II, New Delhi - 110 048	30/04/2010	-
6.	Smt. Chhaya Virani Independent Director DIN 06953556 Professional	61	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

Sr. No.	Name of Director Designation DIN Occupation	Age	Address	Date of Appointment	Details of other Directorship
7.	Shri Soumen Ghosh Executive Director DIN 01262099 Service	56	1501, Lodha Aria, 6/207 Tokersey Jivraj Rd, Sewree West, Mumbai - 400 015	29/05/2015	1. Reliance General Insurance Company Limited 2. Reliance Capital Asset Management Limited 3. Reliance 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

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

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

Name of Director Designation DIN	Age	Date of Appointment	Date of Cessation	Remarks
Shri Chandra Prakash Jain Director 00011964	66	24/04/2006	10/09/2012	Resignation
Smt. Chhaya Virani Director 06953556	61	30/09/2014	-	Appointment
Shri Soumen Ghosh Executive Director 01262099	56	29/05/2015	-	Appointment

i. Remuneration of directors (during the current year and last three financial years)

(Rs. in lakh)

Name of Directors	2014-15	2013-14	2012-13	2011-12
Shri Anil D. Ambani	-	-	-	-
Shri Amitabh Jhunjhunwala	-	-	-	-
Shri Rajendra P. Chitale	15.00	15.00	15.00	15.00
Dr. Bidhubhusan Samal	15.00	15.00	15.00	15.00
Shri V. N. Kaul	15.00	15.00	15.00	15.00
Shri C. P. Jain (up to September 10, 2012)	-	-	7.50	15.00

In addition, our directors are and have been for the preceding three years entitled to a sitting fees of Rs.20,000 for each meeting they attend.

Directors are entitled for a sitting fees of Rs.40,000 for each meeting they attend with effect from July 4, 2014.

j. Key Operational and Financial Parameters (Standalone) for the last three audited years
(Rs. in crore)

Parameters	2014-15	2013-14	2012-13
Networth	12,387	11,458	11,345
Total Debt of which –			
- Non Current Maturities of Long Term Borrowing	14,101	12,128	12,402
- Short Term Borrowing	3,772	6,754	4190
- Current Maturities of Long Term Borrowing	3879	4077	4241
Net Fixed Assets	214	182	154
Non Current Assets	24669	27597	24852
Cash and Bank balances	731	1848	745
Current Investments	994	467	366
Current Assets	9095	6421	7440
Non-Current Liabilities	162	130	50
Current Liabilities	1206	1792	1162
Assets Under Management	19656	17946	16648
Off Balance Sheet Assets			
Interest / Finance Income	2940	2801	2540
Interest Expense	2357	2279	2179
Provisioning & Write-offs	282	79	541
PAT	747	409	662
Gross NPA (%)	2.09%	1.88%	2.14%
Net NPA (%)	1.62%	1.41%	1.49%
Tier I Capital Adequacy Ratio (%)	19.05	12.20	13.05%
Tier II Capital Adequacy Ratio (%)	4.81	4.11	3.94%
Dividend (including interim dividend)	257	225	356
Interest Coverage Ratio (Cash profit after tax plus interest paid/interest paid)	1.51	1.26	1.60

Key Operational and Financial Parameters (Consolidated) for the last three audited years
(Rs. in crore)

Parameters	2014-15	2013-14	2012-13
Networth	13,482	12,451	11,991
Total Debt of which –			
- Non Current Maturities of Long Term Borrowing	16,697	14,178	13,686
- Short Term Borrowing	4,792	7,134	4,386
- Current Maturities of Long Term Borrowing	4,650	4,265	4,438

Parameters	2014-15	2013-14	2012-13
Net Fixed Assets (including Goodwill)	532	483	439
Non Current Assets	31,505	31,684	27,868
Cash and Bank balances	1,624	2,663	1,582
Current Investments	2,469	2,020	1,527
Current Assets	11,310	8,678	9,172
Non-Current Liabilities	195	140	62
Current Liabilities	7,113	6,876	5,529
Assets Under Management	2,74,113	2,24,396	1,99,741
Off Balance Sheet Assets			
Interest / Finance Income	3,885	3,683	3,207
Interest Expense	2,642	2,501	2,343
Provisioning & Write-offs	292	233	830
PAT	1001	747	812
Gross NPA (%)	2.11%	1.79%	1.98%
Net NPA (%)	1.91%	1.36%	1.34%
Dividend	431	315	472
Interest Coverage Ratio (Cash profit after tax plus interest paid/interest paid)	1.54	1.44	1.76

Gross Debt: Equity Ratio of the Issuer:

Before the issue of the Debentures	1.93:1*
After the issue of the Debentures	1.93:1**

* As on March 31, 2015.

** Based on issuances upto March 31, 2015 and proposed issue under this Information Memorandum

- k. **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 as Reliance Capital & Finance Trust Limited on March 5, 1986 under the Companies Act, 1956 and obtained the certificate of commencement of business on March 27, 1986. The name of the Company was changed to Reliance Capital Limited vide a fresh certificate of incorporation issued by the Registrar of Companies, Gujarat, Ahmedabad consequent upon change of name dated January 5, 1995.

In 1992, pursuant to a scheme of arrangement under the Companies Act 1956, Arasina Hotels Limited (AHL) amalgamated with the Company. The scheme of amalgamation was approved by the High Court of Gujarat and the High Court of Karnataka vide their orders dated August 4, 1992 and August 7, 1992, respectively.

In 2006, pursuant to a scheme of arrangement under the Companies Act, 1956 ("Scheme"). Reliance Capital Ventures Limited ("RCAPVL") amalgamated with the Company. The Scheme of amalgamation was approved by the High Court of Gujarat at Ahmedabad and the High Court of Judicature at Bombay by orders dated June 22, 2006 and June 23, 2006, respectively.

The Company shifted its registered office from the State of Gujarat to the State of Maharashtra with effect from November 20, 2006.

I. Brief particulars of the management of the Company

Board of Directors – Profile

Shri Anil D. Ambani, aged 56 years, 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 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. He is currently a member of:

- Wharton Board of Overseers, The Wharton School, USA
- Executive Board, Indian School of Business (ISB), Hyderabad

The Prime Minister of India nominated Shri Ambani as the Co-Chair from the Indian side of the India-China CEO Forum in 2011.

Shri Amitabh Jhunjhunwala, 58, 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 a Vice Chairman of Reliance Capital Limited.

Shri Rajendra P. Chitale, 54, a law graduate and an eminent Chartered Accountant, is a Managing Partner of Chitale & Associates (one of India's leading boutique structuring, legal and tax advisory firm) and M. P. Chitale & Co. (one of the India's leading accounting and consulting firms). He is a member of the Insurance Advisory Committee and the Committee on Investment, Expenditure & ULIP Issues of the Insurance Regulatory and Development Authority of India (IRDA), and has served as a member of the Working Group on Insurance, Pensions, Small Savings, etc., Financial Sector Legislative Reforms Commission, Government of India, the Company Law Advisory Committee, 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.

Dr. Bidhubhusan Samal, 72, 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, 72, is a former Comptroller and Auditor General of India 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 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, 61, is 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, 56, is the Executive Director and Group Chief Executive Officer of Reliance Capital. He joined the company in April 2008. Before joining Reliance Capital, Sam was the Regional CEO of Middle East and India Sub Continent region of Allianz, a German insurance company. Prior to that, he was the CEO of Bajaj Allianz Life and General Insurance. Prior to that he was involved in setting up operations for Allianz in South East Asia. He spent ten years in Australia in various capacities with Allianz from CFO to managing subsidiary companies as well as setting up operations in the Pacific Rim. Sam Ghosh is a Chartered Accountant from England and a Mechanical Engineer.

Key Management Personnel

Shri Amit Bapna is the Chief Financial Officer at Reliance Capital. 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 eleven years of experience in varied business environments-manufacturing and financial services. He earlier worked in the capacity of CFO of Reliance Capital Asset Management Ltd 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 Ltd. Amit is a Chartered Accountant by qualification.

Shri V. R. Mohan is the President and Company Secretary of Reliance Capital. He has been associated with the Reliance Group since March, 1982. He was instrumental in incorporating Reliance Capital in 1986 and has been associated with the company since then. He has over two and a half 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.

(m) Details regarding the auditors of the Issuer

1. Details of the auditor of the Issuer

Name	Address	Auditor since
Chaturvedi & Shah	714-715, Tulsiani Chambers, 212 Nariman Point, Mumbai 400 020	June 9, 2006
B S R & Co. LLP	Lodha Excelus, 1 st Floor, Apollo Mills Compound, N.M. Joshi Mahalaxmi, Mumbai 400 011	June 9, 2006

2. Details of change in auditor since last three years

There has been no change in the Company's auditors in the last three years.

(n) Details of borrowings of the Issuer, as on the latest quarter end i.e. March 31, 2015:

1. Details of Secured Loan Facilities

Please refer Annexure VI

2 Details of Unsecured Loan Facilities

Please refer Annexure VIII

3 Details of NCDs

Please refer Annexure IX

4 List of Top 10 Debenture Holders as on March 31, 2015

Please refer Annexure X

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 March 31, 2015

Please refer Annexure XIII

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 Issuer, in the past 5 years

NIL

(o) Details of Promoter Holding in the Issuer as on the latest quarter end i.e. March 31, 2015

Please refer Annexure XIV

(p) Abridged version of 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 XV, XVA & XIVB

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

Please refer Annexure XVI

r. Details of debt securities issued and sought to be listed including face value, nature of debt securities mode of issue i.e. private placement.

Security Name	0.00% Reliance Capital Limited July 2017 (RCL F Series B NCD 331)
Issuer	Reliance Capital Limited (RCL)
Type of Instrument/ Kind of Security	Secured, Redeemable, Non-Convertible, Debentures/NCDs (RCL F Series B NCD 331)
Board Resolution Dated	May 29, 2015
Shareholders' General Resolution Dated	September 30, 2014
Nature of Instrument	Secured
Seniority	Senior The Debentures Holders shall have pari passu first charge over the Security created among the Trustee and the other lenders.
Mode of Issue	Private Placement
Eligible Investor	As mentioned in category of investors
Listing	The Issuer proposes to submit listing document of this Series Debentures/NCDs issued under this Information Memorandum on the Wholesale Debt Market ("WDM") Segment of the BSE Limited ("BSE") within 15 (fifteen) days of Date of Allotment.
Rating of the Instrument	CARE AAA (Triple A) by CARE
Issue Size/ Amount which the company intends to raise	INR 13,00,00,000/- (Rupees Thirteen Crore Only)
Option to retain oversubscription	Not Applicable
Subscription Amount	INR 13,00,00,000/- (Rupees Thirteen Crore Only)
Objects of the issue/ Purposes and	The Series Debentures / NCDs have been issued to

Objects of the Offer	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.
Details of utilization of the Proceeds	The issue proceeds shall be utilized in accordance with the Objects of the Issue.
Coupon Rate	0.00% p.a.
Step Up /Step Down Coupon Rate	Not Applicable
Coupon Payment Frequency	Not Applicable (Zero Coupon)
Coupon payment dates	Not Applicable (Zero Coupon)
Coupon Type	Zero Coupon
Coupon Reset Process	Not Applicable
Day Count Basis	Actual / Actual
Interest on Application Money	At coupon rate from the date of credit in Company's account till the day prior to the date of allotment
Default Interest Rate	Please refer page 37 of the Information Memorandum
Tenor	738 Days from the Deemed Date of Allotment
Redemption Date	July 17, 2017
Redemption Amount	119.0125% of Principal Amount (Face Value) i.e Rs 15,47,16,250/- (Rupees Fifteen Crores Forty Seven Lakhs Sixteen Thousand Two Hundred Fifty only)
Redemption Premium	19.0125 % of Subscription amount (Effective Yield as a result of such Premium is 8.99% p.a.)
Issue Price per Bond/ Price of the Security & Justification	100.00% of Principal Amount (Face Value)/ (the security is being issued at par, with the Coupon Rate and Coupon Payment Frequency as already mentioned above which is in accordance with the prevailing market conditions at the time of the issue)
Discount at which security is issued and the effective yield as a result of such discount	Not Applicable
Name and Address of the Valuer	Not Applicable
Put option Date	Not Applicable
Put option Price	Not Applicable
Call Option Date	Not Applicable
Call Option Price	Not Applicable
Put Notification Time	Not Applicable
Call Notification Time	Not Applicable
Face Value	Rs.10,00,000/- each (Rupees Ten Lakhs Only).
Minimum Application and in multiples of Debt securities thereafter	Minimum Application of 5 Debentures and in multiples of 1 Debentures thereafter
Issue Timing/ Proposed Time Schedule	
1. Issue Opening Date	July 10, 2015

2. Issue Closing Date 3. Pay-in Date 4. Deemed Date of Allotment	July 10, 2015 July 10, 2015 July 10, 2015 The Issue Close Date / Pay-in 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 Issue Close Date / Pay-in Date shall be communicated to each investor in the Allotment Advice.
Issuance mode of the Instrument	These debentures would be issued only in Dematerialized form (Demat) through authorized DP
Trading mode of the Instrument	Demat mode only
Settlement mode of the Instrument	RTGS / NEFT / Fund Transfer to the bank details as per NSDL records.
Depository	NSDL
Business Day Convention	Please refer page 43 of the Information Memorandum
Record Date	15 days prior to each Coupon Payment / Redemption date.
Security	(i) a first pari passu legal mortgage and charge over the Company's Gujarat Immovable Property (for details refer Annexure VII hereto); and (ii) a first pari passu 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.
Security Cover	The Company shall maintain a minimum asset cover of 100% at all times.
Contribution being made by Promoters or directors either as part of the offer or separately in furtherance of such objects	NIL
Transaction Documents	1. Debenture Trust Deed. 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 between the Company, NSDL/CDSL and the Registrar and Transfer Agent; 6. Listing Agreement with BSE Limited.
Conditions Precedent to	N.A.

Disbursement	
Condition Subsequent to Disbursement	N.A.
Events of Default	Please refer page 48 of the Information memorandum
Provisions related to Cross Default Clause	Not Applicable
Role and Responsibilities of Debenture Trustee	Please refer page 48 of the Information memorandum
Governing Law and Jurisdiction	Please refer page 50 of the Information memorandum
Payment Details	Settlement Bank : HDFC Bank, Branch : Fort Account No. : 00600310033293 Account Name : Reliance Capital Limited RTGS / IFSC Code : HDFC0000060
Registrars and Transfer Agents	Karvy Computershare Private Limited
Trustees	IL & FS Trust Company Limited
Arranger	Not Applicable

s. Illustration of Bond Cash Flows (SEBI Circular CIR/IMD/DF/18/2013 dated October 29, 2013)

Company	Reliance Capital Limited
Face Value (per security)	Rs.10,00,000/-
Date of Allotment	July 10, 2015
Date of Redemption	July 17, 2017
Coupon Rate	Zero Coupon
Frequency of the Interest Payment with specified dates	Not Applicable (Zero Coupon)
Day Count Convention	Actual / Actual

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Principal Redemption	Monday, July 17, 2017	738	11,90,125.00
Total			11,90,125.00

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

t. Issue Size

The Issue of Debentures is Rs. 13 crore (Rupees Thirteen Crore Only) (For details please refer SUMMARY TERM SHEET)

u. Minimum Subscription Size

The minimum subscription size for this Issue is Rs.50 lakhs and in multiples of Rs.10 lakhs hereafter.

v. 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 purpose.

w. 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 Reserve Bank of India under Sec. 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 30, 2014.
5)	Certified true copy of the resolution of the Board of Directors of the company for raising the debentures in its Meeting held on February 12, 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 May 29, 2015.
7)	Financial Statements of financial year 2012-13 and 2013-14.
8)	Copy of consent letter of IL&FS Trust Company Limited to act as debenture trustee for the proposed issue.
9)	Copy of credit rating letter along with credit rationale of Credit Analysis & Research Limited.
10)	Copy of consent letter of Karvy Computershare Private Limited to act as Registrar & Transfer Agent for the proposed issue.

x. 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 or subsequent to the 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 XIII of the Companies Act. There are no penalties that have been imposed on the Company by any statutory authority.

Capital

- y. **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.**

The Company has not issued any debt security for consideration other than cash and/or at a premium or discount. The current NCD issue is at par on private placement basis. No NCDs have been issued in pursuance of an option.

- z. **An undertaking that the Issuer shall use a common form of transfer.**

Please refer to the 'GENERAL TERMS AND CONDITIONS'.

- aa. **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.

- ab. **Information relating to terms of offer or purchase**

Please refer to 'Summary Term Sheet' and 'GENERAL TERMS AND CONDITIONS'.

- ac. **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.

- ad. **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.

- ae. **That the permission/consent from the prior creditor for a second or pari passu 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.

- af. **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 IL & FS Trust Company Limited. The Company has obtained consent from IL & FS Trust Company Limited for the proposed issuances. The copy of the consent letter from the Debenture Trustee has been annexed at Annexure – 2.

- ag. **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 Limited ("CARE") having its registered office at 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai – 400 022, Ph:(91 22) 6754 3456, Fax: (91 22) 6754 3457, has assigned "CARE AAA" rating to these debentures.

Please refer to Credit Rating Letter from CARE, attached as Annexure – 1 for the rating rationale.

- ah. **Names of all the recognized stock exchanges where the debt securities are proposed to be listed clearly indicating the designated stock exchange and also whether in principle approval from the recognized stock exchange has been obtained.**

The Debentures are proposed to be listed on the BSE Limited and it would be the designated stock exchange.

- ai. **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

- aj. **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.

- ak. **Default in payment**

In case of default in payment of Interest and/or principal redemption on the due, 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

- al. **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.

PART A - GENERAL TERMS AND CONDITIONS

Issue of Debentures

The Issuer will issue the Debentures in dematerialised form and has made depository arrangements with NSDL and 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 name, DP-ID and Beneficiary Account Number in the appropriate place in the Application Form. The Company or the 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.

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 (“OCB”) in case they seek to hold the Debentures and are eligible to do so, will be governed by then prevailing guidelines of RBI.

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.

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.

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.

Categories of 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 Corporate, Financial Institutions, NBFCs, Statutory Corporations
- 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 Society
- Partnership firms
- HUFs

- High Net worth Individuals
- Insurance companies
- Mutual Funds
- Portfolio Manager registered with SEBI
- Application under Power of Attorney
- SEBI registered FIIIs
- Any other investor permitted to invest in debentures of Indian body corporate.

SEBI vide its circular CIR/IMD/FIIC/18/2010 dated November 26, 2010 and RBI vide its circular No. 89 dated March 1, 2012 had decided that a SEBI registered FIIIs/sub-accounts of FIIIs 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 FIIIs/sub-accounts of FIIIs are not listed within 15 days of such issue to the SEBI registered FIIIs/sub-accounts of FIIIs, 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 FIIIs / sub-accounts of FIIIs, for any reason, the Issuer shall on the next Business Day on expiry of the Listing Period redeem / buyback the Debentures from the FIIIs/sub-accounts of FIIIs.

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 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 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.

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; (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; and (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 HUF

The applications must be accompanied by certified true copies of the PAN Card of the HUF, the photo identity proof like Passport / PAN Card / Driving License, etc. of the Karta of the HUF, telephone bill/electricity bill/bank account statement, etc. and 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 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 Authority / 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 FII's

The applications must be accompanied by certified true copies of (i) PAN Card of the FII; (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.

Nomination Facility

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

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.

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

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.

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

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.

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.

Effect of Holidays

If any date(s) except the date of allotment, falls on a Sunday or a public holiday, the following working/ business day shall be considered as the effective date(s). In case any Interest Payment Date(s) falls on a Sunday or a public holiday, interest will be paid on the next/ following working/ business day (i.e. a day on which scheduled commercial banks are open for business in the city of Mumbai, Maharashtra). Whereas if the date of redemption/ maturity falls on Sunday or a public holiday, the redemption proceeds alongwith accrued interest (if any) will be paid on the immediately previous working/ business day (i.e. a day on which scheduled commercial banks are open for business in the city of Mumbai, Maharashtra).

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.

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.

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 the 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 similar to the Debentures;
- (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) 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, (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;
- (l) 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;
- (m) 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;
- (n) 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, 1956 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;
- (o) 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,
 - (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;
- (p) 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;
- (q) 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;
- (r) 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
- (s) where the Debenture Holder is a **Portfolio Manager** registered with SEBI, 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 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**"), applicable SEBI Regulations and Circulars together with the PML Act and the PML Rules, the "**AML Laws & Rules**") and all applicable know-your-client norms rules and regulations ("**KYC Guidelines**") issued by any relevant regulator,
 - (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 including obtaining of any licenses, authorizations, permissions, sanctions, consents

or approvals, and (c) that the investment in such Debentures will not contravene any applicable law,

- (iii) Should there be any dispute by the Clients or any of them as regards the investment in the Debentures including but not limited to the scope of its authority with regard to such investment, the Debenture Holder shall be deemed to be the principal and any loss or liability arising out of the investment in the Debentures shall be to its own account and/or dealt with entirely by the Debenture Holder 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 Portfolio Managers Regulations (as applicable), 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 Debenture Holder has strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients,
- (vi) the Debenture Holder 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,
- (vii) the Debenture Holder 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 Debenture Holder shall provide its Clients with a copy of the information memorandum;
- (ix) the Debenture Holder 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;
- (x) the Debenture Holder 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,
- (xi) the Debenture Holder 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
- (xii) the Debenture Holder further agrees that the Debenture Holder is appropriately investing in these Debentures on behalf of their Clients and that the activities of the Portfolio Manager have not violated and will not violate applicable laws as regards private placements. Accordingly, the Debenture Holder 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 Debenture Holders has not acted and shall not act in a manner that would render this Issue of Debentures, an offer to the public.

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.

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.

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 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.

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.

Debenture Trustees

The Company has appointed 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.

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;
 - (c) to retain all cash proceeds received or receivable by the Company in respect of the Security 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;
 - (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;
 - (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)

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

Over and above the aforesaid terms and conditions, the Debentures, issued pursuant to this Information Memorandum, shall be subject to the terms and conditions incorporated in the Summary Term Sheet, relevant Debenture Trust Deed and also shall 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.

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.

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 he/ she 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

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: Compliance Officer, Chief Financial 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;
- 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 by NBFCs-Debentures etc. vide RBI circular No. RBI/2012-13/560, DNBD(PD) CC No. 330 / 03.10.001 / 2012-13 dated June 27, 2013 and RBI/2013-14/115 DNBS(PD) CC No.349/03.10.001/2013-14 dated July 2, 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 May 29, 2015 to sign this form 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 in the attachments thereto is true, correct and complete and no information material to the subject matter of this form 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.

For Reliance Capital Limited


V. R. Mohan
President & Company Secretary

For Reliance Capital Limited


Amit Bapna
Chief Financial Officer

Place: Mumbai

Date : July 10, 2015

Annexure I

List of Subsidiaries as on March 31, 2015	
Sr. No.	Company Name
1.	Reliance Capital Asset Management Limited
2.	Reliance Asset Management (Singapore) Pte. Limited
3.	Reliance Asset Management (Mauritius) Limited
4.	Reliance Capital Asset Management (UK) Plc.
5.	Reliance Capital Pension Fund Limited
6.	Reliance AIF Management Company Limited
7.	Reliance Capital Trustee Co. Limited
8.	Reliance General Insurance Company Limited
9.	Reliance Gilts 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 Investments Services Private Limited
List of Associates as on March 31, 2015	
1.	Ammolite Holdings Limited
2.	Reliance Asset Reconstruction Company Limited
3.	Reliance Life Insurance Company Limited
4.	Indian Commodity Exchange Limited

List of Branches of Reliance Capital Limited as on March 31, 2015

Sr. No.	Branch Name	Branch Address
1.	Hyderabad	3 rd Floor, Malik Estates, Mcg No:6-3-344, Banjara Hills, Hyderabad - 500034
2.	Vijayawada	H & H 1 st , 2 nd & 3 rd Floor, Beside Mg Road, Vijayawada – 520010
3.	Ahmedabad	Second Floor, Aashil Complex, Opp HDFC House, Navarangpura, Ahmedabad - 380009
4.	Surat	6 th Floor, 21 st Century Building, Ring Road, Surat - 395002
5.	Bangalore	3 rd Floor, Brahmanand Court, 37, Lalbagh Road, Bangalore – 560027
6.	Cochin	39/6720, M G Road, Bab Towers, Atlantis, Cochin, Eranakulam - 682015
7.	Indore	No.301/302, Corporate House, 169, RNT Marg, Indore – 452001
8.	Pune	F- 1, First Floor, The Metropole, Bund Garden Road, Pune – 411001
9.	New Delhi	Dev House, 260 -261, Tribhuban Complex, Ishwar Nagar, New Friends Colony (W) , New Delhi -110065
10.	Jaipur	Sb Tower (1 st Floor) , Plot No 9,10,11, Near Petrol Pump, Sahakar Marg, Jaipur - 302001
11.	Chennai	No 10 A, Haddows Road, Nugabakkam, Chennai - 600006
12.	Coimbatore	Manchester Square, S3, Second Floor, 14 Puliyakulam road, Coimbatore - 641037
13.	Salem	No. 7/54 Ideal Complex, Junction Main Road, Five Road, Salem - 636004
14.	Chandigarh	Sco 309 - 310, 1 st Floor & 2 nd Floor, Sector 35-B, Chandigarh - 160022
15.	Kolkata	6 th Floor, The Airconditioned Market, #1 S Sarani, Kolkata - 71
16.	Ludhiana	7 th Floor, SCO 10-11, Feroz Gandhi Market,Ludhiana,Punjab - 141001
17.	Raipur	Lower Ground Floor, Samvet Shikhar, Rajbandha Maidan, Raipur, Chattisgarh - 492001
18.	Mumbai	11 th floor, Ruby, Tulsi Pipe Road, Dadar (West) - 400028
19.	Mysore	#2904/1, Sapthaswara, 2 nd Floor, Kantharaj URS Road, Saraswathipuram, Mysore – 570009
20.	Madurai	S.S.Tower, No 78/4,Byepass Road, Madurai - 625016
21.	Rajkot	Toral Commercial Complex, 211, 2 nd Floor, Near Trikon Baug, Rajkot - 360002
22.	Kolhapur	Gemstone, Office No.7B, First Floor, New Shahupuri, Near Central Bus Stand, Kolhapur – 416001

Sr. No.	Branch Name	Branch Address
23.	Baroda	10-11, S/B, Panorama Complex, R.C.Dutt Road, Alkapuri, Vadodara – 390007
24.	Virar	Shop No.11, Sneha Nagar CHS, (Old Name Swad Hotel), Agashi Road, Virar (W) Thane - 400604
25.	Kalyan	Chandulal Joshi Complex, 4th floor, 405 / 406, Vasant vihar, Opp. Kalyan Reservation Centre, Kalyan – West - 421301
26.	Durgapur	Nazrul Sarani, Plot No.3601 (P) City Centre, Durgapur-16 (W.B)
27.	Bhubaneshwar	5, Janpath, Unit 3, Bhubaneshwar – 751003
28.	Bhiwadi	A – 7, Bhagat Singh Colony, Bhiwadi, Alwar – 301019, Rajasthan
29.	Dehradun	Shiva Palace, Office No. 8,9,10, 1st Floor, Opp. Secretariat, Rajpur Road, DehraDun - 248 001, UK
30.	Jodhpur	Sabu Tower, 2 nd Floor, Chopasani Road, Jodhpur - 342001
31.	Karnal	First Floor, SCO-211, Sector – 12, Karnal – 132001, Haryana
32.	Udaipur	Apex Chambers, Madhuvan, Bank Street, Near Lok Kala Mandal, Udaipur - 313001
33.	Vizag	47/11/5, Mohans Arcade, Dwaraka Nagar, 1 st Lane, Behind Sangam & Sarath Theater – VSP – 16.
34.	Trichy	No.20,1st floor, Royal Shelter Road,Cantontment,Trichy-1
35.	Nagpur	Buty Building, 1 st Floor, 317 R.T.Road, Civil Lines Nagpur - 440001
36.	Thrissur	Capital City, 4 th Floor, Korappath Lane, Round North, Thrissur – 680020
37.	Thane	A50/51 First Floor, Near Hazuri Police station, Road No.14, Wagle Estate, Thane - 400604
38.	Siliguri	1 st Floor, Gitanjali Complex, Sevoke Road, Siliguri - 734001
39.	Guwahati	2 nd Floor, Kachari Basti, Behind Vinayak Furnishing, G.S. Road, Ulubari, Guwahati - 781007
40.	Bhopal	Mansarover Complex, FF -16, Second Floor, Hoshangabad Road, Bhopal – 462016
41.	Jalandhar	Puda Complex, 1 st Floor, SCO-2, Ladowal Road, Jalandhar – 144001
42.	Nashik	Suyojit Height, Office No. 2, Second Floor, Opp. Rajiv Gandhi Bhavan, Sharanpur Road, Nashik - 422002
43.	Akola	Yamuna Tarang Complex, Unit Nos. 28,29,30 & 31, 01st Floor, Murtijapur Road, Akola - 444004
44.	Bilaspur	T.M. Plaza, 2 nd Floor, Shop No./3, 4 & 5, Vyapar Vihar Road, Zone – 1, Bilaspur (C.G.) - 495001

Annexure II

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 CrPC, 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 5th May, 2015 for hearing before charge. The Complainant (Ravi Fogla) has prayed for adjournment for obtaining stay order in the matter in view of the Criminal Revision Petition (C.R.R. No. 3269 of 2014), pending before the Hon'ble Calcutta High Court, filed by the Complainant challenging the aforesaid order dated 20th January. Next date of hearing of the case is awaited.—— The Court directed the Complainant Ravi to provide the Stay Order of the lower court in the meanwhile.
2. A criminal case no. 1402(C)/2010 dated 25.05.2010 has been filed by Smt. Shanta Sinha 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. The matter will be listed on 04.06.2015. As Trial Court has not taken any cognizance u/s 202 of the Cr. P. C. against Shri ADA hence this Criminal case should not be considered as a criminal case against him.
3. A criminal case no. 219 (C) 2004 dated 27.01.2004 has been filed by Mr. Mustari Jabeen 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, 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 matter is now listed on 30.06.2015. The Court has not taken any cognizance against Shri ADA hence this case is not against him.

4. A criminal case no. 2658 (C)/2011 dated 21.09.2011 has been filed by M/s Jai Maa Parmar against Sh. Anil D Ambani and others, under section 406, 420,120B IPC, alleging therein that works has been executed on the basis of work orders issued to it, but Rs.36,99,819 is outstanding with the company for payment and despite several requests the said amount has not been paid. Cognizance had been taken by Judicial Magistrate, Patna in the matter. We filed quashing petition no. Cr. Misc. no. 10884 of 2012 before the Patna High Court, the Patna High Court vide order dated 04.04.2012, has granted stay in the matter. The next date in this matter is fixed on 15.06.2015 before the Judicial Magistrate, 1st Class, Patna.
5. 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. Next date of hearing of the case is 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 has been stayed.

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 disbursement of commercial vehicle loans. As on March 31, 2015, provision was made for an amount of Rs.3.19 crore. Recovery proceedings are in process.

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

Annexure IV

Shareholding pattern of the Company as on last quarter end i.e. March 31, 2015:

Category Code	Category of Shareholder	Total No of Shares	Number of shares held in dematerialised Form	Total Shareholding as % of total no of equity shares
(A)	Shareholding of Promoter and Promoter Group			
(1)	Indian			
(a)	Individuals/Hindu Undivided Family	11 66 014	11 66 014	0.46
(b)	Central Government/State Governments	-	-	-
(c)	Bodies Corporate	13 02 16 289	13 02 16 289	51.54
(d)	Financial Institutions/Banks	-	-	-
(e)	Any Other (Specify)	16 00 000	16 00 000	0.63
	Sub -Total (A)(1)	13 29 82 303	13 29 82 303	52.64
(2)	Foreign			
(a)	Individuals(Non-Resident Individuals/Foreign Individuals)	-	-	-
(b)	Bodies Corporate	-	-	-
(c)	Institutions	-	-	-
(d)	Qualified Foreign Investor	-	-	-
(e)	Any Other (Specify)	-	-	-
	Sub -Total (A)(2)	-	-	-
	Total shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	13 29 82 303	13 29 82 303	52.64
(B)	Public Shareholding			
(1)	Institutions			
(a)	Mutual Funds /UTI	1 22 71 233	1 22 42 118	4.86
(b)	Financial Institutions/Banks	73 77 199	73 62 586	2.92
(c)	Central Government/State Governments	75 920	33 905	0.03
(d)	Venture Capital Funds	-	-	-
(e)	Insurance Companies	1 08 17 178	1 08 17 035	4.28
(f)	Foreign Institutional Investors	4 33 05 174	4 32 99 390	17.14
(g)	Foreign Venture Capital Investors	-	-	-
(h)	Qualified Foreign Investor	-	-	-
(i)	Any Other (Specify)	-	-	-

Capital

Category Code	Category of Shareholder	Total No of Shares	Number of shares held in dematerialised Form	Total Shareholding as % of total no of equity shares
	Sub -Total (B)(1)	7 38 46 704	7 37 55 034	29.23
(2)	Non-Institutions			-
(a)	Bodies Corporate	54 07 226	53 25 894	2.14
(b)	i. Individual shareholders holding nominal sharecapital up to Rs.1 Lakh.	3 48 30 646	3 01 76 603	13.79
	ii. Individual shareholders holding nominal sharecapital in excess of Rs.1 Lakh.	37 59 977	37 37 477	1.49
(c)	Qualified Foreign Investor	-	-	-
(d)	Any Other (Specify)			-
1	NRIs/OCBs	12 07 778	10 32 519	0.48
	Sub -Total (B)(2)	4 52 05 627	4 02 72 493	17.89
	Total Public Shareholding B=(B)(1)+(B)(2)	11 90 52 331	11 40 27 527	47.12
	TOTAL (A) +(B)	25 20 34 634	24 70 09 830	99.76
(C)	Shares held by Custodians and against which Depository Receipts have been issued			-
1	Promoter and Promoter Group	-	-	-
2	Public	5 98 166	5 98 166	0.24
	Sub - Total (C)	5 98 166	5 98 166	0.24
	GRAND TOTAL (A)+(B)+(C)	25 26 32 800	24 76 07 996	100.00

Notes: - Shares pledged or encumbered by the promoters (if any) - 4,40,00,000 equity shares representing 17.42% of the total paid-up share capital of the Company.

Annexure V

List of top 10 holders of equity shares of the Company as on the latest quarter end i.e. March 31, 2015:-

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	9 77 14 206	9 77 14 206	38.68
2.	Reliance Infrastructure Consulting & Engineers Private Limited	2 79 75 633	2 79 75 633	11.07
3.	Life Insurance Corporation Of India P & Gs Fund	1 05 12 400	1 05 12 297	4.16
4.	Sumitomo Mitsui Trust Bank	70 00 000	70 00 000	2.77
5.	ICICI Prudential Funds	53 69 963	53 69 842	2.13
6.	Birla Sun Life Trustee Company Private Limited A/C	37 61 489	37 61 489	1.49
7.	Vanguard Funds	32 67 416	32 67 416	1.29
8.	REL Utility Engineers Private Limited	32 50 000	32 50 000	1.29
9.	Copthall Mauritius Investment Limited	24 55 581	24 55 581	0.97
10.	Credit Suisse (Singapore) Limited	23 61 241	23 61 241	0.93
	Total	16 36 67 929	16 36 67 705	64.78

Annexure VI

Details of Secured Loan Facilities as on March 31, 2015:

(Rs. in crore)

Lender's Name	Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Syndicate Bank	Term Loan	500.00	151.66	25-Oct-15 / 151.66	Hypothecation of Book Debts / Receivables*
Bank of Maharashtra	Term Loan	100.00	33.33	29-Oct-15 / 34	
Punjab & Sind Bank	Term Loan	150.00	50.00	03-Nov-15 / 50	
UCO Bank	Term Loan	300.00	100.00	18-Nov-15 / 100	
Canara Bank	Term Loan	500.00	166.33	09-Dec-15 / 166	
Bank of Baroda	Term Loan	500.00	166.33	10-Dec-15 / 166	
Bank of Maharashtra	Term Loan	200.00	66.33	09-Feb-16 / 66	
Punjab & Sind Bank	Term Loan	60.00	20.00	25-Feb-16 / 20	
Vijaya Bank	Term Loan	200.00	66.67	04-Mar-16 / 66.67	
Syndicate Bank	Term Loan	400.00	133.34	17-Jun-15 / 133.34	
Punjab & Sind Bank	Term Loan	200.00	66.66	17-Jun-15 / 66.66	
Canara Bank	Term Loan	300.00	200.00	28-Jul-15 / 100	
				28-Jul-16 / 100	
State Bank of Patiala	Term Loan	300.00	200.00	21-Sep-15 / 100	
				21-Sep-16 / 100	
Central Bank of India	Term Loan	100.00	66.67	29-Sep-15 / 33.33	
				29-Sep-16 / 33.34	
Central Bank of India	Term Loan	400.00	266.67	29-Sept-15/ 133.33	
				29-Sept-16/ 133.34	
UCO Bank	Term Loan	300.00	200.00	07-Mar-16 / 100	
				07-Mar-17 / 100	
Bank of India	Term Loan	200.00	200.00	25-May-15 / 200	

Lender's Name	Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Karnataka Bank	Term Loan	100.00	100.00	31-Aug-15 / 33.33	
				31-Aug-16 / 33.33	
				31-Aug-17 / 33.34	
State Bank of Hyderabad	Term Loan	225.00	225.00	27-Sep-15 / 75	
				27-Sep-16 / 75	
				27-Sep-17 / 75	
Indian Overseas Bank	Term Loan	400.00	100.00	27-Jun-15 / 50	
				27-Sep-15 / 50	
Small Industries Development Bank of India (SIDBI)	Term Loan	500.00	375.00	01-Jul-15 / 31.25	
				01-Oct-15 / 31.25	
				01-Jan-16 / 31.25	
				01-Apr-16 / 31.25	
				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 (SIDBI)	Term Loan	200.00	122.23	28-Jun-15 / 11.11	
				28-Sep-15 / 11.11	
				28-Dec-15 / 11.11	
				28-Mar-16 / 11.11	
				28-Jun-16 / 11.11	
				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 / 11.11	
United Bank of India	Term Loan	500.00	500.00	29-June-15 / 500.00	

Lender's Name	Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Karnataka Bank	Term Loan	50.00	50.00	16-Aug-16 / 50	
UCO Bank	Term Loan	100.00	66.67	28-Oct-15 / 33.33	
				28-Oct-16 / 33.34	
Bank of Baroda	Term Loan	300.00	300.00	18-Dec-16 / 100	
				18-Dec-17 / 100	
				18-Dec-18 / 100	
Small Industries Development Bank of India (SIDBI)	Term Loan	225.00	145.00	10-Apr-15 / 20	
				10-July-15 / 20	
				10-Oct-15 / 20	
				10-Jan-16 / 20	
				10-Apr-16 / 20	
				10-July-16 / 20	
				10-Oct-16 / 25	
Syndicate Bank	Term Loan	350.00	350.00	14-Mar-17 / 116.66	
				14-Mar-18 / 116.66	
				14-Mar-19 / 116.67	
Karnataka Bank	Term Loan	150.00	150.00	27-Mar-17 / 50	
				24-Mar-18 / 50	
				24-Mar-19 / 50	
Bank of Baroda	Term Loan	300.00	300.00	28-June-17 / 100	
				28-June-18 / 100	
				28-June-19 / 100	
Syndicate Bank	Term Loan	150.00	150.00	30-June-15 / 30	
				30-June-16 / 30	
				30-June-17 / 30	
				30-June-18 / 30	
				30-June-19 / 30	
United Bank of India	TERM LOAN	70.00	70.00	30-June-15 / 14	
				30-June-16 / 14	
				30-June-17 / 14	
				30-June-18 / 14	
				30-June-19 / 14	

Lender's Name	Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Industrial and Commercial Bank of China	Term Loan	50.00	50.00	11-08-2017 / 50	
Syndicate Bank	Term Loan	200.00	200.00	30-Nov-15 / 50 30-Nov-16 / 50 30-Nov-17 / 50 30-Nov-18 / 50	
Andhra Bank	Term Loan	600.00	600.00	3-Dec-15 / 120 3-Dec-16 / 120 3-Dec-17 / 120 3-Dec-18 / 120 3-Dec-19 / 120	
Bank of Maharashtra	Term Loan	230.00	230.00	22-Dec-17 / 76.67 22-Dec-18 / 76.67 22-Dec-19 / 76.66	
Punjab & Sind Bank	Term Loan	200.00	150.00	22-Dec-15 / 40 22-Dec-16 / 40 22-Dec-17 / 40 22-Dec-18 / 40 22-Dec-19 / 40	
Bank of Bahrain & Kuwait	Working Capital Demand Loan	40.00	40.00	29-Jun-15 / 40	
Punjab National Bank	Term Loan	500.00	500.00	31-Dec-15 / 40 31-Dec-16 / 40 31-Dec-17 / 40 31-Dec-18 / 40 31-Dec-19 / 40	
Vijaya Bank	Term Loan	150.00	150.00	24-Feb-18 / 50 24-Feb-19 / 50 24-Feb-20 / 50	

Lender's Name	Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Small Industries Development Bank of India (SIDBI)	Term Loan	300.00	50.00	1-Jul-15 / 2.50	
				1-Oct-15 / 2.50	
				1-Jan-16 / 2.50	
				1-Apr-16 / 2.50	
				1-Jul-16 / 2.50	
				1-Oct-16 / 2.50	
				1-Jan-17 / 2.50	
				1-Apr-17 / 2.50	
				1-Jul-17 / 2.50	
				1-Oct-17 / 2.50	
				1-Jan-18 / 2.50	
				1-Apr-18 / 2.50	
				1-Jul-18 / 2.50	
				1-Oct-18 / 2.50	
				1-Jan-19 / 2.50	
				1-Apr-19 / 2.50	
				1-Jul-19 / 2.50	
				1-Oct-19 / 2.50	
				1-Jan-20 / 2.50	
				1-Apr-20 / 2.50	
Bank of India	Cash Credit	200.00	-	-	
Axis Bank	Cash Credit	50.00	-	-	
Central Bank of India	Cash Credit	500.00	-	-	
Corporation bank	Cash Credit	250.00	-	-	
Indian Overseas Bank	Cash Credit	200.00	-	-	
State Bank of Patiala	Cash Credit	150.00	-	-	
UCO Bank	Cash Credit	200.00	-	-	

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

Annexure VII

FIRST SCHEDULE REFERRED IN THE DEBENTURE TRUST DEED DATED DECEMBER 10, 2014 ENTERED BETWEEN THE COMPANY AND IL & FS TRUST COMPANY LIMITED (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, Paiky Hissa 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 BETWEEN THE COMPANY AND IL & FS TRUST COMPANY LIMITED (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 March 31, 2015:

(Rs. in Crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount outstanding	Repayment Date / Schedule
Credit Suisse, AG	Term Loan	100.00	100.00	4-Mar-17 / 100
HDFC Bank Ltd.	Term Loan	150.00	150.00	30-June-15 / 150
HDFC Bank Ltd.	Term Loan	150.00	150.00	30-Apr-15 / 150
HDFC Bank Ltd.	Overdraft	40.00	0.00	-

Annexure IX
Details of NCDs as on March 31, 2015:
(A) Non-Index/Non-Market Linked NCDs

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RCAP F Series B NCD - 109	1824	8.40%	25.00	28-Jun-10	26-Jun-15	CARE AAA	Secured	Refer Note No. 1
RCAP F Series B NCD - 131	1828	9.50%	10.00	31-Dec-10	31-Dec-15	CARE AAA	Secured	
RCAP F Series B NCD - 132	1831	9.60%	10.00	17-Jan-11	17-Jan-16	CARE AAA	Secured	
RCAP F Series B NCD - 133	1826	9.60%	5.00	14-Jan-11	14-Jan-16	CARE AAA	Secured	
RCAP F Series B NCD - 134	1826	9.60%	4.00	14-Jan-11	14-Jan-16	CARE AAA	Secured	
RCAP F Series B NCD - 175	1827	11.00%	300.00	12-May-11	12-May-16	CARE AAA	Secured	
RCAP F Series B NCD - 183	1827	10.40%	10.00	26-May-11	26-May-16	CARE AAA	Secured	
RCAP F Series B NCD - 193	1827	10.40%	10.00	19-Jul-11	19-Jul-16	CARE AAA	Secured	
RCAP F Series B NCD - 194	1831	10.40%	10.00	26-Jul-11	26-Jul-16	CARE AAA	Secured	
RCAP F Series B NCD - 196	2376	10.33%	25.00	12-Aug-11	12-Feb-18	CARE AAA	Secured	
RCAP F Series B NCD - 200	1827	10.40%	10.00	13-Sep-11	13-Sep-16	CARE AAA	Secured	
RCAP F Series B NCD - 202	1827	10.40%	15.00	18-Oct-11	18-Oct-16	CARE AAA	Secured	
RCAP F Series B NCD - 203	1827	10.40%	15.00	18-Oct-11	18-Oct-16	CARE AAA	Secured	
RCAP F Series B NCD - 204	1827	10.40%	5.00	31-Oct-11	31-Oct-16	CARE AAA	Secured	
RCAP F Series B NCD - 205	2922	10.28%	15.00	30-Nov-11	30-Nov-19	CARE AAA	Secured	
RCAP F Series B NCD - 206	1827	10.40%	10.00	09-Dec-11	09-Dec-16	CARE AAA	Secured	
RCAP F Series B NCD - 207	1827	10.50%	500.00	19-Dec-11	19-Dec-16	CARE AAA	Secured	
RCAP F Series B NCD - 208	2557	10.50%	10.00	21-Dec-11	21-Dec-18	CARE AAA	Secured	
RCAP F Series B NCD - 209	2555	10.50%	0.50	23-Dec-11	21-Dec-18	CARE AAA	Secured	
RCAP F Series B NCD - 210	1827	10.40%	10.00	16-Jan-12	16-Jan-17	CARE AAA	Secured	
RCAP F Series B NCD - 212	1826	10.40%	10.00	16-Mar-12	16-Mar-17	CARE AAA	Secured	
RCAP F Series B NCD - 213	1826	10.00%	10.00	27-Mar-12	27-Mar-17	CARE AAA	Secured	
RCAP F Series B NCD - 215	2556	10.2426%	500.00	12-Apr-12	12-Apr-19	CARE AAA	Secured	
RCAP F Series B NCD - 216	1826	10.30%	10.00	18-Apr-12	18-Apr-17	CARE AAA	Secured	
RCAP F Series B NCD - 217	1826	10.30%	5.00	18-Apr-12	18-Apr-17	CARE AAA	Secured	
RCAP F Series B NCD - 218	1826	10.30%	4.00	18-Apr-12	18-Apr-17	CARE AAA	Secured	
RCAP F Series B NCD - 219	2195	10.10%	15.00	23-Apr-12	23-Apr-18	CARE AAA	Secured	
RCAP F Series B NCD - 220	2195	10.10%	1.00	23-Apr-12	23-Apr-18	CARE AAA	Secured	
RCAP F Series B NCD - 221	1826	10.35%	35.00	07-May-12	07-May-17	CARE AAA	Secured	
RCAP F Series B NCD - 222	1095	10.40%	15.00	14-May-12	14-May-15	CARE AAA	Secured	
RCAP F Series B NCD - 223	1095	10.40%	5.00	16-May-12	16-May-15	CARE AAA	Secured	
RCAP F Series B NCD - 224	2556	10.40%	5.00	16-May-12	16-May-19	CARE AAA	Secured	
RCAP F Series B NCD - 225	1826	10.30%	25.00	01-Jun-12	01-Jun-17	CARE AAA	Secured	
RCAP F Series B NCD - 226	1094	10.40%	20.00	06-Jun-12	05-Jun-15	CARE AAA	Secured	
RCAP F Series B NCD - 227	1094	10.40%	3.00	06-Jun-12	05-Jun-15	CARE AAA	Secured	
RCAP F Series B NCD - 228	1094	10.40%	2.00	06-Jun-12	05-Jun-15	CARE AAA	Secured	

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RCAP F Series B NCD - 229	1826	10.30%	5.00	06-Jun-12	06-Jun-17	CARE AAA	Secured	
RCAP F Series B NCD - 230	1826	10.35%	15.00	15-Jun-12	15-Jun-17	CARE AAA	Secured	
RCAP F Series B NCD - 231	3652	10.35%	5.00	20-Jun-12	20-Jun-22	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 232	2920	10.35%	5.00	21-Jun-12	19-Jun-20	CARE AAA	Secured	
RCAP F Series B NCD - 235	3652	9.90%	500.00	21-Aug-12	21-Aug-22	CARE AAA	Secured	
RCAP F Series B NCD - 236	1095	10.35%	5.00	20-Jul-12	20-Jul-15	CARE AAA	Secured	
RCAP F Series B NCD - 237	1826	10.25%	8.00	24-Jul-12	24-Jul-17	CARE AAA	Secured	
RCAP F Series B NCD - 238	1826	10.25%	2.00	24-Jul-12	24-Jul-17	CARE AAA	Secured	
RCAP F Series B NCD - 239	1826	10.25%	1.00	24-Jul-12	24-Jul-17	CARE AAA	Secured	
RCAP F Series B NCD - 243	3652	10.20%	10.40	31-Jul-12	31-Jul-22	CARE AAA	Secured	
RCAP F Series B NCD - 244	3652	10.20%	9.60	31-Jul-12	31-Jul-22	CARE AAA	Secured	
RCAP F Series B NCD - 245	3652	10.20%	2.00	31-Jul-12	31-Jul-22	CARE AAA	Secured	
RCAP F Series B NCD - 246	1826	10.25%	3.00	07-Aug-12	07-Aug-17	CARE AAA	Secured	
RCAP F Series B NCD - 247	1826	10.25%	1.00	07-Aug-12	07-Aug-17	CARE AAA	Secured	
RCAP F Series B NCD - 248	1826	10.25%	1.00	07-Aug-12	07-Aug-17	CARE AAA	Secured	
RCAP F Series B NCD - 249	1094	10.30%	4.00	08-Aug-12	07-Aug-15	CARE AAA	Secured	
RCAP F Series B NCD - 250	3652	10.20%	10.00	08-Aug-12	08-Aug-22	CARE AAA	Secured	
RCAP F Series B NCD - 251	1826	10.00%	3.00	09-Aug-12	09-Aug-17	CARE AAA	Secured	
RCAP F Series B NCD - 252	3652	10.20%	50.00	17-Aug-12	17-Aug-22	CARE AAA	Secured	
RCAP F Series B NCD - 253	3713	10.25%	40.00	31-Aug-12	31-Oct-22	CARE AAA	Secured	
RCAP F Series B NCD - 255	1826	10.15%	5.00	06-Sep-12	06-Sep-17	CARE AAA	Secured	
RCAP F Series B NCD - 257	1826	10.15%	50.00	21-Sep-12	21-Sep-17	CARE AAA	Secured	
RCAP F Series B NCD - 259	1826	10.20%	5.00	27-Sep-12	27-Sep-17	CARE AAA	Secured	
RCAP F Series B NCD - 260	3652	10.10%	10.00	28-Sep-12	28-Sep-22	CARE AAA	Secured	
RCAP F Series B NCD - 261	1824	10.15%	5.00	08-Oct-12	06-Oct-17	CARE AAA	Secured	
RCAP F Series B NCD - 262	1823	10.15%	5.00	09-Oct-12	06-Oct-17	CARE AAA	Secured	
RCAP F Series B NCD - 263	1824	10.00%	50.00	05-Nov-12	03-Nov-17	CARE AAA	Secured	
RCAP F Series B NCD - 264	1824	10.00%	40.00	05-Nov-12	03-Nov-17	CARE AAA	Secured	
RCAP F Series B NCD - 265	3652	9.95%	60.00	02-Nov-12	02-Nov-22	CARE AAA	Secured	
RCAP F Series B NCD - 266	1826	9.86%	30.00	09-Nov-12	09-Nov-17	CARE AAA	Secured	
RCAP F Series B NCD - 270	3652	10.05%	7.00	13-Dec-12	13-Dec-22	CARE AAA	Secured	
RCAP F Series B NCD - 271	1824	10.00%	5.00	17-Dec-12	15-Dec-17	CARE AAA	Secured	
RCAP F Series B NCD - 272	1826	10.00%	132.60	20-Dec-12	20-Dec-17	CARE AAA	Secured	
RCAP F Series B NCD - 273	1826	10.00%	10.00	28-Dec-12	28-Dec-17	CARE AAA	Secured	
RCAP F Series B NCD - 274	1095	9.85%	5.00	08-Jan-13	08-Jan-16	CARE AAA	Secured	
RCAP F Series B NCD - 275	3666	9.90%	75.00	24-Jan-13	24-Jan-23	CARE AAA	Secured	
RCAP F Series B NCD - 276	1840	9.85%	75.00	24-Jan-13	24-Jan-18	CARE AAA	Secured	
RCAP F Series B NCD - 278	3652	10.00%	10.00	31-Jan-13	31-Jan-23	CARE AAA	Secured	
RCAP F Series B NCD - 284	1095	9.75%	5.00	25-Feb-13	25-Feb-16	CARE AAA	Secured	
RCAP F Series B NCD - 285	3652	9.80%	500.00	22-Mar-13	22-Mar-23	CARE AAA	Secured	

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RCAP F Series B NCD - 286	1826	9.75%	15.00	18-Mar-13	18-Mar-18	CARE AAA	Secured	
RCAP F Series B NCD - 287	1095	9.75%	5.00	19-Mar-13	18-Mar-16	CARE AAA	Secured	
RCAP F Series B NCD - 288	1826	9.45%	10.00	17-Apr-13	17-Apr-18	CARE AAA	Secured	
RCAP F Series B NCD - 289	1826	9.45%	10.00	23-Apr-13	23-Apr-18	CARE AAA	Secured	
RCAP F Series B NCD - 290	3667	9.40%	1,500.00	24-May-13	24-May-23	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 291	725	0.00%	11.00	17-May-13	12-May-15	CARE AAA	Secured	
RCAP F Series B NCD - 292	1833	9.30%	500.00	27-May-13	27-May-18	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 293	730	0.00%	100.00	21-Aug-13	21-Aug-15	CARE AAA	Secured	
RCAP F Series B NCD - 294	2562	10.35%	150.00	21-Aug-13	21-Aug-20	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 295	1844	10.30%	93.20	20-Dec-13	20-Dec-18	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 296	1114	10.25%	90.00	20-Dec-13	20-Dec-16	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 297	526	0.00%	11.50	26-Dec-13	05-Jun-15	CARE AAA	Secured	
RCAP F Series B NCD - 298	813	10.2112%	50.00	24-Feb-14	17-May-16	CARE AAA	Secured	
RCAP F Series B NCD - 299	1089	10.2566%	50.00	20-Mar-14	13-Mar-17	CARE AAA	Secured	
RCAP F Series B NCD - 300	3673	10.10%	1,070.00	22-Apr-14	22-Apr-24	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 301	3655	9.42%	40.00	04-Aug-14	04-Aug-24	CARE AAA	Secured	
RCAP F Series B NCD - 302	368	9.6837%	100.00	14-Aug-14	17-Aug-15	CARE AAA	Secured	
RCAP F Series B NCD - 303	1826	9.75%	5.00	11-Sep-14	11-Sep-19	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 304	391	0.00%	49.80	09-Sep-14	05-Oct-15	CARE AAA	Secured	
RCAP F Series B NCD - 305-Type I	547	9.8670%	100.00	19-Sep-14	19-Mar-16	CARE AAA	Secured	
RCAP F Series B NCD - 305-Type II	456	9.7266%	100.00	19-Sep-14	19-Dec-15	CARE AAA	Secured	
RCAP F Series B NCD - 306	1097	9.70%	25.00	24-Sep-14	25-Sep-17	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 307	1826	9.70%	15.00	16-Oct-14	16-Oct-19	CARE AAA/ BWR AAA	Secured	
RCAP F Series B NCD - 308	394	0.00%	61.00	20-Oct-14	18-Nov-15	CARE AAA	Secured	
RCAP F Series B NCD - 309	731	9.60%	5.00	21-Oct-14	21-Oct-16	CARE AAA	Secured	
RCAP F Series B NCD - 310	1096	9.50%	10.00	31-Oct-14	31-Oct-17	CARE AAA	Secured	
RCAP F Series B NCD - 311	375	9.3882%	100.00	03-Nov-14	13-Nov-15	CARE AAA	Secured	
RCAP F Series B NCD - 312	1236	9.60%	150.00	05-Nov-14	25-Mar-18	CARE AAA	Secured	
RCAP F Series B NCD - 313 Type II	780	9.40%	5.00	10-Nov-14	29-Dec-16	CARE AAA	Secured	
RCAP F Series B NCD - 314	3653	9.32%	20.00	20-Nov-14	20-Nov-24	CARE AAA	Secured	
RCAP F Series B NCD - 315	374	9.0401%	56.00	21-Nov-14	30-Nov-15	CARE AAA	Secured	
RCAP F Series B NCD - 316	394	0.00%	65.00	25-Nov-14	24-Dec-15	CARE AAA	Secured	
RCAP F Series B NCD - 317	497	9.0371%	125.00	02-Dec-14	12-Apr-16	CARE AAA	Secured	
RCAP F Series B NCD - 318-Type I	494	9.0371%	100.00	05-Dec-14	12-Apr-16	CARE AAA	Secured	
RCAP F Series B NCD - 318-Type II	465	8.9420%	125.00	05-Dec-14	14-Mar-16	CARE AAA	Secured	

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RCAP F Series B NCD - 319	459	0.00%	150.00	23-Jan-15	26-Apr-16	CARE AAA	Secured	
RCAP F Series B NCD - 320	395	8.8739%	62.00	02-Feb-15	03-Mar-16	CARE AAA	Secured	
RCAP F Series B NCD - 321	731	0.00%	50.00	10-Feb-15	10-Feb-17	CARE AAA	Secured	
RCAP F Series B NCD - 322	731	0.00%	200.00	09-Mar-15	09-Mar-17	CARE AAA	Secured	
RCAP F Series B NCD - 323- Type I	1138	0.00%	18.20	13-Mar-15	24-Apr-18	CARE AAA	Secured	
RCAP F Series B NCD - 323- Type II	1111	9.0531%	155.00	13-Mar-15	28-Mar-18	CARE AAA	Secured	
RCAP F Series B NCD - 324- Type I	722	0.00%	50.00	20-Mar-15	10-Mar-17	CARE AAA	Secured	
RCAP F Series B NCD - 324- Type II	732	0.00%	100.00	20-Mar-15	20-Mar-17	CARE AAA	Secured	

Note No.1

Security: First pari passu charge on present and future book debts / business receivables of the Company, as mentioned in the respective Debenture Trust Deeds.

(B) Index / Market Linked NCDs

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/07	1,216	Index Linked	1.8	01-Feb-12	01-Jun-15	CARE PP-MLD AAA	Secured	Refer Note No. 1
B/10	1,185	Index Linked	10.24	14-Feb-12	14-May-15	CARE PP-MLD AAA	Secured	
A/01	1,211	Index Linked	1.01	26-Mar-12	20-Jul-15	Not Rated	Secured	
A/02	1,211	Index Linked	8.88	10-May-12	03-Sep-15	Not Rated	Secured	
A/07	1,242	Index Linked	1	18-May-12	12-Oct-15	Not Rated	Secured	
A/06	1,211	Index Linked	1.61	25-May-12	18-Sep-15	Not Rated	Secured	
A/04	1,235	Index Linked	3.1	25-May-12	12-Oct-15	Not Rated	Secured	
A/05	1,233	Index Linked	0.93	31-May-12	16-Oct-15	Not Rated	Secured	
A/08	1,228	Index Linked	2.8	14-Jun-12	25-Oct-15	Not Rated	Secured	
B/25	1,189	Index Linked	6.05	05-Jun-12	07-Sep-15	CARE PP-MLD AAA	Secured	
A/03	1,235	Index Linked	10.16	08-Jun-12	26-Oct-15	Not Rated	Secured	
A/11	1,239	Index Linked	1	15-Jun-12	06-Nov-15	Not Rated	Secured	
B/31	1,220	Index Linked	2.41	27-Jun-12	30-Oct-15	CARE PP-MLD AAA	Secured	
A/10	1,242	Index Linked	6.22	02-Jul-12	26-Nov-15	Not Rated	Secured	
B/33	1,221	Index Linked	4.94	04-Jul-12	07-Nov-15	CARE PP-MLD AAA	Secured	
A/09	1,226	Index Linked	2	04-Jul-12	12-Nov-15	Not Rated	Secured	
A/12	1,243	Index Linked	1	12-Jul-12	07-Dec-15	Not Rated	Secured	
A/13	1,223	Index Linked	2	01-Aug-12	07-Dec-15	Not Rated	Secured	
B/35	1,224	Index Linked	1.95	02-Aug-12	09-Dec-15	CARE PP-MLD AAA	Secured	
A/14	1,221	Index Linked	1.15	03-Aug-12	07-Dec-15	Not Rated	Secured	
A/19	1,221	Index Linked	1.05	31-Aug-12	04-Jan-16	Not Rated	Secured	
A/15	1,221	Index Linked	8.07	31-Aug-12	04-Jan-16	Not Rated	Secured	
A/18	1,217	Index Linked	1.7	07-Sep-12	07-Jan-16	Not Rated	Secured	
B/47	1,221	Index Linked	1.65	07-Sep-12	11-Jan-16	CARE PP-MLD AAA	Secured	
B/53	1,190	Index Linked	1.27	11-Sep-12	15-Dec-15	CARE PP-MLD AAA	Secured	
A/16	1,222	Index Linked	1.95	14-Sep-12	19-Jan-16	Not Rated	Secured	
B/57	1,219	Index Linked	5.99	05-Oct-12	06-Feb-16	CARE PP-MLD AAA	Secured	
B/61	1,190	Index Linked	0.7	08-Oct-12	11-Jan-16	CARE PP-MLD AAA	Secured	
A/20	1,221	Index Linked	4.45	08-Oct-12	11-Feb-16	Not Rated	Secured	
B/54	1,102	Index Linked	1.95	12-Oct-12	19-Oct-15	CARE PP-MLD AAA	Secured	
A/24	1,223	Index Linked	1.5	17-Oct-12	22-Feb-16	Not Rated	Secured	
A/25	1,218	Index Linked	1.2	06-Nov-12	08-Mar-16	Not Rated	Secured	
A/29	1,224	Index Linked	1.25	05-Dec-12	12-Apr-16	Not Rated	Secured	
A/26	1,219	Index Linked	2.27	06-Dec-12	08-Apr-16	Not Rated	Secured	

Debt Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
A/28	1,218	Index Linked	2.92	07-Dec-12	08-Apr-16	Not Rated	Secured	
A/33	1,218	Index Linked	0.5	17-Dec-12	18-Apr-16	Not Rated	Secured	
B/81	1,187	Index Linked	2	28-Dec-12	29-Mar-16	CARE PP-MLD AAA	Secured	
A/36	1,215	Index Linked	1.2	03-Jan-13	02-May-16	Not Rated	Secured	
A/31	1,216	Index Linked	3.5	09-Jan-13	09-May-16	Not Rated	Secured	
A/30	1,213	Index Linked	6.8	10-Jan-13	07-May-16	Not Rated	Secured	
B/80	818	Index Linked	1.6	11-Jan-13	09-Apr-15	CARE PP-MLD AAA	Secured	
B/77	1,219	Index Linked	1	14-Jan-13	17-May-16	CARE PP-MLD AAA	Secured	
A/37	1,217	Index Linked	1	15-Jan-13	16-May-16	Not Rated	Secured	
B/78	852	Index Linked	11.3	17-Jan-13	19-May-15	CARE PP-MLD AAA	Secured	
A/40	1,273	Index Linked	4.48	22-Jan-13	18-Jul-16	Not Rated	Secured	
A/39	1,216	Index Linked	1.2	29-Jan-13	29-May-16	Not Rated	Secured	
A/41	1,214	Index Linked	1.45	07-Feb-13	05-Jun-16	Not Rated	Secured	
B/89	819	Index Linked	7.3	12-Feb-13	12-May-15	CARE PP-MLD AAA	Secured	
A/38	1,215	Index Linked	2.87	13-Feb-13	12-Jun-16	Not Rated	Secured	
B/90	818	Index Linked	0.8	19-Feb-13	18-May-15	CARE PP-MLD AAA	Secured	
B/98	1,215	Index Linked	0.5	21-Feb-13	20-Jun-16	CARE PP-MLD AAA	Secured	
A/46	1,213	Index Linked	9	26-Feb-13	23-Jun-16	Not Rated	Secured	
A/44	1,286	Index Linked	1.27	01-Mar-13	07-Sep-16	Not Rated	Secured	
B/108	819	Index Linked	1	01-Mar-13	29-May-15	CARE PP-MLD AAA	Secured	
B/96	853	Index Linked	4.3	08-Mar-13	09-Jul-15	CARE PP-MLD AAA	Secured	
B/100	819	Index Linked	4.5	13-Mar-13	10-Jun-15	CARE PP-MLD AAA	Secured	
A/45	1,215	Index Linked	1.85	15-Mar-13	12-Jul-16	Not Rated	Secured	
B/104	1,282	Index Linked	0.5	25-Mar-13	27-Sep-16	CARE PP-MLD AAA	Secured	
A/47	1,218	Index Linked	0.75	28-Mar-13	28-Jul-16	Not Rated	Secured	
B/105	1,219	Index Linked	7.8	03-Apr-13	04-Aug-16	CARE PP-MLD AAA	Secured	
B/112	1,216	Index Linked	7.1	03-Apr-13	01-Aug-16	CARE PP-MLD AAA	Secured	
A/48	1,218	Index Linked	0.65	10-Apr-13	10-Aug-16	Not Rated	Secured	
B/124	1,217	Index Linked	29.67	10-Apr-13	09-Aug-16	CARE PP-MLD AAA	Secured	
B/113	818	Index Linked	1.2	10-Apr-13	07-Jul-15	CARE PP-MLD AAA	Secured	
B/121	1,216	Index Linked	3.2	10-Apr-13	08-Aug-16	CARE PP-MLD AAA	Secured	
B/118	1,216	Index Linked	1.1	17-Apr-13	15-Aug-16	CARE PP-MLD AAA	Secured	
B/131	1,217	Index Linked	0.5	23-Apr-13	22-Aug-16	CARE PP-MLD AAA	Secured	

Debt Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/132	819	Index Linked	0.85	02-May-13	30-Jul-15	CARE PP-MLD AAA	Secured	
A/52	1,218	Index Linked	1.6	03-May-13	02-Sep-16	Not Rated	Secured	
B/138	1,214	Index Linked	15	06-May-13	01-Sep-16	CARE PP-MLD AAA	Secured	
B/142	1,214	Index Linked	10	06-May-13	01-Sep-16	CARE PP-MLD AAA	Secured	
A/50	1,187	Index Linked	1.7	06-May-13	05-Aug-16	Not Rated	Secured	
B/126	1,279	Index Linked	0.4	08-May-13	07-Nov-16	CARE PP-MLD AAA	Secured	
B/127	867	Index Linked	3.63	10-May-13	24-Sep-15	CARE PP-MLD AAA	Secured	
B/128	865	Index Linked	3.54	13-May-13	25-Sep-15	CARE PP-MLD AAA	Secured	
B/144	1,218	Index Linked	3.15	21-May-13	20-Sep-16	CARE PP-MLD AAA	Secured	
B/130	1,215	Index Linked	3.05	22-May-13	18-Sep-16	CARE PP-MLD AAA	Secured	
B/147	1,215	Index Linked	0.8	29-May-13	25-Sep-16	CARE PP-MLD AAA	Secured	
B/154	1,221	Index Linked	15	04-Jun-13	07-Oct-16	CARE PP-MLD AAA	Secured	
B/146	867	Index Linked	4.75	12-Jun-13	27-Oct-15	CARE PP-MLD AAA	Secured	
B/150	1,218	Index Linked	2.03	13-Jun-13	13-Oct-16	CARE PP-MLD AAA	Secured	
B/152	817	Index Linked	1.07	19-Jun-13	14-Sep-15	CARE PP-MLD AAA	Secured	
B/160	824	Index Linked	3.8	26-Jun-13	28-Sep-15	CARE PP-MLD AAA	Secured	
B/167 - Type IV	818	Stock Linked	2.85	13-Aug-13	09-Nov-15	CARE PP-MLD AAA	Secured	
B/167 - Type V	819	Stock Linked	1.9	13-Aug-13	10-Nov-15	CARE PP-MLD AAA	Secured	
B/169 - Type I	1,220	Index Linked	1.95	19-Aug-13	21-Dec-16	CARE PP-MLD AAA	Secured	
B/169 - Type IV	1,913	Index Linked	2.05	19-Aug-13	14-Nov-18	CARE PP-MLD AAA	Secured	
B/174	835	Index Linked	1.25	04-Sep-13	18-Dec-15	CARE PP-MLD AAA	Secured	
B/168	1,281	Index Linked	3.6	06-Sep-13	10-Mar-17	CARE PP-MLD AAA	Secured	
B/175 - Type I	1,220	Index Linked	0.6	18-Sep-13	20-Jan-17	CARE PP-MLD AAA	Secured	
B/175 - Type II	1,281	Index Linked	1.05	18-Sep-13	22-Mar-17	CARE PP-MLD AAA	Secured	
B/175 - Type IV	1,220	Index Linked	1.45	18-Sep-13	20-Jan-17	CARE PP-MLD AAA	Secured	
B/182	819	Stock Linked	2.25	24-Sep-13	22-Dec-15	CARE PP-MLD AAA	Secured	
B/180 - Type II	1,218	Index Linked	1.05	04-Oct-13	03-Feb-17	CARE PP-MLD AAA	Secured	
B/180 - Type III	1,281	Index Linked	0.5	04-Oct-13	07-Apr-17	CARE PP-MLD AAA	Secured	
B/176 - Type I	850	Index Linked	2.5	08-Oct-13	05-Feb-16	CARE PP-MLD AAA	Secured	

Debt Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/177	851	Index Linked	3.7	08-Oct-13	06-Feb-16	CARE PP-MLD AAA	Secured	
B/178	821	Index Linked	5.05	09-Oct-13	08-Jan-16	CARE PP-MLD AAA	Secured	
B/187A	1,218	Index Linked	6	14-Oct-13	13-Feb-17	Not Rated	Secured	
B/186 - Type I	823	Index Linked	4.3	07-Nov-13	08-Feb-16	CARE PP-MLD AAA	Secured	
B/186 - Type II	1,215	Index Linked	3.4	07-Nov-13	06-Mar-17	CARE PP-MLD AAA	Secured	
B/189 - Type I	1,183	Index Linked	1.05	07-Nov-13	02-Feb-17	CARE PP-MLD AAA	Secured	
B/188 - Type VII	1,275	Index Linked	0.75	07-Nov-13	05-May-17	CARE PP-MLD AAA	Secured	
B/188 - Type VIII	1,219	Index Linked	2.65	07-Nov-13	10-Mar-17	CARE PP-MLD AAA	Secured	
B/188 - Type I	823	Index Linked	1.5	07-Nov-13	08-Feb-16	CARE PP-MLD AAA	Secured	
B/192 - Type I	1,220	Index Linked	1.5	27-Nov-13	31-Mar-17	CARE PP-MLD AAA	Secured	
B/197	1,189	Index Linked	10	29-Nov-13	02-Mar-17	CARE PP-MLD AAA	Secured	
B/193	1,216	Index Linked	2	04-Dec-13	03-Apr-17	CARE PP-MLD AAA	Secured	
B/198 - Type I	1,220	Index Linked	1.5	06-Dec-13	09-Apr-17	CARE PP-MLD AAA	Secured	
B/191 - Type II	1,213	Index Linked	1	11-Dec-13	07-Apr-17	CARE PP-MLD AAA	Secured	
B/195	823	Index Linked	0.75	11-Dec-13	13-Mar-16	CARE PP-MLD AAA	Secured	
B/190 - Type I	1,220	Index Linked	4.25	10-Dec-13	13-Apr-17	CARE PP-MLD AAA	Secured	
B/194	824	Index Linked	1.75	11-Dec-13	14-Mar-16	CARE PP-MLD AAA	Secured	
B/191 - Type I	1,218	Index Linked	1	11-Dec-13	12-Apr-17	CARE PP-MLD AAA	Secured	
B/206 - Type I	1,189	Index Linked	1	17-Dec-13	20-Mar-17	CARE PP-MLD AAA	Secured	
B/206 - Type II	843	Index Linked	0.7	17-Dec-13	08-Apr-16	CARE PP-MLD AAA	Secured	
B/208	733	Index Linked	5	02-Jan-14	05-Jan-16	CARE PP-MLD AAA	Secured	
B/204	1,218	Index Linked	5.45	06-Jan-14	08-May-17	CARE PP-MLD AAA	Secured	
B/205	1,187	Index Linked	1.75	06-Jan-14	07-Apr-17	CARE PP-MLD AAA	Secured	
B/207	1,187	Index Linked	2.8	06-Jan-14	07-Apr-17	CARE PP-MLD AAA	Secured	
B/209 - Type I	500	Index Linked	0.5	03-Jan-14	18-May-15	CARE PP-MLD AAA	Secured	
B/209 - Type II	843	Index Linked	0.7	03-Jan-14	25-Apr-16	CARE PP-MLD AAA	Secured	
B/216	819	Index Linked	10.05	28-Jan-14	26-Apr-16	CARE PP-MLD AAA	Secured	
B/211	562	Index Linked	1.25	05-Feb-14	21-Aug-15	CARE PP-MLD AAA	Secured	
B/214	1,220	Index Linked	5.85	05-Feb-14	09-Jun-17	CARE PP-MLD AAA	Secured	

Debt Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/213	1,188	Index Linked	1.5	10-Feb-14	13-May-17	CARE PP-MLD AAA	Secured	
B/217	733	Index Linked	1.95	12-Feb-14	15-Feb-16	CARE PP-MLD AAA	Secured	
B/215	1,222	Index Linked	2.7	14-Feb-14	20-Jun-17	CARE PP-MLD AAA	Secured	
B/227 - Type I	426	Index Linked	10	28-Feb-14	30-Apr-15	CARE PP-MLD AAA	Secured	
B/227 - Type III	1,159	Index Linked	1	28-Feb-14	02-May-17	CARE PP-MLD AAA	Secured	
B/222	642	Index Linked	5.35	05-Mar-14	07-Dec-15	CARE PP-MLD AAA	Secured	
B/225 - Type I	1,220	Index Linked	2.25	05-Mar-14	07-Jul-17	CARE PP-MLD AAA	Secured	
B/220	1,220	Index Linked	1.5	06-Mar-14	08-Jul-17	CARE PP-MLD AAA	Secured	
B/229	1,132	Index Linked	1.6	05-Mar-14	10-Apr-17	CARE PP-MLD AAA	Secured	
B/224A - Type II	1,251	Index Linked	0.85	07-Mar-14	09-Aug-17	Not Rated	Secured	
B/219	1,188	Index Linked	2.7	12-Mar-14	12-Jun-17	CARE PP-MLD AAA	Secured	
B/236	484	Index Linked	10	11-Mar-14	08-Jul-15	CARE PP-MLD AAA	Secured	
B/221	823	Index Linked	2.3	14-Mar-14	14-Jun-16	CARE PP-MLD AAA	Secured	
B/237A	1,252	Index Linked	2.8	14-Mar-14	17-Aug-17	Not Rated	Secured	
B/238 - Type I	428	Index Linked	5.95	18-Mar-14	20-May-15	CARE PP-MLD AAA	Secured	
B/238 - Type II	825	Index Linked	2	18-Mar-14	20-Jun-16	CARE PP-MLD AAA	Secured	
B/239A	551	Basket	1.25	20-Mar-14	22-Sep-15	Not Rated	Secured	
B/226	823	Stock Linked	3.8	24-Mar-14	24-Jun-16	CARE PP-MLD AAA	Secured	
B/240 - Type I	402	Index Linked	1.45	21-Mar-14	27-Apr-15	CARE PP-MLD AAA	Secured	
B/240 - Type II	825	Index Linked	3.5	21-Mar-14	23-Jun-16	CARE PP-MLD AAA	Secured	
B/233 - Type II	823	Index Linked	1.5	28-Mar-14	28-Jun-16	CARE PP-MLD AAA	Secured	
B/243 - Type I	825	Index Linked	3.5	27-Mar-14	29-Jun-16	CARE PP-MLD AAA	Secured	
B/228	824	Index Linked	1.05	02-Apr-14	04-Jul-16	CARE PP-MLD AAA	Secured	
B/234A - Type II	1,278	Index Linked	0.6	04-Apr-14	03-Oct-17	Not Rated	Secured	
B/231 - Type I	642	Index Linked	2.35	04-Apr-14	06-Jan-16	CARE PP-MLD AAA	Secured	
B/242 - Type IV	1,218	Index Linked	0.95	04-Apr-14	04-Aug-17	CARE PP-MLD AAA	Secured	
B/232	1,188	Index Linked	5.85	04-Apr-14	05-Jul-17	CARE PP-MLD AAA	Secured	
B/235	1,221	Index Linked	3.05	04-Apr-14	07-Aug-17	CARE PP-MLD AAA	Secured	
B/242 - Type I	1,221	Index Linked	1.25	04-Apr-14	07-Aug-17	CARE PP-MLD AAA	Secured	

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/234A - Type I	1,188	Index Linked	1.7	04-Apr-14	05-Jul-17	Not Rated	Secured	
B/248 - Type I	823	Index Linked	5	24-Jul-14	24-Oct-16	CARE PP-MLD AAA	Secured	
B/248 - Type II	823	Index Linked	3.5	24-Jul-14	24-Oct-16	CARE PP-MLD AAA	Secured	
B/246A	640	Stock Linked	1.2	30-Jul-14	30-Apr-16	Not Rated	Secured	
B/247 - Type I	822	Index Linked	3.3	01-Aug-14	31-Oct-16	CARE PP-MLD AAA	Secured	
B/247 - Type II	516	Index Linked	3	01-Aug-14	30-Dec-15	CARE PP-MLD AAA	Secured	
B/247 - Type III	455	Index Linked	1.25	01-Aug-14	30-Oct-15	CARE PP-MLD AAA	Secured	
B/247 - Type IV	1,277	Index Linked	1	01-Aug-14	29-Jan-18	CARE PP-MLD AAA	Secured	
B/253 - Type I	519	Index Linked	0.95	07-Aug-14	08-Jan-16	CARE PP-MLD AAA	Secured	
B/253 - Type II	824	Index Linked	1.85	07-Aug-14	08-Nov-16	CARE PP-MLD AAA	Secured	
B/253 - Type III	824	Index Linked	1.05	07-Aug-14	08-Nov-16	CARE PP-MLD AAA	Secured	
B/253 - Type IV	459	Index Linked	1.05	07-Aug-14	09-Nov-15	CARE PP-MLD AAA	Secured	
B/255	829	Index Linked	3.5	19-Aug-14	25-Nov-16	CARE PP-MLD AAA	Secured	
B/256 - Type I	824	Index Linked	2.1	22-Aug-14	23-Nov-16	CARE PP-MLD AAA	Secured	
B/256 - Type II	425	Index Linked	2.25	22-Aug-14	21-Oct-15	CARE PP-MLD AAA	Secured	
B/257	458	Index Linked	1.95	25-Aug-14	26-Nov-15	CARE PP-MLD AAA	Secured	
B/258 - Type I	456	Index Linked	1.05	28-Aug-14	27-Nov-15	CARE PP-MLD AAA	Secured	
B/259 - Type I	1,223	Index Linked	0.75	03-Sep-14	08-Jan-18	CARE PP-MLD AAA	Secured	
B/260 - Type I	550	Index Linked	0.95	05-Sep-14	08-Mar-16	CARE PP-MLD AAA	Secured	
B/260 - Type II	458	Index Linked	1.05	05-Sep-14	07-Dec-15	CARE PP-MLD AAA	Secured	
B/260 - Type III	1,223	Index Linked	2.2	05-Sep-14	10-Jan-18	CARE PP-MLD AAA	Secured	
B/260 - Type IV	1,284	Index Linked	3.5	05-Sep-14	12-Mar-18	CARE PP-MLD AAA	Secured	
B/261A	1,251	Index Linked	1	06-Sep-14	08-Feb-18	Not Rated	Secured	
B/262 - Type I	1,220	Stock Linked	2.95	10-Sep-14	12-Jan-18	CARE PP-MLD AAA	Secured	
B/262 - Type II	824	Index Linked	1.65	10-Sep-14	12-Dec-16	CARE PP-MLD AAA	Secured	
B/262 - Type III	1,260	Index Linked	2.7	10-Sep-14	21-Feb-18	CARE PP-MLD AAA	Secured	
B/263 - Type II	460	Index Linked	1.55	17-Sep-14	21-Dec-15	CARE PP-MLD AAA	Secured	
B/263 - Type III	425	Index Linked	2.95	17-Sep-14	16-Nov-15	CARE PP-MLD AAA	Secured	
B/263 - Type V	849	Index Linked	0.95	17-Sep-14	13-Jan-17	CARE PP-MLD AAA	Secured	

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/264 - Type I	425	Index Linked	1.05	25-Sep-14	24-Nov-15	CARE PP-MLD AAA	Secured	
B/264 - Type II	1,285	Index Linked	3.5	25-Sep-14	02-Apr-18	CARE PP-MLD AAA	Secured	
B/264 - Type III	1,288	Index Linked	1.5	25-Sep-14	05-Apr-18	CARE PP-MLD AAA	Secured	
B/264 - Type IV	736	Index Linked	12.95	25-Sep-14	30-Sep-16	CARE PP-MLD AAA	Secured	
B/265 - Type II	919	Index Linked	2.5	29-Sep-14	05-Apr-17	CARE PP-MLD AAA	Secured	
B/265 - Type III	425	Index Linked	1.5	29-Sep-14	28-Nov-15	CARE PP-MLD AAA	Secured	
B/265 - Type IV	1,222	Index Linked	1	29-Sep-14	02-Feb-18	CARE PP-MLD AAA	Secured	
B/265 - Type V	611	Index Linked	2.55	29-Sep-14	01-Jun-16	CARE PP-MLD AAA	Secured	
B/265 - Type VI	426	Index Linked	3.05	29-Sep-14	29-Nov-15	CARE PP-MLD AAA	Secured	
B/265 - Type VII	825	Index Linked	0.5	29-Sep-14	01-Jan-17	CARE PP-MLD AAA	Secured	
B/266 - Type I	1,284	Index Linked	2	30-Sep-14	06-Apr-18	CARE PP-MLD AAA	Secured	
B/266 - Type II	549	Index Linked	1	30-Sep-14	01-Apr-16	CARE PP-MLD AAA	Secured	
B/268	457	Index Linked	1	08-Oct-14	08-Jan-16	CARE PP-MLD AAA	Secured	
B/269 - Type II	823	Index Linked	2.35	10-Oct-14	10-Jan-17	CARE PP-MLD AAA	Secured	
B/270 - Type V	426	Index Linked	3.7	14-Oct-14	14-Dec-15	CARE PP-MLD AAA	Secured	
B/270 - Type VIII	426	Index Linked	0.95	14-Oct-14	14-Dec-15	CARE PP-MLD AAA	Secured	
B/270 - Type IX	1,284	Index Linked	3.5	14-Oct-14	20-Apr-18	CARE PP-MLD AAA	Secured	
B/271A	1,224	Index Linked	2	15-Oct-14	20-Feb-18	Not Rated	Secured	
B/272 - Type I	426	Index Linked	1.5	17-Oct-14	17-Dec-15	CARE PP-MLD AAA	Secured	
B/272 - Type II	1,284	Index Linked	3.5	17-Oct-14	23-Apr-18	CARE PP-MLD AAA	Secured	
B/273 - Type I	548	Index Linked	4.75	22-Oct-14	22-Apr-16	CARE PP-MLD AAA	Secured	
B/273 - Type II	642	Index Linked	3.25	22-Oct-14	25-Jul-16	CARE PP-MLD AAA	Secured	
B/273 - Type III	736	Index Linked	7.05	22-Oct-14	27-Oct-16	CARE PP-MLD AAA	Secured	
B/274 - Type I	1,224	Index Linked	1.75	28-Oct-14	05-Mar-18	CARE PP-MLD AAA	Secured	
B/274 - Type II	611	Index Linked	1	28-Oct-14	30-Jun-16	CARE PP-MLD AAA	Secured	
B/275	733	Index Linked	2	29-Oct-14	31-Oct-16	CARE PP-MLD AAA	Secured	
B/276 - Type I	915	Index Linked	1.05	01-Nov-14	04-May-17	CARE PP-MLD AAA	Secured	
B/277	916	Index Linked	1	11-Nov-14	15-May-17	CARE PP-MLD AAA	Secured	
B/278	742	Index Linked	3	14-Nov-14	25-Nov-16	CARE PP-MLD AAA	Secured	

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/279	917	Index Linked	1.75	24-Nov-14	29-May-17	CARE PP-MLD AAA	Secured	
B/280 - Type I	733	Index Linked	3.8	26-Nov-14	28-Nov-16	CARE PP-MLD AAA	Secured	
B/280 - Type II	460	Stock Linked	8	26-Nov-14	29-Feb-16	CARE PP-MLD AAA	Secured	
B/280 - Type III	427	Index Linked	1.5	26-Nov-14	27-Jan-16	CARE PP-MLD AAA	Secured	
B/281 - Type III	458	Index Linked	1.5	28-Nov-14	29-Feb-16	CARE PP-MLD AAA	Secured	
B/281 - Type IV	915	Index Linked	1.5	28-Nov-14	31-May-17	CARE PP-MLD AAA	Secured	
B/282 - Type III	733	Index Linked	0.75	04-Dec-14	06-Dec-16	CARE PP-MLD AAA	Secured	
B/283 - Type I	733	Index Linked	1	12-Dec-14	14-Dec-16	CARE PP-MLD AAA	Secured	
B/283 - Type II	1,222	Index Linked	3.5	12-Dec-14	17-Apr-18	CARE PP-MLD AAA	Secured	
B/283 - Type III	458	Index Linked	5	12-Dec-14	14-Mar-16	CARE PP-MLD AAA	Secured	
B/283 - Type IV	458	Index Linked	1.3	12-Dec-14	14-Mar-16	CARE PP-MLD AAA	Secured	
B/284A	397	Index Linked	28.3	17-Dec-14	18-Jan-16	Not Rated	Secured	
B/285 - Type I	1,221	Index Linked	1.05	26-Dec-14	30-Apr-18	CARE PP-MLD AAA	Secured	
B/286	916	Index Linked	1.2	30-Dec-14	03-Jul-17	CARE PP-MLD AAA	Secured	
B/287 - Type II	396	IRF Linked	4.5	12-Jan-15	12-Feb-16	CARE PP-MLD AAA	Secured	
B/287 - Type III	1,222	Index Linked	3.5	12-Jan-15	18-May-18	CARE PP-MLD AAA	Secured	
B/288 - Type I	399	IRF Linked	1.95	19-Jan-15	22-Feb-16	CARE PP-MLD AAA	Secured	
B/288 - Type II	458	Index Linked	0.75	19-Jan-15	21-Apr-16	CARE PP-MLD AAA	Secured	
B/288 - Type III	732	Index Linked	0.7	19-Jan-15	20-Jan-17	CARE PP-MLD AAA	Secured	
B/289 - Type I	397	IRF Linked	5	30-Jan-15	02-Mar-16	CARE PP-MLD AAA	Secured	
B/289 - Type II	1,222	Index Linked	1.5	30-Jan-15	05-Jun-18	CARE PP-MLD AAA	Secured	
B/289 - Type III	1,284	Index Linked	1	30-Jan-15	06-Aug-18	CARE PP-MLD AAA	Secured	
B/290 - Type I	1,224	Index Linked	1.3	11-Feb-15	19-Jun-18	CARE PP-MLD AAA	Secured	
B/290 - Type II	1,282	Index Linked	1.25	11-Feb-15	16-Aug-18	CARE PP-MLD AAA	Secured	
B/291	397	IRF Linked	3.1	18-Feb-15	21-Mar-16	CARE PP-MLD AAA	Secured	
B/292A - Type I	399	IRF Linked	2	23-Feb-15	28-Mar-16	Not Rated	Secured	
B/292A - Type II	1,222	Index Linked	3.35	23-Feb-15	29-Jun-18	Not Rated	Secured	
B/293	1,224	Index Linked	5.7	24-Feb-15	02-Jul-18	CARE PP-MLD AAA	Secured	
B/294A	399	IRF Linked	1	26-Feb-15	31-Mar-16	Not Rated	Secured	

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. cr.)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
B/295 - Type I	1,098	Index Linked	1	27-Feb-15	01-Mar-18	CARE PP-MLD AAA	Secured	
B/296	1,251	Index Linked	1.6	14-Mar-15	16-Aug-18	CARE PP-MLD AAA	Secured	
B/297	397	Index Linked	3.95	27-Mar-15	27-Apr-16	CARE PP-MLD AAA	Secured	

Note No.1 Security: First pari passu charge on present and future book debts / business receivables of the Company, as mentioned in the respective Debenture Trust Deeds.

Annexure X

List of Top 10 Debenture Holders as on March 31, 2015:

Sr. No.	Name of the Debenture holder(s)	Amount (Rs. in crore)
1	CBT EPF Funds	2500.00
2	Life Insurance Corporation of India	2300.00
3	Reliance Capital Trustee Co. Ltd-A/C	575.00
4	Coal Mines Funds	445.80
5	General Insurance Corporation of India	390.00
6	Hindustan Zinc Limited	300.00
7	Enterprise India Fund	225.00
8	Reliance General Insurance Co Ltd	225.00
9	ING Bank N. V	175.00
10	Incredible India Focus Fund Limited	156.00

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 March 31, 2015:

Sr. No.	Name of Company	Amount (in Rs. crore)
1	Reliance MediaWorks Limited	950.00
2	Reliance Broadcast Network Limited	437.00
3	Reliance Big Entertainment Private Limited	50.00
4	Business Broadcast News Private Limited	375.00
5	Unilazer Media Limited	300.00
6	Global Wind Power Limited	200.14
7	Reliance Capital Limited - Commercial Finance Division	224.66
	Total	2,536.80

Annexure XII

Details of Commercial Paper

The total Face Value of Commercial Papers outstanding as on the latest quarter end i.e. March 31, 2015.

Maturity date	Amount outstanding (Rs. in crore)
06-Apr-15	5.00
07-Apr-15	25.00
20-Apr-15	25.00
13-May-15	50.00
20-May-15	275.00
25-May-15	200.00
26-May-15	400.00
27-May-15	500.00
29-May-15	200.00
01-Jun-15	150.00
03-Jun-15	250.00
04-Jun-15	150.00
05-Jun-15	175.00
18-Jun-15	127.00
22-Jun-15	75.00
24-Jun-15	25.00
26-Jun-15	40.00
06-Jul-15	25.00
24-Jul-15	25.00
07-Aug-15	25.00
11-Sep-15	100.00
16-Sep-15	75.00
03-Nov-15	50.00
20-Nov-15	10.00

Annexure XIII

Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on March 31, 2015.

Tier II Debt as on March 31, 2015 as under:

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RCAP F Series T NCD - 01	4,383	10.50%	1.50	20-May-11	20-May-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 02	4,383	10.50%	1.00	20-May-11	20-May-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 03	4,383	10.50%	2.50	20-May-11	20-May-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 04	4,383	10.50%	5.00	20-May-11	20-May-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 05	2,558	10.50%	5.00	20-May-11	21-May-18	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 06	2,558	10.50%	5.00	20-May-11	21-May-18	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 07	4,383	10.50%	5.00	20-May-11	20-May-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 08	3,653	10.50%	3.50	14-Jul-11	14-Jul-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 09	3,653	10.50%	16.50	14-Jul-11	14-Jul-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 10	3,653	10.50%	0.70	14-Jul-11	14-Jul-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 11	3,653	10.50%	0.70	14-Jul-11	14-Jul-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 12	3,653	10.50%	3.60	14-Jul-11	14-Jul-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 13	3,653	10.75%	0.50	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 14	3,653	10.75%	2.00	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 15	3,653	10.75%	100.00	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 16	2,557	10.65%	2.00	12-Aug-11	12-Aug-18	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 17	3,653	10.75%	3.00	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 18	2,557	10.65%	5.00	12-Aug-11	12-Aug-18	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 19	2,557	10.65%	1.00	12-Aug-11	12-Aug-18	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 20	3,653	10.75%	15.00	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 21	3,653	10.75%	10.00	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 22	3,653	10.75%	10.00	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 23	3,653	10.75%	1.50	12-Aug-11	12-Aug-21	CARE AA+/ BWR AAA	Unsecured	NA

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RCAP F Series T NCD - 24	3,653	10.75%	100.00	30-Sep-11	30-Sep-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 25	3,653	10.75%	25.00	30-Sep-11	30-Sep-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 26	3,653	10.75%	25.00	30-Sep-11	30-Sep-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 27	3,653	10.75%	40.00	24-Oct-11	24-Oct-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 28	3,653	10.60%	20.00	26-Dec-11	26-Dec-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 29	3,653	10.75%	10.00	28-Dec-11	28-Dec-21	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 30	3,653	10.60%	10.00	02-Jan-12	02-Jan-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 31	3,653	10.75%	25.00	28-Feb-12	28-Feb-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 32	3,652	10.60%	15.00	05-Mar-12	05-Mar-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 33	3,637	10.60%	25.00	20-Mar-12	05-Mar-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 34	3,637	10.60%	10.00	20-Mar-12	05-Mar-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 35	3,652	10.60%	1.50	21-Mar-12	21-Mar-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 36	3,652	10.60%	1.50	21-Mar-12	21-Mar-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 37	3,652	10.60%	12.00	20-Apr-12	20-Apr-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 38	3,652	10.60%	13.00	20-Apr-12	20-Apr-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 39	3,652	10.60%	1.00	20-Apr-12	20-Apr-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 40	3,652	10.60%	25.00	25-May-12	25-May-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 41	3,652	10.50%	20.00	13-Jun-12	13-Jun-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 42	3,652	10.40%	40.00	29-Jun-12	29-Jun-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 43	3,652	10.40%	10.00	29-Jun-12	29-Jun-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 44	3,652	10.40%	300.00	27-Sep-12	27-Sep-22	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 45	3,650	9.95%	25.00	19-Mar-13	17-Mar-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 46	3,652	9.85%	45.00	28-Mar-13	28-Mar-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 47	3,652	9.50%	5.00	17-Apr-13	17-Apr-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 48	3,652	9.25%	6.00	25-Jun-13	25-Jun-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 49	3,652	10.19%	20.00	25-Nov-13	25-Nov-23	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 50	4,383	10.15%	8.00	09-Dec-13	09-Dec-25	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 51	3,652	10.19%	20.00	02-Jan-14	02-Jan-24	CARE AA+/ BWR AAA	Unsecured	NA

Debenture Series	Tenor / Period of Maturity (Days)	Coupon	Amount (Rs. in crore)	Date of Allotment	Redemption Date / Schedule	Credit Rating	Secured / Unsecured	Security
RCAP F Series T NCD - 52	3,652	10.19%	5.00	07-Jan-14	07-Jan-24	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 53	3,652	10.19%	110.00	13-Jan-14	13-Jan-24	CARE AA+/ BWR AAA	Unsecured	NA
RCAP F Series T NCD - 54	3,653	9.65%	250.00	18-Mar-15	18-Mar-25	CARE AA+/ BWR AAA	Unsecured	NA

Annexure XIV

Details of Promoters of the Issuer:- Details of Promoter Holding in the Issuer as on the latest quarter end i.e. March 31, 2015

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	4 40 00 000	17.42*
2	Reliance Infrastructure Consulting & Engineers Private Limited	2 79 75 633	2 79 75 633	11.07	NIL	NIL
3	REL Utility Engineers Private Limited	32 50 000	32 50 000	1.29	NIL	NIL
4	AAA Infrastructure Finance Management Private Limited	7 00 000	7 00 000	0.28	NIL	NIL
5	Reliance ADA Group Trustees Private Limited - Trustees of RCAP ESOS Trust	16 00 000	16 00 000	0.63	NIL	NIL
6	Reliance Innoventures Private Limited	5 76 450	5 76 450	0.23	NIL	NIL
7	Kokila D. Ambani	5 45 157	5 45 157	0.22	NIL	NIL
8	Anil D. Ambani	2 73 891	2 73 891	0.11	NIL	NIL
9	Tina A. Ambani	2 63 474	2 63 474	0.10	NIL	NIL
10	Jaiamol A. Ambani	83 487	83 487	0.03	NIL	NIL
11	Jaianshul A. Ambani	5	5	0.00	NIL	NIL

* % of total paid-up share capital of the Company.

Annexure XV

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

Annexure XV – A

Balance Sheet as at March 31, 2014, March 31, 2013 and March 31, 2012

(Rs in Crore)

		As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
I	EQUITY AND LIABILITIES			
1)	Shareholders' funds	11,634	11,512	11,044
2)	Non-current liabilities	12,258	12,452	10,890
3)	Current liabilities	12,623	9,593	8,249
	Total	36,515	33,557	30,183
II	ASSETS			
1)	Non-current assets	27,779	25,006	23,085
2)	Current assets	8,736	8,551	7,098
	Total	36,515	33,557	30,183

Statement of Profit and Loss for the year ended March 31, 2014, March 31, 2013 and March 31, 2012

(Rs. in Crore)

	2013-14	2012-13	2011-12
Total Revenue	3,254	3,868	3,317
Total Expenses	2,790	3,164	2,696
Profit before exceptional items and tax (A-B)	464	704	621
Exceptional items (net)	-	-	-
Profit before tax (C-D)	464	704	621
Tax Expenses (net)	55	42	102
Profit after tax (E-F)	409	662	519
Earning per equity share face value of Rs. 10 each fully paid up (basic/diluted)	16.67	26.95	21.14

Annexure XV – B

Cash flow statement for the year ended March 31, 2014, March 31, 2013 and March 31, 2012

(Rs. in Crore)

	2013-14	2012-13	2011-12
A. Cash flows from operating activities	848	(1,770)	(2,440)
B. Cash flows from investing activities	352	1,858	2,028
C. Cash flows from financing activities	(211)	(340)	(160)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	989	(348)	(572)
Cash and cash equivalents at the beginning of the year	679	331	900
Cash and cash equivalents at the beginning of the year	1 668	679	328

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

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 XVI

Abridged version of Standalone Financial Information (like Profit & Loss statement, and Balance Sheet) and auditors qualifications, if any, for the quarter and nine months ended March 31, 2015.

(Rs. in crore except per share data)

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-15	31-Dec-14	31-Mar-14	31-Mar-15	31-Mar-14
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Income from operations					
	(a) Income from operations	1 314	758	749	3 831	3 100
	(b) Other operating income	31	39	10	117	69
	Total income from operations (net)	1 345	797	759	3 948	3 169
2	Expenses					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	(d) Employee benefits expense	55	38	40	194	148
	(e) Depreciation and amortisation expense (Refer Note No.3)	11	7	9	31	34
	(f) Legal & Professional fees	23	18	26	116	90
	(g) Provision for NPA and doubtful debts / Written off (Net)	194	27	(30)	308	88
	(h) Provision / (Reversal) for Diminution in the Value of Investments / written off (net)	(52)	(6)	(59)	(55)	(23)
	(i) Other expenses	38	41	43	193	174
	Total expenses	269	125	29	787	511
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	1 076	672	730	3 161	2 658
4	Other income	18	8	49	40	85
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	1 094	680	779	3 201	2 743
6	Finance costs	562	584	575	2 357	2 279
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	532	96	204	844	464
8	Exceptional items (Net)	-	-	-	-	-

Sr. No.	Particulars	Quarter Ended			Year Ended	
		31-Mar-15	31-Dec-14	31-Mar-14	31-Mar-15	31-Mar-14
		Unaudited	Unaudited	Unaudited	Audited	Audited
9	Profit / (Loss) from ordinary activities before tax (7-8)	532	96	204	844	464
10	Tax expense (Net)	51	20	39	87	55
11	Net Profit (+) / Loss (-) from ordinary activities after tax (9-10)	481	76	165	757	409
12	Extraordinary items	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	481	76	165	757	409
14	Paid-up equity share capital (Face Value of Rs. 10 each)	253	244	244	253	244
15	Reserves excluding revaluation reserves as per balance sheet				12 330	11 390
16	Earnings Per Share of Rs. 10 each (not annualised)					
	i. Before extraordinary items					
	(a) Basic	19.54	2.79	6.74	30.77	16.67
	(b) Diluted	19.54	2.79	6.74	30.77	16.67
	ii. After extraordinary items					
	(a) Basic	19.54	2.79	6.74	30.77	16.67
	(b) Diluted	19.54	2.79	6.74	30.77	16.67

Standalone Statement of Assets and Liabilities

(Rs. in Crore)

Sr. No.	Particulars	As at	As at
		31-Mar-15	31-Mar-14
		Audited	Audited
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	253	244
	(b) Reserves and surplus	12 330	11 390
	Sub-total - Shareholders' funds	12 583	11 634
2	Non-Current Liabilities		
	(a) Long-term borrowings	14 101	12 128
	(b) Deffered tax liabilities (net)	-	12
	(c) Other Long-term liabilities	125	82
	(d) Long-Term provisions	36	36
	Sub-total - Non-current liabilities	14 262	12 258
3	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
	Sub-total - Current liabilities	8 857	12 623
	TOTAL - EQUITY AND LIABILITIES	35 702	36 515
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets	214	182
	(b) Non-Current investments	11 381	13 103
	(c) Long-term loans and advances	11 945	12 738
	(d) Other non-current assets	1 343	1 756
	Sub-total - Non-current assets	24 883	27 779
2	Current assets		
	(a) Current investments	994	467
	(b) Trade receivables (Rs. 12 76 998)	-	5
	(c) Cash & Bank balances	731	1 848
	(d) Short-term loans and advances	8 694	5 932
	(e) Other current assets	400	484
	Sub-total - Current assets	10 819	8 736
	TOTAL - ASSETS	35 702	36 515

Credit Rating Letter



CARE/HO/RL/2014-15/1579

Mr. Amit Bapna
Chief Financial Officer
Reliance Capital Limited
 570, Rectifier House,
 Naigaum Cross Road,
 Wadala (W), Mumbai - 400 001

December 22, 2014

Confidential

Dear Sir,

Credit rating for Long term Debt Programme

On a review of recent developments including operational and financial performance of your company for FY14 and H1FY15, our Rating Committee has reviewed the following rating:

Instrument	Amount (Rs. crore)	Rating ¹	Remarks
Long term debt Programme	22,000	CARE AAA (Triple A)	Reaffirmed

2. Refer **Annexure 1** for details of rated facilities.
3. The rationale for the rating will be communicated to you separately.
4. 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 company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension /

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

withdrawal / revision in the assigned rating in any manner considered appropriate by it, without reference to you.

6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. 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.

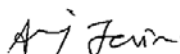
Thanking you,

Yours faithfully,


[Geeta Chainani]

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.

Annexure 1
Details of Rated Facilities as on Sept.30, 2014

Type of facility/ instrument	Bank name	Sanctioned Limit	O/s as on 30-Sept -14
Bank Term Loans	Syndicate Bank	500.00	318.33
	Bank of Maharashtra	100.00	66.67
	Punjab & Sind bank	150.00	100.00
	UCO Bank	300.00	200.00
	Canara Bank	500.00	333.00
	Bank of Baroda	500.00	333.00
	Bank of Maharashtra	200.00	133.00
	Punjab & Sind bank	60.00	40.00
	Vijaya Bank	200.00	133.33
	Syndicate Bank	150.00	50.00
	Syndicate Bank	400.00	133.33
	Punjab & Sind Bank	200.00	66.66
	Andhra bank	250.00	79.67
	Canara Bank	300.00	200.00
	State Bank of Patiala	300.00	200.00
	Central Bank of India	100.00	66.67
	Central Bank of India	400.00	266.67
	UCO Bank	300.00	300.00
	Bank of India	200.00	200.00
	Karnataka Bank	100.00	100.00
	State Bank of Hyderabad	225.00	225.00
	Indian Overseas Bank	400.00	200.00
	SIDBI	500.00	468.75
	SIDBI	200.00	144.45
	Karnataka Bank	50.00	50.00
	UCO Bank	100.00	100.00
	Deutsche Bank	150.00	150.00
	Bank of Baroda	300.00	300.00
	Central Bank of India	500.00	500.00
	SIDBI	125.00	102.78
	SIDBI	100.00	82.22
	Credit Suisse AG	100.00	100.00
Syndicate Bank	350.00	350.00	
Karnataka Bank	150.00	150.00	
Bank of Bahrain & Kuwait	40.00	40.00	

Page 3 of 4

CREDIT ANALYSIS & RESEARCH LTD.

CORPORATE OFFICE: 4th Floor, Godrej Coliseum, Somaiya 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

Type of facility/ instrument	Bank name	Sanctioned Limit	O/s as on 30-Sept -14
	Andhra Bank	300.00	300.00
	Bank of Baroda	300.00	300.00
	Syndicate Bank	150.00	150.00
	United Bank Of India	70.00	70.00
	Industrial and Commercial Bank of China	50.00	50.00
	State Bank of Patiala	150.00	150.00
Bank Cash Credit	Bank of India	200.00	0.00
	HDFC Bank	40.00	0.00
	Axis Bank	50.00	0.00
	Corporation Bank	250.00	0.00
	Indian Overseas Bank	200.00	0.00
	Uco Bank	200.00	0.00
Total bank facilities (A)		11260	8243.53*
Non convertible debentures (B)			8020.50
Total long term debt programme (A+B)			16264.03

*includes sanctioned limits in respect of cash credit facilities



CARE/HO/RL/2015-16/1485

Mr. Amit Bapna
 Chief Financial Officer
 Reliance Capital Limited
 570, Rectifier House,
 Naigaum Cross Road,
 Wadala (W), Mumbai - 400 001

June 29, 2015

Confidential

Dear Sir,

Credit rating for long term debt programme

Please refer to our rating letter dated December 22, 2014 and your request for revalidation of the rating assigned to long term debt programme.

2. The following rating has been reviewed:

Instrument	Rated amount (Rs. crore)	Outstanding amount as on June 19, 2015 (Rs. crore)	Rating ¹	Remarks
Long term debt programme	22,000	16,228	CARE AAA (Triple A)	Reaffirmed

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within six months from the date of this letter.
4. 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.
5. 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.
6. 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

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

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123, www.researchandanalysis.com

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.

7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. 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,


[Geeta Chainani]

Manager

geeta.chainani@careratings.com


[Ramadasu Bandaru]

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.

CREDIT ANALYSIS & RESEARCH LTD.

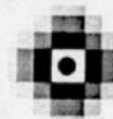
CORPORATE OFFICE: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (E), Mumbai 400 022.
Tel.: +91-22-6754 3456; Fax: +91-22-6754 3457 | Email: care@careratings.com | www.careratings.com

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



ITCL

IL&FS Trust Company Limited

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, Bhisim 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

Annexure 3

Shareholders Resolution dated July 9, 2014

Certified true copy of the resolution alongwith the statement passed by the Members of Reliance Capital Limited 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.

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

Annexure 4

Shareholders Resolution dated September 30, 2014**Certified true copy of the resolution alongwith the statement passed at the Annual General Meeting of the Members of Reliance Capital Limited held on September 30, 2014.**

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) read with the rules made thereunder, as may be amended from time to time, and pursuant to the provisions of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Debt Securities) (Amendment) Notification, 2012 and 2014 and other applicable SEBI regulations and guidelines, the provisions of the Memorandum and Articles of Association of the Company 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, 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, 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 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. 9 appended to this notice.

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

The Board of Directors accordingly recommend the Special Resolution set out at Item No. 9 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

Annexure 5

Board Resolution dated February 12, 2015**Certified true copy of the resolution passed at the meeting of the Board of Directors of Reliance Capital Limited held on February 12, 2015.**

“RESOLVED THAT 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 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 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 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 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

Annexure 6

Board Resolution dated May 29, 2015**Certified true copy of the resolution passed at the meeting of the Board of Directors of Reliance Capital Limited held on May 29, 2015.**

“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 Jhunjunwala, Vice Chairman, Shri V. R. Mohan, President & Company Secretary and 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 Standalone and Consolidated financials for the year ended March 31, 2014, March 31, 2013 and March 31, 2012.

Reliance Capital Limited

**Annual Accounts
2011-12**

Auditors' Report on Financial Statements

To,
**The Members of
 Reliance Capital Limited**

We have audited the attached balance sheet of Reliance Capital Limited ('the Company'), as at March 31, 2012, the statement of profit and loss and the cash flow statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 ('the Order') as amended, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 ('the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. Without qualifying our report, we draw your attention to Note 29 (III) (b) of the financial statements, regarding the Scheme of Amalgamation ('the Scheme') sanctioned by the Hon'ble High Court of Judicature at Bombay, the Scheme permits the Company to adjust expenses and/or losses identified by Board of Directors as exceptional items, which are required to be debited to the Statement of Profit and Loss by a corresponding withdrawal from General Reserve, which is considered to override the relevant provisions of Accounting Standard 5 (AS-5) 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'. Accordingly, the Company has identified loss on sale of investments during the year of ₹ 149 crore, as in the opinion of the Board, such loss are considered to be of an exceptional items have been met by corresponding withdrawal from General Reserve and has credited the said withdrawal to the Statement of Profit and Loss. Had such losses not been met from General Reserve, the Company would have reflected a profit before tax of ₹ 472 crore and profit after tax for the year would have been ₹ 370 crore:
3. Further to our comments in the Annexure referred to in paragraph 1 above, 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 the books;
 - c) the balance sheet, the statement of profit and loss and 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 dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; as referred in paragraph (2) above, the Company has exercised the option available as per court orders which overrides the relevant provisions of Accounting Standard 5 (AS- 5).
 - e) on the basis of written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors of the Company are disqualified as at March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
 - f) in our opinion and to the best of our information and according to explanations given to us, the said financial statements together with the notes thereon, 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:
 - (i) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2012;
 - (ii) in the case of the statement of profit and loss, of the profit of the Company for the year ended on that date; and
 - (iii) in the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.

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

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

Vijay Napawaliya
 Partner
 Membership No.: 109859
 Mumbai
 Dated: May 19, 2012

N Sampath Ganesh
 Partner
 Membership No.: 042554
 Mumbai
 Dated: May 19, 2012

Annexure to Auditors' Report

(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 explanation given to us, during the year, the Company has not disposed off substantial part of fixed assets that would affect the going concern.
- (ii) The Company is a service company, primarily engaged in lending and investing activities. Accordingly, it does not hold any physical inventories. Thus, paragraph 4 (ii) of the Order is not applicable to the Company.

Reliance Capital Limited

Annexure to Auditors' Report

- (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 records of the Company, the Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including 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 case of Professional Tax in which 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, 2012 for a period of more than six months from the date they became payable
- (b) According to the information and explanation 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 neither has accumulated losses nor has it incurred any cash losses during the current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and the information and explanation given by management, we are of the opinion that as at the balance sheet date the Company has not defaulted in repayment of dues to a financial institutions, 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/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.
- (xv) The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanations given by the 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 explanation given to us, the term loans taken by the Company during the year have been applied for the purpose for which they were raised.
- (xvii) According to information and explanation given to us and on an overall examination of the Balance Sheet of the Company as at March 31 2012, 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 parties and Companies, covered in the register maintained under Section 301 of the Act.
- (xix) The Company has created securities / is in the process of creation of securities and /or charges in respect of secured debentures issued 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, 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 on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

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

Vijay Napawaliya
Partner
Membership No.: 109859
Mumbai
Dated: May 19, 2012

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

N Sampath Ganesh
Partner
Membership No.: 042554
Mumbai
Dated: May 19, 2012

Reliance Capital Limited

Balance Sheet as at March 31, 2012

(₹ in crore)

	Note No.	As at March 31, 2012		As at March 31, 2011	
I EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	4	246		246	
(b) Reserves and surplus	5	<u>10 798</u>	<u>11 044</u>	<u>6 782</u>	7 028
(2) Non-current liabilities					
(a) Long-term borrowings	6	10 865		10 701	
(b) Other long-term liabilities	7	-		1	
(c) Long-term provisions	8	<u>25</u>	<u>10 890</u>	<u>28</u>	10 730
(3) Current liabilities					
(a) Short-term borrowings	9	3 453		4 990	
(b) Trade payables	10	7		1	
(c) Other current liabilities	11	4 583		3 686	
(d) Short-term provisions	12	<u>206</u>		<u>173</u>	
			<u>8 249</u>		8 850
TOTAL			<u><u>30 183</u></u>		<u><u>26 608</u></u>
II ASSETS					
(1) Non-current assets					
(a) Fixed assets	13				
(i) Tangible assets		142		70	
(ii) Intangible assets		<u>21</u>		<u>9</u>	
		<u>163</u>		<u>79</u>	
(b) Non-current investments	14	13 225		10 439	
(c) Deferred tax assets (net)	15	3		27	
(d) Long-term loans and advances	16	8 713		8 601	
(e) Other non-current assets	17	<u>981</u>	<u>23 085</u>	<u>1 217</u>	20 363
(2) Current assets					
(a) Current investments	18	600		728	
(b) Trade receivables	19	193		17	
(c) Cash & bank balances	20	436		908	
(d) Short-term loans and advances	21	5 400		4 293	
(e) Other current assets	22	<u>469</u>		<u>299</u>	
			<u>7 098</u>		6 245
TOTAL			<u><u>30 183</u></u>		<u><u>26 608</u></u>

See accompanying notes to the financial statements 1 - 48

As per our report of even date

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

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

Vijay Napawaliya
Partner
Membership No.: 109859

N Sampath Ganesh
Partner
Membership No.: 042554

Mumbai
Dated: May 19, 2012

For and on behalf of the Board

Chairman
Vice Chairman

Anil D. Ambani
Amitabh Jhunjunwala

Directors

Rajendra P. Chitale
C. P. Jain
Dr. Bidhubhusan Samal
V. N. Kaul

President & Company Secretary

V. R. Mohan

Mumbai
Dated: May 19, 2012

Reliance Capital Limited

Statement of Profit and Loss for the year ended March 31, 2012

(₹ in crore)

	Note No.	2011-12	2010-11	
REVENUE				
I	Revenue from operations	23	3 268	1 878
II	Other income	24	49	93
III	Total revenue (I+ II)		3 317	1 971
IV EXPENSES				
	Employee benefits expense	25	141	110
	Finance costs	26	2 065	1 257
	Depreciation and amortization expense	13	26	14
	Other expenses	27	464	389
	Total expenses		2 696	1 770
V	Profit before exceptional items and tax (III-IV)		621	201
VI Exceptional items				
	Investment written off due to amalgamation [Refer Note 29 (III) (a)]		-	329
	Loss on sale of investments [Refer Note 29 (III) (b)]		149	-
	Withdrawal from general reserve [Refer Note 29 (III) (b) & (a)]		(149)	(329)
VII	Profit before tax (V-VI)		621	201
VIII Tax expense:				
	(1) Current tax (Previous year ₹ 17 00 000)		78	-
	(2) Taxation for earlier years (₹ 7 89 499)		-	5
	(3) Deferred Tax		24	(33)
			102	(28)
IX	Profit after tax (VII-VIII)		519	229
X Earning per equity share face value of ₹ 10 each fully paid up				
	Basic (₹)		21.14	9.33
	Diluted (₹)		21.14	9.33

See accompanying notes to the financial statements 1 - 48

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 19, 2012

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

N Sampath Ganesh
Partner
Membership No.: 042554

Mumbai
Dated: May 19, 2012

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary

Anil D. Ambani
Amitabh Jhunjunwala

Rajendra P. Chitale
C. P. Jain
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Cash flow Statement for the year ended March 31, 2012

(₹ in crore)

	2011-12	2010-11	
A. Cash flows from operating activities			
Profit before tax	621		201
Adjusted for			
Depreciation & amortisation	26	14	
Bad debts recovered	(53)	(37)	
Provision for NPA, doubtful debts and balances written off	101	183	
Provision and loss on repossessed stocks	3	4	
Provision for diminution in the value of investments / written off	136	18	
Provision for gratuity /leave encashment (Previous year ₹ 47 00 000)	(1)	-	
Excess provision / credit balance written back	(4)	(29)	
(Profit) / Loss on sale of fixed assets (₹ 19 61 037)	(-)	(11)	
Amortisation of DSA commission	33	31	
(Profit) / Loss share in partnership firm	(30)	(40)	
Investments:			
Interest income	(534)	(601)	
Dividend income	(156)	(5)	
(Profit) / Loss on sale of investments (Net)	(717)	(62)	
Brokerage on borrowings	27	17	
Discount on commercial papers	398	387	
Interest expenses	1 640	853	722
	1 490		923
Operating profit before working capital changes			
Adjusted for			
Proceeds from / (repayment of) Short term borrowings (Net)	(1 935)	(1 502)	
Proceeds from long term borrowings	4 146	8 574	
Repayment of long term borrowings	(2 832)	(1 642)	
Deferred expenses	(126)	(44)	
Trade receivables & loans and advances	(1 383)	(3 784)	
Trade payables and liabilities	(228)	(282)	1 320
Cash generated from operations	(868)		2 243
Interest paid	(1 572)	(786)	
Taxes paid	-	(12)	(798)
Net cash from / (used in) operating activities	(2 440)		1 445

Reliance Capital Limited

Cash flow Statement for the year ended March 31, 2012

(₹ in crore)

	2011-12	2010-11
B. Cash flows from investing activities		
Purchase of fixed assets	(110)	(44)
Sale of fixed assets	2	47
Investments in subsidiaries	(479)	(442)
Proceed from sale of subsidiaries	30	10
Contribution towards partnership firm (Net)	(-)	(180)
Purchase of long term investments	(3 454)	(3 397)
Proceed for sale of long term investments	5 400	2,693
Proceed from sale of /(investments in) current investments (Net)	301	574
Interest received	183	147
Dividend received	155	5
Net cash from / (used in) investing activities	2 028	(587)
C. Cash flows from financing activities		
Dividends paid	(160)	(185)
Net cash from / (used in) financing activities	(160)	(185)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(572)	673
Opening balance of cash and cash equivalents	900	226
Add: On amalgamation (Refer Note b & c given below) (₹ 5 582)	- 900	1 227
Closing balance of cash and cash equivalents	328	900

Notes:

- The previous year's figures have been regrouped and reclassified wherever necessary.
- Assets and liabilities pertaining to the Viscount Management Services (Alpha) Ltd. transferred pursuant to the Scheme of Amalgamation with the Company with effect from October 1, 2011 i.e. Appointed Date have not been considered for the current year cash flow statement.
- Assets and liabilities pertaining to the Reliance Commercial Finance Private Ltd. (RCFPL) was transferred pursuant to the Scheme of Amalgamation to the Company with effect from April 1, 2010 have not been considered for the previous year cash flow statement.

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 19, 2012

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

N Sampath Ganesh
Partner
Membership No.: 042554

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary

Mumbai
Dated: May 19, 2012

Anil D. Ambani
Amitabh Jhunjunwala

Rajendra P. Chitale
C. P. Jain
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Notes to Financial Statements as at March 31, 2012

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 and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 to the extent applicable.

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 it.

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 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 in preference shares:

Redemption premium on investments in preference shares is recognised as 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 recognised 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:

a) In case of assignment of loans, the assets are de-recognised 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 loans. On de-recognition, the difference between book value of the loans assigned and consideration received, 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.

b) In case of securitisation of loans, the transferred loans are de-recognised and gains/losses are accounted for only if the company surrenders the rights to benefits specified in the underlying securitised loan contract. In accordance with the Reserve Bank of India guidelines for securitisation of standard assets, the Company recognises any loss arising from

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

securitisation immediately at the time of sale and premium arising from securitisation is amortised over the life of securities issued or to be issued by the special purpose vehicle to which the assets are sold. Income on retained interest in securitised assets is booked on accrual basis.

d Fixed 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.

e 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.

f 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.

g Depreciation / Amortisation

i) Leased assets: Depreciated on straight-line method over the useful life of assets. The estimated useful lives of the assets for the different types of assets are :

- a) Plant & equipments – 8 years
- b) Computers – 5 years
- c) Vehicle for personal use – 8 years
- d) Vehicle for commercial use – 8 years other than Taxi – 6 years

ii) 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.

iii) 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.

h 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.

i 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 cost less diminution in value which is other than temporary, determined separately for each individual investment.

j Stock-in-trade

Securities held as stock-in-trade are valued scrip wise at weighted average cost or fair value, whichever is lower.

k Repossessed assets

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loan amount or market value whichever is lower. The difference between the outstanding loan amount and the market value is charged to Statement of Profit and Loss in the year of repossession of assets.

l Loan origination/acquisition cost

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

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 the hypothecation of respective assets.

Notes to Financial Statements as at March 31, 2012

n Market linked debentures (MLD)

The Company has issued certain non-convertible debentures, the rate of interest on 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 & resultant 'net loss' is recognised in Statement of Profit and Loss immediately, however 'net gain' if any is ignored.

o Discount on commercial papers

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

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 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 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. The Company measures the expected cost of compensated absence as the amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

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) and employees of the 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 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.

s 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.

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

t 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.

u 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 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.

v 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.

w 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.

x Taxation

i) 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.

ii) 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.

y 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 financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended March 31, 2012 have been prepared as per Revised Schedule VI. Accordingly, the previous year's figures have also been reclassified to conform to this year's classification. The adoption of the Revised Schedule VI for the previous year's figures does not impact recognition and measurement principles followed for preparation of financial statements.

The figures for current year includes figures of Viscount Management Services (Alpha) Limited (VMSAL) which is amalgamated with the Company with effect from October 1, 2011 i.e.the Appointed Date and therefore to that extent not strictly comparable to that of Previous year's Figures.

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
4 Share Capital		
(a) Authorised:		
30 00 00 000 Equity Shares of ₹ 10 each (Previous year 30 00 00 000)	300	300
10 00 00 000 Preference Shares of ₹ 10 each (Previous year 10 00 00 000)	100	100
	<u>400</u>	<u>400</u>
(b) Issued & Subscribed		
24 69 77 006 Equity Shares of ₹ 10 each fully paid up (Previous year 24 69 77 006)	247	247
	<u>247</u>	<u>247</u>
(c) Paid Up		
24 56 32 800 Equity Shares of ₹ 10 each fully paid up (Previous year 24 56 32 800)	245	245
Add: Forfeited shares		
13 44 206 Equity Shares of ₹ 10 each (Previous year 13 44 206)	1	1
	<u>246</u>	<u>246</u>

(d) Equity Shares held by Holding Company and Subsidiaries of Holding Company:

Name of the Holder	As at March 31, 2012		As at March 31, 2011	
	%	Qty.	%	Qty.
Reliance Innoventures Private Limited (Holding Company)	0.23	5 76 450	0.23	5 76 450
AAA Enterprises Private Limited (Subsidiary of Holding Company)	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting & Engineers Private Limited (Subsidiary of Holding Company)	11.39	2 79 75 633	11.39	2 79 75 633

(e) Shares in the company held by each shareholder holding more than 5 percent:

Name of the Holder	As at March 31, 2012		As at March 31, 2011	
	%	Qty.	%	Qty.
AAA Enterprises Private Limited	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting & Engineers Private Limited	11.39	2 79 75 633	11.39	2 79 75 633

(f) The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

For the year ended March 31, 2012, the amount of per share dividend recognised as distributable to equity shareholders is ₹ 7.50 (March 31, 2011 ₹ 6.50). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(g) Out of the above Equity shares 10,66,555 shares were allotted as fully paid-up pursuant to the Scheme of Amalgamation without payment being received in cash in the last five years.

(h) Reconciliation of numbers of shares outstanding

	No of Shares	Amount (₹ in crore)	No of Shares	Amount (₹ in crore)
Equity Shares				
Opening Balance	24 56 32 800	245	24 56 32 800	245
Movement during the year	-	-	-	-
Closing Balance	<u>24 56 32 800</u>	<u>245</u>	<u>24 56 32 800</u>	<u>245</u>

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011	
5. Reserves and Surplus			
Capital reserve			
As per last balance sheet	6		6
Capital redemption reserve			
As per last balance sheet	10		10
Securities premium account			
As per last balance sheet	3 291		3 291
General reserve #			
As per last balance sheet	574	551	
Add: Amount transferred from Surplus in Statement of Profit and Loss	1 052	23	
Add: Amount transferred as per Scheme of Amalgamation [Refer Note No. 29 (I) & 29 (III) (a)]	3 837	329	
Less: Amount withdrawn as per Scheme of Amalgamation [Refer Note No.29 (III) (a) & (b)]	149	329	574
Statutory Reserve fund *			
As per last balance sheet	929	883	
Add: Amount transferred from Surplus in Statement of Profit and Loss	104	46	929
Surplus in Statement of Profit & Loss			
As per Last Balance Sheet	1 972	1 972	
Add: Amount transferred from Statement of Profit and Loss	519	229	
Less: Proposed Dividend [₹ 7.50 (Previous year ₹ 6.50) per equity share]	184	159	
Less: Tax on Proposed Dividend (Refer Note No. 34)	7	2	
Less: Reversal of tax on proposed dividend for earlier years	-	(1)	
Less: Transfer to Statutory Reserve fund	104	46	
Less: Transfer to General reserve	1 052	23	1 972
	10 798	6 782	
6 Long term borrowings			
Non Convertible Debentures			
-Secured (Refer Note No. 28)			
Others	2 624	4 135	
Related party (Refer Note No. 38)	1	157	
-Unsecured			
Others	483	-	
Related party (Refer Note No. 38)	25	-	4 292
Term Loans From Banks			
-Secured (Refer Note No. 28)		6 935	6 242
Inter Corporate Deposits			
-Unsecured			
Others	17	17	
Related party (Refer Note No. 38)	780	150	167
	10 865	10 701	

* Created pursuant to section 45-IC of Reserve Bank of India Act, 1934.

Includes ₹ 3,837 crore (Previous year ₹ 1,04,484) created pursuant to schemes of amalgamation.

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012		As at March 31, 2011	
7 Other Long-term liabilities				
Interest accrued but not due on debentures		-		1
		-		1
8 Long-term provisions				
<u>Provision for employee benefits</u>				
-Leave encashment (Refer Note No. 36)		3		4
<u>Others</u>				
-Standard Debts		22		24
		25		28
9 Short term borrowings				
Loans from banks				
-Secured				
Cash credit (Refer Note a below)	165		120	
Short term (Refer Note b below)	-		200	
-Unsecured				
Short term	400	565	300	620
Inter corporate deposits				
-Unsecured				
Related party (Refer Note No. 38)	-	-	130	130
Commercial paper (Refer Note c below)				
-Unsecured				
Others	2 406		4 240	
Related party (Refer Note No. 38)	482	2 888	-	4 240
		3 453		4 990

Notes:

- Cash Credits amounting to ₹ 165 crore (Previous year ₹ 120 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- Short Term Loans amounting to ₹ Nil (Previous year ₹ 200 crore) referred above are secured by way of pari passu first charge on all present and future book debts, outstandings, moneys receivables, bills, claims and loan assets of the Company's commercial finance division.
- In respect of Commercial Papers maximum amount outstanding during the year was ₹ 5,465 crore (Previous year ₹ 6,923 crore).

10 Trade payables

- Due to Micro, Small & Medium enterprises (Refer note below)		-		-
- Due to related party (Refer Note No. 38) [₹16 60 369 (Previous year ₹ 8 01 617)]		-		-
- Due to others		7		1
		7		1

Note:

- There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
11 Other current liabilities		
Current maturities of long-term debt		
Non convertible debentures		
-Secured (Refer Note No. 28)		
Others	2 985	1 510
Related party (Refer Note No. 38)	<u>157</u>	<u>-</u>
Term loans from banks		
-Secured (Refer Note No. 28)	800	1 282
Interest accrued but not due on debentures	301	233
Income received in advance	6	4
Advance from customers	34	88
Temporary book overdraft balance of banks	145	416
Other payable*	146	145
Unclaimed dividend #	9	8
Unclaimed fixed deposit # [₹ 5 000 (Previous year ₹ 25 000)]	-	-
	<u><u>4 583</u></u>	<u><u>3 686</u></u>

Notes

*Includes provision for expenses, statutory payments and other payables.

#Does not include any amounts, due and outstanding, to be deposited to the Investor Education and Protection Fund.

12 Short-term provisions

Provision for employee benefits (Refer Note No. 36)		
-Leave encashment	-	-
[₹ 31 49 266 (Previous year ₹ 36 21 240)]		
-Gratuity [₹ 63 555 (Previous year Nil)]	-	-
Others		
-Standard Debts	15	12
-Proposed dividend	184	159
-Tax on proposed dividend	7	2
	<u><u>206</u></u>	<u><u>173</u></u>

Description	Gross Block			Depreciation			Net Block			
	As at April 1, 2011	Additions / Adjustments	Deductions / Adjustments	As at March 31, 2012	Upto April 1, 2011	For the year	Deductions	Upto March 31, 2012	As at March 31, 2012	As at March 31, 2011
13 Fixed Assets										
Tangible Assets										
Lease Assets										
Plants and Equipments	16	9	-	25	- (xii)	2	-	2	23	16
Computers	-	14	-	14	-	2	-	2	12	-
Vehicles	22	18	- (ix)	40	1	5	- (xi)	6	34	21
Sub - total - A	38	41	- (ix)	79	1	9	- (ix)	10	69	37
Previous year	-	38	-	38	-	1	-	1	37	-
Own Assets										
Buildings	26	43	1	68	14	1	- (vi)	15	53	12
Computers	32	5	1	36	26	4	1	29	7	6
Furniture and Fixtures	9	- (i)	- (iv)	9	6	1	- (vii)	7	2	3
Vehicles	13	1	-	14	8	1	-	9	5	5
Office equipments	10	- (ii)	- (v)	10	5	1	1	5	5	5
Leasehold improvements	6	- (iii)	-	6	4	1	-	5	1	2
Sub - total - B	96	49	2	143	63	9	2	70	73	33
Previous year	189	5	98	96	116	9	62	63	33	-
Total (A+B)	134	90	2	222	64	18	2	80	142	70
Previous year	189	43	98	134	116	10	62	64	70	-
Intangible Assets										
Computer software / Licensing cost	23	20	- (viii)	43	14	8	- (ix)	22	21	9
Total	23	20	- (viii)	43	14	8	- (ix)	22	21	9
Previous year	22	1	-	23	10	4	-	14	9	-

Notes

1. In respect of intangible assets;

- It is other than internally generated.
- Average remaining useful life is as follows
 - a) Additions for fy 2011-12 - 4 years
 - b) Additions for fy 2010-11 - 3 years (Previous year 4 years)
 - c) Additions for fy 2009-10 - 2 years (Previous year 3 years)
 - d) Additions for fy 2008-09 - 1 year (Previous year 2 years)
 - e) Additions for fy 2007-08 - Nil year (Previous year 1 year)

2. During the previous year addition to Computer Software includes ₹ 42 59 041 and accumulated depreciation thereon ₹ 7 36 522 as per scheme of amalgamation [Refer Note No. 29 (III)]

3. (i) ₹ 28 63 181 (ii) ₹ 42 08 540 (iii) ₹ 8 50 861 (iv) ₹ 41 15 025 (v) ₹ 26 81 591 (vi) ₹ 5 17 044
 (vii) ₹ 39 40 144 (viii) ₹ 21 000 (ix) ₹ 20 484 (x) ₹ 35 54 821 (xi) ₹ 3 16 033 (xii) ₹ 23 36 886

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
14 NON-CURRENT INVESTMENTS					
Other Investments					
(A) Investments in Equity Instruments					
(valued at cost unless stated otherwise)					
Quoted, fully paid-up					
A2Z Maintenance & Engineering Services Limited	10	18 29 265	18 29 265	73	73
Aurionpro Solutions Limited	10	13 06 906	10 19 213	35	32
Action Construction Equipment Limited	2	30 00 000	30 00 000	20	20
Anant Raj Industries Limited	2	25 00 000	-	18	-
Aptech Limited	10	66 990	-	1	-
B.A.G. Films & Media Limited	2	-	3 94 400	-	-
[Nil (Previous year ₹ 39 44 000)]					
Celebrity Fashions Limited [₹ 11 25 465 (Previous year ₹ 14 50 580)]	10	8 98 750	11 58 373	-	-
D B Realty Limited	10	9 47 203	9 47 203	43	43
DLF Limited	2	1 50 000	1 50 000	6	6
EIH Limited	2	46 54 545	46 54 545	47	47
EMCO Limited	2	16 20 000	16 20 000	13	13
HBL Power Systems Limited	1	1 43 60 000	1 43 60 000	27	27
TV18 Broadcast Limited (Formerly IBN 18 Broadcast Limited)	2	95 00 000	98 00 000	122	126
Indage Vintners Limited	10	3 50 000	3 50 000	3	3
Indiabulls Power Limited	10	20 00 000	20 00 000	9	9
Indian Terrain Fashions Limited	10	3 30 962	3 30 962	14	14
Inox Leisure Limited	10	24 00 005	26 00 005	31	34
Kinetic Engineering Limited	10	7 15 000	7 15 000	13	13
Kirloskar Pneumatic Company Limited	10	1 45 000	-	6	-
KSK Energy Ventures Limited	10	14 19 000	14 19 000	25	25
Mahanagar Telephone Nigam Limited	10	30 00 000	30 00 000	55	55
Network 18 Media & Investments Limited	5	50 55 000	52 30 000	157	163
Padmalaya Telefilms Limited	10	5 11 000	5 11 000	2	2
Pratibha Industries Limited	2	14 50 000	10 00 000	9	8
Reliance Communications Limited*	5	3 10 95 295	84 20 295	307	95
Reliance Industrial Infrastructure Limited	10	1 60 100	1 60 100	1	1
Reliance MediaWorks Limited	5	85 29 366	81 05 000	217	213
Reliance Broadcast Network Limited	5	62 58 864	50 70 000	35	28
Reliance Power Limited	10	41 17 823	41 17 823	3	3
TV Today Networks Limited	5	81 00 000	81 00 000	102	102
Unitech Limited	2	10 00 000	10 00 000	11	11
Ventura Textiles Limited	10	12 87 500	12 87 500	6	6
				1 411	1 172
Less: Provision for diminution in value of investments				146	32
				1 265	1 140
Unquoted, full paid-up					
All Green Energy India Private Limited [₹ 4 230 (Previous year ₹ 4 230)]	10	10	10	-	-
Axsys Health Tech Limited	10	-	13 25 000	-	8
BSE Limited	1	1 30 000	1 30 000	2	2
Gradatim I.T. Ventures (India) Private Limited [₹ 2 611 (Previous year ₹ 2 611)]	10	64	64	-	-
Gini & Jony Ltd	10	-	17 51 685	-	9
Global Wind Power Limited	10	21 60 000	21 60 000	24	24
GTFS Multi Services Limited	10	25 00 000	25 00 000	75	75
Himland Buildcon Private Limited	1	-	8 500	-	43
KGS Developers Limited	10	47 28 081	47 28 081	75	75
KLT Automotive & Tubular Products Limited	10	5 25 000	5 25 000	11	11
Menon And Menon Limited (Refer note 4 below)	10	7 80 000	3 90 000	6	6
National Multi - Commodity Exchange of India Limited	10	16 66 667	16 66 667	11	11

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
One 97 Communications Limited	10	3 84 616	3 84 616	10	10
Phi Management Solutions Private Limited [Nil (Previous year ₹ 40 00 000)]	10	-	4 00 000	-	-
Real Image Media Technologies Private Limited [Nil (Previous year ₹ 7 900)]	10	-	790	-	-
Reliance Life Insurance Company Limited (Refer note 5 below)	10	-	18 61 15 200	-	469
Reverse Logistics Company Private Limited	10	16 542	16 542	5	5
Reliance Net Limited	10	5 26 497	5 26 497	1	1
Roseland Buildtech Private Limited	10	-	84 38 430	-	148
Reliance Tech Services Private Limited [₹ 10 000 (Previous year ₹ 10 000)]	10	1 000	1 000	-	-
Southern Wind Farms Limited	10	-	22 18 720	-	8
Tessolve Services Private Limited [₹ 6 600 (Previous year ₹ 6 600)]	10	100	100	-	-
Unilazer Media Limited	10	17 77 191	17 77 191	37	37
Victory Transformers and Switchgears Limited	100	1 15 041	1 15 041	62	62
Viscount Management Services (Alpha) Limited [Nil (Previous year ₹ 1 80 000)]	10	-	18 000	-	-
Viscount Management Services Limited (Refer Note No. 8 below) (Previous year ₹ 1 08 000)]	10	40 800	10 800	343	-
Wellspring Healthcare Private Limited [₹ 17 768 (Previous year ₹ Nil)]	10	10	-	-	-
				662	1 004
Less: Provision for diminution in value of investments				13	8
				649	996
Subsidiary Companies*					
Unquoted, fully paid-up					
Quant Capital Private Limited	10	74 01 423	74 01 423	200	200
Reliance Alternative Investments Services Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
Reliance Capital Asset Management Limited	10	1 00 00 000	1 00 00 000	10	10
Reliance Infrastructure Finance Private Limited	10	-	52 50 000	-	5
Reliance Money Precious Metals Private Limited (Formerly Reliance Capital Research Private Limited) [₹ 3 00 000 (Previous year ₹ 3 00 000)]	10	30 000	30 000	-	-
Reliance Capital Trustee Co. Limited [₹ 5 07 000 (Previous year ₹ 5 07 000)]	10	50 700	50 700	-	-
Reliance Capital (Singapore) Pte. Limited	\$1	20 00 001	20 00 001	9	9
Reliance Commodities Limited	10	30 00 000	30 00 000	3	3
Reliance Equity Advisors (India) Limited [₹ 5 00 000 (Previous year ₹ 5 00 000)]	10	50 000	50 000	-	-
Reliance Equities International Private Limited	10	1 50 00 000	1 50 00 000	80	80
Reliance Exchangenext Limited	10	69 10 000	69 10 000	69	69
Reliance Financial Limited	10	1 10 00 000	1 10 00 000	11	11
Reliance General Insurance Company Limited	10	11 68 98 656	11 23 78 248	1 562	1 119
Reliance Gilts Limited	10	70 00 700	70 00 700	7	7
Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	10	3 00 00 000	3 00 00 000	30	30
Reliance Investment Banking Services Limited	10	70 00 000	30 00 000	7	3
Reliance Money Express Limited	10	1 38 13 140	1 38 13 140	25	25
Reliance Securities Limited	10	2 49 00 000	2 49 00 000	25	25
Reliance Venture Asset Management Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
Reliance Wealth Management Limited	10	1 15 00 000	45 00 000	12	5

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
				2 050	1 601
Less: Provision for diminution in value of investments				40	29
				<u>2 010</u>	<u>1 572</u>
Associate Companies*					
Unquoted, fully paid-up					
Ammolite Holdings Limited	\$1	1 000	1 000	-	-
[₹ 45 332 (Previous year ₹ 45 332)]					
Reliance Land Private Limited	10	50 00 000	50 00 000	5	5
Reliance Life Insurance Company Limited (Refer Note No. 8 below)	10	46 38 95 295	-	3 717	-
Reliance Share & Stock Brokers Private Limited	10	50 00 000	50 00 000	5	5
Reliance Asset Reconstruction Company Limited	10	4 90 00 000	4 90 00 000	49	49
				<u>3 776</u>	<u>59</u>
Sub-Total (A)				<u>7 700</u>	<u>3 768</u>
(B) Investments in preference shares (valued at cost unless stated otherwise)					
Quoted, fully paid-up					
5% Non Convertible Cumulative Preference Shares of Network18 Media & Investments Ltd	150	6 75 343	6 75 343	10	10
				<u>10</u>	<u>10</u>
Less: Provision for diminution in value of investments [Nil (Previous year ₹ 32 44 201)]				-	-
				<u>10</u>	<u>10</u>
Unquoted, fully paid-up					
Series A 8% Non Cumulative Convertible Preference Shares of All Green Energy India Private Limited	10	2 00 140	2 00 140	8	8
0% Optionally Convertible Redeemable Preference Shares of Payone Enterprises Private Limited (Formerly Ashadeep Properties Private Limited)	10	20 60 000	-	206	-
0.001% Optionally Convertible Cumulative Redeemable Preference Shares of Asmitha Microfin Limited	10	84 80 000	-	8	-
Fully & Compulsorily Convertible Cumulative Participating Preference Shares of Gradatim I.T. Ventures (India) Private Limited	39	6 37 191	6 37 191	3	3
9% Non Cumulative Redeemable Preference Shares of India Best Buy Private Limited	10	20 00 000	20 00 000	200	200
14% Redeemable Non Convertible Non Cumulative Preference Shares of Kinetic Engineering Limited	10	-	1 50 00 000	-	15
1% Cumulative Redeemable Preference Shares of Phi Management Solutions Private Limited	10	-	5 64 000	-	56
Series B- Convertible Cumulative Preference Shares of Real Image Media Technologies Private Limited	10	-	7 89 941	-	7
12% Non Cumulative Convertible Redeemable Preference Shares of Reliance Big Entertainment Private Limited*	1	1 00 00 000	1 00 00 000	1 000	1 000
8% Non cumulative redeemable Preference Shares of Future N Wealth Distributors Private Limited (formerly Reliance Capital Services Private Limited)	10	-	3 68 588	-	37
0% Optionally Convertible Redeemable Preference Shares of Reliance CWT India Limited	10	46 500	-	5	-
0% Optionally Convertible Redeemable Preference Shares of Reliance Mass Media Private Limited	10	6 500	-	1	-

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
0% Optionally Convertible Redeemable Preference Shares of Emerging Money Mall Limited	1	60 00 000	60 00 000	600	600
0% Optionally Convertible Redeemable Preference Shares of Reliance Net Limited	10	40 35 684	47 50 000	475	475
Scalable Display Technologies, Inc. Series A-1 Preferred Stock	\$0.0010	1 50 846	-	2	-
0.001% Optionally Convertible Cumulative Redeemable Preference Shares of Share Microfin Limited	10	1 19 40 000	-	12	-
Series A Preference Shares of Suvidha Infoserve Private Limited	1	72 37 980	72 37 980	11	11
Series B Preference Shares of Suvidha Infoserve Private Limited	3	3 69 709	3 69 709	1	1
Compulsory Convertible Preference shares of Tessolve Services Private Limited	10	16 13 537	16 13 537	11	11
0% Optionally Convertible Redeemable Preference Shares of Viscount Management Services Limited	1	5 10 68 177	4 95 85 877	510	496
0% Optionally Convertible Redeemable Preference Shares of Viscount Management Services (Alpha) Limited	1	-	6 66 43 130	-	666
Series A Preference Shares of Yatra Online Inc.	\$0.0001	42 00 042	42 00 042	6	6
Series B Preference Shares of Yatra Online Inc.	\$0.0001	27 31 960	27 31 960	16	16
Series C Preference Shares of Yatra Online Inc.	\$0.0001	11 44 946	11 44 946	16	16
Wellspring Healthcare Private Limited	10	18 562	-	3	-
				3 094	3 624
Less : Provision for diminution in value of investments				5	3
				3 089	3 621
Subsidiary Companies*					
Unquoted, fully paid-up					
9% Non Cumulative Non Convertible Redeemable Preference Shares of Quant Broking Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
10% Cumulative Redeemable Preference Shares of Reliance Securities Limited	10	12 50 00 000	15 00 00 000	125	150
0% Optionally Convertible Redeemable Preference Shares of Reliance Money Express Limited	10	1 50 00 000	1 50 00 000	15	15
0% Optionally Convertible Redeemable Preference Shares of Reliance Home Finance Limited (Formerly 8% Compulsory Convertible Preference Shares of Reliance Home Finance Private Limited)	10	29 10 000	26 60 000	291	266
				431	431
Associate Companies*					
Unquoted, fully paid-up					
0% Optionally Convertible Redeemable Preference Shares of Reliance Land Private Limited	10	1 41 25 000	1 35 00 000	481	356
0% Optionally Convertible Redeemable Preference Shares of Reliance Share & Stock Brokers Private Limited	100	4 00 000	4 00 000	4	4
0% Optionally Convertible Redeemable Preference Shares of Reliance Share & Stock Brokers Private Limited	10	7 65 000	7 65 000	77	77
				562	437
Sub-Total (B)				4 092	4 499

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
(C) Investments in Government or Trust Securities					
(valued at cost unless stated otherwise)					
Unquoted					
National Saving Certificates [₹ 45 000 (Previous year ₹ 45 000)] (Deposited with sales tax department)	-	-	-	-	-
Sub-Total (C)				<u>-</u>	<u>-</u>
(D) Investments in debentures or bonds					
(valued at cost unless stated otherwise)					
Associate Companies*					
Unquoted, fully paid-up					
Series DDB I - Non Secured Redeemable Non Interest Bearing Non Convertible Deep Discount Bonds - Ammolite Holdings Limited	\$961.00	7 524	7 524	29	29
				<u>29</u>	<u>29</u>
Others					
Unquoted, fully paid-up					
0% NCD L&T Infrastructure Finance Co.Limited 31 Oct 2016	10 00 000	107	-	11	-
16% Kumar Urban Development Limited August 1, 2012	1 33 160	-	231	-	7
16% L&T Arun Excello Private Limited Secured NCD 29 Mar 2013	1 00 000	-	1 650	-	8
12% India Infoline Finance Limited NCD 27 Feb 2019	10 00 000	250	-	25	-
12% Business Broadcast News Limited (Formerly UTV News Limited) 10 years	1 00 000	60 000	60 000	60	60
11% Secured Optionally Fully Convertible Redeemable Debentures Series A - Ventura Textiles Limited	50 00 000	20	20	11	11
12% Vensat Tech Services Private Limited NCD - 31 Dec 2013	100	5 00 000	-	5	-
12% Optionally fully Convertible Debentures Series B - Ventura Textiles Limited	50 00 000	22	22	11	11
Zero Coupon Optionally Fully Convertible Unsecured Debentures Viscount Management Services Limited	1 000	32 25 922	51 30 000	322	513
Zero Coupon Optionally Fully Convertible Unsecured Debentures Viscount Management Services (Alpha) Limited	1 000	-	68 40 000	-	684
9.90% Yes Bank Limited Bonds M - 28 Mar 2022	10 00 000	500	-	50	-
				<u>495</u>	<u>1 294</u>
Less: Provision for diminution in value of investments				<u>13</u>	<u>9</u>
				<u>482</u>	<u>1 285</u>
Sub-Total (D)				<u>511</u>	<u>1 314</u>
(E) Investments in Partnership Firm*					
(valued at cost unless stated otherwise)					
Reliance Capital Partners				693	663
Sub-Total (E)				<u>693</u>	<u>663</u>
(F) Other non-current investments					
(valued at cost unless stated otherwise)					
Investment in units of Seed/Equity Fund- unquoted, fully paid-up					
The India Seed Investment Trust	1 00 000	500	500	3	3
				<u>3</u>	<u>3</u>

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
Investment in units of fund - unquoted, partly paid-up Class A units of Reliance Alternative Investments Fund [Partly paid ₹ 6.55 (Previous year ₹ 2.60 per units)]	10	20 00 00 000	20 00 00 000	131	52
				<u>131</u>	<u>52</u>
Warrants - unquoted , partly paid-up					
Aurionpro Solutions Limited	42.50	-	5 00 000	-	2
Kinetic Engineering Limited	154.44	-	6 00 000	-	9
Southern Wind Farms Limited [Nil (Previous year ₹ 46 00 000)]	0.10	-	5 50 00 000	-	-
Textrade International Limited (Refer note 6 below)	-	60 985	60 985	-	-
				-	11
Less: Provision for diminution in value of investments				-	11
				-	-
Investment in joint venture					
KGS Developers Ltd (Refer Note No. 7 below)				85	85
				<u>85</u>	<u>85</u>
Pass Through Certificates & Security Receipts					
IDBI Trusteeship Services Limited	-	2	1	10	41
ARCIL SPCI Trust Security Receipt	1 000	-	5 91 375	-	15
				<u>10</u>	<u>56</u>
				<u>229</u>	<u>196</u>
Sub-Total (F)				<u>229</u>	<u>196</u>
TOTAL NON CURRENT INVESTMENTS (A+B+C+D+E+F)				<u>13 225</u>	<u>10 439</u>

* Related Party

Notes:

	As at March 31, 2012		As at March 31, 2011	
	Book Value	Market Value	Book Value	Market Value
1. Aggregate value of Investments				
Quoted Investments	1 275	705	1 150	772
Unquoted Investments	11 950	-	9 289	-
	<u>13 225</u>	<u>705</u>	<u>10 439</u>	<u>772</u>
2. Aggregate value of Provision for diminution in value of investments				
Quoted Investments	146		32	
Unquoted Investments	71		60	
	<u>217</u>		<u>92</u>	
3. Investments includes ₹ Nil (Previous year ₹ 372 crore) of shares given as collateral towards margin with brokers.				
4. In case of Menon & Menon Limited, the Company received 3,90,000 bonus shares in the ratio of 1:1.				
5. In the current year Reliance Life Insurance Company Limited has been reclassified from other investments to investments in associate companies.				
6. The Company has been allotted Warrants without paying any consideration at the time of allotment.				
7. The Company has entered into a joint venture with KGS Developers Ltd in respect of real estate project development, The Company has invested ₹ 85 crore and is entitled to share the Profit / Loss equally. However assets, liabilities, revenue and expenses related to the project are not included in the financial statements of the Company as it does not meet the definition criteria of a Joint Venture under AS 27 "Financial Reporting of Interests in Joint Ventures"				
8. Part of Viscount Management Services Limited and Reliance Life Insurance Company Limited are carried at cost and balance amount are carried at amount transferred under the scheme of amalgamation.				
9. During the year ended March 31, 2012 Nippon Life Insurance Company (NLIC) has entered definitive agreement with the Company to acquire 26 per cent equity shareholding in a subsidiary Company Reliance Capital Assets Management Company Limited, subject to necessary regulatory approvals.				

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011	
15 Deferred tax:			
Deferred tax asset included in the balance sheet comprises the following:			
Deferred tax assets			
Provision for Non Performing Assets/Diminution in the value of Assets & Investments	54	53	
Accrued Interest / finance on Investments	-	2	
Provision for Leave encashment & gratuity	1	1	
	<u>55</u>	<u>56</u>	
Deferred tax liability			
Depreciation on Fixed Assets	9	6	
Unamortised Expenditure	43	23	
	<u>52</u>	<u>29</u>	
Net Deferred Tax Assets	<u>3</u>	<u>27</u>	
16 Long-term loans and advances			
(a) Capital Advances			
Secured, considered good	76	76	
Unsecured, considered good	198	34	
Unsecured, considered doubtful	-	14	
Less : Provision for Doubtful debts	-	14	110
	<u>274</u>	<u>14</u>	
(b) Security Deposits			
Unsecured, considered good	31	31	
Unsecured, considered doubtful [₹ 23 10 296 (Previous year ₹ 40 05 456)]	-	-	
Less : Provision for Doubtful debts [₹ 23 10 296 (Previous year ₹ 40 05 456)]	-	-	31
	<u>31</u>	<u>-</u>	
(c) Loans			
Considered doubtful			
-Secured	188	96	
-Unsecured	13	29	
Less : Provision for non performing assets and doubtful debt	30	24	
	<u>171</u>	<u>101</u>	
Considered good			
Related party (Refer Note No. 38)			
-Secured	50	-	
-Unsecured	84	218	
Officer of the company-Unsecured (Refer Note No. 38) [₹ 4 49 751 (Previous year ₹ 4 64 151)]	-	-	
Others			
-Secured	7 148	6 294	
-Unsecured	740	1 473	
	<u>8 022</u>	<u>7 985</u>	8 086
(d) Advances			
Considered doubtful			
-Secured	23	13	
-Unsecured	16	35	
Less : Provision for non performing assets and doubtful debt	11	27	
	<u>28</u>	<u>21</u>	

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011	
Considered good (Refer Note below)			
Related party-Unsecured (Refer Note No. 38)	50	50	
Others			
-Unsecured	<u>6</u>	<u>193</u>	
	56	243	
		84	263
(e) Other loans and advances			
-VAT & Service tax credit available	34	33	
-Advance income tax & TDS deducted [net of provision ₹ 142 crore (Previous year ₹ 67 crore)]	<u>97</u>	<u>78</u>	111
		<u>8 713</u>	<u>8 601</u>

Note:

Advances includes ₹ 50 crore (Previous year ₹ 227 crore) paid towards share application money.

17 Other non-current assets

(Unsecured, considered good)

(a) Other bank balances

- In fixed deposit accounts (Refer note given below)

More than 12 months

-Under lien

117

256

-Other

1

-

118

256

More than 3 months less than 12 months -Under lien

84

202

7

263

(b) Accrued Interest/Finance income on Investments

677

913

(c) Unammortised expenditures

Unammortised DSA Commission

54

52

Add : incurred during the year

51

33

Less :ammortised during the year

33

31

72

54

Less :to be ammortised during the next year

27

32

45

22

Unammortised brokerage on borrowings

15

21

Add : incurred during the year

75

11

Less : ammortised during the year

27

17

63

15

Less : to be ammortised during the next year

18

8

45

7

29

(d) Repossessed assets

14

15

Less : Provision for repossessed assets

2

3

12

981

1 217

Note:

(a) In respect of balances with banks in fixed deposit accounts, ₹ 201 crore (Previous year ₹ 263 crore) is kept as credit enhancement towards securitisation / assignment transaction, ₹ 1,00,000 (Previous year ₹ 1,00,000) is kept as deposit with sales tax authority, ₹ 5,00,000 (Previous year ₹ 5,00,000) is kept as deposit with the Pension Fund Regulatory and Development Authority (PFRDA) and ₹ 2,00,000 (Previous year ₹ 2,00,000) is kept as deposit with bank for issuing of Bank Guarantee.

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2012	As at March 31, 2011	As at March 31, 2012	As at March 31, 2011
18 Current Investments					
(current portion of Long-term investments)					
Investments in debentures or bonds					
(valued at cost unless stated otherwise)					
Unquoted, fully paid-up					
0% First Blue Home Finance Limited 30 Aug 2012	10 00 000	100	-	11	-
16% Kumar Urban Development Limited August 1, 2012	1 33 160	231	-	3	17
19% Kumar Urban Development Limited 01/11/2012 [₹ 30 00 000 (Previous year Nil)]	1 00 000	30	-	-	-
16% L&T Arun Excello Private Limited Secured NCD 29 Mar 2013	1 00 000	-	1 650	-	8
Zero Coupon Convertible Unsecured Debentures Viscount Management Services Limited	1 000	36 00 000	11 98 800	360	120
Zero Coupon Optionally Fully Convertible Unsecured Debentures Viscount Management Services (Alpha) Limited	1 000	-	15 98 400	-	160
Sub-Total (A)				374	305
Pass Through Certificates					
IDBI Trusteeship Services Limited		12	6	158	90
Deutsche Investor Services Private Limited		3	2	41	22
IL&FS Trust Company Limited		4	4	27	58
Sub-Total (B)				226	170
Investment in Mutual Fund - *Quoted					
(valued at cost or fair value whichever is lower)					
Reliance Mutual Fund - Liquidity Fund- Growth Option	10	-	6 95 09 935	-	103
Reliance Mutual Fund-Money Manager Fund-Institutional Option-Growth Plan	1 000	-	11 20 737	-	150
Sub-Total (C)				-	253
Total Current investments (A+B+C)				600	728

*For Mutual fund net asset value (NAV) is taken as market value.

Notes:

1. Aggregate value of investment

(₹ in crore)

	As at March 31, 2012		As at March 31, 2011	
	Book Value	Market Value	Book Value	Market Value
Quoted investments	-	-	253	253
Unquoted investments	600	-	475	-
	600	-	728	253

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
19 Trade receivables		
Unsecured, considered good unless stated otherwise		
Doubtful debts outstanding for a period exceeding six months from the due date	16	12
Less : Provision for doubtful debts	15	12
	<u>1</u>	<u>-</u>
Other debts	192	17
	<u>193</u>	<u>17</u>
20 Cash & bank balances		
(a) Cash & cash equivalents		
Balances with banks		
- In current accounts	328	824
- Fixed deposits (less than 3 months)	-	75
Cash on hand (₹ 40 99 144)	-	1
	<u>328</u>	<u>900</u>
(b) Other bank balances		
- Fixed deposits under lien	99	-
(less than 3 months)-Refer note below		
- Unclaimed dividend	9	8
	<u>99</u>	<u>8</u>
	<u>436</u>	<u>908</u>
Note:		
(a) In respect of balances with Banks in Fixed Deposit accounts, ₹ 99 crore (Previous year ₹ Nil) is kept as credit enhancement towards securitisation / assignment transaction.		
21 Short Term Loans and advances		
Unsecured, considered Good;		
(a) Loans		
Considered good		
Related Party-Unsecured (Refer Note No. 38)		
-Secured	19	-
-Unsecured	66	51
Others		
-Secured	2 897	2 716
-Unsecured	2 324	1 454
	<u>5 306</u>	<u>4 221</u>
(b) Advances		
Considered good		
Related Party-Unsecured (Refer Note No. 38)	9	8
Others		
-Secured	45	21
-Unsecured	34	36
	<u>88</u>	<u>65</u>
(c) Prepaid expenses	6	7
	<u>5 400</u>	<u>4 293</u>
22 Other current assets		
(a) Interest accrued on loans	253	133
(b) Accrued Interest/Finance income on Investments	171	126
(c) Unammortised DSA Commission	27	32
(d) Unammortised brokerage on borrowings	18	8
	<u>469</u>	<u>299</u>

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	2011-2012		2010-2011	
23 Revenue from operations				
Interest and Finance Income on:				
-Long term Investments	534		601	
-Loans	1 668		1 046	
-Fixed deposits and others	18	2 220	20	1 667
Profit on Sale of (Net):				
-Long term investments	654		16	
-Current investments	63	717	46	62
Dividends on investments				
-Subsidiary	150		-	
-Long term	6		5	
-Current [₹ 41 19 522 (Previous year ₹ 48 24 226)]	-	156	-	5
Premium on Loan Assignment and Securitisation		4		-
Profit Share in Partnership Firm (Refer Note No. 32)		30		40
Depository Participant Transaction Charges	5		9	
Less:Service tax recovered (₹ 43 82 816)	-	5	1	8
Lease Rental Income		17		2
Processing Fees	42		41	
Less:Service tax recovered	4	38	4	37
Bad debts recovered		53		37
Other Operating Income	31		22	
Less:Service tax recovered	3	28	2	20
		3 268		1 878
24 Other income				
Management Fee	30		33	
Less: Service tax recovered	3	27	3	30
Credit Balance / Excess Provision Written Back		4		29
Profit on Sale of Fixed Assets (net) [₹ 19 61 037]		-		11
Miscellaneous Income		18		23
		49		93
25 Employee benefit Expenses:				
Salaries and Wages		127		100
Contribution to Provident & Other Funds		6		4
Staff Welfare expenses		8		6
		141		110

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

	2011-2012	2010-2011
26 Finance Cost		
Interest expense		
-Debentures	584	415
-Bank Loans (Long term & Short term)	976	421
-Bank Loans (Cash credit)	23	11
-Inter corporate deposits	57	6
Other borrowing costs		
-Discount on Commercial Papers	398	387
-Ammortised Brokerage on Borrowings (Refer Note No. 17)	27	17
	<u>2 065</u>	<u>1 257</u>
27 Other Expenses:		
Bank Charges	1	1
Rent	27	23
Rates and Taxes	3	6
Repairs and Maintenance		
- Buildings (Previous year ₹ 22 54 268)	1	-
- Others	23	12
Electricity	3	2
Insurance (Previous year ₹ 23 35 586)	1	-
Travelling and Conveyance	8	6
Postage, Telegram and Telephones	6	6
Legal & Professional Fees	76	72
Auditors' Remuneration(Refer Note No. 33)	1	1
Sales and Marketing Expenses	32	16
Employee Seminar and Training	2	1
Donation	4	3
Directors' Sitting Fees [₹ 15 80 000 (Previous year ₹ 14 00 000) inclusive of erstwhile Reliance Commercial Finance PrivateLimited]]	-	-
DSA Commission (Refer Note No. 17)	33	31
Provision for NPA, Doubtful Debts and Balances Written Off *	101	183
Provision and Loss on Repossessed Stock #	3	4
Provision for Diminution in the Value Investments / Written off **	136	18
Miscellaneous Expenses	3	4
	<u>464</u>	<u>389</u>
Notes:		
* Breakup of Provision for NPA, Doubtful Debts and Bad Debts Written Off		
Provision for NPA and Doubtful Debts	(20)	(39)
Provision for Standard Debts	1	13
Bad Debts Written Off	120	209
	<u>101</u>	<u>183</u>
# Breakup of Provision and Loss on Repossessed Stock		
Provision/(Reversal) for Repossessed Stock (₹ 35 50 183)	(-)	(3)
Loss on Sale of Repossessed Stock	3	7
	<u>3</u>	<u>4</u>
** Breakup of Provision for Diminution in the Value of Investments / Written off		
Provision for Diminution in the Value of Investments	125	18
Investments Written Off	11	-
	<u>136</u>	<u>18</u>

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

28. Security clause / maturity profiles in respect to Secured Loans from banks/Debentures:

- (i) Non convertible debentures (NCDs) are redeemable at par, in one or more installments, on various dates.
- (a) NCDs amounting to ₹ 5 crore (Previous year ₹ 225 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on business receivables and loan assets of the commercial finance division, against security not exceeding ₹ 6 crore (Previous year ₹ 281 crore).
- (b) NCDs amounting to ₹ 5,686 crore (Previous year ₹ 5,161 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on business receivables and loan assets of the Company or as may be decided by the Company, against security not exceeding ₹ 6,111 crore (Previous year ₹ 5,411 crore).
- (c) The Company is in the process of creating security on the remaining NCDs amounting to ₹ 75 crore (Previous year ₹ 416 crore).
- (d) Maturity profile and Rate of interest of Long term Non Convertible Debentures are as set out below:

Rate of Interest	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2021-22	2023-24	Total
8.25%	290	-	-	-	-	-	-	-	-	290
8.40%	-	-	25	-	-	-	-	-	-	25
8.75%	25	-	-	-	-	-	-	-	-	25
8.90%	213	-	-	-	-	-	-	-	-	213
9.50%	-	-	10	-	-	-	-	-	-	10
9.60%	-	-	19	-	-	-	-	-	-	19
9.75%	-	123	-	-	-	-	-	-	-	123
10.00%	-	-	-	10	-	-	-	-	-	10
10.20%	5	-	-	-	-	-	-	-	-	5
10.25%	-	25	-	-	-	-	-	-	-	25
10.28%	-	-	-	-	-	-	15	-	-	15
10.33%	-	-	-	-	25	-	-	-	-	25
10.35%	108	89	-	-	-	-	-	-	-	197
10.40%	-	-	-	105	-	-	-	-	-	105
10.50%	-	99	-	500	-	21	-	25	15	660
10.55%	65	-	-	-	-	-	-	-	-	65
10.60%	-	-	-	-	-	-	-	83	-	83
10.65%	-	10	-	-	-	8	-	-	-	18
10.75%	-	19	-	-	-	-	-	367	-	386
11.00%	70	-	-	300	-	-	-	-	-	370
11.20%	150	-	-	-	-	-	-	-	-	150
11.60%	100	-	-	-	-	-	-	-	-	100
11.65%	50	50	-	-	-	-	-	-	-	100
12.00%	50	-	-	-	-	-	-	-	-	50
MLD	4	33	27	-	-	-	-	-	-	64
TOTAL	1 130	448	81	915	25	29	15	475	15	3 133

- (ii) (a) Term Loans from banks includes ₹ 7,735 crore (Previous year ₹ 7,524 crore) are secured by pari passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company's commercial finance division.
- (b) Maturity profile of Long term loans from banks are as set out below :

	2013-14	2014-15	2015-16	2016-17	Total
Term Loan from Banks	2 561	2 041	1 867	466	6 935

- (iii) Maturity profile of Long term Inter corporate Deposits are as set out below :

Rate of Interest	2013-14	2014-15	Total
5.00%	-	3	3
5.50%	2	-	2
8.00%	-	12	12
11.00%	150	130	280
11.50%	-	500	500
TOTAL	152	645	797

Notes to Financial Statements as at March 31, 2012

29 Amalgamation

I Scheme of Amalgamation between Company and Viscount Management Services (Alpha) Limited (VMSAL)

The Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between Company and Viscount Management Services (Alpha) Limited (VMSAL) has been sanctioned by the Hon'ble High Court of judicature at Bombay vide Order dated January 20, 2012. The scheme has become effective on March 12, 2012 on filing with the Registrar of Companies (RoC) with effect from October 1, 2011 i.e. Appointed Date.

VMSAL was incorporated with the main object of business consultancy service. 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 14 (AS-14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounting Standards) Rules, 2006 has been provided.

Hence, in accordance with the Scheme:-

- (i) Before Scheme becomes effective the entire issued, subscribed and paid up share capital was held by the Company. No shares of the Company have been allotted in lieu or exchange of its holding in VMSAL and share capital of VMSAL stand cancelled.
- (ii) On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 5,839 crore and liabilities aggregating to ₹ 1,385 crore as appearing in the books of VMSAL at their respective fair value as decided by the Board of Directors of the Company. The net assets taken over include:

	₹ in crore
Assets taken over	
Investments	5 839
Cash in Hand (₹ 2 053)	-
Balance with Schedule Bank (₹ 3 529)	-
Taxes Paid (₹ 12 364)	-
Total	5 839
Liabilities taken over	
Optionally Convertible Preference Share Capital including premium on redemption of ₹ 204 crore	211
Zero Coupon Optionally Fully Convertible Debenture including premium on redemption of ₹ 321 crore	1 174
Short Term Provision (₹ 27 575)	-
Total	1 385
Excess of Assets over liabilities credit to General Reserve	4 454

- (iii) All Inter-company balances including liabilities on account of debentures and inter-company investments amounting to ₹ 1,385 crore on appointed date stand cancelled. The excess amount of investments amounting to ₹ 679 crore has been debited to general reserve toward inter-company investments cancellation.
- (iv) Difference aggregating to ₹ 3,774 crore after recording both above said items being the excess arising on transfer of assets and liabilities has been credited to General Reserve.
- (v) Difference in accounting method between the Company and VMSAL amounting to ₹ 62 crore has been credited to General Reserve pursuant to the Scheme.

Had the Scheme not prescribed the above accounting treatments, the difference of ₹ 3,837 crore would have been credited to Capital Reserve instead of General Reserve and General Reserve would have been lower by equivalent amount.

II During the year Nippon Life Insurance Company (NLIC) has acquired 26 per cent equity shareholding in Reliance Life Insurance Company Limited, in terms of share subscription & share purchase agreement entered into between the Company, Viscount Management Services (Alpha) Limited (VMSAL), Viscount management Services Limited (VMSA), Reliance Life Insurance Company Limited (RLIC) and Nippon Life Insurance Company (NLIC).

III During the previous year, pursuant to the Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of judicature at Bombay vide order dated April 29, 2011, filed with the Registrar of Companies on May 18, 2011, Reliance Commercial Finance Pvt Limited, wholly owned subsidiary of the Company, was amalgamated into the Company with effect from April 1, 2010 i.e., the Appointed Date and in accordance with the provisions of the said Scheme:

- a) The Company has written off ₹ 329 crore in the Statement of Profit and loss and an equivalent amount is withdrawn from general reserve. The Company has recorded all necessary accounting effects in the previous year, along with the requisite disclosure in the notes to the accounts and created General Reserve amounting to ₹ 1,04,484.
- b) During the year the loss on sale of long term investments amounting to ₹ 149 crore determined as an exceptional item by the Board of Directors of the Company has been debited in the statement of profit and loss for the year ended March

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

31, 2012. As per the Scheme and legal opinion obtained by the Company equivalent amount has been withdrawn from General Reserve to adjust the same and credited to the Statement of Profit and Loss, which has been disclosed accordingly and is in compliance with Revised Schedule VI of the Companies Act, 1956. Had such losses not been met from General Reserve, the Company would have reflected a profit before tax of ₹ 472 crore and Profit after tax for the year would have been ₹ 370 crore.

30 Securitisation and assignment

- 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:

		Securitisation		Assignment	
		Outside	Subsidiaries	Outside	Total
Total number of loan assets Securitised / Assigned	(Nos.)	-	96	14 494	14 590
		(16 204)	(1 095)	(3 219)	(20 518)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any)	(₹)	-	49	1 078	1 127
		(768)	(513)	(148)	(1 429)
Sale consideration received for the Securitised / Assigned assets	(₹)	-	49	1 082	1 131
		(768)	(513)	(148)	(1 429)
Net gain on account of Securitisation / Assigned	(₹)	-	-	4	4
		(-)	(-)	(-)	(-)
Outstanding Credit Enhancement (Funded) as at March 31, 2012	(₹)	174	-	126	300
		(243)	(-)	(20)	(263)
Outstanding Liquidity Facility	(₹)	-	-	-	-
		(-)	(-)	(-)	(-)
Net Outstanding Servicing Liability as at March 31, 2012	(₹)	25	-	78	103
		(61)	(-)	(44)	(105)

Note : Figures in bracket indicate previous year figures.

- 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 by RBI from time to time.
- c) During the year, Company has entered into agreements for assignment of receivables amounting to ₹ 733 crore (Previous year ₹ 493 crore). The said receivables are included in loans given.

31 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 ₹ 42 crore (Previous year ₹ 135 crore), and liabilities ₹ Nil (Previous year ₹ 1 crore), related to Reliance Home Finance Limited in the trust capacity as on March 31, 2012 .

32 The Company is a partner in the following firms:

- i) Reliance Capital Partners:

- a) The firm consists of following partners: (₹ in crore)

	As at March 31, 2012	As at March 31, 2011
i) Reliance Capital Limited	693	663
ii) Reliance Land Private Limited (Previous year ₹ 10 42 256)	5	-
Total Capital	698	663

- b) Profit Sharing Ratio: The profit is distributed between the partners on the basis of the weighted average capital.

- c) The profit for the current financial year is ₹ 30 crore (Previous year ₹ 40 crore)

- ii) Reliance Capital Infrastructure Partners:

- a) The firm consists of following partners:

i) Reliance Capital Limited ii) Reliance Infocomm Infrastructure Private Limited iii) Reliance Infraprojects Limited

- b) Profit Sharing Ratio: The profit is distributed between the partners on the basis of the weighted average capital.

- c) The firm has not commenced operations during the year ended March 31, 2012 and there has been no contribution of capital upto March 31, 2012.

Notes to Financial Statements as at March 31, 2012

33 Auditors' remuneration includes:

	(₹ in crore)	
	2011-12	2010 - 11
i) Audit Fees	1	1
ii) Tax Audit Fees [₹ 1 00 000 (Previous year ₹ 1 00 000)]	0	0
iii) Reimbursement of Out of Pocket Expenses [₹ 1 00 000 (Previous year ₹ 1 00 000)]	0	0
Total	1	1

34 Tax on Proposed Dividend

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 Asset Management Limited:

	(₹ in crore)	
	2011-12	2010-11
Date of proposed dividend	May 9, 2012	April 27, 2011
Dividend Declared	161	161
Dividend Distribution Tax	26	26
Date of dividend Received	-	May 26, 2011
Dividend Received (Company's Share)	-	150

35 Employee Stock Option Plans

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 ₹ 130 crore (Previous year ₹ 130 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 till March 31, 2012.

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:

	Plan A	Plan B
	No. of Stock Options	No. of Stock Options
Outstanding at the beginning of the year	3 66 400	3 68 700
Granted	Nil	Nil
Exercised	Nil	Nil
Lapsed / Forfeited	18 500	18 600
Outstanding at the end of the year	3 47 900	3 50 100
Exercisable at end of the year	1 39 160	70 020

The Company 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). Had the company adopted fair value method the net results for the year would have been lower by ₹ 9 crore (Previous year ₹ 14 crore) [net of tax saving ₹ 7 crore (Previous year ₹ 14 crore)] and accordingly EPS (both Basic and Diluted) would have been lower by ₹ 0.28 (Previous year ₹ 0.57).

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

36 Employee benefits

a) Defined contribution plan

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

	(₹ in crore)	
	2011-12	2010-11
Employer's Contribution to Provident Fund	4	3
Employer's Contribution to Superannuation Fund [₹ 19 35 628 (Previous year ₹ 22 07 778)]	-	-
Employer's Contribution to Pension Scheme	1	1
	5	4

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	
	2011-12	2010 - 11	2011-12	2010 - 11
I. Table showing change in				
Liability at the beginning of the period	3.24	2.90	4.50	4.03
Interest Cost	0.28	0.24	0.31	0.27
Current Service Cost	0.82	0.87	0.83	1.04
Benefit Paid	(0.57)	(0.17)	(0.58)	(0.93)
Actuarial (gain)/loss on obligations	0.59	(0.60)	(1.43)	0.09
Liability at the end of the period	4.36	3.24	3.63	4.50
II. Changes in the fair Value of Plan Assets and the reconciliation thereof:				
Fair Value of Plan Assets at the beginning of the period	3.82	3.76	-	-
Expected return on Plan Assets	0.32	0.31	-	-
Contributions	1.03	-	0.58	0.93
Benefit paid	(0.57)	(0.17)	(0.58)	(0.93)
Actuarial gain/(loss) on Plan Assets	(0.25)	(0.09)	-	-
Fair value of Plan Assets at the end of the period	4.35	3.81	-	-
Total Actuarial gain/(loss) to be recognized	(0.84)	0.52	1.43	(0.09)
III. Actual return on Plan Assets				
Expected return on Plan Assets	0.32	0.31	-	-
Actuarial gain/(loss) on Plan Assets	(0.25)	(0.09)	-	-
Actual return on Plan Assets	0.07	0.22	-	-
IV. Amount recognised in the Balance Sheet				
Liability at the end of the period	4.36	3.24	3.63	4.50
Fair Value of Plan Assets at the end of the period	4.35	3.81	-	-
Difference Funded status	(0.01)	0.57	(3.63)	(4.50)
Unrecognised Actual Gain / (Loss)	-	-	-	-
Amount recognised in the Balance Sheet (liability)	(0.01)	0.57	(3.63)	(4.50)

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Gratuity benefit funded		Leave Encashment Benefit Unfunded	
	2011-12	2010 - 11	2011-12	2010 - 11
V. Expenses recognised in the Statement of Profit and Loss				
Current Service Cost	0.82	0.87	0.83	1.04
Interest Cost	0.28	0.24	0.31	0.27
Expected return on Plan Assets	(0.32)	(0.31)	-	-
Net Actuarial (gain)/loss to be recognized	0.84	(0.52)	(1.43)	0.09
Expense recognised in Statement of Profit and Loss	1.62	0.28	(0.29)	1.40
VI. Amount recognised in the Balance Sheet				
Opening Net Liability	(0.58)	(0.86)	4.50	4.03
Expense as above	1.62	0.28	(0.29)	1.40
Employers Contribution paid	(1.03)	-	(0.58)	(0.93)
Closing Net Liability/(Assets)	0.01	(0.58)	3.63	4.50
VII Assumptions				
Discount Rate	8.50%	8.50%	8.50%	7.50%
Rate of return on Plan Assets	8.50%	8.50%	0.00%	0.00%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%
VIII Experience Adjustment				
Plan Assets	-	-	-	-
Defined benefit obligations	-	-	-	-
Amount not recognised as an Asset (limit in para 59(b))	-	-	-	-
Surplus / (Deficit)	-	-	-	-
Experience adjustment on Plan Assets Gain/ (Loss)	(0.25)	(0.09)	-	-
Experience adjustment on Plan Liabilities(Gain)/ Loss	0.58	(0.51)	-	-

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.

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.

37 Segment reporting:

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. 38 of the consolidated financial statements.

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

38 Related party disclosures:

A. List of Related Parties and their relationship:

i) Holding Company

Reliance Innoventures Private Limited

ii) Subsidiary of Holding Company

AAA Enterprises Private Limited

iii) Individual Promoter

Shri Anil D. Ambani, the person having control during the year

iv) Subsidiaries

Reliance Capital Asset Management Limited

Reliance Capital Pension Fund Limited

Reliance Asset Management (Malaysia) SDN BHD

Reliance Asset Management (Mauritius) Limited

Reliance Asset Management (Singapore) Pte. Limited

Reliance Capital Asset Management (UK) Plc

Reliance Capital (Singapore) Pte Limited

Reliance Money Precious Metals Private Limited
(Formerly Reliance Capital Research Private Limited)

Reliance Capital Trustee Co. Limited

Reliance Commodities Limited

Reliance Equities International Private Limited

Reliance Equity Advisors (India) Limited

Reliance Consultants (Mauritius) Limited

Reliance Exchangenext Limited

Reliance Spot Exchange Infrastructure Limited

Reliance Financial Limited

Reliance General Insurance Company Limited

Reliance Gilts Limited

Reliance Money Express Limited

v) Partnership firm

Reliance Capital Partners

vi) Associates

Ammolite Holdings Limited

Reliance Asset Reconstruction Company Limited

Reliance Life Insurance Company Limited
(with effect from October 01, 2011)

vii) Fellow subsidiaries

Big Flicks Private Limited

Reliance Big Entertainment Private Limited

Reliance Communications Limited

Reliance Webstore Limited

viii) Key management personnel

Shri V. R. Mohan – President & Company Secretary

B. Others 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 Home Finance Limited

(Formerly Reliance Home Finance Private Limited)

Reliance Infrastructure Finance Private Limited
(ceased with effect from July 22, 2011)

Reliance Investment Banking Services Limited

Reliance Securities Limited

Reliance Composite Insurance Broking Limited
(with effect from October 18, 2011)

Reliance Venture Asset Management Private Limited

Reliance Wealth Management Limited

Reliance Alternative Investments Services Private Limited

Quant Capital Private Limited

QOPPA Trading Private Limited

Quant Broking Private Limited

Quant Capital Advisors Private Limited

Quant Capital Finance and Investments Private Limited

Quant Commodities Private Limited

Quant Commodity Broking Private Limited

Quant Investments Services Private Limited

Quant Securities Private Limited

QCAP Trade Private Limited (Formerly Valankulam
Investments and Trading Private Limited)

Reliance Capital Infrastructure Partners

Indian Commodity Exchange Limited

Reliance Land Private Limited

Reliance Share & Stock Brokers Private Limited

Jump Games Private Limited

Reliance Communications Infrastructure Limited

Reliance Infocomm Infrastructure Private Limited

Zapak Digital Entertainment Limited

Notes to Financial Statements as at March 31, 2012

C. Transactions during the year with related parties:

	(₹ in crore)				
Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
Debentures					
a) Issued during the year	-	-	25	-	25
	(80)	(-)	(-)	(-)	(80)
b) Balance as at March 31, 2012	158	-	25	-	183
	(157)	(-)	(-)	(-)	(157)
c) Accrued interest on debentures as at March 31, 2012 [₹ 28 38 356 (Previous year ₹ 7 23 288)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Loans Taken					
a) Taken during the year	500	-	-	-	500
	(365)	(-)	(-)	(-)	(365)
b) Returned during the year	-	-	-	-	-
	(85)	(-)	(-)	(-)	(85)
c) Balance as at March 31, 2012	780	-	-	-	780
	(280)	(-)	(-)	(-)	(280)
Commercial Paper					
a) Issued during the year	10	-	682	-	692
	(-)	(-)	(-)	(-)	(-)
b) Repaid during the year	10	-	299	-	309
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2012	-	-	482	-	482
	(-)	(-)	(-)	(-)	(-)
Investments					
a) Subscribed during the year	479	-	125	-	604
	(442)	(-)	(77)	(-)	(519)
b) Redeemed during the year	25	-	-	-	25
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2012 [Net of Provision ₹ 40 crore (Previous year ₹ 29 crore)]	2 441	1 307	4 366	-	8 114
	(2 003)	(1 095)	(525)	(-)	(3 623)
Partnership Current Accounts					
a) Contribution / (withdrawal) during the year (Net)	-	-	-	-	-
	(-)	(-)	(-)	(180)	(180)
b) Profit / (Loss) of Partnership firm during the year	-	-	-	30	30
	(-)	(-)	(-)	(40)	(40)
c) Balance as at March 31, 2012	-	-	-	693	693
	(-)	(-)	(-)	(663)	(663)
Interest / Premium accrued on Investments					
a) Balance as at March 31, 2012	-	290	125	-	415
	(-)	(170)	(61)	(-)	(231)
Loans Given					
a) Given during the year	280	86	19	-	385
	(2 350)	(27)	(128)	(-)	(2 505)
b) Returned /Adjusted during the year	352	49	150	-	551
	(2 430)	(-)	(10)	(-)	(2 440)
c) Balance as at March 31, 2012	122	63	34	-	219
	(97)	(27)	(146)	(-)	(270)
d) Assignment of Loans	49	-	-	-	49
	(513)	(-)	(-)	(-)	(513)
e) Re-Assignment of Loans	703	-	-	-	703
	(493)	(-)	(-)	(-)	(493)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
Trade Receivable					
a) Balance as at March 31, 2012	-	1	-	-	1
	(-)	(3)	(-)	(-)	(3)
Advances					
a) Balance as at March 31, 2012 (Previous year ₹ 28 08 283)	55	-	4	-	59
	(58)	(1)	(-)	(-)	(59)
Trade Payable					
a) Balance as at March 31, 2012 [₹ 16 60 369 (Previous year ₹ 8 01 617)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Income					
a) Interest & Finance Income (including Premium on Preference Shares)	4	127	66	-	197
	(11)	(121)	(37)	(-)	(169)
b) Rent	-	-	-	-	-
	(-)	(1)	(-)	(-)	(1)
c) Dividend Income (₹ 42 10 544)	150	-*	-	-	150
	(-)	(-)	(-)	(-)	(-)
d) Reimbursement of Expenditure (₹ 39 05 151)	31	-	6	-	37
	(26)	(1)	(2)	(-)	(29)
e) Management Fees (Previous year ₹ 21 82 017)	18	-	6	-	24
	(23)	(-)	(-)	(-)	(23)
f) Income transferred as per Business Transfer Agreement	11	-	-	-	11
	(47)	(-)	(-)	(-)	(47)
Expenditure					
a) Finance cost	66	-	2	-	68
	(5)	(-)	(-)	(-)	(5)
b) Insurance [₹ 24 62 049 (Previous year ₹ 3 26 329)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
c) Legal & Professional fees	2	-	-	-	2
	(2)	(-)	(-)	(-)	(2)
d) Brokerage paid during the year	6	-	-	-	6
	(3)	(-)	(-)	(-)	(3)
e) Expenses transferred as per Business Transfer Agreement	9	-	-	-	9
	(33)	(-)	(-)	(-)	(33)
f) Reimbursement of Expenditure	14	-	2	-	16
	(-)	(-)	(2)	(-)	(2)
Shares given as collateral					
	-	-	-	-	-
	(372)	(-)	(-)	(-)	(372)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties	-	-	77	-	77
	(40)	(-)	(80)	(-)	(120)
D The nature and volume of material transactions for the year with above related parties are as follows:					
Debentures					
a) Issued during the year					
i) Reliance Securities Limited	-	-	-	-	-
	(80)	(-)	(-)	(-)	(80)
ii) Reliance Life Insurance Company Limited	-	-	25	-	25
	(-)	(-)	(-)	(-)	(-)
b) Balance as at March 31, 2012					
i) Reliance Securities Limited	81	-	-	-	81
	(80)	(-)	(-)	(-)	(80)
ii) Reliance Life Insurance Company Limited	-	-	25	-	25
	(-)	(-)	(-)	(-)	(-)

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
iii) Reliance General Insurance Company Limited	77 (77)	- (-)	- (-)	- (-)	77 (77)
c) Interest accrued on debentures as at March 31, 2012					
i) Reliance Securities Limited [₹ 4 82 192 (Previous year ₹ 7 23 288)]	- (-)	- (-)	- (-)	- (-)	- (-)
ii) Reliance Life Insurance Company Limited (₹ 23 56 164)	- (-)	- (-)	- (-)	- (-)	- (-)
Loans Taken					
a) Taken during the year					
i) Reliance Capital Asset Management Limited	500 (280)	- (-)	- (-)	- (-)	500 (280)
ii) Reliance Securities Limited	- (85)	- (-)	- (-)	- (-)	- (85)
b) Returned during the year					
i) Reliance Securities Limited	- (85)	- (-)	- (-)	- (-)	- (85)
c) Balance as at March 31, 2012					
i) Reliance Capital Asset Management Limited	780 (280)	- (-)	- (-)	- (-)	780 (280)
Commercial Papers					
a) Issued during the year					
i) Reliance Securities Limited	10 (-)	- (-)	- (-)	- (-)	10 (-)
ii) Reliance Life Insurance Company Limited	- (-)	- (-)	682 (-)	- (-)	682 (-)
b) Repaid during the year					
i) Reliance Securities Limited	10 (-)	- (-)	- (-)	- (-)	10 (-)
ii) Reliance Life Insurance Company Limited	- (-)	- (-)	299 (-)	- (-)	299 (-)
c) Balance as at March 31, 2012					
i) Reliance Life Insurance Company Limited	- (-)	- (-)	482 (-)	- (-)	482 (-)
Investments					
a) Subscribed / Purchased during the year					
i) Reliance General Insurance Company Limited	443 (142)	- (-)	- (-)	- (-)	443 (142)
ii) Reliance Land Private Limited	- (-)	- (-)	125 (-)	- (-)	125 (-)
iii) Quant Capital Private Limited	- (200)	- (-)	- (-)	- (-)	- (200)
iv) Reliance Exchangenext Limited	- (69)	- (-)	- (-)	- (-)	- (69)
v) Reliance Share & Stock Brokers Private Limited	- (-)	- (-)	- (77)	- (-)	- (77)
b) Redeemed during the year					
i) Reliance Securities Limited	25 (-)	- (-)	- (-)	- (-)	25 (-)
c) Balance as at March 31, 2012					
i) Reliance General Insurance Company Limited	1 562 (1 119)	- (-)	- (-)	- (-)	1 562 (1 119)
ii) Reliance Land Private Limited	- (-)	- (-)	486 (361)	- (-)	486 (361)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
iii) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	321 (296)	- (-)	- (-)	- (-)	321 (296)
iv) Reliance Share & Stock Brokers Private Limited	- (-)	- (-)	86 (86)	- (-)	86 (86)
v) Reliance Big Entertainment Private Limited	- (-)	1 000 (1 000)	- (-)	- (-)	1 000 (1 000)
vi) Reliance Communications Limited	- (-)	307 (95)	- (-)	- (-)	307 (95)
vii) Reliance Asset Reconstruction Company Limited	- (-)	- (-)	49 (49)	- (-)	49 (49)
viii) Ammolite Holdings Limited	- (-)	- (-)	29 (29)	- (-)	29 (29)
ix) Reliance Securities Limited	150 (175)	- (-)	- (-)	- (-)	150 (175)
x) Quant Capital Private Limited	200 (200)	- (-)	- (-)	- (-)	200 (200)
xi) Reliance Exchangenext Limited	69 (69)	- (-)	- (-)	- (-)	69 (69)
xii) Reliance Life Insurance Company Limited	- (-)	- (-)	3 717 (-)	- (-)	3 717 (-)

Partnership Current Accounts

a) Contribution /(withdrawal) during the year (Net)

i) Reliance Capital Partners	- (-)	- (-)	- (-)	- (180)	- (180)
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b) Profit /(Loss) of Partnership firm during the year

i) Reliance Capital Partners	- (-)	- (-)	- (-)	30 (40)	30 (40)
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c) Balance as at March 31, 2012

i) Reliance Capital Partners	- (-)	- (-)	- (-)	693 (663)	693 (663)
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Interest / Finance income accrued on Investment

a) Balance as at March 31, 2011

i) Reliance Land Private Limited	- (-)	- (-)	107 (47)	- (-)	107 (47)
ii) Ammolite Holdings Limited	- (-)	- (-)	19 (14)	- (-)	19 (14)
iii) Reliance Big Entertainment Private Limited	- (-)	290 (170)	- (-)	- (-)	290 (170)

Loans Given

a) Given during the year

i) Reliance Land Private Limited	- (-)	- (-)	17 (128)	- (-)	17 (128)
ii) Reliance Financial Limited	50 (1 706)	- (-)	- (-)	- (-)	50 (1 706)
iii) Quant Broking Private Limited	- (301)	- (-)	- (-)	- (-)	- (301)
iv) Zapak Digital Entertainment Limited	- (-)	20 (20)	- (-)	- (-)	20 (20)

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
v) Jump Games Private Limited	-	5	-	-	5
	(-)	(5)	(-)	(-)	(5)
vi) Reliance Asset Reconstruction Company Limited	-	-	3	-	3
	(-)	(-)	(-)	(-)	(-)
vii) Reliance Securities Limited	-	-	-	-	-
	(73)	(-)	(-)	(-)	(73)
viii) Quant Commodities Private Limited	156	-	-	-	156
	(240)	(-)	(-)	(-)	(240)
ix) Reliance Commodities Limited	67	-	-	-	67
	(-)	(-)	(-)	(-)	(-)
x) Reliance Big Entertainment Private Limited	-	61	-	-	61
	(-)	(-)	(-)	(-)	(-)
b) Returned/Adjusted during the year					
i) Reliance Land Private Limited	-	-	140	-	140
	(-)	(-)	(4)	(-)	(4)
ii) Reliance Financial Limited	50	-	-	-	50
	(1 706)	(-)	(-)	(-)	(1 706)
iii) Reliance Asset Reconstruction Company Limited	-	-	8	-	8
	(-)	(-)	(6)	(-)	(6)
iv) Quant Broking Private Limited	10	-	-	-	10
	(271)	(-)	(-)	(-)	(271)
v) Quant Commodities Private Limited	156	-	-	-	156
	(240)	(-)	(-)	(-)	(240)
vi) Reliance Capital Asset Management Limited	-	-	-	-	-
	(75)	(-)	(-)	(-)	(75)
vii) Reliance Securities Limited	44	-	-	-	44
	(73)	(-)	(-)	(-)	(73)
viii) Reliance Commodities Limited	67	-	-	-	67
	(-)	(-)	(-)	(-)	(-)
ix) Reliance Big Entertainment Private Limited	-	24	-	-	24
	(-)	(-)	(-)	(-)	(-)
x) Zapak Digital Entertainment Limited	-	20	-	-	20
	(-)	(-)	(-)	(-)	(-)
xi) Jump Games Private Limited	-	5	-	-	5
	(-)	(-)	(-)	(-)	(-)
xii) Reliance Life Insurance Company Limited	-	-	2	-	2
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2012					
i) Reliance Land Private Limited	-	-	13	-	13
	(-)	(-)	(136)	(-)	(136)
ii) Reliance Equity Advisors (India) Limited	32	-	-	-	32
	(32)	(-)	(-)	(-)	(32)
iii) Quant Broking Private Limited	30	-	-	-	30
	(40)	(-)	(-)	(-)	(40)
iv) Quant Capital Finance And Investments Private Limited	-	-	-	-	-
	(25)	(-)	(-)	(-)	(25)
v) Zapak Digital Entertainment Limited	-	20	-	-	20
	(-)	(20)	(-)	(-)	(20)
vi) Jump Games Private Limited	-	5	-	-	5
	(-)	(5)	(-)	(-)	(5)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
vii) Reliance Asset Reconstruction Company Limited	-	-	5	-	5
	(-)	(-)	(10)	(-)	(10)
viii) Reliance Exchangenext Limited	7	-	-	-	7
	(-)	(-)	(-)	(-)	(-)
ix) Reliance Big Entertainment Limited	-	38	-	-	38
	(-)	(2)	(-)	(-)	(2)
x) Reliance Securities Limited	53	-	-	-	53
	(-)	(-)	(-)	(-)	(-)
xi) Reliance Life Insurance Company Limited	-	-	16	-	16
	(-)	(-)	(-)	(-)	(-)
d) Assignment of Loans					
i) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	49 (513)	- (-)	- (-)	- (-)	49 (513)
e) Re-Assignment of Loans					
i) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	703 (493)	- (-)	- (-)	- (-)	703 (493)
Trade Receivables					
i) Reliance Communications Infrastructure Limited	-	1	-	-	1
	(-)	(3)	(-)	(-)	(3)
Advances					
a) Balance as at March 31, 2012					
i) Reliance Securities Limited	-	-	-	-	-
	(3)	(-)	(-)	(-)	(3)
ii) Reliance General Insurance Company Limited	2	-	-	-	2
	(5)	(-)	(-)	(-)	(5)
iii) Quant Capital Private Limited	50	-	-	-	50
	(50)	(-)	(-)	(-)	(50)
iv) Reliance Asset Reconstruction Company Limited (Previous year ₹ 28 08 283)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
v) Reliance Communications Infrastructure Limited	-	-	-	-	-
	(-)	(1)	(-)	(-)	(1)
vi) Reliance Life Insurance Company Limited	-	-	4	-	4
	(-)	(-)	(-)	(-)	(-)
viii) Reliance Big Entertainment Private Limited (Previous year ₹ 35 26 721)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Trade Payable					
a) Trade payables as at March 31, 2012					
i) Reliance Spot Exchange Infrastructure Limited (Previous year ₹ 3 71 787)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
ii) Big Flicks Private Limited [₹ 4 29 830 (Previous year ₹ 4 29 830)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
iii) Reliance Securities Limited (₹ 12 30 539)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Income					
a) Interest & Finance Income (including Premium on Preference Shares)					
i) Quant Capital Finance and Investment Private Limited (₹ 17 54 521)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Financial Limited	-	-	-	-	-
	(4)	(-)	(-)	(-)	(4)
iii) Reliance Land Private Limited	-	-	61	-	61
	(-)	(-)	(32)	(-)	(32)

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
iv) Ammolite Holdings Limited	-	-	5	-	5
	(-)	(-)	(5)	(-)	(5)
v) Quant Broking Private Limited	3	-	-	-	3
	(5)	(-)	(-)	(-)	(5)
vi) Reliance Big Entertainment Private Limited	-	123	-	-	123
	(-)	(120)	(-)	(-)	(120)
b) Rent					
i) Reliance Communications Infrastructure Limited	-	-	-	-	-
	(-)	(1)	(-)	(-)	(1)
c) Dividend Income					
i) Reliance Capital Asset Management Limited	150	-	-	-	150
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Communications Limited (₹ 42 10 544)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
d) Reimbursement of Expenditure					
i) Reliance General Insurance Company Limited	6	-	-	-	6
	(5)	(-)	(-)	(-)	(5)
ii) Reliance Communications Infrastructure Limited [₹ 32 15 245]	-	-	-	-	-
	(-)	(1)	(-)	(-)	(1)
iii) Reliance Asset Reconstruction Company Limited	-	-	1	-	1
	(-)	(-)	(2)	(-)	(2)
iv) Reliance Capital Asset Management Limited	2	-	-	-	2
	(1)	(-)	(-)	(-)	(1)
v) Reliance Securities Limited	2	-	-	-	2
	(1)	(-)	(-)	(-)	(1)
vi) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	21	-	-	-	21
	(19)	(-)	(-)	(-)	(19)
vii) Reliance Land Private Limited (₹ 4 63 890)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
viii) Reliance Big Entertainment Private Limited [₹ 4 850 (Previous year ₹ 6 00 000)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
ix) Reliance Life Insurance Company Limited	-	-	5	-	5
	(-)	(-)	(-)	(-)	(-)
e) Management Fees					
i) Reliance General Insurance Company Limited	6	-	-	-	6
	(7)	(-)	(-)	(-)	(7)
ii) Reliance Asset Reconstruction Company Limited (Previous year ₹ 21 82 017)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
iii) Reliance Capital Asset Management Limited	6	-	-	-	6
	(7)	(-)	(-)	(-)	(7)
iv) Reliance Securities Limited	3	-	-	-	3
	(7)	(-)	(-)	(-)	(7)
v) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	3	-	-	-	3
	(3)	(-)	(-)	(-)	(3)
vi) Reliance Life Insurance Company Limited	-	-	6	-	6
	(-)	(-)	(-)	(-)	(-)
f) Income transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	11	-	-	-	11
	(47)	(-)	(-)	(-)	(47)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
Expenditure					
a) Finance cost					
i) Reliance Securities Limited	9	-	-	-	9
	(3)	(-)	(-)	(-)	(3)
ii) Reliance Capital Asset Management Limited	57	-	-	-	57
	(2)	(-)	(-)	(-)	(2)
iii) Reliance Life Insurance Company Limited	-	-	2	-	2
	(-)	(-)	(-)	(-)	(-)
b) Insurance					
i) Reliance General Insurance Company Limited [₹ 24 62 049 (Previous year ₹ 3 26 329)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
c) Professional and Management fees					
i) Reliance Venture Asset Management Private Limited	2	-	-	-	2
	(2)	(-)	(-)	(-)	(2)
d) Brokerage paid during the year					
i) Reliance Securities Limited	6	-	-	-	6
	(3)	(-)	(-)	(-)	(3)
e) Expenses transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	9	-	-	-	9
	(33)	(-)	(-)	(-)	(33)
f) Reimbursement of Expenditure					
i) Reliance Land Private Limited	-	-	2	-	2
	(-)	(-)	(2)	(-)	(2)
ii) Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	14	-	-	-	14
	(-)	(-)	(-)	(-)	(-)
Shares given as collateral towards					
i) Reliance Securities Limited	-	-	-	-	-
	(82)	(-)	(-)	(-)	(82)
ii) Quant Broking Private Limited	-	-	-	-	-
	(290)	(-)	(-)	(-)	(290)
Contingent Liability					
a) Guarantees to Banks and Financial					
i) Reliance Money Express Limited	-	-	-	-	-
	(40)	(-)	(-)	(-)	(40)
ii) Ammolite Holdings Limited	-	-	77	-	77
	(-)	(-)	(80)	(-)	(80)

Key Managerial Personnel

a) Shri V. R. Mohan

- Employee benefit expenses ₹ 68 54 397 (Previous year ₹ 42 00 000)

- Loan given balance as at March 31, 2012 ₹ 4 49 751 (Previous year ₹ 4 64 151)

Enterprise over which individual described in clause A (iii) above has control

Reliance Power Limited

- Commercial Paper subscribed & redeemed ₹ 224 crore (Previous year Nil)

- Investment balance as at March 31, 2012 ₹ 3 crore

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 disclosed 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.

Notes to Financial Statements as at March 31, 2012

- iv) In addition to the above, Commission of ₹ Nil (Previous year ₹ 6 crore) and Director Sitting Fees of ₹ 1,00,000 (Previous year ₹ 80,000) has been paid to Shri Anil D. Ambani, an individual having control.
- v) Investments in Unilazer Media Limited though in excess of 20%, these investments have been made with an intention to sell in near future. In terms of the provisions of Accounting Standard (AS) 18 on "Related Party Disclosures" as per Companies (Accounting Standard) Rules 2006 on aforesaid Companies, the Company does not exercise any "Significant Influence" in the said Companies, hence the transactions with these parties are not considered for Related Party Disclosures.
- vi) Pursuant to the Scheme of Amalgamation ("the Scheme") between Company and Viscount Management Services (Alpha) Limited (VMSAL) [Refer Note No. 29 (I) (a) (iii)] entire issued, subscribed and paid up share capital of VMSAL was held by the Company and was cancelled. Therefore, for the purpose of above disclosures the same has not been considered.

39 Leases

Details of Future Minimum Lease Receivables are as under :

Particulars	(₹ in crore)	
	2011-12	2010-11
Within one year of the balance sheet date	21	10
Due in a period between one year and five years	50	29
Due after five years	-	1

40 Basic and diluted earnings per share:

The computation of earnings per share is set out below:

Particulars	(₹ in crore)	
	2011-12	2010-11
a) Amounts used as the numerators		
Net Profit after tax	519	229
Net Profit attributable to equity shareholders	519	229
b) Weighted average number of equity	24 56 32 800	24 56 32 800
c) Basic earnings per share of face	21.14	9.33
d) Diluted earnings per share of face	21.14	9.33

41 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.

Particulars	(₹ in crore)			
	Outstanding Balance		Maximum Balance Outstanding	
	March 31, 2012	March 31, 2011	2011-12	2010 - 11
i) Loans and advances in the nature of loans to subsidiaries				
a) Reliance Gilts Limited	-	-	-	23
b) Reliance Equity Advisors (India) Limited	32	32	32	34
c) Future N Wealth Distributors Private Limited (Formerly Reliance Capital Services Private Limited)*	-	-	-	37
d) Reliance Securities Limited	53	-	97	73
e) Reliance Financial Limited	-	-	50	635
f) Quant Broking Private Limited	30	40	40	190
g) Quant Capital Finance And Investments Private Limited	-	25	25	25
h) Net Logistics Private Limited ***	-	-	-	-
i) Quant Commodities Private Limited	-	-	100	90
j) Reliance Commodities Limited	-	-	50	-
k) Medybiz Private Limited ****	-	-	-	11
l) Reliance Exchangenext Limited	7	-	7	-

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Outstanding Balance		Maximum Balance 2011-12	Outstanding 2010 - 11
	March 31, 2012	March 31, 2011		
ii) Loans and advances in the nature of loans to Associates				
a) Reliance Asset Reconstruction Company Limited	5	10	12	16
b) Reliance Land Private Limited	13	136	136	139
c) Reliance Life Insurance Company Limited	16	-	78	-
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	13	136	136	139
b) No interest or interest below Section 372A of the Companies Act, 1956.				Not Applicable pursuant to provision of section 372A (8)(a) (ii) 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.				

* Future N Wealth Distributors Private Limited (Formerly Reliance Capital Services Private Limited) has ceased to be subsidiary w.e.f July 31, 2010, hence Nil outstanding reported above. The Company has charged interest on outstanding amount from August 1, 2010 and the outstanding as on March 31, 2011 is ₹ 8 crore.

***Net Logistics Private Limited has ceased to be a subsidiary from December 20, 2010 hence Nil outstanding reported above and the outstanding as on March 31, 2011 is ₹ 0.10 crore.

****Medybiz Private Limited has ceased to be a subsidiary from March 24, 2011, hence Nil outstanding reported above.

42 Disclosure of details as required by Para 13 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(₹ in crore)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
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 ₹ 275 crore (Previous year ₹ 234 crore) interest accrued thereon]	6 041	6 036	-	-
ii) Unsecured[inclusive of ₹ 26 crore (Previous year ₹ Nil) interest accrued thereon]	534	-	-	-
b) Deferred credits	-	-	-	-
c) Term loans				
i) Secured	7 735	7 724	-	-
ii) Unsecured	400	300	-	-
d) Inter-corporate loans and borrowing	797	297	-	-
e) Commercial paper	2 888	4 240	-	-
f) Other Loans				
i) Cash Credit from Banks	165	120	-	-

Notes to Financial Statements as at March 31, 2012

(₹ in crore)

Particulars	Amount Outstanding	
	March 31,2012	March 31,2011
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	10 370	9 140
b) Unsecured	3 342	3 548
	<u>13 712</u>	<u>12 688</u>
Note:		
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 ₹ 41 crore (Previous year ₹ 51 crore)		
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)	69	37
4) Break up of investments [(Amount net of provisions of ₹ 217 crore (Previous year ₹ 92 crore)]		
a) Current investments		
1) Quoted		
i) Shares		
a) Equity (stock-in trade)	-	-
b) Preference	-	-
ii) Units of Mutual fund	-	253
2) Unquoted		
i) Others		
Debentures and Bonds	374	305
Pass Through Certificates	226	170
b) Long term investments		
1) Quoted		
i) Shares		
a) Equity	1 265	1 140
b) Preference	10	10
ii) Debentures and bonds	-	-
iii) Government securities	-	-
2) Unquoted		
i) Shares		
a) Equity	6 435	2 628
b) Preference	4 081	4 488
ii) Debentures and bonds	511	1 315
iii) Units of Mutual fund	-	-
iv) GOI securities ₹ 45,000 (Previous year ₹ 45 000)	-	-
v) Others		
a) Warrants (Previous year ₹ 46 00 000)	-	-
b) Pass Through Certificates & Security Receipts	10	56
c) Units of Private Equity/Seed Fund	134	55
d) Reliance Capital Partners	693	663
e) Investments in joint venture	85	85
	<u>13 825</u>	<u>11 167</u>

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

- 5) Borrower group-wise classification of assets financed as in (2) and (3) above:
 [(Amount net of provisions of ₹ 41 crore (Previous year ₹ 51 crore))]

(₹ in crore)

Particulars	Secured		Unsecured		Total	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
a) Related parties						
1) Subsidiaries	53	-	124	155	177	155
2) Companies in the same group - Associates	16	-	22	146	38	146
3) Other related parties	-	-	63	27	63	27
b) Other than related parties	10 334	9 160	3 128	3 186	13 462	12 346
Total	10 403	9 160	3 337	3 514	13 740	12 674

- 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 ₹ 217 crore (Previous year ₹ 92 crore))]

(₹ in crore)

Particulars	Market Value / Fair Value or NAV		Book Value (Net of provisions)	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
a) Related parties				
1) Subsidiaries	2 441	2 003	2 441	2 003
2) Companies in the same group - Associate	4 366	525	4 366	525
3) Other related parties	1 261	1 091	1 307	1 095
b) Other than related parties	5 186	7 171	5 711	7 544
Total	13 254	10 790	13 825	11 167

- 7) Other information

(₹ in crore)

Particulars	March 31, 2012	March 31, 2011
a) Gross Non Performing Assets		
1) Related Parties	-	-
2) Other than Related Parties	239	173
b) Net Non Performing Assets		
1) Related Parties	-	-
2) Other than Related Parties	199	122
c) Assets Acquired in satisfaction of Debt [Net of provision ₹ 2 crore (Previous year ₹ 3 crore)]	12	12

Notes :

- a) Companies in same group means companies under the same management as per section 370(1B) of the Companies Act, 1956
- b) In case of unquoted investments, in the absence of market value book value has been considered.
- c) The following have not been considered for the purpose of companies in the same group and other related party:
- Capital contribution in Partnership Firm and unincorporated Joint venture .
 - Investments in Unilazer Media Limited though in excess of 20 per cent, these investments have been made with an intention to sell in near future. In terms of the provisions of Accounting Standard (AS) 18 on "Related Party Disclosures" as per Companies (Accounting Standards) Rules 2006, the Company does not exercise any "Significant Influence" in the said Company.
- d) 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.

Notes to Financial Statements as at March 31, 2012

43 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.

I. Capital to Risk Asset Ratio ("CRAR")

Particulars	March 31, 2012	March 31, 2011
i) CRAR (%)	20.21	17.82
ii) CRAR - Tier I capital (%)	17.99	17.67
iii) CRAR - Tier II capital (%)	2.22	0.15

II. Exposure to Real Estate

Category	2011-12	2010-11
(₹ in crore)		
a) Direct Exposure		
i) Residential Mortgage		
Individual Housing Loan upto 15 lakh	3	8
Individual Housing Loan more than 15 lakh	46	71
ii) Commercial Real Estate	1 286	679
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)	321	296

Note :

- For the exposure to real estate only loans secured by way of mortgage/hypothecation of housing properties, commercial properties and land are 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	33 (24)	150 (-)	233 (33)	291 (317)	526 (1 382)	4 734 (3 441)	2 333 (2 947)	- (-)	8 300 (8 144)
Market Borrowings	720 (942)	954 (953)	973 (1 077)	1 179 (1 938)	2 204 (969)	2 375 (4 169)	996 (290)	559 (-)	9 960 (10 339)
Assets									
Loans / Advances	751 (1 070)	600 (650)	177 (283)	1 745 (1 330)	2 037 (2 664)	3 856 (2 744)	1 349 (1 238)	3 162 (2 664)	13 677 (12 642)
Investments	1 344 (1 431)	53 (52)	44 (47)	138 (122)	334 (415)	1 171 (1 268)	194 (1 000)	10 549 (6 832)	13 825 (11 167)

Note:

- 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.
- 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.

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2012

44 Contingent Liabilities and Commitments (As Certified by the Management)

(₹ in crore)

Particulars	March 31, 2012	March 31, 2011
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions on behalf of Third parties	983	1 142
ii) Claims against the Company not acknowledged as debt	22	13
Commitments		
iii) Estimated amount of contracts remaining to be executed on capital account (net of advances)	81	71
iv) Undrawn Committed Credit lines	253	421
v) Uncalled amount of Investments	79	355

45 Expenditure in foreign currency

(₹ in crore)

Particulars	2011-12	2010-11
i) Travelling Expenses [₹ 22 54 787 (Previous year ₹ 21 05 418)]	0	0
ii) Donations	3	3
iii) Professional fees	1	1
iv) Software (Previous year ₹ 3 00 000)	1	0
v) Others (Previous year ₹ 9 00 000)	1	0
TOTAL	6	4

46 Outstanding Future & Option as on March 31, 2012

Name of option	No. of contracts	Units	
		Long	Short
Nifty Call option	786	24 650	14 650
Nifty Put option	1 806	-	90 300

47 Remittance in foreign currency on account of dividend

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	2011-12	2010-11
Dividend		
a) Number of Non Resident Shareholders	722	761
b) Number of Equity shares held by them	33 400	35 329
c) i) Amount of Dividend paid (gross) (amount in ₹)	2 17 183	2 29 724
ii) year to which Dividend relates	2010-11	2009-10

48 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.

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 19, 2012

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

N Sampath Ganesh
Partner
Membership No.: 042554

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary

Mumbai
Dated: May 19, 2012

Anil D. Ambani
Amitabh Jhunjhunwala

Rajendra P. Chitale
C. P. Jain
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Auditors' Report on Consolidated Financial Statements

To,
The Board of Directors
Reliance Capital Limited

We have audited the attached consolidated balance sheet of **Reliance Capital Limited** ('the Company') and its subsidiaries including partnership firm and associates (as per the list appearing in Note 45 of the consolidated financial statements) (Collectively referred to as the 'Group') as at March 31, 2012, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statements and financial information of twenty two subsidiaries and a partnership firm. The financial statements of these subsidiaries including partnership firm for the year ended March 31, 2012 have been audited by other 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 including a partnership firm, is based solely on these reports. The attached consolidated financial statements include total assets of ₹ 1,573 crore as at March 31, 2012, total revenues of ₹ 174 crore and net cash inflows amounting to ₹ 49 crore in respect of the aforementioned subsidiaries and partnership firm for the year then ended.
3. The financial statements and financial information of fourteen subsidiaries for the year ended March 31, 2012 have been audited by one of the joint auditor 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 ₹ 6,700 crore as at March 31, 2012, total revenues of ₹ 3,303 crore and net cash inflow amounting to ₹ 33 crore in respect of the aforementioned subsidiaries for the year then ended.
4. The financial statements and financial information of three associates for the year ended March 31, 2012 have been audited by one of the joint auditor whose reports have been furnished to us, and our opinion, in so far it relates to share of profit of ₹ 137 crore for the year ended March 31, 2012 included in respect of these associates, is based solely on these reports.
5. The financial statements and financial information of two associates for the year ended March 31, 2012 have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates share of loss of ₹ 1 crore for the year ended March 31, 2012 included in respect of these associates, is based solely on these reports.
6. We have relied on the unaudited financial statement and financial information of one associate, whose financial statements are approved by their board of directors has been furnished to us by the management of the Company, and our report in so far as it relates to share of profit of ₹ 1 crore for the year ended March 31, 2012 included in respect of an associate is based solely on such approved unaudited financial statements and financial information.
7. We report that the consolidated financial statements have been prepared by the Company's 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.
8. Without qualifying our report, we state:
 - a) as more fully explained in the Note No. 31 (B) (b) to the consolidated financial statements regarding, the Scheme of Amalgamation ('the Scheme') sanctioned by the Hon'ble High Court of Judicature at Bombay, the Scheme permits the Company to adjust expenses and/or losses identified by Board of Directors as exceptional items, which are required to be debited to the statement of profit and loss by a corresponding withdrawal from General Reserve, which is considered to override the relevant provisions of Accounting Standard 5 (AS-5) 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'. Accordingly, the Company has identified loss on sale of investments during the year of ₹ 149 crore, as in the opinion of the Board, such loss are considered to be of an exceptional items have been met by corresponding withdrawal from General Reserve and credited the said withdrawal to the Statement of Profit and Loss. Had such losses not been met from General Reserve, the Company would have reflected a profit before tax of ₹ 370 crore and profit after tax for the year would have been ₹ 309 crore.
 - b) as more fully explained in the Note No. 38(c) to the consolidated financial statements relating to Order dated December 2, 2012 issued under section 33 of the Insurance Act, 1938 by IRDA to Reliance General Insurance Company Limited ('RGIC') a subsidiary of the Company, for strengthening of reserves, infusion of fresh capital, creation of data deficiency reserve and

Auditors' Report on Consolidated Financial Statements

operational risk reserve and other matters including strengthening of systems and procedures, wherein the RGIC, as explained in aforesaid note, has taken several steps including upgradation of the reserve which in the opinion of the managements reflects the correct position of the reserve in the consolidation financial statement and also requested IRDA for fresh review of the financial position as on March 31, 2012 of the RGIC.

9. We draw attention to Note No. 38 (d) of the consolidated financial statements of the Company, 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) has been duly certified by the RGIC's appointed actuary. The appointed actuary has also certified that the assumptions used for such estimate are appropriate and are in accordance with the guidelines and norms issued by the IRDA and the Actuary Society of India in concurrence with the IRDA.
10. Based on the audit as aforesaid, and on consideration of the reports of other auditors and financial statements approved by the Board of Directors on separate financial statements and on other financial information of the components as explained in paragraphs 2, 5, 6, 8 and 9 above, and to the best of our information and according to the explanations given to us, we are of the opinion that the said consolidated

financial statements read together with notes thereto give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the consolidated balance sheet, of the consolidated state of affairs of the Group as at March 31, 2012;
- (ii) in the case of the consolidated statement of profit and loss, of the consolidated profit, of the operations of the Group for the year then ended; and
- (iii) in the case of the consolidated cash flow statement, of the consolidated cash flows of the Group for the year then ended.

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

Vijay Napawaliya
Partner
Membership No. 109859
Mumbai
Dated: May 19, 2012

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

N Sampath Ganesh
Partner
Membership No.: 042554
Mumbai
Dated: May 19, 2012

Reliance Capital Limited

Consolidated Balance Sheet as at March 31, 2012

(₹ in crore)

	Note No.	As at March 31, 2012		As at March 31, 2011	
I EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	4	246		246	
(b) Reserves and surplus	5	11 522	11 768	7 544	7 790
(2) Minority Interest					
			131		163
(3) Non-current liabilities					
(a) Long-term borrowings	6	11 926		12 075	
(b) Other long-term liabilities	7	1		5	
(c) Long-term provisions	8	41	11 968	38	12 118
(4) Current liabilities					
(a) Short-term borrowings	9	3 667		5 388	
(b) Trade payables	10	180		72	
(c) Other current liabilities	11	7 377		6 336	
(d) Short-term provisions	12	252	11 476	220	12 016
TOTAL			35 343		32 087
II ASSETS					
(1) Non-current assets					
(a) Fixed assets	13				
(i) Tangible assets		199		135	
(ii) Intangible assets		81		79	
(iii) Capital work-in-progress [₹ 5 66 150 (Previous year ₹ 12 00 000)]		-		-	
(iv) Intangible assets under development		1		-	
		281		214	
(b) Non-current investments	14	13 055		10 313	
(c) Deferred tax assets (net)	15	45		70	
(d) Long-term loans and advances	16	11 135		11 059	
(e) Other non-current assets	17	1 141		1 316	
			25 657		22 972
(2) Current assets					
(a) Current investments	18	1 704		1 988	
(b) Inventories	19	127		185	
(c) Trade receivables	20	405		254	
(d) Cash & bank balances	21	1 125		1 634	
(e) Short-term loans and advances	22	5 732		4 683	
(f) Other current assets	23	593	9 686	371	9 115
TOTAL			35 343		32 087

See accompanying notes to the financial statements 1 - 49

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 19, 2012

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

N Sampath Ganesh
Partner
Membership No.: 042554

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary

Mumbai
Dated: May 19, 2012

Anil D. Ambani
Amitabh Jhunjunwala

Rajendra P. Chitale
C. P. Jain
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Reliance Capital Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2012

(₹ in crore)

	Note No.	2011-12	2010-11	
REVENUE				
I	Revenue from operations	24	6 577	5 433
II	Other income	25	50	103
III	Total revenue (I+ II)		6 627	5 536
IV EXPENSES				
	Employee benefits expense	26	548	497
	Finance costs	27	2 250	1 464
	Depreciation and amortization expense	13	54	50
	Other expenses	28	3 256	3 235
	Total expenses		6 108	5 246
V	Profit before exceptional items and tax (III-IV)		519	290
VI Exceptional items				
	Loss on sale of investment [Refer Note No. 31 (B) (b)]		149	-
	(Withdrawal) from general reserve [Refer Note No. 31 (B) (b)]		(149)	-
VII	Profit before tax (V-VI)		519	290
VIII Tax expense:				
	(1) Current taxation		164	88
	(2) Taxation for earlier years		1	1
	(3) Deferred tax		25	(32)
			190	57
IX	Profit after tax (VII-VIII)		329	233
X	Less: Share of minority shareholders		7	5
XI	Profit after minority interest (IX-X)		322	228
XII	Add: Share of profit/(loss) in associates		137	(1)
XIII	Profit after share of profit / (Loss) in associates		459	227
XIV	Add: Profit /(Loss) on sale of subsidiary (Refer Note No. 30)		(1)	64
XV	Net profit after tax (XIII+XIV)		458	291
XVI	Earning per equity share of ₹ 10 each fully paid up	43		
	Basic (₹)		18.64	11.85
	Diluted (₹)		18.64	11.85

See accompanying notes to the financial statements 1 - 49

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 19, 2012

For **B S R & Co.**
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V. R. Mohan

Consolidated Cash flow Statement for the year ended March 31, 2012

(₹ in crore)

Particulars	2011-12	2010-11
A. Cash flows from operating activities		
Profit before tax	519	290
Adjusted for		
Depreciation & ammortisation	54	50
Provision for investments & NPA, doubtful debts and balances written off	252	223
Provision and loss on repossessed stock	2	5
Provision for gratuity /leave encashment [₹ 26 05 447(Previous year ₹ 47 00 000)]	(-)	-
Excess provision / credit balance written back	(10)	(56)
Bad debts recovered	(53)	(37)
(Profit) / Loss on sale of fixed assets/written off	(2)	(8)
Reserve for unexpired risk (written back) /provided	21	(139)
Amortisation of DSA commission	35	31
Amortisation of distribution cost	4	4
Investments:		
Interest income	(749)	(816)
Dividend income	(36)	(44)
(Profit) / Loss on sale of investment (Net)	(758)	(91)
Amortisation of brokerage on borrowing	25	17
Discount on commercial papers	406	401
Interest expenses	1 819	1 045
	1 010	585
Operating profit before working capital changes	1 529	875
Adjusted for		
Proceeds from / (repayment of) short term borrowings (Net)	(2 078)	(1 524)
Proceeds from / (repayment of) long term borrowings (net)	682	6 775
Inventories	58	(21)
Deferred expenses	(132)	(60)
Trade receivables & loans and advances	(1 065)	(3 594)
Trade payables and liabilities	(144)	307
	(2 679)	1 883
Cash generated from operations	(1 150)	2 758
Interest paid	(1 755)	(1 368)
Taxes paid	(67)	(92)
	(1 823)	(1 460)
Net cash from / (used in) operating activities	(2 973)	1 298

Reliance Capital Limited

Consolidated Cash flow Statement for the year ended March 31, 2012

(₹ in crore)

Particulars	2011-12	2010-11
B. Cash flows from investing activities		
Purchase of fixed assets (including CWIP & intangible assets under development)	(130)	(99)
Sale of fixed assets	4	57
Purchase of investments	(7 119)	(13 145)
Proceed from sale of investments	9 296	12 038
Interest received	347	325
Dividend received	35	43
Net Cash from / (used in) investing activities	2 433	(781)
C. Cash flows from financing activities		
Proceeds from / (repayment of) short term borrowings (Net)	(49)	(129)
Proceeds from / (repayment of) Long term borrowings (net)	255	450
Dividends paid	(198)	(186)
Net Cash from / (used in) financing activities	8	135
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(532)	652
Opening balance of cash and cash equivalents	1 190	530
Add: On amalgamation (Refer Note 1(b) given below) (₹ 5 582)	-	8
	1 190	538
Closing balance of cash and cash equivalents	658	1 190

Note:

- 1 a) The previous year's figures have been regrouped and reclassified wherever necessary.
- b) Assets and liabilities pertaining to the Viscount Management Services (Alpha) Ltd. transferred pursuant to the Scheme of Amalgamation with the Company with effect from October 1, 2011 i.e. the Appointed Date have not been considered for the current year cash flow statement.

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 19, 2012

For **B S R & Co.**
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V. R. Mohan

Notes to Consolidated Financial Statements as at March 31, 2012

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 activities, asset management, insurance and broking activities.

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 unrealised profits or losses.
- ii) The consolidated financial statements have been prepared using uniform accounting policies for like 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.
- 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 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 have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 to the extent applicable. In case of Reliance General Insurance Co. Ltd., 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 to the extent possible.

c 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.

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.

v) Investment Management Fees:

Investment management fees are recognised on an accrual basis in accordance with Investment Management Agreement and SEBI Regulations 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.

vii) Income from investments:

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

b) Share of profits or losses in partnership firm :

Share of profit/loss 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) Income from assignment / securitisation:

a) In case of assignment of loans, the assets are de-recognised 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 loans. On de-recognition, the difference between book value of the loans assigned and consideration received, 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.

b) In case of securitisation of loans, the transferred loans are de-recognised and gains/losses are accounted for only if the company surrenders the rights to benefits specified in the underlying securitised loan contract. In accordance with the RBI guidelines for securitisation of standard assets, which is effective from February 1, 2006, the Company has recognised any loss arising from securitisation immediately at the time of sale and premium arising from securitisation is amortised over the life of securities issued or to be issued by the special purpose vehicle to which the assets are sold. Income on retained interest in securitised assets is booked on accrual basis.

x) 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 Equity and Derivative instruments. All the hedged positions in Equity and Derivatives (Futures and Options) are marked to market and difference between the transaction price and settlement price is recognised as Gains or Losses.

The Brokerage, 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.

xi) Income from Trading in Commodity:

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 recognised 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.

xii) 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 recognised as Gains or Losses.

The Brokerage, 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.

xiii) Trusteeship Remuneration:

Trusteeship remuneration income is recognised on the basis of the agreements entered into between the settler and the trustee.

Notes to Consolidated Financial Statements as at March 31, 2012

xiv) Premium:

Premium 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.

xv) 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 recognised for the year in which final determination of the profits is intimated by reinsurers.

xvi) Reinsurance:

- i) Reinsurance is ceded 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.

xvii) 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.

xviii) Revenue on Foreign Exchange Transaction:

Revenue on foreign exchange transactions is recognised at the time of purchase and sale. The income arising from the buying and selling of foreign currencies has been included on the basis of margins achieved. Sales incentive for sale of traveler's cheque and forex cards is recorded on accrual basis in accordance with term of the underlying agreement.

xix) Sales & Services :

All Sales & Services are excluding the sales tax & service tax recovery.

xx) Brokerage Income:

Brokerage income is recognised net of service tax on the date of transaction.

xxi) Infrastructure and Resource Management Fees:

Infrastructure and resource management services fees are recognised on accrual basis as per agreements with the clients.

xxii) Online Access Fees:

Online access fees is recognised on straight-line basis, based on the agreement with the clients.

xxiii) Lease Rental Income:

Lease rental income is recognised in the statement of profit and loss on a straight-line basis over the lease term.

xxiv) Fee for Advisory Services is accounted in accordance with the terms and contracts into with the clients.

e Fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost includes all expenses incidental to the acquisition of the fixed assets.

f Leased assets

All assets given on operating lease are shown in fixed assets net of depreciation.

Initial direct costs in respect of leases are expensed in the year in which such costs are incurred.

g 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.

h Depreciation / Amortisation

Depreciation on fixed assets, lease assets and intangible assets are provided as follows:

- i) Leased assets: Depreciated on Straight-Line Method over the useful life of assets. The estimated useful lives of the assets for the different types of assets are :
 - a) Plant & Equipments – 8 years
 - b) Computers – 5 years
 - c) Vehicle for personal use – 8 years
 - d) Vehicle for commercial use – 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 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.

i 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.

j 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.

k Inventories

- Securities held as Inventories are valued scrip wise at weighted average cost or fair value, whichever is lower.
- Stock of foreign currencies have been valued at lower of weighted average cost and realisable value at the year end.
- Stock of paintings are of such nature that the market value of which cannot be easily measurable, hence been valued at cost.

l Repossessed assets

Assets repossessed against the settlement of loan are carried in the balance sheet at outstanding loan amount or market value whichever is lower. The difference between the outstanding loan amount and the market value is charged to statement of profit and loss in the year of repossession of assets.

m Loan origination/acquisition cost

The direct commission cost incurred for the loan origination is written off over the average tenure of the loan.

n 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.

o Discount on Commercial Papers

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

p Employee retirement 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 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 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. The Company measures the expected cost of compensated absence as the amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

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) and employees of the 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.

Notes to Consolidated Financial Statements as at March 31, 2012

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 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 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.

s 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.

t 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.

u 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.

v 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.

w 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.

x Taxation

i) 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 recognized where there is convincing evidence that the same can be realised in future.

ii) 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.

y 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.

z New fund offer expenses of schemes

Expenses relating to new fund offer of mutual fund schemes are charged in the statement of profit and loss in the year in which such expenses are incurred except as mentioned in Note No. 37 below.

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

aa 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.

ab 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 in the Balance Sheet.

ac 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 recognised 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 realisation.

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 ('IBNER') is based on actuarial estimate duly certified by the appointed actuary of the Company. IBNR/IBNER has been created on re-insurance accepted from Indian Motor Third Party Insurance Pool (IMTPIP) based on actuarial estimates received from the IMTPIP.

ad 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 periods, subject to the provisions of Section 64V (1) (ii) (b) of the Insurance Act, 1938. Reserve for unexpired risk is made at 100 per cent of net premium for marine hull business and 50 per cent of net premium for other class of business except unexpired risk in Health segment.

In case of Health segment, the Reserve for Unexpired Risks is created at the end of the Accounting period based on the 1/365 method as per IRDA Circular No. IRDA/F&A/CIR/49/Mar-09 dated March 24, 2009 and IRDA/F&I/CIR/F&A/015/02/2011 dated February 2, 2011.

ae 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 F&A/CIR/017/May-04 dated May 18, 2004. The company considers maintenance as relevant costs incurred for ensuring claim handling operations.

af 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.

ag Fund Expenses

Expenses incurred (inclusive of advertisement/brokerage expenses) on behalf of Schemes / Fund are recognised to the statement of profit and loss unless considered recoverable.

ah Market linked debentures

The Company has issued certain non-convertible debentures, the rate of interest on 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.

3 Previous year

The consolidated financial statements for the year ended March 31, 2011 had been prepared as per the then applicable, Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the consolidated financial statements for the year ended March 31, 2012 have been prepared as per Revised Schedule VI. Accordingly, the previous year's figures have also been reclassified to conform to this year's classification. The adoption of the Revised Schedule VI for the previous year's figures does not impact recognition and measurement principles followed for preparation of consolidated financial statements.

The figures for current year includes figures of Viscount Management Services (Alpha) Limited (VMSAL) which is amalgamated with the Company with effect from October 1, 2011 i.e. the Appointed Date and Reliance Composite Insurance Company Limited which became subsidiary during the year, therefore to that extent not strictly comparable to that of Previous year's Figures.

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
4 Share Capital		
(a) Authorised:		
30 00 00 000 Equity Shares of ₹ 10 each (Previous year 30 00 00 000)	300	300
10 00 00 000 Preference Shares of ₹ 10 each (Previous year 10 00 00 000)	100	100
	<u>400</u>	<u>400</u>
(b) Issued & Subscribed		
24 69 77 006 Equity Shares of ₹ 10 each fully paid up (Previous year 24 69 77 006)	247	247
	<u>247</u>	<u>247</u>
(c) Paid Up		
24 56 32 800 Equity Shares of ₹ 10 each fully paid up (Previous year 24 56 32 800)	245	245
Add: Forfeited shares	1	1
13 44 206 Equity Shares of ₹ 10 Each (Previous year 13 44 206)	1	1
	<u>246</u>	<u>246</u>

(d) Equity Shares held by Holding company and Subsidiaries of Holding company:

Name of the Holder	2011-12		2010-11	
	%	Qty.	%	Qty.
Reliance Innoventures Private Limited (Holding Company)	0.23	5 76 450	0.23	5 76 450
AAA Enterprises Private Limited (Subsidiary of Holding Company)	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting & Engineers Private Limited (Subsidiary of Holding Company)	11.39	2 79 75 633	11.39	2 79 75 633

(e) Equity Shares in the Company held by each shareholder holding more than 5 percent:

Name of the Holder	2011-12		2010-11	
	%	Qty.	%	Qty.
AAA Enterprises Private Limited	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting & Engineers Private Limited	11.39	2 79 75 633	11.39	2 79 75 633

(f) The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

For the year ended March 31, 2012, the amount of per share dividend recognised as distributable to equity shareholders is ₹ 7.50 (March 31, 2011 ₹ 6.50). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(g) Out of the above Equity shares 10,66,555 shares were allotted as fully paid-up pursuant to the scheme of amalgamation without payment being received in cash in the last five years.

(h) Reconciliation of numbers of shares outstanding

	No of Shares	Amount (₹ in crore)	No of Shares	Amount (₹ in crore)
Equity Shares				
Opening Balance	24 56 32 800	245	24 56 32 800	245
Movement during the year	-	-	-	-
Closing Balance	<u>24 56 32 800</u>	<u>245</u>	<u>24 56 32 800</u>	<u>245</u>

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012		As at March 31, 2011	
5 Reserves & Surplus				
Capital Reserve				
As per Last Balance Sheet		6		6
Capital Reserve on consolidation				
As per Last Balance Sheet	-		2	
Less: Adjusted with goodwill (Refer Note No. 33)	-	-	2	-
Capital Redemption Reserve				
As per Last Balance Sheet	11		11	
Add: Amount transferred from statement of profit and loss	25		-	
Less: Minority share adjustments [₹ 3 00 000 (Previous year ₹ 7 06 494)]	-	36	-	11
Securities Premium Account				
As per Last Balance Sheet	3 720		3 758	
Less: Amalgamation Adjustments [Refer Note No. 31(E)]	-		24	
Less: Minority share adjustments	(37)	3 757	14	3 720
General Reserve**				
As per Last Balance Sheet	621		554	
Add: Amount transferred from statement of profit and loss	1 080		49	
Add: Amalgamation/Merger Adjustments [Refer Note No. 31]	3 837		24	
Less: Amount withdrawn as per Scheme of Amalgamation [Refer Note No. 31(B) (b)]	149		-	
Less: Minority share adjustments	4	5 385	6	621
Statutory Reserve Fund *				
As per Last Balance Sheet	935		887	
Add: Amount transferred from statement of profit and loss	105		48	
Less: Minority share adjustments [₹ 6 53 684 (Previous year Nil)]	-	1 040	-	935
Special Reserve #				
As per Last Balance Sheet	9		1	
Add: Amount transferred from statement of profit and loss	5	14	8	9
Foreign Currency translation Reserve				
As per Last Balance Sheet	15		9	
Add : Addition during the year	12		6	
Less: Minority share adjustments (Previous year ₹ 45 84 041)]	1	26	-	15
Settlement Guarantee Fund				
As per Last Balance Sheet [₹ 2 30 000 (Previous year Nil)]	-	-	-	-
Add : Addition during the year [₹ 2 35 000 (Previous year ₹ 2 30 000)]	-	-	-	-

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
Surplus in Statement of Profit & Loss		
As per Last Balance Sheet	2 227	2 229
Add: Amount transferred from Statement of Profit & Loss	458	291
Less: Proposed Dividend	196	172
Less: Tax on Proposed Dividend	33	28
Less: Tax on Proposed Dividend for earlier years	-	(1)
Less: Transfer to Special Reserve	5	8
Less: Transfer to Statutory Reserve Fund	105	48
Less: Transfer to General Reserve	1 080	49
Less: Transfer to Capital Redemption reserve	25	-
Less: Amalgamation Adjustments [Refer Note No. 31(C)] [Nil (Previous year ₹ 19 99 900)]	-	-
Less: Minority share adjustments	<u>(17)</u>	<u>(11)</u>
	<u>1 258</u>	<u>2 227</u>
	<u>11 522</u>	<u>7 544</u>
* Created pursuant to section 45-IC of Reserve Bank of India Act, 1934.		
** Includes ₹ 3 837 crore (Previous year ₹ 1 04 484) created pursuant to schemes of amalgamation.		
# Created pursuant to The National Housing Bank Act, 1987		
6 Long Term Borrowings		
Non Convertible Debentures		
- Secured (Refer Note No. 29)	2 624	4 135
- Unsecured		
Others	483	-
Related party (Refer Note No. 40)	<u>25</u>	<u>-</u>
Term Loans From Banks		
- Secured (Refer Note No. 29)	8 777	7 923
Inter Corporate Deposits - Unsecured	17	17
	<u>11 926</u>	<u>12 075</u>
7 Other Long-term liabilities		
Interest Accrued but not due on Debentures	-	1
Others	<u>1</u>	<u>4</u>
	<u>1</u>	<u>5</u>
8 Long-Term provisions		
<u>Provision for employee benefits</u>		
-Leave encashment	9	8
-Gratuity (₹ 12 18 562)	-	1
<u>Others</u>		
-Standard Debts	31	26
-Impairment of Assets	-	3
-Income Tax (Previous year ₹ 8 05 714)	<u>1</u>	<u>-</u>
	<u>41</u>	<u>38</u>

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012		As at March 31, 2011	
9 Short Term Borrowings				
Loans From Banks				
-Secured (Refer Note given below)				
Cash Credit	165		169	
Overdrafts from banks [Secured against Fixed deposits receipts ₹ 341 crore(Previous year ₹ 291 crore)]	132		221	
Short Term	-		200	
-Unsecured				
Short Term	400	697	300	890
Inter Corporate Deposits -Unsecured		38		37
Commercial Paper -Unsecured (Refer Note c below)				
Others	2 450		4 461	
Related party (Refer Note No. 40)	482	2 932	-	4 461
		<u>3 667</u>		<u>5 388</u>

Notes:

- Cash Credits amounting to ₹ 165 crore (Previous year ₹ 169 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division and Reliance Home Finance Limited
- Short Term Loans amounting to Nil (Previous year ₹ 200 crore) referred above are secured by way of pari passu first charge on all present and future book debts, outstandings, moneys receivables, bills, claims and loan assets of the Company's commercial finance division.
- In respect to commercial papers maximum balance outstanding during the year was ₹ 5,620 crore (Previous year ₹ 7,188 crore).

10 Trade payables

- Due to Micro, Small & Medium enterprises	-	-
- Due to Others	180	72
	<u>180</u>	<u>72</u>

Notes:

There are no Micro and Small Scale Business Enterprises, to whom the Group owes dues, which are outstanding for more than 45 days as at March 31, 2012. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

11 Other current liabilities

Current maturities of long-term debt				
Non Convertible Debentures				
-Secured (Refer Note No. 29)	2 985		1 510	
Term Loans From Banks				
-Secured (Refer Note No. 29)	1 012	3 997	1 401	2 911
Interest Accrued but not due on Debentures		295		229
Income received in advance		22		17
Advance from customers		369		521

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
Temporary Book Overdraft balance of banks	249	638
Claims outstanding	2 120	1 676
Trading margins from clients	88	127
Other payables*	228	209
Unclaimed dividend #	9	8
Unclaimed fixed deposits # [₹ 5 000 (Previous year ₹ 25 000)]	-	-
	<u>7 377</u>	<u>6 336</u>

Notes

*Includes provision for expenses, statutory payments and other payables.

#Does not include any amounts, due and outstanding, to be deposited to the Investor Education and Protection Fund .

12 Short-Term provisions

Provision for employee benefits

-Leave encashment	4	5
-Gratuity (Previous year ₹ 18 34 798)]	2	-
-Bonus Provision (₹ 17 98 125)	-	1

Others

- Income Tax	2	1
- Standard Debts	15	12
- Provision for Loss - Equity Index Options	-	1
- Proposed dividend	196	172
- Tax on proposed dividend	33	28
	<u>252</u>	<u>220</u>

13. Fixed Assets

(₹ in crore)

Description	Gross Block			As at March 31, 2012	Upto April 1, 2011	Depreciation			Net Block		
	As at April 1, 2011	Additions / Adjustments #	Deductions/ Adjustments ##			Additions / Adjustments #	Deductions/ Adjustments##	Upto March 31, 2012	As at March 31, 2012	As at March 31, 2011	
TANGIBLE ASSETS											
Leased Assets											
Plant and Equipment	16	9	-	25	- ⁽ⁱⁱ⁾	2	-	2	23	16	
Computers	-	14	-	14	-	2	-	2	12	-	
Vehicles	22	18	- ⁽ⁱ⁾	40	1	5	- ^(v)	6	34	21	
Sub - total - A	38	41	- ⁽ⁱ⁾	79	1	9	- ^(v)	10	69	37	
Previous year	-	38	-	38	-	1	-	1	37	-	
Own Assets											
Buildings	26	43	1	68	14	1	- ^(vi)	15	53	12	
Computers	80	14	1	93	60	11	1	70	23	20	
Furniture and Fixtures	28	1	1	28	17	2	1	18	10	11	
Vehicles	18	1	1	18	10	2	- ^(vii)	12	6	8	
Office equipments	54	2	3	53	23	6	2	27	26	31	
Leasehold improvement	47	3	2	48	31	7	2	36	12	16	
Sub - total - B	253	64	9	308	155	29	6	178	130	98	
Previous year	331	43	121	253	194	35	74	155	98	-	
Total (A+B)	291	105	9	387	156	38	6	188	199	135	
Previous year	331	81	121	291	194	36	74	156	135	-	
INTANGIBLE ASSETS											
Computer software	94	24	-	118	69	16	-	85	33	25	
Membership rights	1	-	-	1	- ⁽ⁱⁱⁱ⁾	- ^(iv)	-	- ^(viii)	1	1	
Goodwill on consolidation	53	(6)	-	47	-	-	-	-	47	53	
Total	148	18	-	166	69	16	-	85	81	79	
Previous year	84	66	2	148	52	18	1	69	79	-	

1 During the year gross block of ₹ 4 crore alongwith accumulated depreciation ₹ 1 crore forming part of Office equipments has been reclassified to Computer software.

Adjustments to additions are on account of acquisitions of subsidiary gross block of ₹ 51 94 927 (Previous year ₹ 18 crore) alongwith accumulated depreciation ₹ 29 09 988 (Previous year ₹ 4 crore) during the year.

Adjustments to deductions are on account of sale of subsidiaries gross block of ₹ Nil (Previous year ₹ 6 crore) alongwith accumulated depreciation ₹ Nil (Previous year ₹ 3 crore) during the year.

2. (i) ₹ 35 54 821 (ii) ₹ 23 36 866 (iii) ₹ 41 69 178 (iv) ₹ 7 50 000 (v) ₹ 3 16 033
(vi) ₹ 5 17 044 (vii) ₹ 6 90 493 (viii) ₹ 49 19 178

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
14 Non-Current Investments		
Investments in Equity shares		
- Quoted {Net of Provision of ₹ 152 crore (Previous year ₹ 33 crore)}	1 495	1 347
- Unquoted{Net of Provision of ₹ 12 crore (Previous year ₹ 8 crore)}	667	1 015
Investments in Associate companies		
- Equity shares (carrying cost)	3 967	114
- Preference shares	562	437
- Debentures	29	29
Investments in Preference shares		
- Quoted {Net of Provision of Nil (Previous year ₹ 32 44 201)}	10	10
- Unquoted {Net of Provision of ₹ 5 crore (Previous year ₹ 3 crore)}	3 482	4 002
Investments in Government or Trust Securities		
- Quoted	-	-
- Unquoted	777	638
Investments in debentures or bonds		
- Quoted	31	25
- Unquoted {Net of Provision of ₹ 13 crore (Previous year ₹ 9 crore)}	1 407	2 162
Investments in Mutual Funds		
- Quoted {Net of Provision of ₹ 12 63 556 (Previous year Nil)}	114	126
- Unquoted	-	-
Other non-current investments		
- Units of Seed/Equity Fund- unquoted, fully paid-up	49	46
- Units of fund - unquoted, partly paid-up	131	52
- Warrants - unquoted, partly paid-up {Nil (Previous year ₹ 46 00 000)}	-	-
{Net of Provision of Nil (Previous year ₹ 11 crore)}		
- Joint venture (Refer Note No. 2 below)	85	85
- Pass Through Certificates & Security Receipts	249	225
	<u>13 055</u>	<u>10 313</u>
Notes:		
1. Aggregate value of Provision for diminution in value of investments		
Quoted Investments	152	33
Unquoted Investments	<u>30</u>	<u>31</u>
	182	64
2. The Company has entered into a joint venture with KGS Developers Ltd in respect of real estate project development. The Company has invested ₹ 85 crore and is entitled to share the Profit / Loss equally. However assets, liabilities, revenue and expenses related to the project are not included in the financial statements of the Company as it does not meet the definition criteria of a JV under AS 27 "Financial Reporting of Interests in Joint Ventures"		
15 Deferred tax:		
Deferred tax liability/(asset) included in the balance sheet comprises the following:		
Deferred tax Assets		
Depreciation on Fixed Assets	30	28
Accrued Interest / finance on Investments	-	2
Provision for Non Performing Assets/Diminution in the value of Assets & Investments	61	52
Straightlining of lease rentals	2	1
Unabsorbed Depreciation and Carried forward losses as per Income Tax Act,1961	7	16
Employee Compensation/ Leave Encashment	4	4
	<u>104</u>	<u>103</u>
Deferred tax liability		
Accrued Interest / finance on Investments	4	-
Reserve for unexpired risk & others	6	4
Unamortised Expenditure	49	29
	<u>59</u>	<u>33</u>
Net Deferred Tax Assets	<u>45</u>	<u>70</u>

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011	
16 Long-term loans and advances			
(a) Capital Advances			
Secured, considered good	76	76	
Unsecured, considered good	201	37	
Considered doubtful	-	14	
Less : Provision for Doubtful debt	-	14	113
(b) Security Deposits			
Unsecured, considered good	94	131	
Unsecured, considered doubtful [₹ 23 10 296 (Previous year ₹ 40 05 456)]	-	-	
Less : Provision for Doubtful debts [₹ 23 10 296 (Previous year ₹ 40 05 456)]	-	-	131
(c) Loans			
Considered doubtful			
-Secured	222	128	
-Unsecured	13	29	
Less : Provision for non performing assets and doubtful debt	38	28	
	197	129	
Considered good			
Related party (Refer Note No. 40)			
-Secured	7	-	
-Unsecured	15	146	
Others			
-Secured	9 443	8 598	
-Unsecured	771	1 474	
	10 236	10 218	10 347
(d) Advances (Refer Note No. 2 below)			
Considered doubtful			
-Secured	24	14	
-Unsecured	17	37	
Less : Provision for non performing assets and doubtful debt	13	30	
	28	21	
Considered good - Others (Unsecured)	130	285	306
(e) Other loans and advances			
-VAT & Service tax credit available	36	36	
-Advance income tax & TDS deducted (net of income tax provision)	137	126	162
	11 135	11 059	

Notes:

1. In the opinion of the management, loans and advances, other than doubtful, are considered as good and fully recoverable.
2. Advances includes ₹ 52 crore (Previous year ₹ 227 crore) paid towards share application money .

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011	
17 Other non-current assets			
(Unsecured, considered good)			
(a) Other bank balances			
- In fixed deposit accounts			
- Under lien (Refer Note No. 1 below)	259	289	
- Other	1	8	297
(b) Accrued Interest / Finance Income on Investments	260	764	949
(c) Unammortised expenditure			
Unammortised DSA Commission			
As per last balance sheet	66	55	
Add : incurred during the year	57	45	
Less :ammortised during the year	35	34	
	88	66	
Less : to be ammortised during the next year	30	34	
	58	32	
Unammortised brokerage on borrowings			
As per last balance sheet	16	21	
Add : incurred during the year	75	12	
Less :ammortised during the year	28	17	
	63	16	
Less :to be ammortised during the next year	18	9	
	45	7	
Unammortised Distribution Cost			
As per last balance sheet	9	9	
Add : incurred during the year (₹ 47 74 581)	-	4	
Less : ammortised during the year	4	4	
	5	9	
Less : to be ammortised during the next year	3	2	
	2	7	47
(d) Repossessed assets	14	15	
Less : Provision for repossessed assets	2	3	12
(e) Other non current assets	-	11	
	<u>1 141</u>	<u>1 316</u>	

1. In respect of balances with Scheduled Banks in Fixed Deposit accounts above includes:

- (a) ₹ 256 crore (Previous year ₹ 288 crore) is kept as credit enhancement towards securitisation / assignment transaction, ₹ 3,32,500 (Previous year ₹ 3,32,500) is kept as deposit with sales tax authority, ₹ 5,00,000 (Previous year ₹ 5,00,000) is kept as deposit with the Pension Fund Regulatory and Development Authority (PFRDA) and ₹ 3 crore (Previous year ₹ 8,71,490) is kept as deposit with bank for issuing of Bank Guarantee & Financial institutions.

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012	As at March 31, 2011
18 Current Investments		
Investments in Equity shares		
- Unquoted {Nil (Previous year ₹ 10 13 000)}	-	-
Investments in Preference shares		
- Unquoted	5	5
Investments in Government or Trust Securities		
- Unquoted	47	57
Investments in debentures or bonds		
- Unquoted	1 175	759
Investments in Mutual Funds		
- Quoted	474	1 163
Other non-current investments		
- Units of Seed/Equity Fund- unquoted, fully paid-up {Net of Provision of ₹ 1 crore (Previous year Nil)}	3	4
	<u>1 704</u>	<u>1 988</u>
Note:		
1. Aggregate value of Provision for diminution in value of investments		
Quoted Investments	-	-
Unquoted Investments (Previous year ₹ 10 13 000)	1	-
	<u>1</u>	<u>-</u>
19 Inventories		
(As certified by management)		
Stock-in-trade (including securities)	127	185
Stock of Currencies {19 72 539 (Previous year ₹ 20 61 306)}	-	-
	<u>127</u>	<u>185</u>
20 Trade receivables		
Unsecured, considered good unless stated otherwise		
Doubtful debts Outstanding for a Period exceeding Six Months from due date	19	23
Less : Provision for Doubtful debts	18	16
	<u>1</u>	<u>7</u>
Other debts-unsecured, considered good;	404	247
	<u>405</u>	<u>254</u>

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012		As at March 31, 2011	
21 Cash & Bank balances				
(a) Cash & cash equivalents				
Balances with Banks				
- In current accounts	555		1 104	
- Fixed Deposits	75		79	
Cheques on hand	23		2	
Cash on hand	5	658	5	1 190
(b) Other bank balances				
- Unclaimed Dividend accounts		9		7
- In fixed deposit accounts				
Less than 12 months				
- Under lien (Refer Note given below)	160		145	
- Under Margin (Previous year ₹ 5 96 704) (Refer Note given below)	5		-	
- Other	82	247	1	146
More than 12 months				
- Under lien (Refer Note given below)	211	211	291	291
		<u>1 125</u>	<u>1 634</u>	

Notes:

- In respect of balances with Scheduled Banks in Fixed Deposit accounts above includes:
 - ₹ 99 crore (Previous year Nil) is kept as credit enhancement towards securitisation / assignment transaction,.
 - ₹ 21 crore (Previous year ₹ 10 crore) and ₹ 5 crore (Previous year ₹ 5 crore) placed as margin for the issue of bank guarantee favouring National Securities Clearing Corporation Limited and Bombay Stock Exchange Limited respectively and deposit of ₹ Nil (Previous year ₹ 6,18,656) marked as lien with the President, District Consumer Disputes Redressal Forum, Jaipur-II and National Stock Exchange of India Ltd.
 - ₹ 40 crore (Previous year ₹ 11 crore) placed as margin for the issue of bank guarantee favouring Multi Commodity Exchange Limited and National Commodity and Derivative Exchange Limited .
 - ₹ 211 crore (Previous year ₹ 291 crore) are liened against bank overdraft facility.

22 Short Term Loans and advances

(a) Loans				
Unsecured, Considered doubtful [₹ 40 72 963 (Previous year ₹ 44 49 884)]	-		-	
Less : Provision for non performing assets and doubtful debt [₹ 40 72 963 (Previous year ₹ 44 49 884)]	-		-	
Considered good				
Related parties (Refer Note No. 40)				
-Secured	9		-	
-Unsecured	66		27	
Others				
-Secured	3 050		2 923	
-Unsecured	2 369	5 494	1 452	4 402

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	As at March 31, 2012		As at March 31, 2011	
(b) Advances				
Considered good				
Related parties-Unsecured (Previous year ₹ 28 08 283) (Refer Note No. 40)	4		-	
Others				
-Secured	45		22	
-Unsecured	179	228	239	261
(c) Other loans and advances				
- Deal and Fund Organisation Expenses	2		1	
-VAT & Service tax credit available	4		13	
- Advance income tax & TDS deducted(net of income tax provision)	4	10	6	20
		<u>5 732</u>	<u>4 683</u>	
23 Other current assets				
Interest accrued on loans	363			200
Option premium receivable	8			1
Accrued Interest / Finance Income on Investments	171			126
Unammortised DSA Commission	30			34
Unammortised brokerage on borrowings	18			8
Unammortised Referral Fees	3			2
		<u>593</u>		<u>371</u>

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	2011-2012		2010-2011	
24 Revenue from operations				
Interest and Finance Income on:				
Investments	749		816	
Loans	1 987		1 360	
Fixed Deposits & Others	<u>86</u>	<u>2 822</u>	<u>56</u>	<u>2 232</u>
Other financial services				
Lease Rental Income		17		2
Processing Fees	56		55	
Less: Services tax recovered	<u>5</u>	<u>51</u>	<u>5</u>	<u>50</u>
Profit / (Loss) on Sale of (Net):				
Long Term Investments	663		36	
Current Investments	<u>95</u>	<u>758</u>	<u>55</u>	<u>91</u>
Investment Management and Advisory Fees		30		39
Trustee / Portfolio Management Fees		560		654
Commission and Brokerage earned		209		234
Premium & Commission earned		1 934		1 817
Dividends on Long Term / Current Investments		36		44
Profit on Securities / Commodities		57		50
Premium on Loan Assignment and Securitisation		4		-
Reserve for Unexpired Risk written back		-		139
Depository Participant Transaction Charges		4		8
Revenue from speciality services		-		1
Bad Debts Recovered		53		37
Other Operating Income		<u>42</u>		<u>35</u>
		<u><u>6 577</u></u>		<u><u>5 433</u></u>
25 Other income				
Exchange Difference/ Margin on Sale of Foreign Currency (Net)		4		2
Credit Balance / Excess Provision Written Back		10		56
Profit on Sale of Fixed Assets/Writte off reversed		2		11
Miscellaneous Income		<u>34</u>		<u>34</u>
		<u><u>50</u></u>		<u><u>103</u></u>
26 Employee benefit Expenses:				
Salary and Wages		498		455
Contribution to Provident Fund & Other Funds		23		18
Staff Welfare expenses		<u>27</u>		<u>24</u>
		<u><u>548</u></u>		<u><u>497</u></u>

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	2011-2012	2010-2011
27 Finance Cost		
Interest expense		
- Debentures	567	413
- Bank Loans (Long term & Short term)	1 203	579
- Bank Loans (Cash credit)	27	12
- Inter corporate deposits	5	5
- Others	17	37
Other borrowing costs		
- Discount on Commercial Papers	406	401
- Ammortised Brokerage on Borrowings	25	17
- Net (gain)/loss on foreign currency transactions and translation [₹ 4 52 850 (Previous year ₹ 15 41 667)]	-	-
	<u>2 250</u>	<u>1 464</u>
28 Other Expenses:		
Bank Charges	5	6
Rentals	126	115
Rates and Taxes	10	14
Repairs and Maintenance		
- Buildings	10	8
- Others	63	50
Electricity	13	12
Insurance	3	2
Travelling and Conveyance	28	28
Claims Incurred (Net)	1 266	1 331
Premium paid on Reinsurance Ceded	752	664
Reserve for Unexpired Risk	21	-
Postage, Telegram and Telephones	52	90
Legal & Professional Fees	170	150
Commission	118	75
Auditors' Remuneration (Refer Note No. 41)	2	2
Loss on Securities / Commodities	5	20
Sales and Marketing Expenses	213	206
Employee Seminar and Training	7	5
Donation	4	3
Directors' Sitting Fees [₹ 45 22 799 (Previous year ₹ 47 54 185)]	-	-
Ammortisation of DSA Commission (Refer Note No. 17)	35	31
Ammortisation of Distribution cost (Refer Note No. 17)	4	4
Provision for Investments & NPA, Doubtful Debts and Balances Written Off *	252	223
Provision and Loss on Repossessed Stock #	2	5
Loss on Sale of Fixed Assets/Written off	-	3
Miscellaneous Expenses	95	188
	<u>3 256</u>	<u>3 235</u>
Notes:		
* Breakup of Provision for Investments & NPA, Doubtful Debts and Bad Debts Written Off		
Provision for Diminution in Value of Investments	119	(11)
Investments Written Off	11	-
Provision for NPA and Doubtful Debts	(19)	(29)
Provision for Standard Debts	9	14
Bad Debts Written Off	132	249
	<u>252</u>	<u>223</u>
# Breakup of Provision and Loss on Repossessed Stock		
Provision for Repossessed Stock (₹ 35 50 183)	(-)	(3)
Loss on Sale of Repossessed Stock	2	8
	<u>2</u>	<u>5</u>

Notes to Consolidated Financial Statements as at March 31, 2012

29. Security clause / maturity profiles in respect to Secured Loans from banks/Debentures:

- (i) Non convertible debentures (NCDs) referred above are redeemable at par, in one or more installments, on various dates.
- (a) NCDs amounting to ₹ 5 crore (Previous year ₹ 225 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on business receivables and loan assets of the commercial finance division, against security not exceeding ₹ 6 crore (Previous year ₹ 281 crore).
- (b) NCDs amounting to ₹ 5,530 crore (Previous year ₹ 5,004 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on business receivables and loan assets of the Company or as may be decided by the Company, against security not exceeding ₹ 6,954 crore (Previous year ₹ 5,254 crore).
- (c) The Company is in the process of creating security on the remaining NCDs amounting to ₹ 74 crore (Previous year ₹ 416 crore).
- (d) Maturity profile and Rate of interest of Long term Non Convertible Debentures are as set out below:

Rate of Interest	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2021-22	2023-24	Total
8.25%	290	-	-	-	-	-	-	-	-	290
8.40%	-	-	25	-	-	-	-	-	-	25
8.75%	25	-	-	-	-	-	-	-	-	25
8.90%	213	-	-	-	-	-	-	-	-	213
9.50%	-	-	10	-	-	-	-	-	-	10
9.60%	-	-	19	-	-	-	-	-	-	19
9.75%	-	123	-	-	-	-	-	-	-	123
10.00%	-	-	-	10	-	-	-	-	-	10
10.20%	5	-	-	-	-	-	-	-	-	5
10.25%	-	25	-	-	-	-	-	-	-	25
10.28%	-	-	-	-	-	-	15	-	-	15
10.33%	-	-	-	-	25	-	-	-	-	25
10.35%	108	89	-	-	-	-	-	-	-	197
10.40%	-	-	-	105	-	-	-	-	-	105
10.50%	-	99	-	500	-	21	-	25	15	660
10.55%	65	-	-	-	-	-	-	-	-	65
10.60%	-	-	-	-	-	-	-	83	-	83
10.65%	-	10	-	-	-	8	-	-	-	18
10.75%	-	19	-	-	-	-	-	367	-	386
11.00%	70	-	-	300	-	-	-	-	-	370
11.20%	150	-	-	-	-	-	-	-	-	150
11.60%	100	-	-	-	-	-	-	-	-	100
11.65%	50	50	-	-	-	-	-	-	-	100
12.00%	50	-	-	-	-	-	-	-	-	50
MLD	4	33	26	-	-	-	-	-	-	63
TOTAL	1 130	448	80	915	25	29	15	475	15	3 132

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

- (ii) Term Loans from banks above includes :
- (a) Term Loans from banks includes ₹ 7,735 crore (Previous year ₹ 7,524 crore) are secured by pari passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company's commercial finance division.
- (b) Term Loans from Bank and current maturity of loan term debts of Reliance Home Finance Ltd. (RHFL):
- (i) Term loan ₹ 1,524 crore (Previous year ₹ 1,400 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, except for those book debts/receivables to be charged in favour of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding ₹ 1,708 crore (Previous year ₹ 1,540 crore).
- (ii) Term loan ₹ 100 crore (Previous year ₹ 200 crore) secured by pari passu first charge in favor of the lender on all the standard book debts, outstanding moneys, receivable claims of RHFL, except for those book debts/receivables to be charged in favor of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding ₹ 110 crore (Previous year ₹ 220 crore)
- (iii) Term loan ₹ 250 crore (Previous year ₹ 100 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, against security not exceeding ₹ 275 crore (Previous year ₹ 120 crore).
- (iv) Term loan ₹ 180 crore (Previous year ₹ 100 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, against security not exceeding ₹ 216 crore (Previous year ₹ 120 crore).
- (c) Maturity profile of Long term loans from banks are as set out below :

	2013-14	2014-15	2015-16	2016-17	2017-18	Total
Term Loan from Banks	2 992	2 603	2 376	756	50	8 777

- (iii) Maturity profile of Long term Inter corporate Deposits are as set out below :

Rate of Interest	2013-14	2014-15	Total
5.00%	-	3	3
5.50%	2	-	2
8.00%	-	12	12
TOTAL	2	15	17

30 Profit on Sale of Subsidiaries and Amalgamation adjustments:

	2011-12	2010-11
Profit /(Loss) on sale of subsidiaries	(1)	49
Amalgamation Adjustments (Refer Note (i) and (ii) given below)	-	15
TOTAL	(1)	64

Notes:

- (i) Amalgamation Adjustments refer above includes Nil (Previous year ₹ 8 crore) on account of difference between unaudited and audited financial of Reliance Equities International Pvt. Ltd. considered in the financial year 2009-10 and financial year 2010-11 after the amalgamation.
- (ii) Amalgamation Adjustments refer above includes Nil (Previous year ₹ 7 crore) on account of difference between financial before demerger and after merger of its pharma division of Medybiz Pvt. Ltd.

31 Scheme of Amalgamation & Arrangement

A) I Between Viscount Management Services (Alpha) Limited and Reliance Capital Limited

The Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between Company and Viscount Management Services (Alpha) Limited (VMSAL) has been sanctioned by the Hon'ble High Court of judicature at Bombay vide Order dated January 20, 2012. The scheme has become effective on March 12, 2012 on filing with the Registrar of Companies (RoC) with effect from October 1, 2011 i.e. Appointed Date.

VMSAL was incorporated with the main object of business consultancy service. The amalgamation has been accounted for under the "Purchase method" as prescribed by Accounting Standard (AS) 14 on "Accounting for Amalgamation"

Notes to Consolidated Financial Statements as at March 31, 2012

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 14 (AS 14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounting Standards) Rules, 2006 has been provided.

Hence, in accordance with the Scheme:-

- (i) Before Scheme becomes effective the entire issued, subscribed and paid up share capital was held by the Company. No shares of the Company have been allotted in lieu or exchange of its holding in VMSAL and share capital of VMSAL stand cancelled.
- (ii) On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 5,839 crore and liabilities aggregating to ₹ 1,385 crore as appearing in the books of VMSAL at their respective fair value as decided by the Board of Directors of the Company. The net assets taken over include:

Assets / Liabilities Taken Over	(₹ in crore)
Assets	
Investments	5 839
Cash in Hand (₹ 2 053)	-
Balance with Schedule Bank (₹ 3 529)	-
Taxes Paid (₹ 12 364)	-
Total	<u>5 839</u>
Liabilities	
Optionally Convertible Preference Share Capital and premium payable on redemption ₹ 204 crore	211
Zero Coupon Optionally Fully Convertible Debenture and premium payable on redemption ₹ 321 crore	1 174
Short Term Provision (₹ 27 575)	-
Total	<u>1 385</u>
Excess of Assets over liabilities credit to General Reserve	<u>4 454</u>

- (iii) All Inter-company balances including liabilities on account of debentures and inter- company investments amounting to ₹ 1,385 crore on appointed date stand cancelled. The excess amount of investments amounting to ₹ 679 crore has been debited to general reserve toward inter- company investments cancellation.
- (iv) Difference aggregating to ₹ 3,774 crore after recording both above said items being the excess arising on transfer of assets and liabilities has been credited to General Reserve.
- (v) Difference in accounting method between the Company and VMSAL amounting to ₹ 62 crore has been credited to General Reserve pursuant to the Scheme.

Had the Scheme not prescribed the above accounting treatments, the difference of ₹ 3,837 crore would have been credited to Capital Reserve instead of General Reserve and General Reserve would have been lower by equivalent amount.

II During the year Nippon Life Insurance Company (NLIC) has acquired 26 per cent equity shareholding in Reliance Life Insurance Company Limited, in terms of share subscription & share purchase agreement entered into between the Company, Viscount Management Services (Alpha) Limited (VMSAL), Viscount management Services Limited (VMSA), Reliance Life Insurance Company Limited (RLIC) and Nippon Life Insurance Company (NLIC).

B) Between Reliance Commercial Finance Private Limited and Reliance Capital Limited :

During the previous year, pursuant to the Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of judicature at Bombay vide order dated April 29, 2011, filed with the Registrar of Companies on May 18, 2011, Reliance Commercial Finance Pvt Limited, wholly owned subsidiary of the Company, was amalgamated into the Company with effect from April 1, 2010 i.e., the Appointed Date and in accordance with the provisions of the said Scheme:

- a) The Company has recorded all necessary accounting effects in the previous year, along with the requisite disclosure in the notes to the accounts and created General Reserve amounting to ₹ 1,04,484.
- b) During the year the loss on sale of long term investments amounting to ₹ 149 crore determined as an exceptional item by the Board of Directors of the Company has been debited in the statement of profit and loss for the year ended March 31, 2012. As per the Scheme and legal opinion obtained by the Company equivalent amount has been withdrawn from General Reserve to adjust the same and credited to the Statement of Profit and Loss, which has been disclosed accordingly and is in compliance with Revised Schedule VI of the Companies Act, 1956. Had such losses not been met from General Reserve, the Company would have reflected a profit before tax of ₹ 370 crore and Profit after tax for the year would have been ₹ 309 crore.

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Notes to Consolidated Financial Statements as at March 31, 2012

C) In the financial year 2010-11 between Reliance Money Infrastructure Limited (RMIL) and Reliance Capital Asset Management Limited (RCAM):

- Pursuant to the Scheme of Arrangement ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956, as sanctioned by the Hon'ble High Court of Gujarat vide Order dated January 13, 2011 and filed with the Registrar of Companies on February 17, 2011, infrastructure division of RMIL, engaged in infrastructure business has been demerged into the RCAM with effect from February 17, 2011 i.e., the Appointed Date.
- Upon Scheme become effective effects have been incorporated in the accounts under purchase method of accounting and RCAM recorded in its books all assets & liabilities pertaining to infrastructure division appearing in the books of RMIL as on the appointed date at their respective carrying values i.e Fixed Assets ₹ 5 crore, Current Assets ₹ 70 crore and Liabilities (unsecured loan) ₹ 75 crore. In terms of the Scheme preference shares of face value ₹ 10,00,000 of RCAM were issued and allotted to the preference shareholders of RMIL on proportionate basis. The difference of ₹ 20,00,000 between the consideration and the value of net identifiable assets has been charged from brought forward profit as on April 1, 2010 as mentioned in the Scheme

D) In the financial year 2010-11 between Medybiz Pvt. Ltd. and Medi Assist India TPA Pvt. Ltd.(Mediassist) :

- 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 Karnataka vide Order dated February 11, 2010 and filed with the Registrar of Companies (RoC) on June 16, 2010, pharma division of Medybiz Pvt. Ltd. engaged in pharma business has been demerged into Mediassist with effect from April 1, 2008 i.e., the Appointed Date.
- Upon the Scheme becoming effective, Mediassist, under purchase method of accounting, recorded in its books all assets & liabilities pertaining to pharma division appearing in the books of Medybiz Pvt. Ltd. as on the appointed date at their respective carrying values i.e. Fixed Assets ₹ 25,00,000, Current Assets ₹ 1 crore, Unsecured loan ₹ 4 crore and Current Liabilities ₹ 1 crore. In terms of the Scheme Mediassist allotted 12,370 equity shares of ₹ 10 each as fully paid up to shareholders of the Medybiz and Excess of liabilities over net assets acquired for the Company (Medybiz - Pharma Division) amounting to ₹ 3 crore have been transferred to Goodwill account.

E) In the financial year 2010-11 between Reliance Equities International Pvt. Ltd. and Quant Broking Pvt. Ltd.(Quant) :

- 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 Order dated June 14, 2010 and filed with the Registrar of Companies (RoC) on July 08, 2010, Brokerage and Financial Services business of Reliance Equities International Pvt. Ltd. ("REIPL") engaged in financial services has been demerged into the Quant with effect from April 1, 2009 i.e.,the appointed date.
- Upon the Scheme becoming effective, Quant under purchase method of accounting, recorded in its books all assets & liabilities pertaining Brokerage and Financial Services Business appearing in the books of Reliance Equities International Pvt. Ltd. as on the appointed date at their respective carrying values i.e. Assets ₹ 46 crore and liabilities ₹ 22 crore in terms of the Scheme in respect of 1500 equity shares of ₹ 10 each fully paid up held by shareholders in REIPL, one 9% non cumulative non convertible preference share of Quant Broking Pvt. Ltd. of ₹ 10 each fully paid up were allotted. The difference of ₹ 24 crore between the consideration and the value of net identifiable assets has been debited to Securities Premium as on April 1, 2010 as mentioned in the Scheme.

- 32 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:

(₹ in crore)

		Securitisation	Assignment	Total
Total number of loan assets Securitised / Assigned	(Nos.)	-	16 392	16 392
		(16 890)	(3 219)	(20 109)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any)	(₹)	-	1 293	1 293
		(906)	(148)	(1 054)
Sale consideration received for the Securitised / Assigned assets	(₹)	-	1 297	1 297
		(906)	(148)	(1 054)
Net gain on account of Securitisation / Assigned	(₹)	-	4	4
		(-)	(-)	(-)
Outstanding Credit Enhancement (Funded) as at March 31, 2012	(₹)	200	154	354
		(268)	(20)	(288)
Outstanding Liquidity Facility	(₹)	-	-	-
		(-)	(-)	(-)
Net Outstanding Servicing Liability as at March 31, 2012	(₹)	28	83	111
		(66)	(44)	(110)

Note : Figures in bracket indicate previous year figures.

- 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 from time to time.

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33 Goodwill on Consolidation of Subsidiaries

The Company has acquired 51.79 per cent shareholding in one company through its subsidiary (Previous year 100 per cent shareholding of three companies and 74 per cent of one company) during the year. On Consolidation, the Company has recognised the following goodwill :

(₹ in crore)

	2011-12	2010-11
Opening balance of Goodwill/(Capital Reserve) on consolidation of subsidiaries	53	(2)
Add : Goodwill/(Capital Reserve) on acquisition of subsidiaries	(6)	60
Less : Goodwill on sale of investments in subsidiaries (₹ 1 69 840)	-	5
Closing balance of Goodwill/(Capital Reserve) on consolidation of subsidiaries	47	53

34 Employees Stock Option Plan (ESOP) :

A) Reliance Capital Limited (the Company)

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 ₹ 130 crore (Previous year ₹ 130 crore) has been granted to Trust. Out of the said advance Trust has purchased 16,00,000 (Previous year 16,00,000) Equity Shares on account of ESOS upto March 31, 2012.

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:

	Plan A	Plan B
	No. of Stock Options	No. of Stock Options
Outstanding at the beginning of the year	3 66 400	3 68 700
Granted	Nil	Nil
Exercised	Nil	Nil
Lapsed / Forfeited	18 500	18 600
Outstanding at the end of the year	3 47 900	3 50 100
Exercisable at end of the year	1 39 160	70 020

The Company 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). Had the company adopted fair value method the net results for the year would have been lower by ₹ 9 crore (Previous year ₹ 14 crore) [net of tax saving ₹ 7 crore (Previous year ₹ 14 crore)] and accordingly EPS (both Basic and Diluted) would have been lower by ₹ 0.28 (Previous year ₹ 0.57).

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

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. During the year the Plan has been amended and restated vide shareholder's resolution dated February 3, 2011.
- (ii) On December 21, 2007, RCAM issued 2,00,000 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 2008 – Grant Date November 13, 2008
The option under ESOP I – 2007 at an exercise price of ₹ 7,989.10 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%.
- c) 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%.
- d) 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 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%.
- (vi) The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

	As of March 31, 2012		As of March 31, 2011	
	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	69 650	2 000	71 125	2 000
Granted/Exercised	Nil	Nil	Nil	Nil
Cancelled or expired	5 850	2 000	1 475	2 000
Outstanding at the year end	63 800	2 000	69 650	2 000
Exercisable at end of year	38 280	2 000	20 895	2 000
year 2008				
Outstanding at beginning of year	Nil	Nil	39 550	7 989
Granted/Exercised	Nil	Nil	Nil	Nil
Cancelled or expired *	Nil	Nil	39 550	7 989
Outstanding at the year end	Nil	Nil	Nil	Nil
Exercisable at end of year	Nil	Nil	Nil	Nil
year 2011				
Outstanding at beginning of year	38 050	3 009	Nil	Nil
Granted/Exercised	Nil	Nil	38 050	3 009
Cancelled or expired	4 000	-	Nil	Nil
Outstanding at the year end	34 050	3 009	38 050	3 009
Exercisable at end of year	10 215	3 009	Nil	Nil
year 2011				
Outstanding at beginning of year	1 39 800	3 009	Nil	Nil
Granted/Exercised	Nil	Nil	1 39 800	3 009
Cancelled or expired	7 725	-	NIL	NIL
Outstanding at the year end	1 32 075	3 009	1 39 800	3 009
Exercisable at end of year	13 208	3 009	Nil	Nil

* Cancelled during the year vide Board Resolution dated 2 February 2011

Notes to Consolidated Financial Statements as at March 31, 2012

- (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, 2012	year ended March 31, 2011
Risk Free Interest Rate	8%	8%
Expected Life	7 years	7 years
Dividend yield	-	-

- (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). The net results for the period, had the Company adopted the Fair Value Method, would have been lower by ₹ 19 crore (net of tax saving ₹ 15 crore) and accordingly basic and diluted EPS would have been lower by ₹ 14.74 and ₹ 14.60 respectively.

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. 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

Particulars	As of March 31, 2012			As of March 31, 2011		
	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	5 24 600	70	4.46	6 64 300	70	4.46
Granted	Nil	Nil	Nil	Nil	Nil	Nil
Exercised	Nil	Nil	Nil	Nil	Nil	Nil
Lapsed / Forfeited	64 700	Nil	Nil	1 39 700	Nil	Nil
Outstanding at the year end	4 59 900	70	Nil	5 24 600	70	Nil
Exercisable at end of year	4 59 900	70	Nil	5 24 600	70	Nil

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 Earning 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 1,00,000 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, 2012		As of March 31, 2011	
	No of stock options (Shares in thousands)	Weighted average exercise Price (₹)	No of stock options (Shares in thousands)	Weighted average exercise Price (₹)
IB, 2009				
Outstanding at beginning of year	64 600	50	64 600	50
Granted	Nil	-	Nil	-
Exercised	Nil	-	Nil	-
Cancelled or expired	9 800	-	Nil	-
Outstanding at the year end	54 800	50	64 600	50
Exercisable at end of year	54 800	50	64 600	50

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- (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 2012
Risk free interest rate	6.68%
Expected life	7 years
Dividend yield	-

- (vi) RSL has chosen to account for the Plan by the intrinsic Value Method. The total expense recognized 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 ₹ 0.02 crore (Previous year ₹ 0.07 crore) [net of tax saving ₹ 0.01 crore (Previous year ₹ 0.03 crore)] and accordingly the EPS (both basic and diluted) would have been lowered by ₹ 0.10 (Previous year ₹ 0.20).

35 In case of Reliance Money Express Limited (RMEL)

- 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, the Company 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 ₹ 15,24,000.

36 In case 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 IBFSL, representing 26 per cent stake of ICEX on December 13, 2010.

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 of shares by IBFSL to the subsidiary. The aforesaid approval is subject to, inter alia, three years lock-in period applicable to the subsidiary as a co-anchor investor, with effect from the date of Government approval, i.e., September 23, 2010.

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, making ICEX, IBFSL & the subsidiary as respondents, seeking, inter alia, declaration of the aforesaid transfer of shares as void.

The petition pending for admittance before the Honourable Company Law Board. The matter is under consideration by the Company Law Board (CLB), any further impact on the financial Statements is contingent upon the final order by the CLB.

37 In case of Reliance Capital Asset Management Limited (RCAM) :

Brokerage

With effect from April 1, 2011, RCAM has decided to recognise the brokerage paid towards mobilisation of close ended schemes based on Company's Assessment of the period for which services are rendered. In case RCAM had not changed the accounting policy, the total expenses for the year would have been higher by ₹ 18 crore and profit before tax and prepaid expenses for the year would have been lower by the same amount.

38 In case of Reliance General Insurance Company Ltd (RGIC)

- (a) As per IRDA circular No IRDA/F&A/CIR/49/ Mar-09 dated March 24, 2009 and IRDA/F&I/CIR/F&A/015/02/2011 dated February 2, 2011 in respect of Health segment, the Unexpired Risk Reserve (URR) has been created on the basis of 1/365 method which is less than as provided under Section 64V(1)(ii)(b) of the Act, due to which it is resulting in an

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accounting surplus amounting to ₹ 10 crore (Previous year ₹ 10 crore) and as per circular the said amount needs to be transferred to the Contingency Reserve and such accounting surplus shall not be available for distribution to the shareholders without the explicit approval of the Authority. Due to unavailability of profits, the said reserve has not been created.

(b) **Indian Motor Third Party Insurance Pool (IMTPIP)**

In accordance with the directions of IRDA, General Insurance Companies, together with other insurance companies, participates in the Indian Motor Third Party Insurance Pool (IMTPIP). The IMTPIP is a multilateral reinsurance arrangement, in which all member companies are compulsorily required to participate. The IMTPIP is administered by the General Insurance Corporation of India ('GIC'). The IMTPIP covers reinsurance of third party risks of specified motor vehicles ("Specified Risks"). Amounts collected as premium in respect of Specified Risks are ceded at 100 per cent of such premium, 100 per cent of claims incurred against risks ceded being recoverable from the pool.

In accordance with the terms of the agreement, each participant general insurance company is compulsorily required to share in the revenues, expenses, assets and liabilities of the IMTPIP, including Unexpired Risks Reserve, in the proportion that the company's Gross Direct Premium written in India (GDPI), bears to the total GDPI of all participant companies. The Reliance General Insurance Company Limited ('RGIC') share as specified above is 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 has 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 per cent, 188 per cent, 200 per cent and 213 per cent, for underwriting year 2007-08, 2008-09, 2009-10 and 2010-11 respectively and for the current year at 145 per cent with the option to recognise the additional liabilities for the period 2009-10, 2010-11 and 2011-12 over a three year period, RGIC has exercised this option and IMTPIP liability relating to underwriting years 2009-10, 2010-11, 2011-12 has been recognised for ₹ 101 crore based on straight line basis over three years beginning with financial year March 31, 2012 and additional IMTPIP liability of ₹ 116 crore relating to underwriting years 2007-08 and 2008-09 has been accounted for and recognised in full in the financial year ending March 31, 2012. Further, RGIC has received unaudited statements from GIC for the period starting from March 1, 2011 till February 28, 2012, working out ultimate loss ratios as mentioned above. Accordingly, during the year RGIC has accounted for its share in total operating loss, which amounted to ₹ 217 crore, including ₹ 167 crore, being additional underwriting loss for the period 2007-08 to 2011-12. Transitional liabilities that remain unrecognised as on March 31, 2012 is ₹ 126 crore.

The business (Gross Written Premium) transacted on account of pool is amounting to ₹ 328 crore during the period March 1, 2011 to February 28, 2012 and investment of the pool fund as on February 28, 2012 is ₹ 533 crore.

(c) IRDA has conducted inspection on the financial condition and market conduct of RGIC and has issued an order under section 33 of the Insurance Act, 1938 on strengthening of reserves by ₹ 535 crore, infusion of fresh capital of ₹ 598 crore to achieve solvency of 1.30, creation of data deficiency reserve and operational risk reserve of ₹ 1 crore and other matters including strengthening of systems and procedures.

In order to comply with the said order, RGIC has taken the following steps during the financial year 2011-12:

- i) Infused fresh capital of ₹ 443 crore and achieved solvency margin of 1.39.
- ii) Created additional reserve of ₹ 10 crore towards data deficiency reserve and operational risk reserve.
- iii) Upgraded the reserves progressively and made IBNR provision based on valuation conducted by the appointed actuary as of March 31, 2012, which in the opinion of RGIC reflects the adequate position of the reserves.
- iv) Complied with other matters including significant strengthening of systems and procedures of the order

As the order was based on assessment upto the financial year 2010-11, considering the lapse of time and changed position, the company has requested vide its letter dated March 2, 2012 to the Authority, to conduct a fresh review of the claims reserve as on March 31, 2012 on a similar line by any agency as the authority deem fit.

d) **Basis used by actuary for determining IBNR / IBNER.**

The liability for IBNR claims including IBNER (excluding IMTPIP) for the year ending March 31, 2012 has been estimated by the appointed actuary in compliance with guidelines issued by IRDA vide Circular no. 11/IRDA/ACTL/IBNR/2005-06.

The appointed actuary has adopted the basic paid chain ladder method for line of business where claims development in past years is considered to be representative of future claim development except for Motor TP (excluding IMTPIP) for which ultimate loss ratio method has been followed.

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39 The Group is organised into following reportable segments referred to in Accounting Standard (AS 17) "Segment Reporting" (₹ in crore)

	Finance & Investments	Asset Management	General Insurance	Commercial Finance	Others	Elimination	Total
Revenue							
External	1 658	508	2 183	1 945	333	-	6 627
	(1 021)	(658)	(2 178)	(1 374)	(305)	(-)	(5 536)
Inter Segment	51	57	9	-	15	132	-
	(68)	(3)	(3)	(-)	(13)	(87)	(-)
Total Revenue	1 709	565	2 192	1 945	348	132	6 627
	(1 089)	(661)	(2 181)	(1 374)	(318)	(87)	(5 536)
Results							
Segment Results - Profit / (Loss) before Tax	370	210	(342)	254	28	-	520
	(120)	(224)	(-310)	(269)	(-7)	(-)	(296)
Unallocated Expenses							1
							(6)
Profit / (Loss) before Tax	370	210	(343)	254	28	-	519
	(120)	(224)	(-310)	(269)	(-7)	(-)	(290)
Other information							
Segment Assets	20 284	347	3 081	14 375	1 248	4 194	35 141
	(17 151)	(336)	(2 541)	(13 768)	(1 439)	(3 291)	(31 944)
Unallocated Assets	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Asset	20 284	347	3 081	14 375	1 248	4 194	35 141
	(17 151)	(336)	(2 541)	(13 768)	(1 439)	(3 291)	(31 944)
Segment Liabilities	9 421	311	2 360	11 893	630	1 171	23 444
	(10 222)	(321)	(1 920)	(11 579)	(828)	(735)	(24 135)
Unallocated Liabilities	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Liabilities	9 421	311	2 360	11 893	630	1 171	23 444
	(10 222)	(321)	(1 920)	(11 579)	(828)	(735)	(24 135)
Capital Expenditure	57	5	7	53	7	-	129
	(3)	(14)	(8)	(40)	(11)	(-)	(76)
Depreciation	11	10	12	14	7	-	54
	(10)	(12)	(18)	(5)	(5)	(-)	(50)
Non Cash Expenses other than Depreciation	149	9	21	96	-	-	275
	(18)	(-)	(14)	(166)	(32)	(-)	(230)

Figures in bracket indicates previous year figures.

Note:-

- (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 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) Commercial Finance - This includes the commercial finance and mortgage 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.

Notes to Consolidated Financial Statements as at March 31, 2012

40 Related party disclosures:

A. List of Related parties and their relationship:

i) **Holding Company**

Reliance Innoventures Private Limited

ii) **Subsidiary of Holding Company**

AAA Enterprises Private Limited

iii) **Individual Promoter**

Shri Anil D. Ambani, the person having control during the year

iv) **Associates**

Ammolite Holdings Limited

Indian Commodity Exchange Limited

Reliance Asset Reconstruction Company Limited

Reliance Land Private Limited

Reliance Life Insurance Company Limited (with effect from October 01, 2011)

Reliance Share & Stock Brokers Private Limited

v) **Fellow subsidiaries**

Big Flicks Private Limited

Jump Games Private Limited

Reliance Big Entertainment Private Limited

Reliance Communications Infrastructure Limited

Reliance Communications Limited

Reliance Infocomm Infrastructure Limited

Reliance Webstore Limited

Zapak Digital Entertainment Limited

vi) **Key management personnel**

Shri V. R. Mohan - President & Company Secretary

B. Others 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

C. Transactions during the year with related parties:

	(₹ in crore)		
	Fellow Subsidiaries	Associates	Total
Debentures			
a) Issued during the year	-	25	25
	(-)	(-)	(-)
b) Balance as at March 31, 2012	-	25	25
	(-)	(-)	(-)
c) Accrued interest on debentures as at March 31, 2012 (₹ 23 56 164)	-	-	-
	(-)	(-)	(-)
Commercial Papers			
a) Issued during the year	-	682	682
	(-)	(-)	(-)
b) Repaid during the year	-	299	299
	(-)	(-)	(-)
c) Balance as at March 31, 2012	-	482	482
	(-)	(-)	(-)
Investments			
a) Subscribed during the year	11	125	136
	(-)	(77)	(77)
b) Balance as at March 31, 2012	1 700	4 367	6 067
	(1 477)	(525)	(2 002)
Interest / Finance income on Investments			
a) Balance as at March 31, 2012	290	125	415
	(170)	(61)	(231)
Loans to others			
a) Given during the year	86	19	105
	(27)	(128)	(155)
b) Returned during the year	49	150	199
	(-)	(10)	(10)

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
c) Balance as at March 31, 2012	63 (27)	34 (146)	97 (173)
Trade Receivables			
a) Balance as at March 31, 2012	1 (3)	- (-)	1 (3)
Advances			
a) Balance as at March 31, 2012	- (1)	4 (-)	4 (1)
Trade Payables			
a) Balance as at March 31, 2012 [₹ 4 29 830 (Previous year ₹ 4 29 830)]	- (-)	- (-)	- (-)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)	166 (187)	65 (37)	231 (224)
b) Rent	- (1)	- (-)	- (1)
c) Dividend Income (₹ 42 10 544)	- (-)	- (-)	- (-)
d) Reimbursement of Expenditure (*₹ 39 05 151)	- * (1)	6 (2)	6 (3)
e) Management Fees (Previous year ₹ 21 82 017)	- (-)	6 (-)	6 (-)
Expenditure			
a) Finance cost	- (-)	2 (-)	2 (-)
b) Miscellaneous	- (-)	2 (2)	2 (2)
Contingent Liability			
a) Guarantees to Banks and Financial Institutions on behalf of third parties	- (-)	77 (80)	77 (80)
D. The nature and volume of material transactions for the year with above related parties are as follows:			
Debentures			
a) Issued during the year			
i) Reliance Life Insurance Company Limited	- (-)	25 (-)	25 (-)
b) Balance as at March 31, 2012			
i) Reliance Life Insurance Company Limited	- (-)	25 (-)	25 (-)
c) Accrued interest on debentures as at March 31, 2012			
i) Reliance Life Insurance Company Limited (₹ 23 56 164)	- (-)	- (-)	- (-)
Commercial Papers			
a) Issued during the year			
i) Reliance Life Insurance Company Limited	- (-)	682 (-)	682 (-)
b) Repaid during the year			
i) Reliance Life Insurance Company Limited	- (-)	299 (-)	299 (-)
c) Balance as at March 31, 2012			
i) Reliance Life Insurance Company Limited	- (-)	482 (-)	482 (-)
Investments			
a) Subscribed / Purchased during the year			
i) Reliance Land Private Limited	- (-)	125 (-)	125 (-)

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

		(₹ in crore)		
		Fellow Subsidiaries	Associates	Total
ii)	Reliance Share & Stock Brokers Private Limited	-	-	-
		(-)	(77)	(77)
iii)	Reliance Big Entertainment Private Limited	11	-	11
		(-)	(-)	(-)
b)	Balance as at March 31, 2012			
i)	Reliance Land Private Limited	-	486	486
		(-)	(361)	(361)
ii)	Reliance Share & Stock Brokers Private Limited	-	86	86
		(-)	(86)	(86)
iii)	Reliance Big Entertainment Private Limited	1 393	-	1 393
		(1 382)	(-)	(1 382)
iv)	Reliance Communications Limited	307	-	307
		(95)	(-)	(95)
v)	Reliance Asset Reconstruction Company Limited	-	49	49
		(-)	(49)	(49)
vi)	Ammolite Holdings Limited	-	29	29
		(-)	(29)	(29)
vii)	Reliance Life Insurance Company Limited	-	3 717	3 717
		(-)	(-)	(-)
Premium accrued on Investment				
a)	Balance as at March 31, 2012			
i)	Reliance Land Private Limited	-	107	107
		(-)	(47)	(47)
ii)	Ammolite Holdings Limited	-	19	19
		(-)	(14)	(14)
iii)	Reliance Big Entertainment Private Limited	365	-	365
		(206)	(-)	(206)
Loans Given				
a)	Given during the year			
i)	Reliance Land Private Limited	-	17	17
		(-)	(128)	(128)
ii)	Zapak Digital Entertainment Limited	20	-	20
		(20)	(-)	(20)
iii)	Jump Games Private Limited	5	-	5
		(5)	(-)	(5)
iv)	Reliance Asset Reconstruction Company Limited	-	3	3
		(-)	(-)	(-)
v)	Reliance Big Entertainment Private Limited	61	-	61
		(-)	(-)	(-)
b)	Returned during the year			
i)	Reliance Land Private Limited	-	140	140
		(-)	(4)	(4)
ii)	Reliance Asset Reconstruction Company Limited	-	8	8
		(-)	(6)	(6)
iii)	Reliance Big Entertainment Private Limited	24	-	24
		(-)	(-)	(-)
iv)	Zapak Digital Entertainment Limited	20	-	20
		(-)	(-)	(-)
v)	Jump Games Private Limited	5	-	5
		(-)	(-)	(-)
vi)	Reliance Life Insurance Company Limited	-	2	2
		(-)	(-)	(-)
c)	Balance as at March 31, 2012			
i)	Reliance Land Private Limited	-	13	13
		(-)	(136)	(136)
ii)	Zapak Digital Entertainment Limited	20	-	20
		(20)	(-)	(20)

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

		(₹ in crore)		
		Fellow Subsidiaries	Associates	Total
iii)	Jump Games Private Limited	5	-	5
		(5)	(-)	(5)
iv)	Reliance Asset Reconstruction Company Limited	-	5	5
		(-)	(10)	(10)
v)	Reliance Big Entertainment Private Limited	38	-	38
		(2)	(-)	(2)
vi)	Reliance Life Insurance Company Limited	-	16	16
		(-)	(-)	(-)
Trade Receivables				
a)	Balance as at March 31, 2012			
i)	Reliance Communications Infrastructure Limited	1	-	1
		(3)	(-)	(3)
Advances				
a)	Balance as at March 31, 2012			
i)	Reliance Communications Infrastructure Limited	-	-	-
		(1)	(-)	(1)
ii)	Reliance Life Insurance Company Limited	-	4	4
		(-)	(-)	(-)
Trade Payables				
a)	Balance as at March 31, 2012			
i)	Big Flicks Private Limited [₹ 4 29 830 (Previous year ₹ 4 29 830)]	-	-	-
		(-)	(-)	(-)
Income				
a)	Interest & Finance Income (including Premium on Preference Shares)			
i)	Reliance Land Private Limited	-	61	61
		(-)	(32)	(32)
ii)	Ammolite Holdings Limited	-	5	5
		(-)	(5)	(5)
iii)	Reliance Big Entertainment Private Limited	162	-	162
		(186)	(-)	(186)
b)	Rent			
i)	Reliance Communications Infrastructure Limited	-	-	-
		(1)	(-)	(1)
c)	Dividend Income			
i)	Reliance Communications Infrastructure Limited (₹ 42 10 544)	-	-	-
		(-)	(-)	(-)
d)	Reimbursement of Expenditure			
i)	Reliance Communications Infrastructure Limited [₹ 32 15 245]	-	-	-
		(1)	(-)	(1)
ii)	Reliance Asset Reconstruction Company Limited	-	1	1
		(-)	(2)	(2)
iii)	Reliance Land Private Limited [₹ 4 63 890 (Previous year ₹ Nil)]	-	-	-
		(-)	(-)	(-)
iv)	Reliance Big Entertainment Private Limited [₹ 4 850 (Previous year ₹ 6 00 000)]	-	-	-
		(-)	(-)	(-)
v)	Reliance Life Insurance Company Limited	-	5	5
		(-)	(-)	(-)
e)	Management Fees			
i)	Reliance Asset Reconstruction Company Limited (Previous year ₹ 21 82 017)	-	-	-
		(-)	(-)	(-)
ii)	Reliance Life Insurance Company Limited	-	6	6
		(-)	(-)	(-)
Expenditure				
a)	Finance cost			
i)	Reliance Life Insurance Company Limited	-	2	2
		(-)	(-)	(-)

Notes to Consolidated Financial Statements as at March 31, 2012

		(₹ in crore)		
		Fellow Subsidiaries	Associates	Total
b)	Miscellaneous expenditure			
i)	Reliance Land Private Limited	-	2	2
		(-)	(2)	(2)
Contingent Liability				
a)	Guarantees to Banks and Financial Institutions			
i)	Ammolite Holdings Limited	-	77	77
		(-)	(80)	(80)
Key Managerial Personnel (Employee benefit expenses)				
a)	Shri V. R. Mohan ₹ 68 54 397 (Previous year ₹ 42 00 000)			
	- Employee benefit expenses ₹ 68 54 397 (Previous year ₹ 42 00 000)			
	- Loan given balance as at March 31, 2012 ₹ 4 49 751 (Previous year ₹ 4 64 151)			
Enterprise over which individual described in clause A (iii) above has control				
	Reliance Power Limited			
	- Commercial Paper subscribed & redeemed ₹ 224 crore (Previous year Nil)			
	- Investment balance as at March 31, 2012 ₹ 3 crore			

Notes :

- i) Figures in bracket indicate previous year figures.
- ii) Expenses incurred towards public utilities services such as telephone, IT maintenance and electricity charges have not been considered for related party transaction.
- iii) The above disclosed 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 ₹ 6 crore) and Director Sitting Fees of ₹ 1,00,000 (Previous year ₹ 80,000) has been paid to Shri Anil D. Ambani, an individual having control.
- v) Investments in Unilazer Media Ltd and Reliance Capital Partner's stake in the share capital of Fame India Limited and Ravisant Private Limited though in excess of 20%, these investments have been made with an intention to sell in near future. In terms of the provisions of Accounting Standard (AS) 18 on "Related Party Disclosures" as per Companies (Accounting Standard) Rules 2006 on aforesaid Companies, the Company does not exercise any "Significant Influence" in the said Companies, hence the transactions with these parties are not considered for Related Party Disclosures.
- vi) Pursuant to the Scheme of Amalgamation ("the Scheme") between Company and Viscount Management Services (Alpha) Limited (VMSAL) (Refer Note No. 31 A I iii) entire issued, subscribed and paid up share capital of VMSAL was held by the Company and was cancelled. Therefore, for the purpose of above disclosures the same has not been considered.

41 Auditors' remuneration includes:

		(₹ in crore)	
		2011-12	2010 - 11
i)	Audit Fees	2	2
ii)	Tax Audit Fees [₹ 8 45 618 (Previous year ₹ 7 30 000)]	-	-
iii)	Reimbursement of Out of Pocket Expenses [₹ 2 29 434 (Previous year ₹ 5 24 420)]	-	-
Total		2	2

42 Leases

Details of Future Minimum Lease Receivables are as under :

		(₹ in crore)	
		2011-12	2010-11
	Within one year of the balance sheet date	21	10
	Due in a period between one year and five years	50	29
	Due after five years	-	1

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

Details of future minimum lease rent payable under operating lease for each of the following periods:

	(₹ in crore)	
	2011-12	2010-11
Not Later than one year	8	18
Later than one year and not later than five years	7	18
Later than five years	-	-

43 Basic and diluted earnings per share:

The computation of earnings per share is set out below

	(₹ in crore)	
	2011-12	2010-11
a) Amounts used as the numerators		
Net Profit after tax	458	291
Net Profit attributable to equity shareholders	458	291
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 (₹)	18.64	11.85
d) Diluted earnings per share of face value ₹ 10 each (₹)	18.64	11.85

44 Contingent Liabilities and Commitments (As Certified by the Management)

	(₹ in crore)	
	March 31, 2012	March 31, 2011
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions	1 454	1 425
ii) Claims against the Company not acknowledge as debt	27	14
iii) Outstanding Forward Exchange Contract	38	40
Commitments		
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)	87	72
ii) Undrawn Committed Credit lines	481	635
iii) Uncalled amount of Investments	170	401

Share of company in contingent liabilities and capital commitments of an associate are as follows

	(₹ in crore)	
	March 31, 2012	March 31, 2011
Contingent Liabilities		
i) Claims against the Company not acknowledge as debt	6	-
ii) Statutory Demands /liabilities in disputed not provided for	7	-
Commitments		
i) Commitment towards fixed Assets	38	33
ii) Other commitments	8	-

Notes to Consolidated Financial Statements as at March 31, 2012

45 The subsidiary / associate companies considered in the consolidated financial statements with their proportion of ownership are as under

Name	Country of Incorporation	year Ending	Proportion of ownership (Interest)
List of Subsidiaries			
Reliance Capital Asset Management Limited	India	March 31, 2012	92.94%
Reliance Asset Management (Mauritius) Limited	Mauritius	March 31, 2012	92.94%
Reliance Asset Management (Singapore) Pte Limited	Singapore	March 31, 2012	92.94%
Reliance Capital Asset Management (UK) Plc	United Kingdom	March 31, 2012	92.94%
Reliance Asset Management (Malaysia) SDN BHD	Malaysia	March 31, 2012	92.94%
Reliance Capital Pension Fund Limited	India	March 31, 2012	92.94%
Reliance General Insurance Company Limited	India	March 31, 2012	96.46%
Reliance Capital Trustee Co. Limited	India	March 31, 2012	100.00%
Reliance Gilts Limited	India	March 31, 2012	100.00%
Reliance Money Precious Metals Private Limited (Formerly Reliance Capital Research Private Limited)	India	March 31, 2012	100.00%
Reliance Venture Asset Management Private Limited	India	March 31, 2012	100.00%
Reliance Money Express Limited	India	March 31, 2012	100.00%
Reliance Equity Advisors (India) Limited	India	March 31, 2012	100.00%
Reliance Equities International Private Limited	India	March 31, 2012	100.00%
Reliance Home Finance Limited (Formerly Reliance Home Finance Private Limited)	India	March 31, 2012	100.00%
Reliance Securities Limited	India	March 31, 2012	99.60%
Reliance Composite Insurance Broking Limited	India	March 31, 2012	51.79%
Reliance Commodities Limited	India	March 31, 2012	100.00%
Reliance Financial Limited	India	March 31, 2012	100.00%
Reliance Alternative Investments Services Private Limited	India	March 31, 2012	100.00%
Reliance Wealth Management Limited	India	March 31, 2012	100.00%
Reliance Spot Exchange Infrastructure Limited	India	March 31, 2012	100.00%
Reliance Exchangenext Limited	India	March 31, 2012	100.00%
Reliance Investment Banking Services Limited	India	March 31, 2012	100.00%
Reliance Capital (Singapore) Pte Limited	Singapore	March 31, 2012	100.00%
Reliance Consultants (Mauritius) Limited	Mauritius	March 31, 2012	100.00%
Quant Capital Private Limited	India	March 31, 2012	74.00%
Quant Broking Private Limited	India	March 31, 2012	74.00%
Quant Capital Advisors Private Limited	India	March 31, 2012	74.00%
Quant Securities Private Limited	India	March 31, 2012	74.00%
Quant Commodity Broking Private Limited	India	March 31, 2012	74.00%
Quant Commodities Private Limited	India	March 31, 2012	74.00%
Quant Investments Services Private Limited	India	March 31, 2012	74.00%
Quant Capital Finance And Investments Private Limited	India	March 31, 2012	74.00%
QOPPA Trading Private Limited	India	March 31, 2012	74.00%

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2012

Name	Country of Incorporation	year Ending	Proportion of ownership (Interest)
QCAP Trade Private Limited (Formerly Valankulam Investments and Trading Private Limited)	India	March 31, 2012	74.00%
List of Associates			
Reliance Land Private Limited	India	March 31, 2012	50.00%
Reliance Share & Stock Brokers Private Limited	India	March 31, 2012	50.00%
Indian Commodity Exchange Limited	India	March 31, 2012	26.00%
Ammolite Holdings Limited	Jersey	March 31, 2012	* 50.00%
Reliance Asset Reconstruction Company Limited	India	March 31, 2012	49.00%
Reliance Life Insurance Company Limited	India	March 31, 2012	38.78%
Partnership Firm			
Reliance Capital Partners (Partnership Firm)	India	March 31, 2012	#

Note:-

- a) # Proportion of ownership interest in Partnership firm is on the basis of weighted average capital
- b) * The Financial statements of Ammolite Holdings Ltd., have been certified by the management
- 46** The Company's stake in the Share Capital of Unilazer Media Ltd. and Reliance Capital Partner's stake in the share capital of Fame India Limited and Ravisant Private Limited is in excess of 20% each. These investments made by the Company are strategic in nature, with an intention to sell these investments in the near future.
- a) 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, these investments have not been accounted for as associates in the preparation of consolidated financial statements.
- b) 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 Standards), Rules 2006 and hence the transaction with these parties have not been considered for Related Party Disclosures.
- 47** Pursuant to MOU entered by the Company with Quant Capital Private Limited, Quant has reversed 2 crore provision on impairment of assets earlier provided for.
- 48** Goodwill of ₹ 3,627 crore (Previous year ₹ 28 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"
- 49** Pursuant to the general exemption granted by the Department of Corporate Affairs, Government of India, the Parent Company 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.

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 19, 2012

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

N Sampath Ganesh
Partner
Membership No.: 042554

For and on behalf of the Board

Chairman
Vice Chairman

Directors

President & Company Secretary

Mumbai
Dated: May 19, 2012

Anil D. Ambani
Amitabh Jhunjhunwala

{ **Rajendra P. Chitale**
C. P. Jain
Dr. Bidhubhusan Samal
V. N. Kaul

V. R. Mohan

Notes to Consolidated Financial Statements as at March 31, 2012

Sr. No	Name	Country of Incorporation	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 Ltd.	India	10.71	1,190.25	1,503.43	302.47	527.60	642.29	337.56	61.45	276.11	161.28
2	Reliance Capital Trustee Co. Ltd.	India	0.05	0.53	0.58	0.00	0.51	0.24	0.09	0.03	0.06	-
3	Reliance General Insurance Company Ltd.	India	121.19	600.18	3,080.94	2,359.57	2,709.70	2,191.79	(341.60)	1.60	(343.20)	-
4	Reliance Gilts Ltd.	India	7.00	(3.05)	3.96	0.01	3.96	0.27	0.26	-	0.26	-
5	Reliance Asset Management (Mauritius) Ltd.	Mauritius	9.97	(3.36)	10.37	3.76	-	11.10	1.60	0.07	1.53	-
6	Reliance Asset Management (Singapore) Pte. Ltd.	Singapore	8.09	43.48	55.04	3.47	48.76	7.34	(15.19)	-	(15.19)	-
7	Reliance Money Express Ltd.	India	28.81	11.25	65.28	25.22	-	40.41	8.70	1.56	7.14	-
8	Reliance Money Precious Metals Pvt. Ltd.	India	0.03	(0.03)	0.01	0.01	-	-	-	-	-	-
9	Reliance Venture Asset Management Pvt. Ltd.	India	0.01	2.60	2.64	0.03	-	2.93	(1.06)	-	(1.06)	-
10	Reliance Equity Advisors (India) Ltd.	India	0.05	(14.47)	23.27	37.69	8.13	23.16	2.81	0.55	2.26	-
11	Reliance Capital Asset Management (UK) Plc	UK	20.69	(19.59)	1.77	0.67	-	3.02	(6.04)	-	(6.04)	-
12	Reliance Composite Insurance Broking Ltd.	India	2.50	8.15	15.40	4.74	2.70	15.04	(2.27)	-	(2.27)	-
13	Reliance Equities International Pvt. Ltd.	India	15.00	26.20	41.31	0.12	-	0.31	0.26	0.08	0.19	-
14	Reliance Home Finance Ltd.	India	32.91	360.85	2,571.99	2,178.23	38.76	339.16	39.66	13.21	26.45	-
15	Reliance Capital (Singapore) Pte Ltd.	Singapore	9.54	0.47	10.03	0.02	-	-	0.09	-	0.09	-
16	Reliance Securities Ltd.	India	150.00	33.75	326.84	143.09	85.59	120.26	7.51	1.51	6.00	-
17	Reliance Commodities Ltd.	India	3.00	8.74	60.04	48.30	-	25.07	7.44	2.46	4.99	-
18	Reliance Financial Ltd.	India	11.00	31.15	44.03	1.88	-	5.90	3.03	1.30	1.73	-
19	Reliance Investment Banking Services Ltd.	India	7.00	0.10	7.11	0.00	7.07	0.00	(0.00)	-	(0.00)	-
20	Reliance Wealth Management Ltd.	India	11.50	(3.83)	8.20	0.53	3.32	2.46	(2.87)	-	(2.87)	-
21	Reliance Alternative Investments Services Pvt. Ltd.	India	0.01	0.02	0.05	0.01	-	0.06	(0.03)	-	(0.03)	-
22	Reliance Asset Management (Malaysia) SDN BHD	Malaysia	16.10	(10.43)	5.84	0.18	-	0.55	(10.39)	-	(10.39)	-
23	Reliance Consultants (Mauritius) Ltd.	Mauritius	0.26	(0.01)	0.24	-	-	0.19	(0.12)	-	(0.12)	-
24	Reliance Capital Pension Fund Ltd.	India	12.00	0.20	12.27	0.07	12.08	0.68	0.06	(1.54)	1.60	-
25	Reliance Spot Exchange Infrastructure Ltd.	India	17.65	(20.73)	4.12	7.21	0.00	0.56	(5.51)	-	(5.51)	-
26	Reliance Exchangentx Ltd.	India	6.91	59.33	73.46	7.22	47.62	0.44	(1.48)	(0.01)	(1.47)	-
27	Quant Broking Pvt. Ltd.	India	18.01	145.12	554.83	391.70	1.00	82.73	7.68	0.94	6.74	-
28	Quant Capital Advisors Pvt. Ltd.	India	0.11	2.45	3.41	0.85	2.00	2.16	0.03	0.02	0.01	-
29	Quant Capital Pvt. Ltd.	India	10.01	192.76	443.75	240.98	-	0.47	0.42	0.13	0.30	-
30	Quant Securities Pvt. Ltd.	India	1.50	0.06	103.62	102.07	-	3.34	0.06	0.02	0.03	-
31	Quant Commodity Broking Pvt. Ltd.	India	0.14	1.42	65.23	63.68	-	1.06	0.32	0.07	0.25	-
32	Quant Commodities Pvt. Ltd.	India	0.21	8.31	106.95	98.43	-	16.66	4.97	1.47	3.50	-
33	Quant Investments Services Pvt. Ltd.	India	0.74	5.79	6.95	0.42	-	3.16	0.09	0.04	0.05	-
34	Quant Capital Finance And Investments Pvt. Ltd.	India	3.83	18.13	24.69	2.73	-	8.05	2.79	0.91	1.87	-
35	QOPPA Trading Pvt. Ltd.	India	0.52	0.02	43.61	43.07	-	3.43	(0.03)	-	(0.03)	-
36	QCAP Trading Pvt. Ltd.	India	0.52	0.37	10.64	9.75	-	3.08	0.45	0.14	0.31	-

Reliance Capital Limited

**Annual Accounts
2012-13**

Independent Auditor's Report

**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 31 March 2013, 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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('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. 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 31 March 2013;
- (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.

Emphasis of Matter

We draw your attention to Note 29(I) of the financial statements regarding accounting treatment prescribed in the Scheme of Amalgamation approved by the Honourable High Court of Bombay on March 22, 2013 ('the Scheme'), pursuant to which, Emerging Money Mall Limited and Reliance Equities International Private Limited (the 'transferor companies') has been amalgamated with the Company with an appointed date of March 31, 2013. Pursuant to the above Scheme, all assets and

liabilities of the transferor companies have been recorded in the books of the Company at their respective fair values and the net excess arising on transfer of assets & liabilities of the transferor companies of ₹ 915 crore is credited to the Capital Reserve. According to the aforesaid Scheme, the total investment in the equity shares and the preference shares of the transferor companies amounting to ₹ 680 crore has been written-off in the statement of profit and loss in preference to cancelling the said investments.

The board of directors of the Company has identified such amount of ₹ 680 crore as an exceptional item and has withdrawn an equivalent amount from general reserve and credited in the statement of profit and loss as permitted by an earlier Scheme of Amalgamation approved by the Honourable High Court of Bombay on April 29, 2011 ("the 2011 Scheme") of Reliance Commercial Finance Private Limited which permits the Company to adjust losses/write-off identified by the board of directors as exceptional items against the General Reserve of the Company.

Had both the Schemes mentioned above, not prescribed the above accounting treatment, the withdrawal of equivalent amount from the general reserve would have not been done. The above accounting treatment has no impact on profit before tax for the year. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2003 ('the Order'), as amended by 'the Companies (Auditors' Report) (Amendment) Order, 2004', 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 said 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 referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e. on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the board of directors, none of the directors is disqualified as on 31 March 2013, 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

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

Vijay Napawaliya
Partner
Membership No: 109859

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
Dated: May 16, 2013

Mumbai
Dated: May 16, 2013

Reliance Capital Limited

Annexure to the Independent Auditor's Report

(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.
- (ii) The Company is a service company, primarily engaged in lending and investing activities. Accordingly, it does not 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 with regard to 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 31 March 2013 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 neither has accumulated losses nor has it incurred any cash losses during the current 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.

Annexure to the Independent Auditor's Report

- (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 loan amounting to ₹ 25 crore has 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 loan has 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 2013, 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) The Company has created securities and / or charges in respect of secured debentures issued and redeemed during the year except in case of Non Convertible Debentures amounting to ₹ 567 crore for which the Company is in the process of creation of securities.
- (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 was noticed or reported during the year, except in case of loans pertaining to commercial finance amounting to ₹ 6 crore, which was identified by management and reported to the RBI. As at 31 March 2013, ₹ 2 crore was recovered by the Company and the balance was provided for/written-off in the statement of profit and loss.

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

Vijay Napawaliya
Partner
Membership No: 109859

Mumbai
Dated: May 16, 2013

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

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
Dated: May 16, 2013

Reliance Capital Limited

Balance Sheet as at March 31, 2013

(₹ in crore)

	Note No.	As at March 31, 2013		As at March 31, 2012	
I EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	4	246		246	
(b) Reserves and surplus	5	11 266	11 512	10 798	11 044
(2) Non-current liabilities					
(a) Long-term borrowings	6	12 402		10 865	
(b) Deferred tax liabilities (net)	7	6		-	
(c) Other long-term liabilities	8	14		-	
(d) Long-term provisions	9	30	12 452	25	10 890
(3) Current liabilities					
(a) Short-term borrowings	10	4 190		3 453	
(b) Trade payables	11	1		7	
(c) Other current liabilities	12	5 171		4 583	
(d) Short-term provisions	13	231	9 593	206	8 249
TOTAL			33 557		30 183
II ASSETS					
(1) Non-current assets					
(a) Fixed assets	14				
(i) Tangible assets		131		142	
(ii) Intangible assets		20		21	
(iii) Intangible assets under development		3		-	
		154		163	
(b) Non-current investments	15	13 309		13 225	
(c) Deferred tax assets (net)	7	-		3	
(d) Long-term loans and advances	16	10 199		8 713	
(e) Other non-current assets	17	1 344	25 006	981	23 085
(2) Current assets					
(a) Current investments	18	366		600	
(b) Trade receivables	19	-		193	
(c) Cash and bank balances	20	745		436	
(d) Short-term loans and advances	21	7 025		5 400	
(e) Other current assets	22	415	8 551	469	7 098
TOTAL			33 557		30 183

See accompanying notes to the financial statements 1 - 52

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 16, 2013

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

Manoj Kumar Vijai
Partner
Membership No: 046882

For and on behalf of the Board

Chairman **Anil D. Ambani**

Directors

Rajendra P. Chitale
Dr. Bidhubhusan Samal

President & Company Secretary **V. R. Mohan**
Mumbai
Dated: May 16, 2013

Statement of Profit and Loss for the year ended March 31, 2013

(₹ in crore)

	Note No.	2012-13	2011-12
REVENUE			
I	Revenue from operations	23 3 828	3 268
II	Other income	24 <u>40</u>	<u>49</u>
III	Total revenue (I+II)	3 868	3 317
IV EXPENSES			
	Employee benefits expense	25 165	141
	Finance cost	26 2 179	2 065
	Depreciation and amortisation expense	14 29	26
	Other expenses	27 <u>791</u>	<u>464</u>
	Total expenses	<u>3 164</u>	<u>2 696</u>
V	Profit before exceptional items and tax (III-IV)	704	621
VI Exceptional items			
	Investment written off as per amalgamation [Refer Note 29 (I)]	680	-
	Loss on sale of investment [Refer Note 29 (III)]	-	149
	Withdrawal from general reserve [Refer Note 29 (III)]	<u>(680)</u>	<u>(149)</u>
VII	Profit before tax (V-VI)	704	621
VIII Tax expense			
	(1) Current tax	33	78
	(2) Taxation for earlier years [Current year ₹ Nil (Previous year ₹ 7 89 499)]	-	-
	(3) Deferred tax	<u>9</u>	<u>24</u>
		<u>42</u>	<u>102</u>
IX	Profit after tax (VII-VIII)	<u>662</u>	<u>519</u>
X	Earning per equity share face value of ₹ 10 each fully paid up	40	
	(1) Basic (₹)	26.95	21.14
	(2) Diluted (₹)	26.95	21.14

See accompanying notes to the financial statements 1 - 52

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 16, 2013

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

Manoj Kumar Vijai
Partner
Membership No: 046882

For and on behalf of the Board

Chairman

Anil D. Ambani

Directors

Rajendra P. Chitale

Dr. Bidhubhusan Samal

President & Company Secretary

V. R. Mohan

Mumbai
Dated: May 16, 2013

Reliance Capital Limited

Cash Flow Statement for the year ended March 31, 2013

(₹ in crore)

	2012-13	2011-12	
A. Cash flows from operating activities			
Profit before exceptional items and tax	704		621
Adjusted for			
Depreciation and amortisation expense	29		26
Bad debts recovered	(34)		(53)
Provision for NPA, doubtful debts and balances written off	296		101
Provision and loss on repossessed stock	9		3
Provision for diminution in the value of investments / written off	236		136
Provision for gratuity / leave encashment (₹ 20 68 523)	-		(1)
Excess provision / credit balance written back	(1)		(4)
(Profit) / loss on sale of fixed assets (Previous year ₹ 19 61 037)	2		(-)
Amortised DSA commission	39		33
(Profit) / loss share in partnership firm	9		(30)
Interest income on investments	(467)		(534)
Dividend income on investments	(132)		(156)
(Profit) / loss on sale of investments (net)	(1 011)		(717)
Amortised brokerage on borrowings	28		27
Discount on commercial papers	407		398
Interest expenses	1 744	1 154	1 640
Operating profit before working capital changes	1 858		1 490
Adjusted for			
Proceeds from / (repayment of) short term borrowings (Net)	331		(1 935)
Proceeds from long term borrowings	6 235		4 146
Repayment of long term borrowings	(4 398)		(2 832)
Unamortised expenses incurred	(99)		(126)
Trade receivables & loans and advances	(3 191)		(1 289)
Trade payables and liabilities	(159)	(1 281)	(228)
Cash generated from / (used in) operations	577		(774)
Interest paid	(1 745)		(1 572)
Taxes paid (Net)	(2)	(1 747)	(94)
Net cash used in operating activities	(1 170)		(2 440)

Cash Flow Statement for the year ended March 31, 2013

(₹ in crore)

	2012-13	2011-12
B. Cash flows from investing activities		
Purchase of fixed assets	(27)	(110)
Sale of fixed assets	5	2
Investments in subsidiaries	(410)	(479)
Proceeds from sale of subsidiaries	1 459	30
Withdrawal from partnership firm current account (Net)	140	-
Purchase of non-current investments	(2 393)	(3 454)
Proceeds from sale of non-current investments	2 551	5 400
Proceeds from sale of current investments (Net)	127	301
Interest received	274	183
Dividend received	132	155
Net cash from investing activities	1 858	2 028
C. Cash flows from financing activities		
Dividends paid (including dividend tax thereon)	(340)	(160)
Net cash used in financing activities	(340)	(160)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	348	(572)
Opening balance of cash and cash equivalents	328	900
Add: On amalgamation (Refer Note b & c given below) (Previous year ₹ 5 582)	3 331	- 900
Closing balance of cash and cash equivalents	679	328

Notes:

- The previous year's figures have been regrouped and reclassified wherever necessary.
- 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 current year's cash flow statement.
- Assets and liabilities pertaining to the Viscount Management Services (Alpha) Limited transferred pursuant to the Scheme of Amalgamation with the Company with effect from October 1, 2011 have not been considered for the previous year's cash flow statement.
- 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 16, 2013

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

Manoj Kumar Vijai
Partner
Membership No: 046882

For and on behalf of the Board

Chairman

Anil D. Ambani

Directors

Rajendra P. Chitale

Dr. Bidhubhusan Samal

President & Company Secretary

V. R. Mohan

Mumbai

Dated: May 16, 2013

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 to the extent applicable. These financial statements are presented in Indian rupees rounded to the nearest crore.

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 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 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 / securitisation:

In case of assignment / securitization of loans, the assets are derecognized 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. 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 / securitization over the tenure of the deal. Loss arising from these transactions if any will be recognised immediately in the statement of profit and loss account.

d 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.

Notes to Financial Statements as at March 31, 2013

- **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.

e Depreciation / Amortisation

Depreciation on Tangible assets is provided as follows:

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

- a) Plant & equipments – 8 years
- b) Data processing machineries – 5 years
- c) Vehicle for personal use – 8 years
- d) Vehicle for commercial use – 8 years other than Taxi – 6 years

ii) 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.

iii) 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 (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 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 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. The Company measures the expected cost of compensated absence as the amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

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) and employees of the 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 Earning 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 / 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.

Notes to Financial Statements as at March 31, 2013

- 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, 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 Previous year figures has been regrouped /reclassified wherever necessary.

The figures for current year includes figures of Reliance Equities International Private Limited (REIPL) and Emerging Money Mall Limited (EMML) which is amalgamated with the Company with effect from March 31, 2013 i.e. the Appointed Date and therefore to that extent not strictly comparable to that of previous year's figures.

		(₹ in crore)	
		As at March 31, 2013	As at March 31, 2012
4	Share Capital		
	(a) Authorised:		
	30 00 00 000 Equity shares of ₹ 10 each (Previous year 30 00 00 000)	300	300
	10 00 00 000 Preference shares of ₹ 10 each (Previous year 10 00 00 000)	100	100
		<u>400</u>	<u>400</u>
	(b) Issued & Subscribed:		
	24 69 77 006 Equity shares of ₹ 10 each fully paid up (Previous year 24 69 77 006)	247	247
		<u>247</u>	<u>247</u>
	(c) Paid up:		
	24 56 32 800 Equity shares of ₹ 10 each fully paid up (Previous year 24 56 32 800)	245	245
	Add: Forfeited shares	1	1
	13 44 206 Equity shares of ₹ 10 each (Previous year 13 44 206)	<u>246</u>	<u>246</u>
	(d) Equity shares held by holding company and subsidiaries of holding company:		
	Name of the holder	As at March 31, 2013	As at March 31, 2012
		% Qty.	% Qty.
	Reliance Innoventures Private Limited (Holding company)	0.23 5 76 450	0.23 5 76 450
	AAA Enterprises Private Limited (Subsidiary of holding company)	40.07 9 84 14 206	40.07 9 84 14 206
	AAA Infrastructure Consulting And Engineers Private Limited (Subsidiary of holding company)	11.39 2 79 75 633	11.39 2 79 75 633
	(e) Equity shares in the company held by each shareholder holding more than 5 percent:		
	Name of the holder	As at March 31, 2013	As at March 31, 2012
		% Qty.	% Qty.
	AAA Enterprises Private Limited	40.07 9 84 14 206	40.07 9 84 14 206
	AAA Infrastructure Consulting And Engineers Private Limited	11.39 2 79 75 633	11.39 2 79 75 633

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

- (f) The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

For the year ended March 31, 2013, the amount of per share dividend recognised as distributable to equity shareholders is ₹ 8 (March 31, 2012 ₹ 7.50). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

- (g) **Reconciliation of numbers of shares outstanding**

	No of Shares	Amount (₹ in crore)	No of Shares	Amount (₹ in crore)
Equity shares				
Opening balance	24 56 32 800	245	24 56 32 800	245
Movement during the year	-	-	-	-
Closing balance	24 56 32 800	245	24 56 32 800	245

- (h) As on March 31, 2013, 5,07,101 equity shares (Previous year 9,74,329 equity shares) are held by custodian against which depository receipts have been issued.

	(₹ in crore)	
	As at March 31, 2013	As at March 31, 2012
5 Reserves and surplus		
Capital reserve		
As per last balance sheet	6	6
Add: Amount transferred as per scheme of amalgamation [Refer Note No. 29(I)]	<u>846</u>	<u>-</u>
	852	6
Capital redemption reserve		
As per last balance sheet		10
		10
Securities premium account		
As per last balance sheet		3 291
		3 291
General reserve #		
As per last balance sheet	5 314	574
Add: Amount transferred from surplus in statement of profit and loss	66	1 052
Add: Amount transferred as per scheme of amalgamation [Refer Note No. 29(II)]	-	3 837
Less: Amount withdrawn as per scheme of amalgamation [Refer Note No. 29(III)]	<u>680</u>	<u>149</u>
	4 700	5 314
Statutory reserve fund *		
As per last balance sheet	1 033	929
Add: Amount transferred from surplus in statement of profit and loss	<u>132</u>	<u>104</u>
	1 165	1 033
Surplus in statement of profit and loss		
As per last balance sheet	1 144	1 972
Add: Amount transferred from statement of profit and loss	662	519
Less: Proposed dividend [₹ 8 (Previous year ₹ 7.50) per equity share]	196	184
Less: Tax on proposed dividend (Refer Note No. 34)	15	7
Less: Interim dividend [₹ 5 (Previous year ₹ Nil) per equity share]	123	-
Less: Tax on interim dividend	21	-
Less: Tax on proposed dividend for earlier years	5	-
Less: Transfer to statutory reserve fund	132	104
Less: Transfer to general reserve	<u>66</u>	<u>1 052</u>
	<u>1 248</u>	<u>1 144</u>
	<u>11 266</u>	<u>10 798</u>

* Created pursuant to section 45-IC of Reserve Bank of India Act, 1934.

Includes ₹ 3 837 crore (Previous year ₹ 3 837 crore) created pursuant to scheme of amalgamation.

6 Long term borrowings

Non convertible debentures

-Secured (Refer Note No. 28)

Others

4 917

2 624

Notes to Financial Statements as at March 31, 2013

	(₹ in crore)			
	As at March 31, 2013		As at March 31, 2012	
Related party (Refer Note No. 38)	96		1	
-Unsecured				
Others	974		483	
Related party (Refer Note No. 38)	<u>25</u>	<u>6 012</u>	<u>25</u>	3 133
Term loans from banks / financial institutions				
-Secured (Refer Note No. 28)		5 831		6 935
Inter corporate deposits				
-Unsecured				
Others	9		17	
Related party (Refer Note No. 38)	<u>550</u>	<u>559</u>	<u>780</u>	<u>797</u>
		<u><u>12 402</u></u>		<u><u>10 865</u></u>
7 Deferred tax liabilities / (assets)				
Deferred tax liabilities / (assets) included in the balance sheet comprises the following:				
a) Deferred tax liabilities				
Depreciation on fixed assets		12		9
Unamortised expenditure		<u>56</u>		<u>43</u>
Total (a)		<u>68</u>		<u>52</u>
b) Deferred tax assets				
Provision for non performing assets / diminution in the value of assets and investments		61		54
Provision for leave encashment / gratuity		<u>1</u>		<u>1</u>
Total (b)		<u>62</u>		<u>55</u>
Net deferred tax liabilities / (assets) [(a)-(b)]		<u><u>6</u></u>		<u><u>(3)</u></u>
8 Other long-term liabilities				
Interest accrued but not due on debentures		13		-
Security deposits		<u>1</u>		<u>-</u>
		<u><u>14</u></u>		<u><u>-</u></u>
9 Long-term provisions				
Provision for employee benefits				
-Leave encashment (Refer Note No. 36)		3		3
Others				
-Standard debts		<u>27</u>		<u>22</u>
		<u><u>30</u></u>		<u><u>25</u></u>
10 Short term borrowings				
Loans from banks / financial institutions				
-Secured				
Cash credit (Refer Note (a) below)	41		165	
Short term (Refer Note (b) below)	500		-	
-Unsecured				
Short term	<u>-</u>	<u>541</u>	<u>400</u>	565
Commercial paper (Refer Note (c) below)				
-Unsecured				
Others	3 378		2 406	
Related party (Refer Note No. 38)	<u>271</u>	<u>3 649</u>	<u>482</u>	<u>2 888</u>
		<u><u>4 190</u></u>		<u><u>3 453</u></u>

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

Notes:

- Cash Credit amounting to ₹ 41 crore (Previous year ₹ 165 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- Short term loan amounting to ₹ 500 crore (Previous year ₹ Nil) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- In respect of Commercial papers maximum amount outstanding during the year was ₹ 5 296 crore (Previous year ₹ 5 465 crore).

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012
11 Trade payables		
-Due to micro, small and medium enterprises (Refer Note below)	-	-
- Due to Related party (Refer Note No. 38) [₹ 4 79 830 (Previous year ₹ 16 60 369)]	-	-
- Due to Others	<u>1</u>	<u>7</u>
	<u>1</u>	<u>7</u>
Note:		
There are no micro, small and medium scale business enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
12 Other current liabilities		
Current maturities of long-term debt		
Non convertible debentures		
-Secured (Refer Note No. 28)		
Others	1 318	2 985
Related party (Refer Note No. 38)	<u>85</u>	<u>157</u>
Inter corporate deposits		
-Unsecured		
Others	1	-
Related party (Refer Note No. 38)	<u>150</u>	<u>-</u>
Term loans from banks / financial institutions		
-Secured (Refer Note No. 28)	2 687	800
Interest accrued but not due on debentures	287	301
Income received in advance	6	6
Advance from customers	64	34
Temporary book overdraft balance of banks	282	145
Other payables*	279	146
Unclaimed dividend#	<u>12</u>	<u>9</u>
	<u>5 171</u>	<u>4 583</u>
Notes:		
* Includes provision for expenses, statutory payments and other payables.		
# Does not include any amounts, due and outstanding, to be deposited to the Investor Education and Protection Fund.		
13 Short-term provisions		
Provision for employee benefits (Refer Note No. 36)		
-Leave encashment [₹ 45 26 486 (Previous year ₹ 31 49 266)]	-	-
-Gratuity [₹ Nil (Previous year ₹ 63 555)]	-	-
Others		
-Standard debts	20	15
-Proposed dividend	196	184
-Tax on proposed dividend	<u>15</u>	<u>7</u>
	<u>231</u>	<u>206</u>

Notes to Financial Statements as at March 31, 2013

14 Fixed assets

Description	Gross Block			As at March 31, 2013	Depreciation / Amortisation For the Year	Upto April 1, 2012	Deductions	Upto March 31, 2013	Net Block	
	As at April 1, 2012	Additions / Adjustments	Deductions / Adjustments						As at March 31, 2013	As at March 31, 2012
(i) Tangible assets										
Lease assets										
Plant and equipments	25	3	5	23	3	2	1	4	19	23
Data processing machineries	14	2	-	16	3	2	-	5	11	12
Vehicles	40	2	1	41	6	6	-(vi)	12	29	34
Sub total A	79	7	6	80	12	10	1	21	59	69
Previous year	38	41	-(i)	79	9	1	-(vi)	10	69	-
Own assets										
Buildings	68	1	-	69	3	15	-	18	51	53
Data processing machineries	36	6	-(ii)	42	4	29	-(vii)	33	9	7
Furniture and fixtures	9	1	-(iii)	10	7	7	-(ix)	8	2	2
Vehicles	14	2	9	7	1	9	6	4	3	5
Office equipments	10	1	-(iv)	11	1	5	1	5	6	5
Leasehold improvement	6	-	-	6	-(v)	5	-	5	1	1
Sub total B	143	11	9	145	10	70	7	73	72	73
Previous year	96	49	2	143	9	63	2	70	73	-
Total (A+B)	222	18	15	225	22	80	8	94	131	142
Previous year	134	90	2	222	18	64	2	80	142	-
(ii) Intangible assets										
Computer software / Licensing cost	43	6	-	49	7	22	-	29	20	21
Total	43	6	-	49	7	22	-	29	20	21
Previous year	23	20	-	43	8	14	-	22	21	-
(iii) Intangible assets under development										
									3	-

Notes:

- In respect of Intangible assets:
 - It is other than internally generated.
 - Average remaining useful life is as follows:
 - Additions for financial year 2012-13 - 4 years
 - Additions for financial year 2011-12 - 3 years (Previous year 4 years)
 - Additions for financial year 2010-11 - 2 years (Previous year 3 years)
 - Additions for financial year 2009-10 - 1 years (Previous year 2 years)
 - Additions for financial year 2008-09 - Nil years (Previous year 1 years)
- ₹ 35 54 821 (ii) ₹ 54 823 (iii) ₹ 39 39 677 (iv) ₹ 5 09 231 (v) ₹ 21 88 869
 - ₹ 17 93 087 (vii) ₹ 3 16 033 (viii) ₹ 3 90 640 (ix) ₹ 54 822

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
15. Non-current investments					
Other Investments					
(A) Investments in Equity instruments (valued at cost unless stated otherwise)					
Quoted, fully paid-up					
A2Z Maintenance & Engineering Services Limited	10	-	18 29 265	-	73
Aurionpro Solutions Limited	10	13 06 906	13 06 906	35	35
Action Construction Equipment Limited	2	-	30 00 000	-	20
Anant Raj Limited (Formerly Anant Raj Industries Limited)	2	31 09 000	25 00 000	21	18
Aptech Limited	10	-	66 990	-	1
Celebrity Fashions Limited [₹ 11 25 465 (Previous year ₹ 11 25 465)]	10	8 98 750	8 98 750	-	-
D B Realty Limited	10	-	9 47 203	-	43
DLF Limited	2	-	1 50 000	-	6
EIH Limited	2	46 54 545	46 54 545	47	47
EMCO Limited	2	19 43 000	16 20 000	14	13
EPC Industrie Limited	2	5 22 000	-	6	-
HBL Power Systems Limited	1	1 43 60 000	1 43 60 000	27	27
Indiabulls Financial Services Limited	2	16 19 710	-	31	-
Indiabulls Infrastructure and Power Limited	2	48 10 000	-	2	-
Indage Vintners Limited	10	-	3 50 000	-	3
Indiabulls Power Limited	10	-	20 00 000	-	9
Indian Terrain Fashions Limited	10	3 30 962	3 30 962	14	14
Inox Leisure Limited	10	-	24 00 005	-	31
Kinetic Engineering Limited	10	7 15 000	7 15 000	13	13
Kirloskar Pneumatic Company Limited	10	1 45 000	1 45 000	6	6
KSK Energy Ventures Limited	10	-	14 19 000	-	25
Jindal Saw Limited	2	15 00 000	-	18	-
Mahanagar Telephone Nigam Limited	10	-	30 00 000	-	55
Network18 Media & Investments Limited	5	-	50 55 000	-	157
Padmalaya Telefilms Limited	10	5 11 000	5 11 000	2	2
Pratibha Industries Limited	2	14 50 000	14 50 000	9	9
Reliance Communications Limited*	5	3 10 95 295	3 10 95 295	307	307
Reliance Industrial Infrastructure Limited	10	1 60 100	1 60 100	1	1
Reliance MediaWorks Limited	5	85 29 366	85 29 366	217	217
Reliance Broadcast Network Limited	5	1 57 27 957	62 58 864	77	35
Reliance Power Limited*	10	41 17 823	41 17 823	3	3
TV 18 Broadcast Limited	2	2 54 00 000	95 00 000	51	122
TV Today Network Limited	5	81 00 000	81 00 000	102	102
Unitech Limited	2	-	10 00 000	-	11
Ventura Textiles Limited	10	12 87 500	12 87 500	6	6
				1 009	1 411
Less: Provision for diminution in value of investments				369	146
				640	1 265
Unquoted, fully paid-up					
All Green Energy India Private Limited [₹ 4 230 (Previous year ₹ 4 230)]	10	10	10	-	-
BSE Limited	1	1 30 000	1 30 000	2	2
Gradatim IT Ventures (India) Private Limited [₹ 2 611 (Previous year ₹ 2 611)]	10	64	64	-	-
Global Wind Power Limited	10	21 60 000	21 60 000	24	24
GTFS Multi Services Limited	10	-	25 00 000	-	75
Grover Vineyards Limited	10	13 61 707	-	13	-
KGS Developers Limited	10	-	47 28 081	-	75
KLT Automotive and Tubular Products Limited	10	5 25 000	5 25 000	11	11

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
Menon and Menon Limited (Refer Note 4 below)	10	15 60 000	7 80 000	6	6
National Multi-Commodity Exchange of India Limited	10	16 66 667	16 66 667	11	11
One 97 Communications Limited	10	3 84 616	3 84 616	10	10
Reliance CWT India Limited (Refer Note 7 below) [₹ 90 000 (Previous year ₹ Nil)]	10	9 000	-	-	-
Reverse Logistics Company Private Limited	10	16 542	16 542	5	5
Reliance Net Limited	10	5 26 497	5 26 497	1	1
Reliance Tech Services Private Limited [₹ 10 000 (Previous year ₹ 10 000)]	10	1 000	1 000	-	-
Tessolve Services Private Limited [₹ 6 600 (Previous year ₹ 6 600)]	10	100	100	-	-
Unilazer Media Limited	10	14 68 109	17 77 191	30	37
Vallee de Vin Private Limited	10	13 43 175	-	2	-
Victory Transformers and Switchgears Limited	100	-	1 15 041	-	62
Viscount Management Services Limited [Refer Note 7 below & Note No. 29 (I)]	10	40 800	40 800	274	343
Wellspring Healthcare Private Limited [₹ 17 768 (Previous year ₹ 17 768)]	5	10	10	-	-
				389	662
Less: Provision for diminution in value of investments				10	13
				379	649
Subsidiary Companies *					
Unquoted, fully paid-up					
Reliance Alternative Investments Services Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
Reliance Capital Asset Management Limited	10	75 14 800	1 00 00 000	184	10
Reliance Capital Trustee Co. Limited [₹ 5 07 000 (Previous year ₹ 5 07 000)]	10	50 700	50 700	-	-
Reliance Money Precious Metals Private Limited (Previous year ₹ 3 00 000)	10	80 00 000	30 000	8	-
Reliance Capital (Singapore) Pte. Limited	\$1	20 00 001	20 00 001	9	9
Reliance Commodities Limited	10	30 00 000	30 00 000	3	3
Reliance Equity Advisors (India) Limited [₹ 5 00 000 (Previous year ₹ 5 00 000)]	10	50 000	50 000	-	-
Reliance Equities International Private Limited [Refer Note No. 29(I)]	10	-	1 50 00 000	-	80
Reliance Exchangenext Limited	10	69 10 000	69 10 000	69	69
Reliance Financial Limited	10	1 10 00 000	1 10 00 000	11	11
Reliance General Insurance Company Limited	10	11 84 80 288	11 68 98 656	1 717	1 562
Reliance Gilts Limited	10	70 00 700	70 00 700	7	7
Reliance Home Finance Limited (Refer Note 8 below)	10	6 58 20 000	3 00 00 000	321	30
Reliance Investment Banking Services Limited	10	70 00 000	70 00 000	7	7
Reliance Money Express Limited	10	1 38 13 140	1 38 13 140	25	25
Reliance Securities Limited	10	2 49 00 000	2 49 00 000	25	25
Reliance Venture Asset Management Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
Reliance Wealth Management Limited	10	1 15 00 000	1 15 00 000	12	12
Quant Capital Private Limited	10	74 01 423	74 01 423	200	200
				2 598	2 050
Less: Provision for diminution in value of investments				19	40
				2 579	2 010
Associate Companies*					
Unquoted, fully paid-up					
Ammolite Holdings Limited [₹ 45 332 (Previous year ₹ 45 332)]	\$1	1 000	1 000	-	-
Reliance Land Private Limited	10	50 00 000	50 00 000	5	5

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
Reliance Life Insurance Company Limited (Refer Note 7 below)	10	57 15 64 410	46 38 95 295	4 776	3 717
Reliance Share & Stock Brokers Private Limited	10	50 00 000	50 00 000	5	5
Reliance Asset Reconstruction Company Limited	10	4 90 00 000	4 90 00 000	49	49
				4 835	3 776
Sub-Total (A)				8 433	7 700
(B) Investments in preference shares (valued at cost unless stated otherwise)					
Quoted, fully paid-up					
5% Non Convertible Cumulative Preference Shares of Network18 Media & Investments Limited	150	-	6 75 343	-	10
				-	10
Unquoted, fully paid-up					
Series A 8% Non Cumulative Convertible Preference Shares of All Green Energy India Private Limited	10	3 20 229	2 00 140	15	8
0% Optionally Convertible Redeemable Preference Shares of Payone Enterprises Private Limited	10	20 60 000	20 60 000	206	206
0.001% Optionally Convertible Cumulative Redeemable Preference Shares of Asmitha Microfin Limited	10	84 80 000	84 80 000	8	8
Fully & Compulsorily Convertible Cumulative Participating Preference Shares of Gradatim IT Ventures (India) Private Limited	39	6 37 191	6 37 191	3	3
0% Convertible Preference Shares of Grover Vineyards Limited	10	4 06 056	-	4	-
0% Convertible Preference Shares of Vallee de Vin Private Limited	10	4 00 542	-	1	-
10% Cumulative Redeemable Preference Shares of Reliance Money Infrastructure Limited (Refer Note 7 below)	10	10 00 000	-	1	-
10% Non-Cumulative Optionally Convertible Redeemable Preference Shares of Reliance Money Infrastructure Limited	10	3 50 00 000	-	35	-
9% Non Cumulative Redeemable Preference Shares of India Best Buy Private Limited	10	20 00 000	20 00 000	200	200
12% Non Cumulative Convertible Redeemable Preference Shares of Reliance Big Entertainment Private Limited*	1	1 00 00 000	1 00 00 000	1 000	1 000
0% Optionally Convertible Redeemable Preference Shares of Reliance CWT India Limited	10	-	46 500	-	5
0% Optionally Convertible Redeemable Preference Shares of Reliance Money Solutions Private Limited	10	-	6 500	-	1
0% Optionally Convertible Redeemable Preference Shares of Emerging Money Mall Limited [Refer Note No. 29(I)]	1	-	60 00 000	-	600
0% Optionally Convertible Redeemable Preference Shares of Reliance Net Limited	10	40 35 684	40 35 684	475	475
Scalable Display Technologies, Inc. Series A-1 Preferred Stock	50.001	1 50 846	1 50 846	2	2
0.001% Optionally Convertible Cumulative Redeemable Preference Shares of Share Microfin Limited	10	1 19 40 000	1 19 40 000	12	12
Series A Preference Shares of Suvvidhaa Infoserve Private Limited	1	72 37 980	72 37 980	11	11
Series B Preference Shares of Suvvidhaa Infoserve Private Limited	3	3 69 709	3 69 709	1	1
Compulsory Convertible Preference shares of Tessolve Services Private Limited	10	18 89 830	16 13 537	12	11
0% Optionally Convertible Redeemable Preference Shares of Viscount Management Services Limited	1	5 10 68 177	5 10 68 177	510	510
Series A Preference Shares of Yatra Online Inc.	50.0001	42 00 042	42 00 042	6	6
Series B Preference Shares of Yatra Online Inc.	50.0001	27 31 960	27 31 960	16	16
Series C Preference Shares of Yatra Online Inc.	50.0001	11 44 946	11 44 946	16	16

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
Wellspring Healthcare Private Limited	50	18 562	18 562	3	3
				<u>2 537</u>	3 094
Less: Provision for diminution in value of investments				-	5
				<u>2 537</u>	<u>3 089</u>
Subsidiary Companies *					
Unquoted, fully paid-up					
9% Non Cumulative Non Convertible Redeemable Preference Shares of Quant Broking Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
1% Non Convertible Non Cumulative Redeemable Preference Shares of Reliance Capital Asset Management Limited [₹ 16 20 000 (Previous year ₹ Ni)] (Refer Note 7 below)	100	16 200	-	-	-
10% Cumulative Redeemable Preference Shares of Reliance Securities Limited	10	12 50 00 000	12 50 00 000	125	125
0% Optionally Convertible Redeemable Preference Shares of Reliance Money Express Limited	10	40 00 000	1 50 00 000	4	15
0% Optionally Convertible Redeemable Preference Shares of Reliance Home Finance Limited (Refer Note 8 below)	10	-	29 10 000	-	291
				<u>129</u>	<u>431</u>
Associate Companies *					
Unquoted, fully paid-up					
0% Optionally Convertible Redeemable Preference Shares of Reliance Land Private Limited	10	1 41 25 000	1 41 25 000	481	481
0% Optionally Convertible Redeemable Preference Shares of Reliance Share & Stock Brokers Private Limited	100	4 00 000	4 00 000	4	4
0% Optionally Convertible Redeemable Preference Shares of Reliance Share & Stock Brokers Private Limited	10	7 65 000	7 65 000	77	77
				<u>562</u>	<u>562</u>
				<u>3 228</u>	<u>4 092</u>
Sub-Total (B)					
(C) Investments in Government or Trust Securities (valued at cost unless stated otherwise)					
Unquoted					
National Saving Certificates [₹ 45 000 (Previous year ₹ 45 000)] (Deposited with sales tax department)		-	-	-	-
Sub-Total (C)					
(D) Investments in debentures or bonds (valued at cost unless stated otherwise)					
Associate Companies *					
Unquoted, fully paid-up					
Series DDB I - Non Secured Redeemable Non Interest Bearing Non Convertible Deep Discount Bonds - Ammolite Holdings Limited	₹961	7 524	7 524	29	29
Less: Provision for diminution in value of investments				29	-
				-	<u>29</u>
Others					
Unquoted, fully paid-up					
0% L&T Infrastructure Finance Company Limited NCD October 31, 2016	10 00 000	-	107	-	11
12.00% India Infoline Finance Limited NCD February 27, 2019	10 00 000	250	250	25	25
20% Kumar Urban Development Limited August 1, 2014	1 00 000	4 500	-	45	-
12% Business Broadcast News Limited	10 000	60 000	60 000	60	60
11 % Secured Optionally Fully Convertible Redeemable Debentures Series A - Ventura Textiles Limited	50 00 000	20	20	11	11

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
Reliance Broadcast Network Limited NCD August 8, 2015	10 00 000	1 500	-	150	-
12% Optionally fully Convertible Debentures Series B - Ventura Textiles Limited	50 00 000	22	22	10	11
Zero Coupon Optionally Fully Convertible Unsecured Debentures Viscount Management Services Limited	1 000	57 85 496	32 25 922	579	322
12% Vensat Tech Services Private Limited NCD - December 31, 2013	100	-	5 00 000	-	5
9.90% Yes Bank Limited Bonds M - March 28, 2022	10 00 000	-	500	-	50
				880	495
Less: Provision for diminution in value of investments				21	13
				859	482
Sub-Total (D)				859	511
(E) Investments in Partnership Firm* (valued at cost unless stated otherwise)					
Reliance Capital Partners				544	693
Sub-Total (E)				544	693
(F) Other non-current investments (valued at cost unless stated otherwise)					
Investment in units of Seed/Equity Fund- unquoted, fully paid-up					
The India Seed Investment Trust	1 00 000	500	500	3	3
				3	3
Investment in units of fund - unquoted, partly paid-up					
Class A units of Reliance Alternative Investments Fund [Partly paid ₹ 7.40 (Previous year ₹ 6.55 per unit)]	10	20 00 00 000	20 00 00 000	148	131
				148	131
Warrants - unquoted, partly paid-up					
Textrade International Limited (Refer note 5 below)	-	60 985	60 985	-	-
				-	-
Investment in joint venture					
KGS Developers Limited (Refer note 6 below)				85	85
				85	85
Pass Through Certificates & Security Receipts					
Indian Receivable Trust A-2		87	-	3	-
EXIMIUS SBL IFMR CAPITAL 2012-A1 [₹ 367,151 (Previous year ₹ Nil)]		1	-	-	-
Aurora A1		205	-	4	-
Aurora A2		900	-	2	-
ILSS 6 Trust 2010-ITSL SR-A2 PTC 05NV09		-	46	-	10
IFMR Capital Mosec XIII SR-A1 PTC 30MR12 [₹ Nil (Previous year ₹ 6 84 873)]		-	3 000	-	-
				9	10
Sub-Total (F)				245	229
Total non-current investments (A+B+C+D+E+F)				13 309	13 225

* Related Party

Notes:

	As at March 31, 2013		As at March 31, 2012	
	Book Value	Market value	Book Value	Market value
1. Aggregate value of investments				
Quoted investments	640	515	1 275	705
Unquoted investments	12 669	-	11 950	-
TOTAL	13 309	515	13 225	705

Notes to Financial Statements as at March 31, 2013

2. Aggregate value of provision for diminution in value of investments
- | | | |
|----------------------|------------|------------|
| Quoted investments | 369 | 146 |
| Unquoted investments | 79 | 71 |
| TOTAL | 448 | 217 |
3. Investments includes ₹ 63 crore (Previous year ₹ Nil) of equity shares given as collateral towards margin with brokers.
4. In case of Menon and Menon Limited, during the year the Company received 780,000 bonus shares in the ratio of 1:1.
5. The Company has been allotted Warrants without paying any consideration at the time of allotment.
6. The Company has entered into a joint venture with KGS Developers Ltd in respect of real estate project development. The Company has invested ₹ 85 crore and is entitled to share the Profit / Loss equally. However assets, liabilities, revenue and expenses related to the project are not included in the financial statements of the Company as it does not meet the definition criteria of a Joint Venture under AS 27 "Financial Reporting of Interests in Joint Ventures".
7. Investment in 38,85,24,405 (Previous year 28,08,55,290) equity shares of Reliance Life Insurance Company Limited, 9,000 (Previous year Nil) equity shares of Reliance CWT India Limited, 10,00,000 (Previous year Nil) preference shares of Reliance Money Infrastructure Limited, 16,200 (Previous year Nil) preference shares of Reliance Capital Asset Management Limited and Nil (Previous year 30,000) equity shares of Viscount Management Services Limited are carried at fair value i.e. at amount transferred under the scheme of amalgamation.
8. Reliance Home Finance Limited, a subsidiary of the Company has converted all 0% Optionally Convertible Redeemable Preference Shares of ₹ 10 each into equity share of ₹ 10 each in the ratio of 1:1. Further the Company has received 3,29,10,000 bonus shares of the Reliance Home Finance Limited in the ratio of 1:1.

(₹ in crore)

	As at March 31, 2013		As at March 31, 2012	
16 Long-term loans and advances				
(a) Capital advances				
Secured, considered good	76		76	
Unsecured, considered good	17	93	198	274
(b) Security deposits-Unsecured				
Considered good	38		31	
Considered doubtful [₹ 17 20 333 (Previous year ₹ 23 10 296)]	-		-	
Less : Provision for doubtful debts [₹ 17 20 333 (Previous year ₹ 23 10 296)]	-	38	-	31
(c) Loans				
Considered doubtful				
-Secured	228		188	
-Unsecured	37		13	
Less : Provision for non performing assets and doubtful debt	66		30	
	199		171	
Considered good				
Related party (Refer Note No. 38)				
-Secured	61		50	
-Unsecured	87		84	
Officer of the company-Unsecured (Refer Note No. 38) [₹ 4 35 351 (Previous year ₹ 4 49 751)]	-		-	
Others				
-Secured	6 699		7 148	
-Unsecured	2 732		740	
	9 579	9 778	8 022	8 193
(d) Advances				
Considered doubtful				
-Secured	49		23	
-Unsecured	-		16	
Less : Provision for non performing assets and doubtful debts	10		11	
	39		28	
Considered good				
Related party - Unsecured (Refer Note No.38)	88		50	
Others				
-Unsecured	6		6	
	94	133	56	84

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

	As at March 31, 2013		As at March 31, 2012	
(e) Other loans and advances				
-VAT and Service tax credit available	29		34	
-Advance income tax & TDS deducted [net of provision of ₹ 175 crore (Previous year ₹ 142 crore)]	128	157	97	131
		<u>10 199</u>		<u>8 713</u>

Note:

Advances includes ₹ 52 crore (Previous year ₹ 50 crore) paid towards share application money.

17 Other non-current assets

(a) Other bank balances				
- In fixed deposit accounts (Refer Note below)				
More than 12 months				
-Under lien	133		117	
-Other	6		1	
	<u>139</u>		<u>118</u>	
More than 3 months less than 12 months - Under lien	109	248	84	202
(b) Accrued interest / finance income on investments		<u>958</u>		<u>677</u>
(c) Unamortised expenditures				
Unamortised DSA commission	72		54	
Add : Incurred during the year	38		51	
Less : Amortised during the year	<u>39</u>		<u>33</u>	
	71		72	
Less : To be amortised during the next year	<u>22</u>		<u>27</u>	
	49		45	
Unamortised brokerage on borrowings	63		15	
Add : Incurred during the year	61		75	
Less : Amortised during the year	<u>28</u>		<u>27</u>	
	96		63	
Less : To be amortised during the next year	<u>20</u>		<u>18</u>	
	76	125	45	90
(c) Repossessed assets	18		14	
Less : Provision for repossessed assets	<u>5</u>	<u>13</u>	<u>2</u>	<u>12</u>
		<u>1 344</u>		<u>981</u>

Note:

In respect of balances with Scheduled Banks in Fixed deposit accounts, ₹ 242 crore (Previous year ₹ 201 crore) is kept as credit enhancement towards securitisation / assignment transaction, ₹ 2 12 500 (Previous year ₹ 112 500) is kept as deposit with sales tax authority, ₹ 5 00 000 (Previous year ₹ 5 00 000) is kept as deposit with the Pension Fund Regulatory and Development Authority (PFRDA) and ₹ 2 00 000 (Previous year ₹ 2 00 000) is kept as deposit with bank for issuing of Bank Guarantee.

	Face Value / Issue Price ₹	Quantity As at March 31, 2013	Quantity As at March 31, 2012	Value As at March 31, 2013	Value As at March 31, 2012
18 Current investments					
Investments in preference shares-Quoted (current portion of long-term investments) (valued at cost unless stated otherwise)					
5% Non Convertible Cumulative Preference Shares of Network18 Media & Investments Limited	150	6 75 343	-	10	-
Sub-Total (A)				<u>10</u>	<u>-</u>
Investments in debentures or bonds (current portion of Long-term investments) (valued at cost unless stated otherwise)					
Unquoted , fully paid-up					
0% First Blue Home Finance Limited August 30, 2012	10 00 000	-	100	-	11

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
16% Kumar Urban Development Limited August 1,2012	1 33 160	-	231	-	3
19% Kumar Urban Development Limited November 1,2012 [₹ Nil (Previous year ₹ 30 00 000)]	1 00 000	-	30	-	-
12% Vensat Tech Services Private Limited NCD M – December 31, 2013	100	7 50 000	-	7	-
Zero Coupon Optionally Fully Convertible Unsecured Debentures Viscount Management Services Limited	1 000	12 06 000	36 00 000	121	360
Sub-Total (B)				128	374
Investment in Mutual Fund –*Quoted (valued at cost or market value whichever is lower)					
Peerless Liquid Fund – Super Insti. Growth	10	1 55 97 096	-	20	-
Reliance Liquidity Fund-Direct Growth Plan Growth Option	1 000	6 79 823	-	120	-
Sub-Total (C)				140	-
Other current investments –Unquoted (valued at cost or market value whichever is lower)					
Pass Through Certificates					
Janalakshmi Financial Services JFS Rel Trust –3		1	-	3	-
ABEONA-VISTAR SBL IFMR CAPITAL 2012		90	-	3	-
ELETE IFMR Capital 2012		400	-	3	-
MOSEC XIV		261,949	-	2	-
IFMR CAPITAL MOSEC XV		2,700	-	2	-
Indian MFI Trust-Series I (GVMFL)		1	-	5	-
Indian Receivable Trust A-2		87	-	3	-
PFSPL TRUST-1		1	-	1	-
IMLRT 2012 SKS MICRO FINANCE		1,000	-	26	-
EXIMIUS SBL IFMR CAPITAL 2012-A1		1	-	3	-
EXIMIUS SBL IFMR CAPITAL 2012-A2		1,235	-	1	-
SMILE REL Dec-12 Series A1 PTC		1	-	8	-
SMILE REL Dec-12 Series A2 PTC		3	-	1	-
IMRT 3 PTC Inv		1	-	21	-
Aurora A1		205	-	1	-
PFSPL Trust 2		1	-	5	-
ILSS 6 Trust 2010-ITSL SR-A2 PTC 05NV09		-	46	-	25
GVMFL Satdev Microfinance Loan Pool Jul-11 PTC 28JL11 [₹ Nil (Previous year ₹ 19 97 737)]		-	1	-	-
IFMR Capital MOSEC-VI SR-A1 PTC 02AG11		-	49	-	8
Themis IFMR Capital 2011 SR-A1 PTC 31AG11		-	815,138	-	4
Aether IFMR Capital 2011 SR-A1 PTC 20SP11		-	13,363,031	-	3
SMF Reliance October 2011 Tranch 1 SR-A1 PTC 23SP11		-	1	-	2
KRIOS IFMR Capital 2011 SR-A1 PTC 26SP11		-	100	-	8
IMLRT September 2011 SR-A1 PTC 29SP11		-	1,000	-	11
IFMR Capital MOSEC-VIII SR-A1 PTC 07OT11		-	28,456,249	-	9
HESTIA IFMR Capital 2011 SR-A1 PTC 12OT11		-	4,055,189	-	5
SMF Reliance October 2011 Tranch 2 SR-A1 PTC 24OT11		-	1	-	10
IFMR Capital Mosec – IX SR-A1 PTC 09NV11		-	2,145,712	-	13
GVMFL Satdev Microfinance Loan Pool Nov-11 PTC 18NV11		-	1	-	15
Helios IFMR Capital 2011 SR-A1 PTC 26DC11		-	1,400	-	9

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
		(₹ in crore)			
IFMR Capital Mosec XI SR-A1 PTC 26DC11		-	100	-	33
Chloris IFMR Capital 2012 SR-A1 PTC 17FB12		-	800,000	-	10
IFMR Capital Mosec XIII SR-A1 PTC 30MR12		-	3,000	-	30
GAIA IFMR Capital 2012 SR-A1 PTC 30MR12		-	936	-	9
GVMFL Satdev Microfinance Loan Pool Mar-12 SR-A1 PTC 30MR12Mar-12		-	1	-	22
Sub-Total (D)				88	226
Total Current investments (A+B+C+D)				366	600

* For mutual fund net asset value (NAV) is taken as market value

Note:

Aggregate value of Investment

	As at March 31, 2013		As at March 31, 2012	
	Book Value	Market Value	Book Value	Market Value
	(₹ in crore)			
Quoted Investments	150	150	-	-
Unquoted Investments	216	-	600	-
	366	150	600	-

	As at March 31, 2013	As at March 31, 2012
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19 Trade receivables

Unsecured, considered good valued unless stated otherwise

Doubtful debts outstanding for a Period exceeding Six Months from the due date	-	16
Less : Provision for doubtful debts	-	15
	-	1
Other debts-unsecured considered good	-	192
	-	193

20 Cash and bank balances

(a) Cash and cash equivalents

Balances with banks

- In current accounts	679	328
Cash on hand [₹ 29 96 143(Previous year ₹ 40 99 144)]	-	679
	-	-
	-	328

(b) Other bank balances

- Fixed Deposits under lien (less than 3 months)*	54	99
- Unclaimed dividend	12	9
	745	436

* In respect of balances with Scheduled Banks in Fixed Deposit accounts, ₹ 54 crore (Previous year ₹ 99 crore) is kept as credit enhancement towards securitisation / assignment transaction.

21 Short term loans and advances

Unsecured, considered Good;

(a) Loans

Considered good

Related party (Refer Note No. 38)

-Secured	95	19
-Unsecured	434	66
Others		
-Secured	3 379	2 897
-Unsecured	2 962	6 870
		2 324
		5 306

Notes to Financial Statements as at March 31, 2013

	As at March 31, 2013		As at March 31, 2012	
	(₹ in crore)			
(b) Advances				
Considered good				
Related party-unsecured (Refer Note No. 38)	5		9	
Others				
-Secured	109		45	
-Unsecured	25	139	34	88
(c) Prepaid expenses		16		6
		<u>7 025</u>		<u>5 400</u>
22 Other current assets				
(a) Interest accrued on loans				
Related Party [₹ 25 38 945 (Previous year ₹ Nil)] (Refer Note No. 38)	-		-	
Others	309	309	253	253
(b) Accrued interest / finance income on investments		64		171
(c) Unamortised DSA commission		22		27
(d) Unamortised brokerage on borrowings		20		18
		<u>415</u>		<u>469</u>
	(₹ in crore)			
	2012-2013		2011-2012	
23 Revenue from operations				
Interest and finance income on:				
-Long term investments	467		534	
-Loans	2 047		1 668	
-Fixed deposits and others	26	2 540	18	2 220
Profit on sale of (net):				
-Long term investments	990		657	
-Current investments	21	1 011	60	717
Dividends on investments:				
-Subsidiary	105		150	
-Long term	27		6	
-Current (Previous year ₹ 41 19 522)	-	132	-	156
Premium on loan assignment and securitisation		-		4
Profit share in partnership firm (Refer Note No. 32)		-		30
Depository participant transaction charges	-		5	
Less : Service tax recovered (Previous year ₹ 43 82 816)	-	-	-	5
Lease rental income		21		17
Processing fees	66		42	
Less : Service tax recovered	7	59	4	38
Bad debts recovered		34		53
Other operating income	34		31	
Less : Service tax recovered	3	31	3	28
		<u>3 828</u>		<u>3 268</u>
24 Other income				
Management fee	30		30	
Less : Service tax recovered	3	27	3	27
Credit balance / excess provision written back		1		4
Profit on sale of fixed assets (net) (Previous year ₹ 19 61 037)		-		-
Rent income		1		-
Miscellaneous income		11		18
		<u>40</u>		<u>49</u>
25 Employee benefit expenses:				
Salaries and wages		150		127
Contribution to provident and other funds		7		6
Staff welfare expenses		8		8
		<u>165</u>		<u>141</u>

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

	(₹ in crore)	
	2012-2013	2011-2012
26 Finance cost		
Interest expense		
-Debentures	640	584
-Bank loans / financial institutions (Long term and short term)	997	976
-Bank loans (Cash credit)	24	23
-Inter corporate deposits	83	57
Other borrowing costs		
-Discount on commercial papers	407	398
-Amortised brokerage on borrowings (Refer Note No. 17)	28	27
	<u>2 179</u>	<u>2 065</u>
27 Other expenses		
Bank charges	1	1
Rent	34	27
Rates and taxes	4	3
Repairs and maintenance		
-Buildings	1	1
-Others	29	23
Electricity	4	3
Insurance	1	1
Travelling and conveyance	9	8
Postage, telegram and telephones	7	6
Legal and professional fees	77	76
Auditors' remuneration (Refer Note No. 33)	1	1
Sales and marketing expenses	25	32
Employee seminar and training	1	2
Donation	1	4
Directors' sitting fees [₹ 14 11 912 (Previous year ₹ 15 80 000)] (including Service Tax)	-	-
Amortised DSA commission (Refer Note No. 17)	39	33
Provision for NPA, doubtful debts and balances written off *	296	101
Provision and loss on repossessed stock #	9	3
Provision for diminution in the value investments / written off **	236	136
Loss share in partnership firm	9	-
Loss on sale of fixed assets (net)	2	-
Miscellaneous expenses	5	3
	<u>791</u>	<u>464</u>
Notes:		
* Breakup of provision for NPA, doubtful debts and bad debts written off		
Provision for NPA and doubtful debts	21	(20)
Provision for standard assets	8	1
Bad debts written off	146	120
Loss on sale of assignment	121	-
	<u>296</u>	<u>101</u>
# Breakup of provision and loss on repossessed stock		
Provision / (reversal) for repossessed stock (Previous year reversal of ₹ 35 50 183)	3	(-)
Loss on sale of repossessed stock	6	3
	<u>9</u>	<u>3</u>
** Breakup of provision for diminution in the value of investments / written off		
Provision for diminution in the value of investments	230	125
Investments written off	6	11
	<u>236</u>	<u>136</u>

Notes to Financial Statements as at March 31, 2013

28 Security clause / maturity profiles in respect to Secured Loans from banks / debentures

- (i) Non convertible debentures (NCDs) are redeemable at par, in one or more installments, on various dates.
- (a) NCDs amounting to ₹ Nil (Previous year ₹ 5 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on business receivables and loan assets of the commercial finance division, against security not exceeding ₹ Nil (Previous year ₹ 6 crore).
- (b) NCDs amounting to ₹ 5,849 crore (Previous year ₹ 5,686 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on present and future book debts / business receivables of the Company. Business receivables includes Fixed Asset, Current Assets, Investments and any other assets, against security not exceeding ₹ 6,341 crore (Previous year ₹ 6,111 crore).
- (c) The Company is in the process of creating security on the remaining NCDs amounting to ₹ 567 crore (Previous year ₹ 75 crore).
- (d) Maturity profile and Rate of interest of Long Term NCDs are as set out below:

(₹ in crore)

Rate of Interest	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Total
#	20	-	-	-	-	-	-	-	-	-	20
8.40%	-	25	-	-	-	-	-	-	-	-	25
9.50%	-	10	-	-	-	-	-	-	-	-	10
9.60%	-	19	-	-	-	-	-	-	-	-	19
9.75%	123	10	-	15	-	-	-	-	-	-	148
9.80%	-	-	-	-	-	-	-	-	500	-	500
9.85%	-	5	-	75	-	-	-	-	45	-	125
9.86%	-	-	-	30	-	-	-	-	-	-	30
9.90%	-	-	-	-	-	-	500	-	75	-	575
9.95%	-	-	-	-	-	-	-	-	85	-	85
10.00%	-	-	10	240	-	-	-	-	10	-	260
10.05%	-	-	-	-	-	-	-	-	7	-	7
10.10%	40	-	-	-	16	-	-	-	10	-	66
10.15%	-	-	-	65	-	-	-	-	-	-	65
10.20%	-	-	-	5	-	-	-	-	82	-	87
10.24%	-	-	-	-	-	500	-	-	-	-	500
10.25%	25	-	-	16	-	-	-	-	40	-	81
10.28%	-	-	-	-	-	15	-	-	-	-	15
10.30%	50	4	-	49	-	-	-	-	-	-	103
10.33%	-	-	-	25	-	-	-	-	-	-	25
10.35%	89	5	-	50	-	-	5	-	5	-	154
10.40%	-	45	105	-	-	5	-	-	350	-	505
10.50%	99	-	500	-	21	-	-	25	20	15	680
10.60%	-	-	-	-	-	-	-	83	51	-	134
10.65%	10	-	-	-	8	-	-	-	-	-	18
10.70%	640	-	-	-	-	-	-	-	-	-	640
10.75%	19	-	-	-	-	-	-	367	-	-	386
11.00%	-	-	300	-	-	-	-	-	-	-	300
11.65%	50	-	-	-	-	-	-	-	-	-	50
MLD	153	194	52	-	-	-	-	-	-	-	399
Total	1 318	317	967	570	45	520	505	475	1 280	15	6 012

Zero Coupon Deep Discount Non-Convertible Debentures

- (ii) (a) Term Loans from banks includes ₹ 8,518 crore (Previous year ₹ 7,735 crore) are secured by pari passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company's commercial finance division.
- (b) Maturity profile of Term loans from banks are as set out below :

(₹ in crore)

	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Term Loan from Banks	2 409	2 380	744	267	31	5 831

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

(iii) Maturity profile of Inter corporate Deposit are as set out below : (₹ in crore)

Rate of Interest	2014-15
5.00%	1
8.00%	8
11.00%	350
11.50%	200
Total	559

29 Amalgamation

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.

Hence, in accordance with the Scheme:-

- As entire issued, subscribed and paid up share capital of REIPL and EMML was held by the Company, no shares of the Company have been allotted in lieu or exchange of its holding in REIPL and EMML. Consequent to the Scheme the share capital of REIPL and EMML stands cancelled.
- On Scheme becoming effective with effect from Appointed Date, the Company has written off its cancelled investments amounting to ₹ 680 crore in REIPL and EMML 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 EMML 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

- 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.
- 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.
- 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.

Notes to Financial Statements as at March 31, 2013

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.

II Scheme of Amalgamation between Company and Viscount Management Services (Alpha) Limited (VMSAL)

The Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between Company and VMSAL was sanctioned by the Hon'ble High Court of Judicature at Bombay vide Order dated January 20, 2012. The scheme became effective on March 12, 2012 on filing with the Registrar of Companies (RoC) with effect from October 1, 2011 i.e. Appointed Date.

VMSAL was incorporated with the main object of business consultancy service. 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.

Hence, in accordance with the Scheme:-

- (i) Before Scheme becomes effective the entire issued, subscribed and paid up share capital was held by the Company. No shares of the Company have been allotted in lieu or exchange of its holding in VMSAL and share capital of VMSAL stands cancelled.
- (ii) On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 5,839 crore and liabilities aggregating to ₹ 1,385 crore as appearing in the books of VMSAL 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	
Assets	
Investments	5 839
Cash in Hand (₹ 2 053)	-
Balance with Schedule Bank (₹ 3 529)	-
Taxes Paid (₹ 12 364)	-
Total	5 839
Liabilities	
Optionally Convertible Preference Share Capital including premium on redemption of ₹ 204 crore	211
Zero Coupon Optionally Fully Convertible Debenture including premium on redemption of ₹321 crore	1 174
Short Term Provision (₹ 27 575)	-
Total	1 385
Excess of Assets over liabilities credit to General Reserve	4 454

- (iii) All inter-company balances including liabilities on account of debentures and inter-company investments amounting to ₹ 1,385 crore on appointed date stands cancelled. The excess amount of investments amounting to ₹ 679 crore has been debited to general reserve toward inter-company investments cancellation.
- (iv) Difference aggregating to ₹ 3,774 crore after recording both above said items being the excess arising on transfer of assets and liabilities has been credited to General Reserve.
- (v) Difference in accounting method between the Company and VMSAL amounting to ₹ 62 crore has been credited to General Reserve pursuant to the Scheme.

Had the Scheme not prescribed the above accounting treatments, the difference of ₹ 3,837 crore would have been credited to Capital Reserve instead of General Reserve and General Reserve would have been lower by equivalent amount.

- III** In accordance with the provisions of the Scheme of Amalgamation of Reliance Commercial Finance Private Limited (RCFPL) with the Company ("the Scheme") sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated April 29, 2011, the loss on sale of long term investments amounting to ₹ 149 crore determined as an exceptional item by the Board of Directors of the Company has been debited in the statement of profit and loss for the previous year ended March 31, 2012. As per the Scheme and legal opinion obtained by the Company equivalent amount has been withdrawn from General Reserve to adjust the same, which has been disclosed accordingly. Had such losses not been met from General Reserve, the Company would have reflected a profit before tax of ₹ 472 crore and Profit after tax for the year would have been ₹ 370 crore.

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Notes to Financial Statements as at March 31, 2013

- 30 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 / Assigned (Nos.)	11 525	31	6 892	18 448
	(-)	(96)	(14 494)	(14 590)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any) (₹)	1 544	25	586	2 155
	(-)	(49)	(1 078)	(1 127)
Sale consideration received for the Securitised / Assigned assets (₹)	1 544	25	465	2 034
	(-)	(49)	(1 082)	(1 131)
Net gain / (loss) on account of Securitisation / Assigned (₹)	-	-	(121)	(121)
	(-)	(-)	(4)	(4)
Outstanding Credit Enhancement (Funded) as at March 31, 2013 (₹)	172	-	124	296
	(174)	(-)	(126)	(300)
Outstanding Liquidity Facility (₹)	-	-	-	-
	(-)	(-)	(-)	(-)
Net Outstanding Servicing Liability as at March 31, 2013 (₹)	62	-	65	127
	(19)	(-)	(73)	(92)

Note : Figures in bracket indicate previous year figures.

(i) Securitisation

(₹ in crore)

Particulars	As at March 31, 2013	As at March 31, 2012
1 No of SPVs sponsored by the NBFC for Securitisation Transactions	5	3
2 Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	1 311	209
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	172	-
• Others	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	-	-
b) On-balance sheet exposures		
i) Exposure to own securitisations		
• First loss	-	174
• Others	-	35
ii) Exposure to third party securitisations		
• First loss	-	-
• Others	-	-

Notes to Financial Statements as at March 31, 2013

(ii) Assignments		(₹ in crore)	
Particulars	As at March 31, 2013	As at March 31, 2012	
1	No of Direct Assignments	23	20
2	Total amount of assigned assets as per books of the NBFC	1 317	1 471
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	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	124	126
	Others	-	-
	ii) Exposure to third party assignments		
	First loss	-	-
	Others	-	-

- 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 by RBI from time to time.
- c) During the year, Company has entered into a agreement for assignment of receivables amounting to ₹ 87 crore (Previous year ₹ 733 crore). The said receivables are included in loans given.

31 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 ₹ 11 crore (Previous year ₹ 42 crore) related to Reliance Home Finance Limited in a trust capacity as on March 31, 2013.

32 The Company is a partner in the following firms:

- i) Reliance Capital Partners:
a) The firm consists of following partners and their balances:

		(₹ in crore)	
Name of Partners	As at March 31, 2013	As at March 31, 2012	
i) Reliance Capital Limited	544	693	
ii) Reliance Land Private Limited	12	5	
Total	556	698	

- b) Profit Sharing Ratio: The profit / (loss) is distributed between the partners on the basis of the weighted average capital. The loss for the current financial year is ₹ 9 crore (Previous year profit ₹ 30 crore)
- ii) Reliance Capital Infrastructure Partners has been dissolved w.e.f December 31, 2012.

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

33 Auditors' remuneration includes:

	(₹ in crore)	
	2012-13	2011-12
i) Audit Fees	1	1
ii) Tax Audit Fees [₹ 1 06 180 (Previous year ₹ 1 00 000)]	-	-
iii) Certification charges and other reimbursement [₹ 1 31 110 (Previous year ₹ 1 00 000)]	-	-
Total	1	1

34 Tax on Proposed Dividend

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 from its subsidiary company. The Company has received the following dividend from Reliance Capital Asset Management Limited

	(₹ in crore)	
	2012-13	2011-12
Date of proposed dividend	April 19, 2013	May 9, 2012
Dividend Declared	161	161
Dividend Distribution Tax	27	26
Date of dividend Received	-	August 27, 2012
Dividend Received	-	105

35 Employee Stock Option Plans

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 ₹ 130 crore (net of diminution ₹ Nil)] 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 management):

	Plan A		Plan B	
	No. of Stock Options	Exercise Price (₹)	No. of Stock Options	Exercise Price (₹)
Outstanding at the beginning of the year	3 47 900	800	3 50 100	800
Granted	-	N.A.	-	N.A.
Exercised	-	N.A.	-	N.A.
Lapsed / Forfeited / Surrendered	1 77 280	800	97 640	800
Outstanding at the end of the year	1 70 620	800	2 52 460	800
Exercisable at end of the year	58 980	800	37 420	800

Notes to Financial Statements as at March 31, 2013

36 Employee benefits

a) Defined contribution plan

Contribution to defined contribution plans, recognised as expense for the year is as under:

	(₹ in crore)	
	2012-13	2011-12
Employer's contribution to provident fund	4	4
Employer's contribution to superannuation fund [₹ 18 15 991 (Previous year ₹ 19 35 628)]	-	-
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	
	2012-13	2011-12	2012-13	2011-12
I. Table showing change in				
Liability at the beginning of the period	4.36	3.24	3.63	4.50
Interest cost	0.37	0.28	0.27	0.31
Current service cost	0.94	0.82	0.83	0.83
Benefit paid	(1.28)	(0.57)	(0.96)	(0.58)
Actuarial (gain)/loss on obligations	1.16	0.59	0.07	(1.43)
Liability at the end of the period	5.54	4.36	3.84	3.63
II. Changes in the fair Value of Plan Assets and the reconciliation thereof:				
Fair value of plan assets at the beginning of the period	4.35	3.82	-	-
Expected return on plan assets	0.37	0.32	-	-
Contributions	3.27	1.03	0.96	0.58
Benefit paid	(1.28)	(0.57)	(0.96)	(0.58)
Actuarial gain/(loss) on plan assets	(0.03)	(0.25)	-	-
Fair value of plan assets at the end of the period	6.69	4.35	-	-
Total actuarial gain/(loss) to be recognised	(1.18)	(0.84)	(0.07)	1.43
III. Actual return on plan assets				
Expected return on plan assets	0.37	0.32	-	-
Actuarial gain/(loss) on plan assets	(0.03)	(0.25)	-	-
Actual return on plan assets	0.34	0.07	-	-
IV. Amount recognised in the Balance Sheet				
Liability at the end of the period	5.54	4.36	3.84	3.63
Fair Value of Plan Assets at the end of the period	6.69	4.35	-	-
Difference Funded status	1.15	(0.01)	(3.84)	(3.63)
Unrecognised Actual Gain/(Loss)	-	-	-	-
Amount recognised in the Balance Sheet (liability)	1.15	(0.01)	(3.84)	(3.63)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Gratuity benefit funded		Leave Encashment Benefit Unfunded		
	2012-13	2011-12	2012-13	2011-12	
V. Expenses recognised in the Statement of Profit and Loss					
Current Service Cost	0.94	0.82	0.83	0.83	
Interest Cost	0.36	0.28	0.27	0.31	
Expected return on Plan Assets	(0.37)	(0.32)	-	-	
Net Actuarial (gain)/loss to be recognized	1.18	0.84	0.07	(1.43)	
Expense recognised in the Statement of Profit and Loss	2.11	1.62	1.17	(0.29)	
VI. Amount recognised in the Balance Sheet					
Opening Net Liability	0.01	(0.58)	3.63	4.50	
Expense as above	2.11	1.62	1.17	(0.29)	
Employers Contribution paid	(3.27)	(1.03)	(0.96)	(0.58)	
Closing Net Liability/(Assets)	(1.15)	0.01	3.84	3.63	
VII. Assumptions					
Discount Rate	8.00%	8.50%	8.00%	8.50%	
Rate of return on Plan Assets	8.00%	8.50%	-	-	
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			
	2 013	2 012	2 011	2 010	2 009
Present value of benefit obligation	5.54	4.36	3.25	4.62	4.13
Fair value of plan assets	6.69	4.35	3.82	3.76	2.98
Excess of obligation over plan assets	(1.15)	0.01	(0.57)	0.86	1.15
IX. Experience Adjustment					
Experience adjustment on Plan Assets Gain / (Loss)	(0.03)	(0.25)	(0.09)	0.23	(0.40)
Experience adjustment on Plan Liabilities (Gain) / Loss	0.72	0.58	(0.51)	0.58	(0.99)

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.

37 Segment reporting

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. 40 of the consolidated financial statements.

Notes to Financial Statements as at March 31, 2013

38 Related party disclosures

A. List of Related Parties and their relationship:

i) **Holding Company**

Reliance Innoventures Private Limited

ii) **Subsidiary of Holding Company**

AAA Enterprises Private Limited

iii) **Individual Promoter**

Shri Anil D. Ambani, the person having control during the year

iv) **Subsidiaries**

Reliance Capital Asset Management Limited	Reliance Money Express Limited
Reliance Capital Asset Management (UK) Plc	Reliance Composite Insurance Broking Limited
Reliance Asset Management (Malaysia) SDN BHD	Reliance Alternative Investments Services Private Limited
Reliance Asset Management (Mauritius) Limited	Reliance Capital (Singapore) Pte Limited
Reliance Asset Management (Singapore) Pte. Limited	Reliance Venture Asset Management Private Limited
Reliance Capital Pension Fund Limited	Reliance Equities International Private Limited
Reliance Capital Trustee Company Limited	(merged with the company w.e.f. March 31, 2013)
Reliance General Insurance Company Limited	Emerging Money Mall Limited (w.e.f. February 20, 2013)
Reliance Gilts Limited	(merged with the company w.e.f. March 31, 2013)
Reliance Home Finance Limited	QOPPA Trading Private Limited
Reliance Equity Advisors (India) Limited	Quant Broking Private Limited
Reliance Consultants (Mauritius) Limited	Quant Capital Advisors Private Limited
Reliance Exchangenext Limited	Quant Capital Finance And Investments Private Limited
Reliance Spot Exchange Infrastructure Limited	Quant Capital Private Limited
Indian Agri Services Private Limited (w.e.f April 30, 2012)	Quant Commodities Private Limited
Reliance Securities Limited	Quant Commodity Broking Private Limited
Reliance Wealth Management Limited	Quant Investments Services Private Limited
Reliance Financial Limited	Quant Securities Private Limited
Reliance Money Precious Metals Private Limited	QCAP Trade Private Limited
Reliance Commodities Limited	Quant Alternative Asset Management Private Limited
Reliance Investment Banking Services Limited	(w.e.f. October 12, 2012)

v) **Partnership firm**

Reliance Capital Partners

Reliance Capital Infrastructure Partners (dissolved w.e.f. December 31, 2012)

vi) **Associates**

Ammolite Holdings Limited	Reliance Land Private Limited
Indian Commodity Exchange Limited	Reliance Life Insurance Company Limited
Reliance Asset Reconstruction Company Limited	Reliance Share & Stock Brokers Private Limited

vii) **Fellow subsidiaries**

AAA Entertainment Private Limited	Reliance Communications Limited
Big Flicks Private Limited	Reliance Infocomm Infrastructure Private Limited
Jump Games Private Limited	Reliance Webstore Limited
Reliance Big Entertainment Private Limited	Zapak Digital Entertainment Limited
Reliance Communications Infrastructure Limited	

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 Capital Limited

Notes to Financial Statements as at March 31, 2013

C. Transactions during the year with related parties:

Particulars					(₹ in crore)
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
Debentures					
a) Issued during the year	85	-	15	-	100
	(-)	(-)	(25)	(-)	(25)
b) Redeemed during the year	157	-	-	-	157
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2013	166	-	40	-	206
	(158)	(-)	(25)	(-)	(183)
d) Accrued interest on debentures as at March 31, 2013 (Previous year ₹ 28 38 356)	10	-	1	-	11
	(-)	(-)	(-)	(-)	(-)
Loans Taken					
a) Taken during the year	-	-	-	-	-
	(500)	(-)	(-)	(-)	(500)
b) Returned during the year	80	-	-	-	80
	(-)	(-)	(-)	(-)	(0)
c) Balance as at March 31, 2013	700	-	-	-	700
	(780)	(-)	(-)	(-)	(780)
Commercial Paper					
a) Issued during the year	-	-	527	-	527
	(10)	(-)	(682)	(-)	(692)
b) Repaid during the year	-	-	750	-	750
	(10)	(-)	(299)	(-)	(309)
c) Balance as at March 31, 2013	-	-	271	-	271
	(-)	(-)	(482)	(-)	(482)
Investments					
a) Subscribed/Purchased during the year	454	23	-	-	477
	(479)	(-)	(125)	(-)	(604)
b) Redeemed during the year	302	-	-	-	302
	(25)	(-)	(-)	(-)	(25)
c) Balance as at March 31, 2013 [Net of provision ₹ 125 crore (Previous year ₹ 40 crore)]	2 708	1 230	5 397	-	9 335
	(2 441)	(1 307)	(4 366)	(-)	(8 114)
Partnership Current Accounts					
a) Contribution /(withdrawal) during the year (Net)	-	-	-	(140)	(140)
	(-)	(-)	(-)	(-)	(-)
b) Profit / (Loss) of Partnership firm during the year	-	-	-	(9)	(9)
	(-)	(-)	(-)	(30)	(30)
c) Balance as at March 31, 2013	-	-	-	544	544
	(-)	(-)	(-)	(693)	(693)
Interest / Finance income accrued on Investment					
a) Balance as at March 31, 2013	-	410	166	-	576
	(-)	(290)	(125)	(-)	(415)
Loans Given					
a) Given during the year	443	749	11	-	1 203
	(280)	(86)	(19)	(-)	(385)
b) Returned /Adjusted during the year	495	230	13	-	738
	(352)	(49)	(150)	(-)	(551)
c) Balance as at March 31, 2013 [Net of provision ₹ 7 crore (Previous year ₹ Nil)]	62	583	32	-	677
	(122)	(63)	(34)	(-)	(219)
d) Assignment of Loans	25	-	-	-	25
	(49)	(-)	(-)	(-)	(49)
e) Re-Assignment of Loans	-	-	-	-	-
	(703)	(-)	(-)	(-)	(703)

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
f) Interest accrued on Loans (*₹ 25 38 345)	-*	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Trade receivable					
a) Balance as at March 31, 2013	-	-	-	-	-
	(-)	(1)	(-)	(-)	(1)
Advances					
a) Balance as at March 31, 2013 (*₹ 2 67 733)	92	2	-*	-	94
	(55)	(-)	(4)	(-)	(59)
Trade payables					
a) Balance as at March 31, 2013 [₹ 4 79 830 (Previous year ₹ 16 60 369)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Income					
a) Interest & Finance Income (including Premium on Preference Shares)	4	148	63	-	215
	(4)	(127)	(66)	(-)	(197)
b) Rent	-	1	-	-	1
	(-)	(-)	(-)	(-)	(-)
c) Dividend Income *(Previous year ₹ 42 10 544)	105	1	19	-	125
	(150)	(*)	(-)	(-)	(150)
d) Reimbursement of Expenditure [₹ 23 25 359 (Previous year ₹ 39 05 151)]	13	-	5	-	18
	(31)	(-)	(6)	(-)	(37)
e) Management Fees	15	-	6	-	21
	(18)	(-)	(6)	(-)	(24)
f) Income transferred as per Business Transfer Agreement	3	-	-	-	3
	(11)	(-)	(-)	(-)	(11)
g) Processing fees	-	2	-	-	2
	(-)	(-)	(-)	(-)	(-)
Expenditure					
a) Finance cost	98	-	39	-	137
	(66)	(-)	(2)	(-)	(68)
b) Insurance [₹ 66 29 083 (Previous year ₹ 24 62 049)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
c) Legal & Professional fees	-	-	-	-	-
	(2)	(-)	(-)	(-)	(2)
d) Brokerage paid during the year (₹ 38 98 504)	-	-	-	-	-
	(6)	(-)	(-)	(-)	(6)
e) Expenses transferred as per Business Transfer Agreement	3	-	-	-	3
	(9)	(-)	(-)	(-)	(9)
f) Reimbursement of Expenditure	3	-	1	-	4
	(14)	(-)	(2)	(-)	(16)
g) Provision for diminution in value of investments	(21)	77	-	-	56
	(40)	(-)	(-)	(-)	(40)
h) Provision for NPA, doubtful debts and balances written off	7	-	18	-	25
	(-)	(-)	(-)	(-)	(-)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions on behalf of third parties	5	50	82	-	137
	(-)	(-)	(77)	(-)	(77)
Shares given as collateral					
a) Shares given as collateral	63	-	-	-	63
	(-)	(-)	(-)	(-)	(-)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

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
Debtures					
a) Issued during the year					
i) Reliance Securities Limited	85	-	-	-	85
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Life insurance Company Limited	-	-	15	-	15
	(-)	(-)	(25)	(-)	(25)
b) Redeemed during the year					
i) Reliance Securities Limited	80	-	-	-	80
	(-)	(-)	(-)	(-)	(-)
ii) Reliance General Insurance Company Limited	77	-	-	-	77
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2013					
i) Reliance Securities Limited	86	-	-	-	86
	(81)	(-)	(-)	(-)	(81)
ii) Reliance Life insurance Company Limited	-	-	40	-	40
	(-)	(-)	(25)	(-)	(25)
iii) Reliance General Insurance Company Limited	80	-	-	-	80
	(77)	(-)	(-)	(-)	(77)
d) Interest accrued on debtures as at March 31, 2013					
i) Reliance Securities Limited	5	-	-	-	5
	(-)	(-)	(-)	(-)	(-)
(Previous year ₹ 4 82 192)					
ii) Reliance Life Insurance Company Limited	-	-	1	-	1
	(-)	(-)	(-)	(-)	(-)
(Previous year ₹ 23 56 164)					
iii) Reliance General Insurance Company Limited	5	-	-	-	5
	(-)	(-)	(-)	(-)	(-)
Loans Taken					
a) Taken during the year					
i) Reliance Capital Asset Management Limited	-	-	-	-	-
	(500)	(-)	(-)	(-)	(500)
b) Returned during the year					
i) Reliance Capital Asset Management Limited	80	-	-	-	80
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2013					
i) Reliance Capital Asset Management Limited	700	-	-	-	700
	(780)	(-)	(-)	(-)	(780)
Commercial Papers					
a) Issued during the year					
i) Reliance Securities Limited	-	-	-	-	-
	(10)	(-)	(-)	(-)	(10)
ii) Reliance Life Insurance Company Limited	-	-	527	-	527
	(-)	(-)	(682)	(-)	(682)
b) Repaid during the year					
i) Reliance Securities Limited	-	-	-	-	-
	(10)	(-)	(-)	(-)	(10)
ii) Reliance Life Insurance Company Limited	-	-	750	-	750
	(-)	(-)	(299)	(-)	(299)
c) Balance as at March 31, 2013					
i) Reliance Life Insurance Company Limited	-	-	271	-	271
	(-)	(-)	(482)	(-)	(482)
Investments					
a) Subscribed / Purchased during the year					
i) Reliance General Insurance Company Limited	155	-	-	-	155
	(443)	(-)	(-)	(-)	(443)
ii) Reliance Land Private Limited	-	-	-	-	-
	(-)	(-)	(125)	(-)	(125)
iii) Reliance Home Finance Limited	291	-	-	-	291

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
	(-)	(-)	(-)	(-)	(-)
iv) AAA Entertainment Private Limited	-	23	-	-	23
	(-)	(-)	(-)	(-)	(-)
b) Redeemed during the year					
i) Reliance Securities Limited	-	-	-	-	-
	(25)	(-)	(-)	(-)	(25)
ii) Reliance Home Finance Limited	291	-	-	-	291
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2013					
i) Reliance Capital Asset Management Limited	184	-	-	-	184
	(10)	(-)	(-)	(-)	(10)
ii) Reliance General Insurance Company Limited	1 717	-	-	-	1 717
	(1 562)	(-)	(-)	(-)	(1 562)
iii) Reliance Land Private Limited	-	-	486	-	486
	(-)	(-)	(486)	(-)	(486)
iv) Reliance Home Finance Limited	321	-	-	-	321
	(321)	(-)	(-)	(-)	(321)
v) Reliance Share & Stock Brokers Private Limited	-	-	86	-	86
	(-)	(-)	(86)	(-)	(86)
vi) Reliance Big Entertainment Private Limited	-	1 000	-	-	1 000
	(-)	(1 000)	(-)	(-)	(1 000)
vii) Reliance Communications Limited [Net of Provision ₹ 77 crore (Previous year ₹ Nil)]	-	230	-	-	230
	(-)	(307)	(-)	(-)	(307)
viii) Reliance Asset Reconstruction Company Limited	-	-	49	-	49
	(-)	(-)	(49)	(-)	(49)
ix) Ammolite Holdings Limited [Net of Provision ₹ 29 crore (Previous year ₹ Nil)]	-	-	-	-	-
	(-)	(-)	(29)	(-)	(29)
x) Reliance Securities Limited	150	-	-	-	150
	(150)	(-)	(-)	(-)	(150)
xi) Quant Capital Private Limited	200	-	-	-	200
	(200)	(-)	(-)	(-)	(200)
xii) Reliance Exchangenext Limited [Net of Provision ₹ 19 crore (Previous year ₹ Nil)]	50	-	-	-	50
	(69)	(-)	(-)	(-)	(69)
xiii) Reliance Life Insurance Company Limited	-	-	4 776	-	4 776
	(-)	(-)	(3 717)	(-)	(3 717)
Partnership Current Accounts					
a) Contribution /(withdrawal) during the year (Net)					
i) Reliance Capital Partners	-	-	-	(140)	(140)
	(-)	(-)	(-)	(-)	(-)
b) Profit /(Loss) of Partnership firm during the year					
i) Reliance Capital Partners	-	-	-	(9)	(9)
	(-)	(-)	(-)	(30)	(30)
c) Balance as at March 31, 2013					
i) Reliance Capital Partners	-	-	-	544	544
	(-)	(-)	(-)	(693)	(693)
Interest / Finance income accrued on investment					
a) Balance as at March 31, 2013					
i) Reliance Land Private Limited	-	-	166	-	166
	(-)	(-)	(107)	(-)	(107)
ii) Ammolite Holdings Limited	-	-	-	-	-
	(-)	(-)	(19)	(-)	(19)
iii) Reliance Big Entertainment Private Limited	-	410	-	-	410
	(-)	(290)	(-)	(-)	(290)
Loans Given					
a) Given during the year					
i) Reliance Land Private Limited	-	-	11	-	11
	(-)	(-)	(17)	(-)	(17)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
ii) Reliance Financial Limited	40 (50)	- (-)	- (-)	- (-)	40 (50)
iii) Quant Capital Private Limited	50 (-)	- (-)	- (-)	- (-)	50 (-)
iv) Zapak Digital Entertainment Limited	- (-)	2 (20)	- (-)	- (-)	2 (20)
v) Jump Games Private Limited	- (-)	4 (5)	- (-)	- (-)	4 (5)
vi) Reliance Asset Reconstruction Company Limited	- (-)	- (-)	- (3)	- (-)	- (3)
vii) Reliance Securities Limited	50 (-)	- (-)	- (-)	- (-)	50 (-)
viii) Quant Commodities Private Limited	100 (156)	- (-)	- (-)	- (-)	100 (156)
ix) Reliance Commodities Limited	- (67)	- (-)	- (-)	- (-)	- (67)
x) Reliance Big Entertainment Private Limited	- (-)	743 (61)	- (-)	- (-)	743 (61)
xi) Reliance Equities International Private Limited	186 (-)	- (-)	- (-)	- (-)	186 (-)
b) Returned/Adjusted during the year					
i) Reliance Land Private Limited	- (-)	- (-)	- (140)	- (-)	- (140)
ii) Reliance Financial Limited	40 (50)	- (-)	- (-)	- (-)	40 (50)
iii) Reliance Asset Reconstruction Company Limited	- (-)	- (-)	4 (8)	- (-)	4 (8)
iv) Quant Broking Private Limited	16 (10)	- (-)	- (-)	- (-)	16 (10)
v) Quant Commodities Private Limited	100 (156)	- (-)	- (-)	- (-)	100 (156)
vi) Quant Capital Private Limited	50 (-)	- (-)	- (-)	- (-)	50 (-)
vii) Reliance Securities Limited	103 (44)	- (-)	- (-)	- (-)	103 (44)
viii) Reliance Commodities Limited	- (67)	- (-)	- (-)	- (-)	- (67)
ix) Reliance Big Entertainment Private Limited	- (-)	205 (24)	- (-)	- (-)	205 (24)
x) Zapak Digital Entertainment Limited	- (-)	- (20)	- (-)	- (-)	- (20)
xi) Jump Games Private Limited	- (-)	- (5)	- (-)	- (-)	- (5)
xii) Reliance Life Insurance Company Limited	- (-)	- (-)	9 (2)	- (-)	9 (2)
xiii) Reliance Equities International Private Limited	186 (-)	- (-)	- (-)	- (-)	186 (-)
c) Balance as at March 31, 2013					
i) Reliance Land Private Limited	- (-)	- (-)	24 (13)	- (-)	24 (13)
ii) Reliance Equity Advisors (India) Limited	32 (32)	- (-)	- (-)	- (-)	32 (32)
iii) Quant Broking Private Limited	30 (30)	- (-)	- (-)	- (-)	30 (30)
iv) Zapak Digital Entertainment Limited	- (-)	2 (20)	- (-)	- (-)	2 (20)

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
v) Jump Games Private Limited	-	4	-	-	4
	(-)	(5)	(-)	(-)	(5)
vi) Reliance Asset Reconstruction Company Limited	-	-	1	-	1
	(-)	(-)	(5)	(-)	(5)
vii) Reliance Exchangenext Limited [Net of Provision ₹ 7 crore (Previous year ₹ Nil)]	-	-	-	-	-
	(7)	(-)	(-)	(-)	(7)
viii) Reliance Big Entertainment Private Limited	-	576	-	-	576
	(-)	(38)	(-)	(-)	(38)
ix) Reliance Securities Limited	-	-	-	-	-
	(53)	(-)	(-)	(-)	(53)
x) Reliance Life Insurance Company Limited	-	-	7	-	7
	(-)	(-)	(16)	(-)	(16)
d) Assignment of Loans					
i) Reliance Home Finance Limited	25	-	-	-	25
	(49)	(-)	(-)	(-)	(49)
e) Re-Assignment of Loans					
i) Reliance Home Finance Limited	-	-	-	-	-
	(703)	(-)	(-)	(-)	(703)
Trade Receivables					
a) Reliance Communications Infrastructure Limited	-	-	-	-	-
	(-)	(1)	(-)	(-)	(1)
Advances					
a) Balance as at March 31, 2013					
i) Reliance Securities Limited	3	-	-	-	3
	(-)	(-)	(-)	(-)	(-)
ii) Reliance General Insurance Company Limited	1	-	-	-	1
	(2)	(-)	(-)	(-)	(2)
iii) Quant Capital Private Limited	50	-	-	-	50
	(50)	(-)	(-)	(-)	(50)
iv) Reliance Communications Infrastructure Limited (including capital advance)	-	2	-	-	2
	(-)	(-)	(-)	(-)	(-)
v) Reliance Life Insurance Company Limited (₹ 2 67 733)	-	-	-	-	-
	(-)	(-)	(4)	(-)	(4)
vi) Quant Broking Private Limited	38	-	-	-	38
	(-)	(-)	(-)	(-)	(-)
Trade Payable					
a) Trade payables as at March 31, 2013					
i) Big Flicks Private Limited [₹ 4 29 830 (Previous year ₹ 4 29 830)]	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
ii) Reliance Securities Limited (Previous year ₹ 12 30 539)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
Income					
a) Interest & Finance Income (including Premium on Preference Shares)					
i) Quant Capital Finance And Investments Private Limited (Previous year ₹ 17 54 521)	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
ii) Quant Capital Private Limited	1	-	-	-	1
	(-)	(-)	(-)	(-)	(-)
iii) Reliance Land Private Limited	-	-	61	-	61
	(-)	(-)	(61)	(-)	(61)
iv) Ammolite Holdings Limited	-	-	-	-	-
	(-)	(-)	(5)	(-)	(5)
v) Quant Broking Private Limited	3	-	-	-	3
	(3)	(-)	(-)	(-)	(3)
vi) Reliance Big Entertainment Private Limited	-	148	-	-	148
	(-)	(123)	(-)	(-)	(123)

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
b) Rent					
i) Reliance Communications Infrastructure Limited	- (-)	1 (-)	- (-)	- (-)	1 (-)
c) Dividend Income					
i) Reliance Capital Asset Management Limited	105 (150)	- (-)	- (-)	- (-)	105 (150)
ii) Reliance Communications Limited (Previous year ₹ 42 10 544)	- (-)	1 (-)	- (-)	- (-)	1 (-)
iii) Reliance Life Insurance Company Limited	- (-)	- (-)	19 (-)	- (-)	19 (-)
d) Reimbursement of Expenditure					
i) Reliance General Insurance Company Limited	3 (6)	- (-)	- (-)	- (-)	3 (6)
ii) Reliance Communications Infrastructure Limited [₹ 23 25 359 (Previous year ₹ 32 15 245)]	- (-)	- (-)	- (-)	- (-)	- (-)
iii) Reliance Asset Reconstruction Company Limited (₹ 24 06 000)	- (-)	- (-)	- (1)	- (-)	- (1)
iv) Reliance Capital Asset Management Limited	2 (2)	- (-)	- (-)	- (-)	2 (2)
v) Reliance Securities Limited	1 (2)	- (-)	- (-)	- (-)	1 (2)
vi) Reliance Home Finance Limited	7 (21)	- (-)	- (-)	- (-)	7 (21)
vii) Reliance Land Private Limited (Previous year ₹ 4 63 890)	- (-)	- (-)	- (-)	- (-)	- (-)
viii) Reliance Big Entertainment Private Limited (Previous year ₹ 4 850)	- (-)	- (-)	- (-)	- (-)	- (-)
ix) Reliance Life Insurance Company Limited	- (-)	- (-)	5 (5)	- (-)	5 (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 Securities Limited	- (3)	- (-)	- (-)	- (-)	- (3)
iv) Reliance Home Finance Limited	3 (3)	- (-)	- (-)	- (-)	3 (3)
v) Reliance Life Insurance Company Limited	- (-)	- (-)	6 (6)	- (-)	6 (6)
f) Income transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	3 (11)	- (-)	- (-)	- (-)	3 (11)
g) Processing fees					
i) Reliance Big Entertainment Private Limited	- (-)	2 (-)	- (-)	- (-)	2 (-)
Expenditure					
a) Finance cost					
i) Reliance Securities Limited	9 (9)	- (-)	- (-)	- (-)	9 (9)
ii) Reliance Capital Asset Management Limited	82 (57)	- (-)	- (-)	- (-)	82 (57)
iii) Reliance Life Insurance Company Limited	- (-)	- (-)	39 (2)	- (-)	39 (2)

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
b) Insurance					
i) Reliance General Insurance Company Limited [₹ 22 52 222 (Previous year ₹ 24 62 049)]	- (-)	- (-)	- (-)	- (-)	- (-)
ii) Reliance Life Insurance Company Limited [₹ 43 76 861 (Previous year ₹ Nil)]	- (-)	- (-)	- (-)	- (-)	- (-)
c) Professional and Management fees					
i) Reliance Venture Asset Management Private Limited	- (2)	- (-)	- (-)	- (-)	- (2)
d) Brokerage paid during the year					
i) Reliance Securities Limited (₹ 38 98 504)	- (6)	- (-)	- (-)	- (-)	- (6)
e) Expenses transferred as per Business Transfer Agreement					
i) Reliance Home Finance Limited	3 (9)	- (-)	- (-)	- (-)	3 (9)
f) Reimbursement of Expenditure					
i) Reliance Land Private Limited	- (-)	- (-)	1 (2)	- (-)	1 (2)
ii) Reliance Home Finance Limited	3 (14)	- (-)	- (-)	- (-)	3 (14)
g) Provision for diminution in value of investments					
i) Reliance Exchangenext Limited	19 (-)	- (-)	- (-)	- (-)	19 (-)
ii) Reliance Communication Limited	- (-)	77 (-)	- (-)	- (-)	77 (-)
iii) Reliance Equities International Private Limited	(40) (40)	- (-)	- (-)	- (-)	(40) (40)
h) Provision for NPA, doubtful debts and balances written off					
i) Reliance Exchangenext Limited	7 (-)	- (-)	- (-)	- (-)	7 (-)
ii) Ammolite Holdings Limited	- (-)	- (-)	18 (-)	- (-)	18 (-)
Contingent Liability					
a) Guarantees to Banks and Financial Institutions					
i) Reliance Money Precious Metals Private Limited	5 (-)	- (-)	- (-)	- (-)	5 (-)
ii) Ammolite Holdings Limited	- (-)	- (-)	82 (77)	- (-)	82 (77)
iii) Reliance Big Entertainment Private Limited	- (-)	50 (-)	- (-)	- (-)	50 (-)
Shares given as collateral					
a) Reliance Securities Limited	63 (-)	- (-)	- (-)	- (-)	63 (-)

Key Managerial Personnel

- a) Shri V. R. Mohan
 -Employee benefit expenses ₹ 69 99 996 (Previous year ₹ 68 54 397)
 -Loan given balance as at March 31, 2013, ₹ 4 35 351 (Previous year ₹ 4 49 751)

Enterprise over which individual described in clause A(iii) above has control

- a) Reliance Power Limited
 -Commercial Paper subscribed & redeemed ₹ Nil (Previous year ₹ 224 crore)
 -Investment balance as at March 31, 2013, ₹ 3 crore (Previous year ₹ 3 crore)
 -Reimbursement of expenditure ₹ 1 06 120 (Previous year Nil)

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.

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

- iii) The above disclosed 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 ₹ 1,20,000 (Previous year ₹ 1,00,000) has been paid to Shri Anil D. Ambani, an individual having control.
- v) Pursuant to the Scheme of Amalgamation ("the Scheme") between Company and Reliance Equities International Private Limited (REIPL) and Emerging Money Mall Limited (EMML) [Refer note no. 29] entire issued, subscribed and paid up share capital of REIPL and EMML was held by the Company and was cancelled. Therefore, for the purpose of above disclosures the same has not been considered.

39 Leases

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	21
Due in a period between one year and five years	34	50
Due after five years [₹ 1 79 739 (Previous year ₹ 3 91 880)]	-	-

40 Basic and diluted earning per share:

The computation of earning per share is set out below :

Particulars	(₹ in crore)	
	2012-13	2011-12
a) Amounts used as the numerators		
Net Profit after tax	662	519
Net Profit attributable to equity shareholders	662	519
b) Weighted average number of equity shares (Nos.)	24 56 32 800	24 56 32 800
c) Basic earning per share of face value ₹ 10 each (₹)	26.95	21.14
d) Diluted earning per share of face value ₹ 10 each (₹)	26.95	21.14

41 During the 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.

42 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.

Particulars	(₹ in crore)			
	Outstanding Balance		Maximum Balance outstanding	
	March 31, 2013	March 31, 2012	2012-13	2011-12
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	-	53	50	97
c) Reliance Financial Limited	-	-	40	50
d) Quant Broking Private Limited	30	30	51	40
e) Quant Capital Finance And Investments Private Limited	-	-	-	25
f) Quant Commodities Private Limited	-	-	100	100
g) Reliance Commodities Limited	-	-	-	50
h) Reliance Exchangenext Limited (Net of Provision of ₹ 7 crore as on March 31, 2013)	-	7	8	7
i) Quant Capital Private Limited	-	-	50	-
j) Reliance Equities International Private Limited (Merged with the Company w.e.f. March 31, 2013)	-	-	186	-
ii) Loans and advances in the nature of loans to associates				
a) Reliance Asset Reconstruction Company Limited	1	5	5	12
b) Reliance Land Private Limited	24	13	24	136
c) Reliance Life Insurance Company Limited	7	16	16	78

Notes to Financial Statements as at March 31, 2013

(₹ in crore)

Particulars	Outstanding Balance		Maximum Balance outstanding	
	March 31, 2013	March 31, 2012	2012-13	2011-12
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	-	13	24	136
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 ₹	
	-	-	-	-

43 Disclosure of details as required by Para 13 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(i) Liability side

(₹ in crore)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
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 ₹ 248 crore (Previous year ₹ 275 crore) interest accrued thereon]	6 664	6 041	-	-
ii) Unsecured [inclusive of ₹ 57 crore (Previous year ₹ 26 crore) interest accrued thereon]	1 051	534	-	-
b) Deferred Credits	-	-	-	-
c) Term Loans				
i) Secured	9 018	7 735	-	-
ii) Unsecured	-	400	-	-
d) Inter-corporate Loans and Borrowing	710	797	-	-
e) Commercial Paper	3 649	2 888	-	-
f) Other Loans				
i) Cash Credit from Banks	41	165	-	-

(ii) Asset side

Amount Outstanding

Particulars	March 31, 2013	March 31, 2012
	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	10 620	10 370
b) Unsecured	6 376	3 342
	<u>16 996</u>	<u>13 712</u>

Note:

- 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 ₹ 76 crore (Previous year ₹ 41 crore)
- Break up of leased assets and stock on hire and Other assets counting towards AFC activities:

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

Particulars	Amount Outstanding	
	March 31, 2013	March 31, 2012
Lease assets including lease rentals under sundry debtors:		
1) Financial lease (net of depreciation and lease adjustment)	-	-
2) Operating lease (net of depreciation)	59	69
4) Break up of investments [(Amount net of provisions of ₹ 448 crore (Previous year ₹ 217 crore))]		
a) Current investments		
1) Quoted		
i) Shares		
a) Equity (stock-in trade)	-	-
b) Preference	10	-
ii) Units of Mutual fund	140	-
2) Unquoted		
i) Others		
- Debentures and Bonds	128	374
- Pass Through Certificates	88	226
b) Long term investments		
1) Quoted		
i) Shares		
a) Equity	640	1 265
b) Preference	-	10
ii) Debentures and bonds	-	-
iii) Government securities	-	-
2) Unquoted		
i) Shares		
a) Equity	7 794	6 435
b) Preference	3 227	4 081
ii) Debentures and bonds	859	512
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	10
b) Units of Private Equity/Seed Fund	151	134
c) Investment in Partnership firm	544	693
d) Investment in unincorporated joint venture	85	85
	13 675	13 825

5) Borrower group-wise classification of assets financed as in (2) and (3) above:

[Amount net of provisions of ₹ 76 crore (Previous year ₹ 41 crore)]

(₹ in crore)

Particulars	Secured		Unsecured		Total	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
a) Related parties						
1) Subsidiaries	-	53	154	124	154	177
2) Companies in the same group - Associates	7	16	25	22	32	38
3) Other related parties	149	-	435	63	584	63
b) Other than related parties	10 469	10 334	5 740	3 128	16 209	13 462
Total	10 625	10 403	6 354	3 337	16 979	13 740

Notes to Financial Statements as at March 31, 2013

- 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 ₹ 448 crore (Previous year ₹ 217 crore)]

(₹ in crore)

Particulars	Market value / Fair Value or NAV		Book Value (Net of provisions)	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
a) Related parties				
1) Subsidiaries	2 708	2 441	2 708	2 441
2) Companies in the same group - Associates	5 397	4 366	5 397	4 366
3) Other related parties	1 197	1 284	1 233	1 310
b) Other than related parties	4 248	5 163	4 337	5 708
Total	13 550	13 254	13 675	13 825

- 7) Other information (₹ in crore)

Particulars	March 31, 2013	March 31, 2012
a) Gross Non Performing Assets		
1) Related Parties	36	-
2) Other than Related Parties	328	239
b) Net Non Performing Assets		
1) Related Parties	-	-
2) Other than Related Parties	238	199
c) Assets Acquired in satisfaction of Debt [Net of provision ₹ 5 crore (Previous year ₹ 2 crore)]	13	12

Notes :

- a) Companies in same group means companies under the same management as per section 370 (1B) of the Companies Act, 1956.
 b) In case of unquoted investments, in the absence of market value, book value has been considered.
 c) 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.
 d) Investments are classified between non-current and current investments (including current portion of long term investments) as required under revised Schedule VI, as per the Companies Act, 1956.

44 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

I. Capital to Risk Asset Ratio ("CRAR") (₹ in crore)

Particular	March 31, 2013	March 31, 2012
i) CRAR (%)	16.99	20.21
ii) CRAR - Tier I capital (%)	13.05	17.99
iii) CRAR - Tier II capital (%)	3.94	2.22

II. Exposure to Real Estate (₹ in crore)

Category	2012-13	2011-12
a) Direct Exposure		
i) Residential Mortgage		
Individual Housing Loan upto 15 lakh	1	3
Individual Housing Loan more than 15 lakh	28	46
ii) Commercial Real Estate	1 154	889
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)	330	321

Reliance Capital Limited

Notes to Financial Statements as at March 31, 2013

Note:

- i) For the exposure to real estate only secured loans extended to builders / developers based on the nature of business has been 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. 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	-	-	433	731	2 063	4 789	1 012	31	9 059
	(33)	(150)	(233)	(291)	(526)	(4 734)	(2 333)	(-)	(8 300)
Market Borrowings	1 009	1 081	1 149	980	1 026	2 152	1 537	2 840	11 774
	(720)	(954)	(973)	(1 179)	(2 204)	(2 375)	(996)	(559)	(9 960)
Assets									
Loans / Advances	983	703	311	1 037	3 891	5 825	1 463	2 707	16 920
	(745)	(600)	(177)	(1 745)	(2 037)	(3 856)	(1 349)	(3 162)	(13 671)
Investments	813	19	51	111	194	1 464	922	10 101	13 675
	(1 344)	(53)	(44)	(138)	(334)	(1 171)	(194)	(10 547)	(13 825)

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.

45 The gold loans outstanding as at March 31, 2013 as a percentage of total assets is at 0.22% (previous year 0.19%).

46 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.

47 Contingent Liabilities and Commitments (As Certified by the Management)

(₹ in crore)

Particulars	March 31, 2013	March 31, 2012
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions on behalf of third parties	1 281	983
ii) Claims against the Company not acknowledge as debt	20	22
Commitments		
iii) Estimated amount of contracts remaining to be executed on capital account (net of advances)	38	81
iv) Undrawn Committed Credit lines	434	253
v) Uncalled amount of Investments	56	79

48 Expenditure in foreign currency

(₹ in crore)

Particulars	2012-13	2011-12
i) Travelling expenses [₹ 13 20 686 (Previous year ₹ 22 54 787)]	-	-
ii) Donations	-	3
iii) Professional fees (₹ 46 26 792)	-	1
iv) Sales & marketing	2	-
v) Repairs and maintenance - others	1	1
vi) Others [₹ 5 05 682]	-	1
Total	3	6

Notes to Financial Statements as at March 31, 2013

49 Value of Imports on CIF basis:

Particulars	(₹ in crore)	
	2012-13	2011-12
i) Capital Goods	2	-
Total	2	-

50 Outstanding Future & Option as on March 31, 2013

Name of Option	No. of contracts	Units	
		Long	Short
Nifty Call option	4 454	1 00 850	1 21 850
	(786)	(24 650)	(14 650)
Nifty Put option	27 785	-	13 89 250
	(1 806)	(-)	(90 300)
Nifty Futures	1 196	59 800	-
	(-)	(-)	(-)

51 Remittance in foreign currency on account of dividend

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	2012-13	2011-12
Dividend		
a) Number of Non Resident Shareholders	536	722
b) Number of Equity shares held by them	27 365	33 400
c) i) Amount of Dividend paid (gross) (amount in ₹)	2 05 238	2 17 183
ii) Year to which Dividend relates	2011-12	2010-11
Special Interim Dividend		
a) Number of Non Resident Shareholders	613	-
b) Number of Equity shares held by them	31 837	-
c) i) Amount of Dividend paid (gross) (amount in ₹)	1 59 185	-
ii) Year to which Dividend relates	2012-13	-

52 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.

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 16, 2013

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

Manoj Kumar Vijai
Partner
Membership No: 046882

For and on behalf of the Board

Chairman **Anil D. Ambani**

Directors { **Rajendra P. Chitale**
Dr. Bidhubhusan Samal

President & Company Secretary **V. R. Mohan**
Mumbai
Dated: May 16, 2013

Reliance Capital Limited

Independent Auditor's Report on Consolidated Financial Statements

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. 46 of the consolidated financial statements) (Collectively referred to as the 'Group') which comprise the consolidated Balance Sheet as at March 31, 2013, 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. The Company's 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 accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). 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. 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 Company's 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:

- in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2013;
- in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- 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 your attention to Note No. 31 (I) of the consolidated financial statements of the Group, regarding a Scheme of Amalgamation ('Scheme') approved by the Honourable High Court of Bombay, pursuant to which Emerging Money Mall Limited and Reliance Equities International Private Limited (the 'transferor companies') has been amalgamated with the Company. Accordingly the Company has carried out the accounting treatment prescribed in the Scheme as set out in the above referred Note. Our opinion is not qualified in respect of this matter.

9. As explained in the Note No. 36(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, ₹ 95 crore has been charged to revenue account and unamortise transactional liability amounting to ₹ 79 crore has been

Independent Auditor's Report on Consolidated Financial Statements

carried forward as per the said Order. 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 four subsidiaries and a partnership firm. The financial statements of these subsidiaries including partnership firm for the year ended March 31, 2013 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 ₹ 5,827 crore as at March 31, 2013, total revenues of ₹ 2,589 crore and net cash inflows amounting to ₹ 48 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, 2013 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 ₹ 4,171 crore as at March 31, 2013, total revenues of ₹ 1,186 crore and net cash inflows amounting to ₹ 76 crore in respect of the aforementioned subsidiaries for the year then ended.
13. The financial statements and financial information of two associates company for the year ended March 31, 2013 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 ₹ 24 crore for the year ended March 31, 2013 to the amounts included in respect of the same associates, is based solely on these reports.
14. The financial statements and financial information of one associate company for the year ended March 31, 2013 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 ₹ 148 crore for the year ended March 31, 2013 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, 2013 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 ₹ 4 crore for the year ended March 31, 2013 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 associates company, whose financial statements are certified by the management of associates, and our report in so far as it relates to share of profit of ₹ 4 crore for the year ended March 31, 2013 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's Reg. No: 101720W

For **B S R & Company**
Chartered Accountants
Firm's Reg. No: 101248W

Vijay Napawaliya
Partner
Membership No: 109859

Manoj Kumar Vijai
Partner
Membership No: 046882

Mumbai
May 16, 2013

Mumbai
May 16, 2013

Reliance Capital Limited

Consolidated Balance Sheet as at March 31, 2013

(₹ in Crore)

	Note No.	As at March 31, 2013		As at March 31, 2012	
I EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	4	244		246	
(b) Reserves and surplus	5	12 147	12 391	11 725	11 971
(2) Minority interest					
			544		516
(3) Non-current liabilities					
(a) Long-term borrowings	6	14 178		13 686	
(b) Other long-term liabilities	7	83		14	
(c) Long-term provisions	8	57	14 318	48	13 748
(4) Current liabilities					
(a) Short-term borrowings	9	7 134		4 386	
(b) Trade payables	10	454		342	
(c) Other current liabilities	11	9 437		8 529	
(d) Short-term provisions	12	1 250	18 275	1 096	14 353
TOTAL			45 528		40 588
II ASSETS					
(1) Non-current assets					
(a) Fixed assets	13				
(i) Tangible assets		193		182	
(ii) Intangible assets		289		252	
(iii) Capital work-in-progress ₹ 17 50 684		-		-	
(iv) Intangible assets under development		1		5	
		483		439	
(b) Non-current investments	14	14 137		13 560	
(c) Deferred tax assets (net)	15	28		34	
(d) Long-term loans and advances	16	15 631		12 741	
(e) Other non-current assets	17	1 887	32 166	1 533	28 307
(2) Current assets					
(a) Current investments	18	2 020		1 527	
(b) Inventories	19	164		144	
(c) Trade receivables	20	932		839	
(d) Cash and bank balances	21	2 662		1 582	
(e) Short-term loans and advances	22	6 831		7 472	
(f) Other current assets	23	751	13 360	717	12 281
TOTAL			45 527		40 588

See accompanying notes to the financial statements 1-49

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.**
Chartered Accountants
Firm Reg. No. : 101248W

Manoj Kumar Vijai
Partner
Membership No: 046882

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. R. Mohan

Consolidated Statement of Profit and Loss for the year ended March 31, 2013

(₹ in crore)

	Note No.	2012-13	2011-12	
Revenue				
I	Revenue from operations	24	7 470	6 577
II	Other income	25	49	50
III	Total revenue (I+II)		7 519	6 627
IV Expenses				
	Employee benefits expense	26	607	548
	Finance costs	27	2 343	2 250
	Depreciation and amortisation expense	13	56	54
	Other expenses	28	3 683	3 256
	Total expenses		6 689	6 108
V	Profit before exceptional items and tax (III-IV)		830	519
VI Exceptional items				
	Loss on sale of investments [Refer Note No. 31 (III)]		-	149
	Withdrawal from general reserve [Refer Note No. 31 (III)]		-	(149)
VII	Profit before tax (V-VI)		830	519
VIII Tax expense:				
	(1) Current taxation		118	164
	(2) Taxation for earlier years		(2)	1
	(3) Deferred tax		11	25
IX	Profit after tax (VII-VIII)		703	329
X	Less: Share of minority shareholders		62	7
XI	Profit after minority interest (IX-X)		641	322
XII	Add: Share of profit/(loss) in associates		131	137
XIII	Profit after share of profit / (loss) in associates (XI+XII)		772	459
XIV	Add: Profit /(loss) on sale/amalgamation of subsidiaries (Refer Note No. 30)		40	(1)
XV	Net profit after tax (XIII+XIV)		812	458
XVI	Earning per equity share of ₹ 10 each fully paid up	44		
	(1) Basic (₹)		33.05	18.64
	(2) Diluted (₹)		33.05	18.64

See accompanying notes to the financial statements 1-49

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 16, 2013

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

Manoj Kumar Vijai
Partner
Membership No: 046882

For and on behalf of the Board

Chairman

Anil D. Ambani

Directors

Rajendra P. Chitale

Dr. Bidhubhusan Samal

President & Company Secretary

V. R. Mohan

Mumbai
Dated: May 16, 2013

Reliance Capital Limited

Consolidated Cash Flow Statement for the year ended March 31, 2013

(₹ in crore)

	2012-13	2011-12
A. Cash flows from operating activities		
Profit before exceptional items and tax	830	519
Adjusted for		
Depreciation and amortisation	56	54
Provision for NPA, doubtful debts and balances written off	334	121
Provision for diminution in the value investments / written off	304	131
Provision and loss on repossessed stock	9	2
Provision for gratuity/leave encashment (Previous year ₹ 26 05 447)	(1)	(0)
Excess provision / credit balance written back	(11)	(10)
Bad debts recovered	(34)	(53)
(Profit) / loss on sale of fixed assets	2	(2)
Reserve for unexpired risk provided	183	21
Amortised DSA commission	46	35
Amortised Distribution cost	3	4
Interest income on investments	(753)	(749)
Dividend income on investments	(40)	(36)
(Profit) / loss on sale of investments (net)	(1 071)	(758)
Amortised Brokerage on borrowing	29	25
Discount on commercial papers	408	406
Interest expenses	1 906	1 819
	1 370	1 010
Operating profit before working capital changes	2 200	1 529
Adjusted for		
Proceeds from / (repayment of) short term borrowings (Net)	311	(2 127)
Proceeds from long term borrowings	6 654	4 014
Repayment of long term borrowings	(4 453)	(3 077)
Inventories	(17)	58
Unamortised expenses incurred	(112)	(132)
Trade receivables & loans and advances	(3 785)	(971)
Trade payables and liabilities	1 667	(144)
	265	(2 379)
Cash generated from operations	2 465	(850)
Interest paid	(1 894)	(1 755)
Taxes paid	(99)	(162)
Net cash from / (used in) operating activities	472	(2 767)

Consolidated Cash Flow Statement for the year ended March 31, 2013

(₹ in crore)

	2012-13	2011-12
B. Cash flows from investing activities		
Purchase of fixed assets	(55)	(130)
Sale of fixed assets	7	4
Purchase of non-current investments	(7 970)	(7 087)
Proceeds from sale of non-current investments	7 409	9 296
Proceeds from sale of current investments (Net)	453	(32)
Interest received	517	347
Dividend received	40	35
Net Cash from investing activities	401	2 433
C. Cash flows from financing activities		
Dividends paid (including dividend tax thereon)	(419)	(198)
Net cash used in financing activities	(419)	(198)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	454	(532)
Opening balance of cash and cash equivalents	658	1 190
Add: On amalgamation (Refer Note 1(b)&(c) given below) [₹ 5 95 231 (Previous year ₹ 5 582)]	-	-
	658	1 190
Closing balance of cash and cash equivalents	1 112	658

Note:

- 1 a) The previous year's figures have been regrouped and reclassified wherever necessary.
- b) 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 current year cash flow statement.
- c) Assets and liabilities pertaining to the Viscount Management Services (Alpha) Ltd. transferred pursuant to the Scheme of Amalgamation with the Company with effect from October 1, 2011 i.e. the Appointed Date have not been considered for the previous year cash flow statement.
- d) Cash and cash equivalents include cash on hand and bank balances including fixed deposits.

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 16, 2013

For **B S R & Co.**
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Dr. Bidhubhusan Samal

President & Company Secretary

V. R. Mohan

Mumbai
Dated: May 16, 2013

Notes to Consolidated Financial Statements as at March 31, 2013

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 activities, 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.
- 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 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 to the extent applicable. 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, to the extent possible. These financial statements are presented in Indian rupees rounded to the nearest crore.

c 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.

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.

Notes to Consolidated Financial Statements as at March 31, 2013

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.

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.

vii) Online Access Fees:

Online access fees is recognized 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 / securitization:

In case of assignment / securitization of loans, the assets are derecognized 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/secured loans. 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 / securitization over the tenure of the deal. Loss arising from these transactions if any will be recognised immediately in the statement of profit and loss account.

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 Equity and Derivative instruments. All the hedged positions in Equity and equity/ index-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 securities are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage and STT.

xvi) 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 securities are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage.

xvii) 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 securities are added to the cost of acquisition. The amount shown under sale of securities is net of Brokerage and STT.

xviii) Income from lease:

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

xix) 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.

xx) 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.

xxi) Commission:

- i) Commission income on reinsurance ceded 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 basis. Any subsequent revisions of profit commission are recognized in 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.

xxii) 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.

xxiii) 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.

xxiv) 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).

xxv) 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) Leased assets: Depreciated on Straight Line Method over the useful life of assets. The estimated useful lives of the assets for the different types of assets are :
 - a) Plant & equipments – 8 years
 - b) Data processing machineries – 5 years
 - c) Vehicle for personal use – 8 years
 - d) Vehicle for commercial use (Taxi) – 6 years
 - e) Vehicle for commercial use (Lorries) – 8 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, Reliance Wealth

Notes to Consolidated Financial Statements as at March 31, 2013

Management Limited, Quant Capital Private Limited, Reliance Land Private Limited, Reliance Share & Stock Brokers Private Limited and Reliance Asset Reconstruction Company 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 .

Notes to Consolidated Financial Statements as at March 31, 2013

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. The group measures the expected cost of compensated absence as the amount that the group expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

p 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) and employees of the 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 amortized 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 of Directors 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.

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 their 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 Company.

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 periods, subject to a minimum of 100% in case of marine hull business and 50% in case of other business except in Health business, based on net premium written during the year as required by Section 64V (1) (ii) (b) of the Insurance Act, 1938.

In case of Health segment, the Reserve for Unexpired Risks is created at the end of the Accounting period based on the 1/365 method as per IRDA Circular No. IRDA/F&A/CIR/49/Mar-09 dated March 24, 2009 and IRDA/F&I/CIR/F&A/015/02/2011 dated February 2, 2011.

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 F&A/CIR/017/May-04 dated May 18, 2004. The company considers maintenance as relevant costs incurred for ensuring claim handling operations.

Notes to Consolidated Financial Statements as at March 31, 2013

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 (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.

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 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.

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 Previous year figures have been rearranged and reclassified wherever necessary.

The figures for current year includes figures of Emerging Money Mall Limited (EMML) which is amalgamated with the Company with effect from March 31, 2013 i.e. the Appointed Date, Indian Agri Services Private Limited and Quant Alternative Asset Management Private Limited which became subsidiaries during the year, therefore to that extent not strictly comparable to that of Previous year's Figures.

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012
4 Share Capital		
(a) Authorised:		
30 00 00 000 Equity shares of ₹ 10 each (Previous year 30 00 00 000)	300	300
10 00 00 000 Preference shares of ₹ 10 each (Previous year 10 00 00 000)	100	100
	400	400
(b) Issued & Subscribed		
24 69 77 006 Equity shares of ₹ 10 each fully paid up (Previous year 24 69 77 006)	247	247
	247	247
(c) Paid Up		
24 56 32 800 Equity shares of ₹ 10 each fully paid up (Previous year 24 56 32 800)	245	245
Add: Forfeited shares 13 44 206 Equity shares of ₹ 10 each (Previous year 13 44 206)	1	1
	246	246

(d) Equity shares held by holding company and subsidiaries of holding company:

Name of the holder	2012-13		2011-12	
	%	Qty.	%	Qty.
Reliance Innoventures Private Limited (Holding Company)	0.23	5 76 450	0.23	5 76 450
AAA Enterprises Private Limited (Subsidiary of Holding Company)	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting & Engineers Private Limited (Subsidiary of Holding Company)	11.39	2 79 75 633	11.39	2 79 75 633

(e) Equity shares in the company held by each shareholder holding more than 5 percent:

Name of the holder	2012-13		2011-12	
	%	Qty.	%	Qty.
AAA Enterprises Private Limited	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting & Engineers Private Limited	11.39	2 79 75 633	11.39	2 79 75 633

(f) The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

For the year ended March 31, 2013, the amount of per share dividend recognised as distributable to equity shareholders is ₹ 8 (March 31, 2012 ₹ 7.50). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(g) Reconciliation of numbers of share outstanding:

	No of Shares	Amount (₹ in crore)	No of Shares	Amount (₹ in crore)
Equity shares				
Opening balance	24 56 32 800	245	24 56 32 800	245
Movement during the year	-	-	-	-
Closing balance	24 56 32 800	245	24 56 32 800	245

(h) As on March 31, 2013, 5,07,101 equity shares (Previous year 9,74,329 equity shares) are held by custodian against which depository receipts have been issued.

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012	
5 Reserves & surplus			
Capital reserve	6	6	
Add: Amount transferred as per scheme of amalgamation (Refer Note No. 31)	846		
Less: Amount withdrawn as per scheme of amalgamation (Refer Note No. 31)	680	172	6
Capital redemption reserve			
As per last balance sheet	36	11	
Add: Amount transferred from statement of profit and loss	-	25	
Less: Minority share adjustments (Previous year ₹ 3 00 000)	1	35	36
Securities premium account			
As per last balance sheet	3 757	3 720	
(Add)/Less: Minority share adjustments	158	3 599	3 757
General reserve **			
As per last balance sheet	5 385	621	
Add: Amount transferred from statement of profit and loss	88	1 080	
Add: Amalgamation adjustments (Refer Note No. 31)	-	3 837	
Less: Amount withdrawn as per scheme of amalgamation (Refer Note No. 31)	-	149	
Less: Minority share adjustments	22	5 451	5 385
Statutory reserve fund *			
As per last balance sheet	1 040	935	
Add: Amount transferred from statement of profit and loss	136	105	
Less: Minority share adjustments [₹ 3 657 (Previous year ₹ 6 53 684)]	-	1 176	1 040
Special reserve #			
As per last balance sheet	14	9	
Add: Amount transferred from statement of profit and loss	5	19	14
Foreign currency translation reserve			
As per last balance sheet	26	15	
Add : Addition during the year	5	12	
Less: Minority share adjustments	9	22	26
Settlement guarantee fund			
As per last balance sheet [₹ 4 65 000 (Previous year ₹ 2 30 000)]	-	-	
Add : Addition during the year [₹ Nil (Previous year ₹ 2 35 000)]	-	-	-
Surplus in statement of profit & loss			
As per Last Balance Sheet	1 258	2 227	

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012
Add: amount transferred from statement of profit & loss	812	458
Less: Proposed dividend	253	196
Less: Tax on proposed dividend	26	33
Less: Interim dividend	123	-
Less: Tax on interim dividend	21	-
Less: Proposed dividend for earlier years	44	-
Less: Tax on proposed dividend for earlier years	5	-
Less: Transfer to special reserve	5	5
Less: Transfer to statutory reserve Fund	136	105
Less: Transfer to general reserve	88	1 080
Less: Transfer to capital redemption reserve	-	25
Less: Minority share adjustments	118	(17)
	<u>1 251</u>	<u>1 258</u>
	<u>11 725</u>	<u>11 522</u>

* Created pursuant to section 45-IC of Reserve Bank of India Act, 1934.

** Includes ₹ 3 837 crore (Previous year ₹ 3 837 crore) created pursuant to schemes of amalgamation.

Created pursuant to Section 29C of the National Housing Bank Act, 1987

6 Long term borrowings

Non convertible debentures

- Secured (Refer Note No. 29)				
Others	5 003		2 624	
Related party (Refer Note No. 41)	15		-	
- Unsecured				
Others	1 092		483	
Related party (Refer Note No. 41)	25	6 135	25	3 132
Term loans from banks / financial institutions				
- Secured (Refer Note No. 29)		7 542		8 777
Inter corporate deposits -Unsecured		9		17
		<u>13 686</u>		<u>11 926</u>

7 Other long-term liabilities

Interest accrued but not due on debentures	13		-	
Security deposits	1		1	
	<u>14</u>		<u>1</u>	

8 Long-term provisions

Provision for employee benefits				
-Leave encashment	9		9	
-Gratuity [₹ 24 41 552 (Previous year ₹ 12 18 562)]	-		-	
Others				
-Standard debts	39		31	
-Income tax	-		1	
	<u>48</u>		<u>41</u>	

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012
9 Short term borrowings		
Loans from banks / financial institutions		
–Secured (Refer Note given below)		
Cash credit	41	165
Overdrafts from banks (Secured against fixed deposits receipts ₹ 216 crore (Previous year ₹ 140 crore))	170	132
Short term	500	-
–Unsecured		
Short term	-	400
Inter corporate deposits –Unsecured	2	38
Commercial paper –Unsecured (Refer Note c below)		
Others	3 402	2 450
Related party (Refer Note No. 41)	271	482
	<u>3 673</u>	<u>2 932</u>
	<u>4 386</u>	<u>3 667</u>

Note:

- Cash Credits amounting to ₹ 41 crore (Previous year ₹ 165 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division and Reliance Home Finance Limited.
- Short term loan amounting to ₹ 500 crore (Previous year ₹ Nil) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- In respect of Commercial Papers maximum amount outstanding during the year was ₹ 5 341 crore (Previous year ₹ 5 620 crore).

10 Trade payables

–Due to micro, small and medium enterprises (Refer Note below)	-	-
– Due to Related party (Refer Note No. 41) [₹ 4 79 830 (Previous year ₹ 4 79 830)]	-	-
– Due to others	342	302
	<u>342</u>	<u>302</u>

There are no Micro, Small and Medium Scale Business Enterprises, to whom the group owes dues, which are outstanding for more than 45 days as at March 31, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the group.

11 Other current liabilities

Current maturities of long-term debt

Non convertible debentures

–Secured (Refer Note No. 29)	1 318	2 985
Inter corporate deposits –Unsecured	1	-

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013		As at March 31, 2012	
Term loans from banks / financial institutions				
-Secured (Refer Note No. 29)	<u>3 119</u>	<u>4 438</u>	<u>1 012</u>	3 997
Interest accrued but not due on debentures		295		295
Income received in advance		45		7
Advance from customers		254		275
Temporary book overdraft balance of banks		434		249
Claims outstanding		2 438		1 511
Trading margins from clients		52		88
Other payables*		561		218
Investor education and protection fund				
Unclaimed dividend #		<u>12</u>		<u>9</u>
		<u><u>8 529</u></u>		<u><u>6 649</u></u>

Notes:

* Includes provision for expenses, statutory payments and other payables.

Does not include any amounts, due and outstanding, to be deposited to the Investor Education and Protection Fund.

12 Short-term provisions

Provision for employee benefits

-Leave encashment	4	4
-Gratuity	1	2
-Bonus [₹ Nil (Previous year ₹ 17 98 125)]	-	-

Others

- Income tax	2	2
-Standard debts	20	15
- Provision for loss - equity index options	3	-
-Provision for unexpired risk	785	608
-Provision for premium deficiency reserve (Previous year ₹ 29 64 000)	2	-
-Proposed dividend	253	196
-Tax on proposed dividend	26	33
	<u><u>1 096</u></u>	<u><u>860</u></u>

Notes to Consolidated Financial Statements as at March 31, 2013

13 Fixed Assets

(₹ in crore)

DESCRIPTION	Gross Block			Depreciation			Net Block			
	As at April 1, 2012	Additions / Adjustments #	Deduction / Adjustments	As at March 31, 2013	Upto April 1, 2012	During the year	Deduction / Adjustments	Upto March 31, 2013	As at March 31, 2013	As at March 31, 2012
(i) Tangible Assets										
Lease assets										
Plant and equipments	25	3	5	23	2	4	1	5	18	23
Data processing machineries	14	2	-	16	2	3	-	5	11	12
Vehicles	40	2	1	41	6	5	-(ii)	11	30	34
Sub - total - A	79	7	6	80	10	12	1	21	59	69
Previous year	38	41	-(ii)	79	1	9	-(vi)	10	69	
Own assets										
Buildings	68	1	-	69	15	2	-	17	52	53
Data processing machineries	93	13	4	102	70	11	3	78	24	23
Furniture and fixtures	28	1	3	26	18	3	3	18	8	10
Vehicles	18	3	9	12	12	2	7	7	5	6
Office equipments	53	2	4	51	27	4	3	28	23	26
Leasehold improvement	48	4	8	44	36	6	8	34	10	12
Sub - total - B	308	24	28	304	178	28	24	182	123	130
Previous year	253	64	9	308	155	29	6	178	130	
Total (A+B)	387	31	34	383	188	40	27	201	182	199
Previous year	291	105	9	387	156	38	6	188	199	
(ii) Intangible assets										
Computer software/licensing cost	118	19	-	137	85	16	-	101	36	33
Membership rights	1	-	-	1	1	-(ii)	-	1	-(iv)	1
Goodwill on consolidation	47	176	7	216	-	-	-	-	216	47
Total	166	195	7	354	86	16	-	102	252	81
Previous year	148	18	-	166	69	16	-	85	81	-(v)
(iii) Capital work-in-progress										
(iv) Intangible assets under development										
1										

1 During the previous year gross block of ₹ 4 crore alongwith accumulated depreciation ₹ 1 crore forming part of office equipments has been reclassified to computer software.

Adjustments to additions are on account of acquisitions of subsidiary gross block of ₹ Nil (Previous year ₹ 51 94 927) alongwith accumulated depreciation ₹ Nil (Previous year ₹ 29 09 988)

2. (i) ₹ 35 54 821 (ii) ₹ 7 50 000 (iii) ₹ 17 93 087 (iv) ₹ 18 30 822 (v) ₹ 5 66 150 (vi) ₹ 3 16 033

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012
14 Non-current investments (valued at cost unless stated otherwise)		
Investments in equity shares		
-Quoted {Net of provision of ₹ 418 crore (Previous year ₹ 152 crore)}	827	1 495
-Unquoted {Net of provision of ₹ 10 crore (Previous year ₹ 12 crore)}	398	667
Investments in associate companies		
-Equity shares (carrying cost)	5 158	3 967
-Preference shares	562	562
-Debentures {Net of provision of ₹ 29 crore (Previous year ₹ Nil)}	-	29
Investments in preference shares		
-Quoted	-	10
-Unquoted {Net of provision of ₹ Nil (Previous year ₹ 5 crore)}	2 824	3 482
Investments in government or trust securities		
-Unquoted	1 000	777
Investments in debentures or bonds		
-Quoted	1 282	891
-Unquoted {Net of provision of ₹ 21 crore (Previous year ₹ 13 crore)}	1 019	547
Investments in mutual funds		
-Quoted {Net of provision of Nil (Previous year ₹ 12 63 556)}	99	31
-Unquoted	84	83
Other non-current investments		
-Units of seed/equity fund- unquoted , fully paid-up {Net of provision of ₹ 2 crore (Previous year ₹ Nil)}	50	49
-Units of fund - unquoted , partly paid-up	148	131
-Joint venture (Refer Note 2 below)	85	85
-Pass through certificates & security receipts	24	24
	13 560	12 830
Notes		
1. Aggregate value of Provision for diminution in value of investments		
Quoted Investments	418	152
Unquoted Investments	62	30
Total	480	182
2. The Company has entered into a joint venture with KGS Developers Ltd in respect of real estate project development. The Company has invested ₹ 85 crore and is entitled to share the Profit / Loss equally. However assets, liabilities, revenue and expenses related to the project are not included in the financial statements of the Company as it does not meet the definition criteria of a Joint Venture under AS 27 "Financial Reporting of Interests in Joint Ventures".		
15 Deferred tax assets:		
Deferred tax asset included in the balance sheet comprises the following:		
(a) Deferred tax assets		
Depreciation on fixed assets	-	30
Provision for non performing assets/diminution in the value of assets & investments	68	61
Straightlining of lease rentals	2	2
Unabsorbed depreciation and carried forward losses as per Income tax act,1961	35	7
Employee compensation/ leave encashment	4	4
Total (a)	109	104
(b) Deferred tax liabilities		
Depreciation on fixed assets	7	-
Accrued interest / interest on investments	-	4
Reserve for unexpired risk & others	5	6
Unamortised expenditure	63	49
Total (b)	75	59
Net deferred tax assets [(a)-(b)]	34	45

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013		As at March 31, 2012	
16 Long-term loans and advances				
(a) Capital advances				
Secured, considered good	76		76	
Unsecured, considered good	20	96	201	277
(b) Security deposits				
Unsecured, considered good	106		94	
Unsecured, considered doubtful [₹ 17 20 333 (Previous year ₹ 23 10 296)]	-		-	
Less : Provision for doubtful debts [₹ 17 20 333 (Previous year ₹ 23 10 296)]	-	106	-	94
(c) Loans				
Considered doubtful				
-Secured	262		222	
-Unsecured	30		13	
Less : Provision for non performing assets and doubtful debt	68		38	
	224		197	
Considered good				
Related party (Refer Note No. 41)				
-Secured	61		7	
-Unsecured	25		15	
Others				
-Secured	9 154		9 443	
-Unsecured	2 816		771	
	12 056	12 280	10 236	10 433
(d) Advances (Refer Note No. 2 below)				
Considered doubtful				
-Secured	50		24	
-Unsecured	1		17	
Less : Provision for non performing assets and doubtful debt	12		13	
	39		28	
Considered good - others (Unsecured)	10	49	130	158
(e) Other loans and advances				
-VAT & service tax credit available	31		36	
-Advance income tax & TDS deducted (net of income tax provision)	179	210	138	174
		12 741		11 136

Notes:

- 1 In the opinion of the management, loans and advances, other than doubtful, are considered as good and fully recoverable.
- 2 Advances includes ₹ 2 crore (Previous year ₹ 52 crore) paid towards share application money .

17 Other non-current assets

(a) Other bank balances				
- In fixed deposit accounts				
-Under lien (Refer Note No. 1 below)	316		259	
-Other	7	323	1	260
(b) Accrued interest / finance income on investments		1 053		764

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012	
(c) Unamortised expenditures			
Unamortised DSA commission	88	66	
Add : Incurred during the year	45	57	
Less : Amortised during the year	46	35	
	<u>87</u>	<u>88</u>	
Less : To be amortised during the next year	23	30	
	<u>64</u>	<u>58</u>	
Unamortised brokerage on borrowings	63	16	
Add : Incurred during the year	66	75	
Less : Amortised during the year	29	28	
	<u>100</u>	<u>63</u>	
Less : To be amortised during the next year	20	18	
	<u>80</u>	<u>45</u>	
Unamortised distribution cost	6	9	
Add : Incurred during the year (Previous year ₹ 47 74 581)	-	-	
Less : Amortised during the year	3	4	
	<u>3</u>	<u>5</u>	
Less : To be amortised during the next year	2	3	
	<u>1</u>	<u>2</u>	105
(d) Repossessed assets	19	14	
Less : Provision for repossessed assets	7	2	12
	<u>12</u>	<u>12</u>	
	<u><u>1 533</u></u>	<u><u>1 141</u></u>	

1. In respect of balances with banks in fixed deposite accounts above includes:

- ₹ 301 crore (Previous year ₹ 256 crore) is kept as credit enhancement towards securitisation/assignment transaction.
- ₹ 2 12 500 (Previous year ₹ 3 32 500) is kept as deposit with sales tax authority.
- ₹ 5 00 000 (Previous year ₹ 5 00 000) is kept as deposit with the Pension Fund Regulatory and Development Authority (PFRDA)
- ₹ 4 crore (Previous year ₹ 3 crore) is kept as deposit with bank for issuing of Bank Guarantee & Financial institutions
- ₹ 50 00 000 (Previous year ₹ Nil) pledged with Insurance Regulatory & Development Authority
- ₹ 10 crore (Previous year ₹ Nil) is pledged against Bank overdraft facility.

18 Current investments (valued at cost unless stated otherwise)

Investments in preference shares

-Quoted	10	-
-Unquoted	119	5

Investments in government or trust securities

-Unquoted	5	47
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Investments in debentures or bonds

-Quoted	314	231
-Unquoted	540	944

Investments in mutual funds

-Quoted	180	184
-Unquoted	268	290

Pass through certificates & security receipts

88	226
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Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012
Other current investments		
-Units of seed/equity fund- unquoted , fully paid-up {Net of provision of ₹ 1 crore (Previous year ₹ 1 crore)}	3	3
	<u>1 527</u>	<u>1 930</u>
Notes		
1. Aggregate value of provision for diminution in value of investments		
Quoted investments	-	-
Unquoted investments	1	1
TOTAL	<u>1</u>	<u>1</u>
19 Inventories (As certified by management)		
Securities	76	22
Commodities	11	68
Paintings	37	37
Gold	20	-
Stock of currencies [₹ 23 52 829 (Previous year ₹ 19 72 539)]	-	-
	<u>144</u>	<u>127</u>
20 Trade receivables		
Doubtful unsecured		
Debts outstanding for a period exceeding six months	39	19
Less : Provision for doubtful debts	38	18
	<u>1</u>	<u>1</u>
Other debts-unsecured,considered good;		
Others	838	429
	<u>839</u>	<u>430</u>
21 Cash & bank balances		
(a) Cash & cash equivalents		
Balances with banks		
- In current accounts	1 010	555
- Fixed deposits (less than 3 months)	71	75
Cheques on hand	24	23
Cash on hand	7	5
	<u>1 112</u>	<u>658</u>
(b) Other bank balances		
- Unclaimed dividend accounts	12	9
- In fixed deposit accounts		
-Under lien	451	452
-Under margin	7	5
-Other	-	1
	<u>458</u>	<u>458</u>
	<u>1 582</u>	<u>1 125</u>
Notes:		
1. In respect of balances with Banks in Fixed Depsoit accounts above includes:		
(a) ₹ 54 crore (Previous year ₹ 99 crore) is kept as credit enchancement towards securitisation transaction,.		

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	As at March 31, 2013	As at March 31, 2012		
(b) ₹ 30 crore (Previous year ₹ 21 crore) is kept as collateral security deposit in favour of National Stock Exchange Limited and Bombay Stock Exchange Limited and ₹ 7 crore (Previous year ₹ 5 crore) placed as margin for the issue of bank guarantee favouring National Securities Clearing Corporation Limited.				
(c) ₹ 25 crore (Previous year ₹ 40 crore) placed as margin for the issue of bank guarantee favouring Multi Commodity Exchange Limited and National Commodity and Derivative Exchange Limited .				
(d) ₹ 206 crore (Previous year ₹ 140 crore) are liened against bank overdraft facility.				
(e) ₹ 136 crore (Previous year ₹ 152 crore) is kept as deposit with bank for issuing of bank guarantees.				
22 Short term loans and advances				
Unsecured, considered good;				
(a) Loans				
Considered doubtful [₹Nil (Previous year ₹ 40 72 963)]	-	-		
Less : Provision for non performing assets and doubtful debt [₹ Nil (Previous year ₹ 40 72 963)]	-	-		
	-	-		
Considered good				
Related party (Refer Note No. 41)				
-Secured	95	9		
-Unsecured	434	66		
Others				
-Secured	3 644	3 050		
-Unsecured	3 028	2 343	5 468	
	<u>7 201</u>	<u>2 343</u>		
(b) Advances				
Considered good				
Related party unsecured (Refer Note No. 41) [₹ 2 67 733]	-	4		
Others				
-Secured	109	45		
-Unsecured	96	162	211	
	<u>205</u>	<u>162</u>		
(c) Other loans and advances				
-Deal and fund organisation expenses	4	2		
-VAT & service tax credit available	14	6		
-Advance income tax & TDS deducted(net of provision)	10	3	11	
	<u>28</u>	<u>3</u>		
(d) Prepaid expenses	38	21		
	<u>7 472</u>	<u>5 711</u>		
23 Other current assets				
Interest accrued on loans	483	359		
Option premium receivable	-	8		
Accrued interest / finance income on investments	99	171		
Unamortised DSA commision	23	30		
Unamortised brokerage on borrowings	20	18		
Motor pool transltion liabilities (Unamortised Losses)	79	-		
DR pool claims assets account	11	-		
Unamortised referral fees	2	3		
	<u>717</u>	<u>589</u>		

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	2012-2013	2011-2012
24 Revenue from operations		
Interest and finance income on:		
Long term investments	753	749
Loans	2 374	1 987
Fixed deposits & others	80	86
Lease rental income	21	17
Processing fees	91	56
Less: Service tax recovered	10	5
Profit / (loss) on sale of (Net):		
Long term investments	1 028	667
Current investments	43	91
Investment management and advisory fees	50	30
Trustee / portfolio management fees	592	560
Commission and brokerage earned	221	209
Premium & commission earned	2 073	1 934
Dividends on long term / short term investments	40	36
Profit on sale of securities / commodities	48	57
Premium on loan assignment and securitisation	-	4
Depository participant transaction charges	-	4
Bad debts recovered	34	53
Other operating income	32	42
	<u>7 470</u>	<u>6 577</u>
25 Other income		
Exchange difference/ margin on sale of foreign currency (Net)	2	4
Credit balance / excess provision written back	11	10
Profit on sale of fixed assets/writte off reversed	-	2
Miscellaneous income	36	34
	<u>49</u>	<u>50</u>
26 Employee benefit expenses:		
Salary and wages	555	498
Contribution to provident fund & other funds	27	23
Staff welfare expenses	25	27
	<u>607</u>	<u>548</u>
27 Finance cost		
Interest expense		
-Debentures	631	567
-Bank loans / financial institutions (Long term and short term)	1 242	1 203
-Bank loans (cash credit)	29	27
-Inter corporate deposits	1	5
-Others	3	17
Other borrowing costs		
-Discount on commercial papers	408	406
-Amortised brokerage on borrowings (Refer Note No. 17)	29	25
-Net (gain)/loss on foreign currency transactions and translation [₹ 3 52 124 (Previous year ₹ 4 52 850)]	-	-
	<u>2 343</u>	<u>2 250</u>

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	2012-2013	2011-2012
28 Other expenses:		
Bank charges	5	5
Rent	75	126
Rates and taxes	47	10
Repairs and maintenance		
- Buildings	2	10
- Others	66	63
Electricity	11	13
Insurance	3	3
Travelling and conveyance	31	28
Claims incurred (Net)	1 261	1 266
Premium paid on reinsurance ceded	534	752
Reserve for unexpired risk	183	21
Postage, telegram and telephones	43	52
Legal & professional fees	207	170
Commission	241	118
Auditors' remuneration (Refer Note No. 42)	3	2
Loss on sale of securities / commodities	6	5
Sales and marketing expenses	190	213
Employee seminar and training	8	7
Donation	1	4
Directors' sitting fees (Previous year ₹ 45 22 799)	1	-
Amortised DSA commission (Refer Note No. 17)	46	35
Amortised Distribution cost (Refer Note No. 17)	3	4
Provision for NPA, doubtful debts and balances written off *	334	122
Provision for diminution in the value investments / written off **	304	130
Provision and loss on repossessed stock #	9	2
Loss on sale of fixed assets/written off	2	-
Miscellaneous expenses	67	95
	3 683	3 256
Notes:		
* Breakup of provision for NPA, doubtful debts and bad debts written off		
Provision for NPA and doubtful debts	50	(19)
Provision for standard debts	12	9
Bad debts written off	151	132
Loss on sale of assignment	121	-
	334	122
# Breakup of provision and loss on repossessed stock		
Provision for repossessed stock	3	(-)
(Previous year reversal of ₹ 35 50 183)		
Loss on sale of repossessed stock	6	2
	9	2
** Breakup of provision for diminution in the value of investments / written off		
Provision for diminution in value of investments	298	119
Investments written off	6	11
	304	130

Notes to Consolidated Financial Statements as at March 31, 2013

29 Security clause in respect to Secured Loans/Debentures:

- (i) Non convertible debentures (NCDs) referred above are redeemable at par, in one or more installments, on various dates .
- (a) NCDs amounting to ₹ Nil (Previous year ₹ 5 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on business receivables and loan assets of the commercial finance division, against security not exceeding ₹ Nil (Previous year ₹ 6 crore).
- (b) 'NCDs amounting to ₹ 5,683 crore (Previous year ₹ 5,530 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on business receivables and loan assets of the Company or as may be decided by the Company, against security not exceeding ₹ 6,175 crore (Previous year ₹ 6,954 crore).
- (c) 'NCDs amounting to ₹ 86 crore (Previous year ₹ Nil) are secured by way of first pari passu legal mortgage and charge over the premises situated at Bharuch and additional pari passu charge by way of hypothecation on the present and future books debts/receivables, outstanding money (loan book), receivable claims of the Company with other secured lenders, except those book debts and receivables charged/ to be charged in favour of National Housing Bank for refinance availed/ to be availed from them, of Home Finance Business subject to maintenance of minimum asset coverage of 100% of issue amount.
- (d) The Company is in the process of creating security on the remaining NCDs amounting to ₹ 567 crore (Previous year ₹ 74 crore).
- (e) Maturity profile and Rate of interest of Non Convertible Debentures are as set out below:

(₹ in crore)

Rate of Interest	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Total
#	20	-	-	-	-	-	-	-	-	-	20
8.40%	-	25	-	-	-	-	-	-	-	-	25
9.50%	-	10	-	-	-	-	-	-	-	-	10
9.60%	-	19	-	-	-	-	-	-	-	-	19
9.75%	123	10	-	15	-	-	-	-	-	-	148
9.80%	-	-	-	-	-	-	-	-	500	-	500
9.85%	-	5	-	75	-	-	-	-	45	-	125
9.86%	-	-	-	30	-	-	-	-	-	-	30
9.90%	-	-	-	-	-	-	500	-	75	-	575
9.95%	-	-	-	-	-	-	-	-	85	-	85
10.00%	5	15	10	280	-	-	-	-	26	-	336
10.05%	-	-	-	-	-	-	-	-	7	-	7
10.10%	40	-	-	20	16	-	-	-	10	-	86
10.15%	-	5	-	65	-	-	-	-	-	-	70
10.20%	-	-	-	5	-	-	-	-	82	-	87
10.24%	-	-	-	-	-	500	-	-	-	-	500
10.25%	25	-	-	16	-	-	-	-	40	-	81
10.28%	-	-	-	-	-	15	-	-	-	-	15
10.30%	5	4	-	49	-	-	-	-	-	-	58
10.33%	-	-	-	25	-	-	-	-	45	-	70
10.35%	89	5	-	15	-	-	5	-	5	-	119
10.40%	-	45	105	-	-	5	-	-	400	-	555
10.50%	99	-	500	-	21	-	-	25	20	15	680
10.60%	-	-	-	-	-	-	-	83	59	-	142
10.65%	10	-	-	-	8	-	-	-	-	-	18
10.70%	640	-	-	-	-	-	-	-	-	-	640
10.75%	19	-	-	-	-	-	-	367	-	-	386
11.00%	-	-	300	-	-	-	-	-	-	-	300
11.65%	50	-	-	-	-	-	-	-	-	-	50
MLD	153	193	52	-	-	-	-	-	-	-	398
Total	1 278	336	967	595	45	520	505	475	1 399	15	6 135

Zero coupon deep discount non convertible debentures

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- (ii) Term Loans from banks above includes :
- (a) Term Loans from banks includes ₹ 8,518 crore (Previous year ₹ 7,735 crore) are secured by pari passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company's commercial finance division.
- (b) In respect of Term Loans taken from Bank by Reliance Home Finance Ltd. ('RHFL') :
- (i) Term loans ₹ 1,695 crore (Previous year ₹ 1,524 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, except for those book debts/receivables to be charged in favour of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding ₹ 1,880 crore (Previous year ₹ 1,708 crore).
- (ii) Term loans ₹ 100 crore (Previous year ₹ 100 crore) secured by pari passu first charge in favor of the lender on all the standard book debts, outstanding moneys, receivable claims of RHFL, except for those book debts/receivables to be charged in favor of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding ₹ 110 crore (Previous year ₹ 110 crore).
- (iii) Term loans ₹ 187 crore (Previous year ₹ 250 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, against security not exceeding ₹ 206 crore (Previous year ₹ 275 crore).
- (iv) Term loans ₹ 161 crore (Previous year ₹ 180 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, against security not exceeding ₹ 192 crore (Previous year ₹ 216 crore).
- (c) Maturity profile of Term loans from banks are as set out below :

	2014-15	2015-16	2016-17	2017-18	2018-19	Total
Term Loan from Banks	2 988	2 990	1 133	400	31	7 542

- (iii) Maturity profile of Inter corporate Deposit are as set out below :

Rate of Interest	2014-15
5.00%	1
8.00%	8
Total	9

30 Profit on Sale of Subsidiaries and Amalgamation adjustments:

	(₹ in crore)	
	2012-2013	2011-2012
Profit /(Loss) on sale of subsidiaries	-	(1)
Amalgamation Adjustments (Refer Note (i) given below)	40	-
Total	40	(1)

- (i) Amalgamation Adjustments referred above ₹ 40 crore (Previous year ₹ Nil) is on account of Provision for diminution in value of investments reversed in respect of Reliance Equities International Private Limited.

31 Scheme of Amalgamation & Arrangement

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.

Notes to Consolidated Financial Statements as at March 31, 2013

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:

Assets / Liabilities Taken Over	REIPL	EMLL	Total
(₹ in crore)			
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	<u>1 101</u>	<u>2</u>	<u>1 103</u>
Liabilities			
Loans	187	1	188
Other liabilities (₹ 4 86 095, ₹ 5 62 024)	-	-	-
Total	<u>187</u>	<u>1</u>	<u>188</u>
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 Between Viscount Management Services(Alpha) Limited and Reliance Capital Limited

The Scheme of Amalgamation ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between Company and Viscount Management Services (Alpha) Limited (VMSAL) was sanctioned by the Hon'ble High Court of judicature at Bombay vide Order dated January 20, 2012. The scheme has become effective on March 12, 2012 on filing with the Registrar of Companies (RoC) with effect from October 1, 2011 i.e. Appointed Date.

VMSAL was incorporated with the main object of business consultancy service. 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 14 (AS 14) 'Accounting for Amalgamations' as prescribed under the Companies (Accounting Standards) Rules, 2006 has been provided.

Hence, in accordance with the Scheme:-

- (i) Before Scheme becomes effective the entire issued, subscribed and paid up share capital was held by the Company. No shares of the Company have been allotted in lieu or exchange of its holding in VMSAL and share capital of VMSAL stands cancelled.

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- (ii) On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 5,839 crore and liabilities aggregating to ₹ 1,385 crore as appearing in the books of VMSAL at their respective fair value as decided by the Board of Directors of the Company. The net assets taken over include:

Assets / Liabilities Taken Over	₹ in crore
Assets	
Investments	5 839
Cash in Hand (₹ 2 053)	-
Balance with Schedule Bank (₹ 3 529)	-
Taxes Paid (₹ 12 364)	-
Total	5 839
Liabilities	
Optionally Convertible Preference Share Capital and premium payable on redemption ₹ 204 crore	211
Zero Coupon Optionally Fully Convertible Debenture and premium payable on redemption ₹ 321 crore	1 174
Short Term Provision (₹ 27 575)	-
Total	1 385
Excess of Assets over liabilities credit to General Reserve	4 454

- (iii) All Inter-company balances including liabilities on account of debentures and inter-company investments amounting to ₹ 1,385 crore on appointed date stand cancelled. The excess amount of investments amounting to ₹ 679 crore has been debited to general reserve toward inter-company investments cancellation.
- (iv) Difference aggregating to ₹ 3,774 crore after recording both above said items being the excess arising on transfer of assets and liabilities has been credited to General Reserve.
- (v) Difference in accounting method between the Company and VMSAL amounting to ₹ 62 crore has been credited to General Reserve pursuant to the Scheme.

Had the Scheme not prescribed the above accounting treatments, the difference of ₹ 3,837 crore would have been credited to Capital Reserve instead of General Reserve and General Reserve would have been lower by equivalent amount.

- III** In accordance with the provisions of the Scheme of Amalgamation of Reliance Commercial Finance Private Limited (RCFPL) with the Company ("the Scheme") sanctioned by the Hon'ble High Court of Judicature at Bombay vide order dated April 29, 2011, the loss on sale of long term investments amounting to ₹ 149 crore determined as an exceptional item by the Board of Directors of the Company has been debited in the statement of profit and loss for the previous year ended March 31, 2012. As per the Scheme and legal opinion obtained by the Company equivalent amount has been withdrawn from General Reserve to adjust the same, which has been disclosed accordingly. Had such losses not been met from General Reserve, the Company would have reflected a profit before tax of ₹ 370 crore and Profit after tax for the year would have been ₹ 309 crore.

- 32 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:

		(₹ in crore)		
		Securitisation	Assignment	Total
Total number of loan assets Securitised / Assigned	(Nos.)	12 051	7 120	19 171
		(-)	(16 392)	(16 392)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any)	(₹)	1 610	701	2 311
		(-)	(1 293)	(1 293)
Sale consideration received for the Securitised / Assigned assets	(₹)	1 610	580	2 190
		(-)	(1 297)	(1 297)
Net gain on account of Securitisation / Assigned	(₹)	-	(121)	(121)
		(-)	(4)	(4)
Outstanding Credit Enhancement (Funded) as at March 31, 2013	(₹)	204	152	355
		(200)	(154)	(354)
Outstanding Liquidity Facility	(₹)	-	-	-
		(-)	(-)	(-)
Net Outstanding Servicing Liability as at March 31, 2013	(₹)	66	74	140
		(22)	(76)	(98)

Note : Figures in bracket indicate previous year figures.

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(i) Securitisation

		(₹ in crore)	
Particulars	As at March 31, 2013	As at March 31, 2012	
1	No of SPVs sponsored by the Group for Securitisation Transactions	7	4
2	Total amount of securitised assets as per books of the SPVs sponsored by the Group	1 421	281
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	178	-
	Others	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	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	25	199
	Others	14	49
	ii) Exposure to third party securitisations		
	First loss	-	-
	Others	-	-

(ii) Assignments

		(₹ in crore)	
Particulars	As at March 31, 2013	As at March 31, 2012	
1	No of Direct Assignments by group	26	27
2	Total amount of assigned assets as per books of the Group	1 583	2 111
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	-	-
	Others	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	152	154
	Others	-	-
	ii) Exposure to third party assignments		
	First loss	-	-
	Others	-	-

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Notes to Consolidated Financial Statements as at March 31, 2013

- 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 from time to time.
- c) During the year, Company has entered into a agreement for assignment of receivables amounting to ₹ 87 crore (Previous year ₹ 733 crore). The said receivables are included in loans given.

33 Goodwill on Consolidation of Subsidiaries

During the year, the Company has further acquired 4.74% equity stake in one of its existing subsidiary company (Previous year 51.79% equity stake in one company through its subsidiary). On Consolidation, the Company has recognised the following goodwill :

	(₹ in crore)	
	2012-13	2011-12
Opening balance of Goodwill/(Capital Reserve) on consolidation of subsidiaries	47	53
Add : Goodwill on acquisition of subsidiaries	176	(6)
Less : Goodwill on sale / amalgamation of investments in subsidiaries	7	-
Closing balance of Goodwill on consolidation of subsidiaries	216	47

34 Employees Stock Option Plan (ESOP) :

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 ₹ 64 crore (net of diminution ₹ 64 crore) (Previous year ₹ 130 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 management):

	Plan A		Plan B	
	No. of Stock Options	Exercise Price (₹)	No. of Stock Options	Exercise Price (₹)
Outstanding at the beginning of the year	3 47 900	800	3 50 100	800
Granted	-	N.A.	-	N.A.
Exercised	-	N.A.	-	N.A.
Lapsed / Forfeited / Surrendered	1 77 280	800	97 640	800
Outstanding at the end of the year	1 70 620	800	2 52 460	800
Exercisable at end of the year	58 980	800	37 420	800

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B) Reliance Capital Asset Management Ltd (RCAM)

- (i) Pursuant to the shareholder's resolution dated 20 September 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 3 February 2011.
- (ii) On 21 December 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 3 February 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 30 March 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, 2013		As of March 31, 2012	
	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	63 800	2 000	69 650	2 000
Granted/Exercised	59 550	2 000	-	-
Cancelled or expired	-	-	5 850	2 000
Outstanding at the year end	4 250	2 000	63 800	2 000
Exercisable at end of year	4 250	2 000	38 280	2 000
Year 2011				
Outstanding at beginning of year	34 050	3 009	38 050	3 009
Granted/Exercised	9 765	3 009	-	-
Cancelled or expired	490	3 009	4 000	3 009
Outstanding at the year end	23 795	3 009	34 050	3 009
Exercisable at end of year	10 455	3 009	10 215	3 009
Year 2011				
Outstanding at beginning of year	1 32 075	3 009	1 39 800	3 009
Granted/Exercised	12 340	3 009	-	-
Cancelled or expired	4 950	3 009	7 725	3 009
Outstanding at the year end	1 14 785	3 009	1 32 075	3 009
Exercisable at end of year	13 528	3 009	13 208	3 009

- (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, 2013	Year ended March 31, 2012
Risk Free Interest Rate	8%	8%
Expected Life	7 Years	7 Years
Dividend yield	0%	0%

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Notes to Consolidated Financial Statements as at March 31, 2013

(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 Ltd (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, 2013			As of March 31, 2012		
	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 59 900	70	2.42	5 24 600	70	4.46
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Lapsed / Forfeited	45 000	-	-	64 700	-	-
Outstanding at the year end	4 14 900	70	-	4 59 900	70	-
Exercisable at end of year	4 14 900	70	-	4 59 900	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 Earning Per Share (EPS) for the year, had RGIC adopted the fair value method, would have been unchanged.

D) In case of Reliance Securities Ltd (RSL)

- 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.
- 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.
- 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%

- The information concerning stock options granted, exercised, forfeited and outstanding at the year-end is as follows:

	As of March 31, 2013		As of March 31, 2012	
	No of stock options	Weighted average exercise Price (₹)	No of stock options	Weighted average exercise Price (₹)
IB, 2009				
Outstanding at beginning of year	54 800	50	64 600	50
Granted / Exercised	Nil	-	Nil	-
Cancelled or expired	24 500	-	9 800	50
Outstanding at the year end	30 300	50	54 800	50
Exercisable at end of year	30 300	50	54 800	50

Notes to Consolidated Financial Statements as at March 31, 2013

- (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 2013
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 recognized for the period arising from stock option plan as per intrinsic value method is ₹ NIL.

- E) The net results for the year, had the RCAM and RSL adopted the Fair Value Method, would have been lower by ₹ 15 crore (net of tax saving ₹ 12 crore) and accordingly basic and diluted EPS would have been lower by ₹ 0.62 and ₹ 0.49 respectively.

35 In case of Reliance Money Express Limited (RMEL)

- 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 27 January 2011 reclaiming the refund granted. Further, RMEL has received a show cause cum demand notice dated 22 March 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.

36 In case of Reliance General Insurance Company Ltd (RGIC)

(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 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% 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 ₹ 47 crore pursuant to recognition of the said liability in the year of dismantling of IMTPIP.

Notes to Consolidated Financial Statements as at March 31, 2013

(c) Transitional Liabilities (TL) recognized in current year is as follows : (₹ in crore)

	Unrecognised as on March 31, 2012	Accounted during the year	Recognized during the year	Unrecognised as on March 31, 2013
Opening	127	-	63	63
Based on audited statement for the month of March, 2012	-	7	4	2
Net Loss on Earned Premium released on unexpired risk reserve during the year	-	41	28	14
Total	127	48	95	79

(d) Basis used by actuary for determining IBNR / IBNER.

The liability for IBNR claims including IBNER for the year ending March 31, 2013 has been estimated by the Appointed Actuary in compliance with guidelines issued by IRDA vide Circular no. 11/IRDA/ACTL/IBNR/2005-06.

The Appointed Actuary has adopted the basic paid claims chain ladder method for all line of business except for Motor Third Party for which ultimate loss ratio method has been followed. Under the basic paid claims chain ladder method, the trends from past claims development are referred to for determining the future claims development.

(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 10% is ceded to GIC under obligatory cession and remaining 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 31st December 2012, the accounts for which statement received.

RGIC has accounted for its share in Decline Risk Pool for the 3 months period January 2013 to March 2013 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.

37 In case of Quant Capital Private Limited (QCPL)

(a) QCPL has collected stamp duty from various clients on account of its statutory obligation towards transactions entered on various segments. QCPL 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 outstandings is to the tune of ₹ 3 crore.

(b) There is a legal proceeding going on with Quant Transactional Services Private Limited (QTSP), due to which, which may result in income and recovery for QCPL from QTSP 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.

Inter-Corporate Deposits(ICD) amounting to ₹ 4 crore given to QTSP in earlier financial years has been fully provided for in 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.

Miscellaneous Income under the head Other Income represent expenses charged to QCPL in earlier years by Quant Transactional Services Private Limited, which has been reversed in the current financial year since the Company is of the opinion that it is no longer payable to the said company. However QCPL has provided for the common amenities charged by Quant Capital Private Limited in respect of above.

Notes to Consolidated Financial Statements as at March 31, 2013

38 In case of Reliance Money Precious Metals Private Limited (RMPMPL)

- (a) RMPMPL has entered into an agreement with World Gold Council for its gold accumulation plan 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. Lemiur Secure Logistics Private Limited is appointed as custodian and maintains physical stock of accumulated gold till it is delivered to the customer.
- (b) RMPMPL runs a plan, MY Gold pan 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. 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.

39 In case of 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 Office, 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. The matter is under consideration by the Company Law Board. Any future impact on the financial statements is contingent upon the final order by the appropriate authority.

40 The Group is organised into following reportable segments referred to in Accounting Standard (AS 17) "Segment Reporting"

	(₹ in crore)						
Particular	Finance & Investments	Asset Management	General Insurance	Commercial Finance	Others	Elimination	Total
Revenue							
External	2 158	527	2 408	2 117	309	-	7 519
	(1 658)	(508)	(2 183)	(1 945)	(333)	(-)	(6 627)
Inter Segment	23	83	9	-	10	125	-
	(51)	(57)	(9)	(-)	(15)	(132)	(-)
Total Revenue	2 181	610	2 417	2 117	319	125	7 519
	(1 709)	(564)	(2 192)	(1 945)	(349)	(132)	(6 627)
Results							
Segment Results - Profit / (Loss) before Tax	409	169	(93)	342	7	-	834
	(370)	(210)	-(342)	(254)	(28)	(-)	(520)
Unallocated Expenses							4
							(1)
Profit / (Loss) before Tax	409	169	(93)	342	7	-	830
	(370)	(210)	-(342)	(254)	(28)	(-)	(520)
Other information							
Segment Assets	23 297	250	4 353	15 390	1 228	3 930	40 588
	(20 284)	(347)	(3 081)	(14 375)	(1 248)	(4 194)	(35 141)
Unallocated Assets	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Asset	23 297	250	4 353	15 390	1 228	3 930	40 588
	(20 284)	(347)	(3 081)	(14 375)	(1 248)	(4 194)	(35 141)
Segment Liabilities	11 899	209	3 569	12 894	648	1 118	28 101
	(9 421)	(311)	(2 360)	(11 893)	(632)	(1 171)	(23 446)

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

Particular	Finance & Investments	Asset Management	General Insurance	Commercial Finance	Others	Elimination	Total
Unallocated Liabilities	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Total Liabilities	11 899	209	3 569	12 894	648	1 118	28 101
	(9 421)	(311)	(2 360)	(11 893)	(632)	(1 171)	(23 446)
Capital Expenditure	14	8	11	15	6	-	54
	(57)	(5)	(7)	(53)	(7)	(-)	(129)
Depreciation	14	9	11	15	7	-	56
	(11)	(10)	(12)	(14)	(7)	(-)	(54)
Non Cash Expenses other than Depreciation	528	-	214	82	7	-	831
	(149)	(9)	(21)	(96)	(-)	(-)	(275)

Figures in bracket indicates previous year figures.

Note:-

- (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.

41 Related party disclosures:

A. List of related parties

i) Holding Company

Reliance Innoventures Private Limited

ii) Subsidiary of Holding Company

AAA Enterprises Private Limited

iii) Individual Promoter

Shri Anil D. Ambani, the person having control during the year

iv) Associates

Ammolite Holdings Limited

Reliance Land Private Limited

Indian Commodity Exchange Limited

Reliance Life Insurance Company Limited

Reliance Asset Reconstruction Company Limited

Reliance Share & Stock Brokers Private Limited

v) Fellow subsidiaries

AAA Entertainment Private Limited

Reliance Communications Limited

Big Flicks Private Limited

Reliance Infocomm Infrastructure Private Limited

Jump Games Private Limited

Reliance Webstore Limited

Reliance Big Entertainment Private Limited

Zapak Digital Entertainment Limited

Reliance Communications Infrastructure 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 (ii) above has control
Reliance Power Limited

Notes to Consolidated Financial Statements as at March 31, 2013

C. Transactions during the year with related parties:

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
Debentures			
a) Issued during the year	-	15	15
	(-)	(25)	(25)
b) Balance as at March 31, 2013	-	40	40
	(-)	(25)	(25)
c) Accrued interest on debentures as at March 31, 2013 (Previous year ₹ 23 56 164)	-	1	1
	(-)	(-)	(-)
Commercial Paper			
a) Issued during the year	-	527	527
	(-)	(682)	(682)
b) Repaid during the year	-	750	750
	(-)	(299)	(299)
c) Balance as at March 31, 2013	-	271	271
	(-)	(482)	(482)
Investments			
a) Subscribed/Purchased during the year	23	-	23
	(11)	(125)	(136)
b) Balance as at March 31, 2013 [Net of provision ₹ 106 crore (Previous year ₹ Nil)]	1 623	5 720	7 343
	(1 700)	(4 558)	(6 258)
Interest / Finance income accrued on Investments			
a) Balance as at March 31, 2013	524	166	690
	(290)	(125)	(415)
Loans Given			
a) Given during the year	749	11	760
	(86)	(19)	(105)
b) Returned /Adjusted during the year	230	13	243
	(49)	(150)	(199)
c) Balance as at March 31, 2013	582	33	615
	(63)	(34)	(97)
Trade receivable			
a) Balance as at March 31, 2013	-	-	-
	(1)	(-)	(1)
Advances			
a) Balance as at March 31, 2013 [(₹ 2 67 733 (Previous year ₹ Nil)]	2	-	2
	(-)	(4)	(4)
Trade payables			
a) Balance as at March 31, 2013 [(₹ 4 79 830 (Previous year ₹ 4 79 830)]	-	-	-
	(-)	(-)	(-)
Income			
a) Interest & Finance Income (including Premium on Preference Shares)	187	63	250
	(166)	(65)	(231)
b) Rent	1	-	1
	(-)	(-)	(-)
c) Dividend Income (Previous year ₹ 42 10 544)	1	19	20
	(-)	(-)	(-)
d) Reimbursement of Expenditure [(₹ 23 25 359 (Previous year ₹ 39 05 151)]	-	5	5
	(-)	(6)	(6)
e) Management Fees	-	6	6
	(-)	(6)	(6)
f) Processing fees	2	-	2
	(-)	(-)	(-)
Expenditure			
a) Finance cost	-	39	39
	(-)	(2)	(2)

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
b) Insurance [₹ 91 69 801 (Previous year ₹ 23 91 000)]	- (-)	- (-)	- (-)
c) Miscellaneous Expenditure	- (-)	1 (2)	1 (2)
d) Provision for diminution in value of investments	77 (-)	29 (-)	106 (-)
e) Bad debts written off	- (-)	18 (-)	18 (-)
Contingent Liability			
Guarantees to Banks and Financial Institutions on behalf of third parties	50 (-)	82 (77)	132 (77)

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 (25)	15 (25)
b) Balance as at March 31, 2013			
i) Reliance Life Insurance Company Limited	- (-)	40 (25)	40 (25)
c) Interest accrued on debentures as at March 31, 2013			
i) Reliance Life Insurance Company Limited (Previous year ₹ 23 56 164)	- (-)	1 (-)	1 (-)
Commercial Papers			
a) Issued during the year			
i) Reliance Life Insurance Company Limited	- (-)	527 (682)	527 (682)
b) Repaid during the year			
i) Reliance Life Insurance Company Limited	- (-)	750 (299)	750 (299)
c) Balance as at March 31, 2013			
i) Reliance Life Insurance Company Limited	- (-)	271 (482)	271 (482)
Investments			
a) Subscribed / Purchased during the year			
i) Reliance Land Private Limited	- (-)	- (125)	- (125)
ii) AAA Entertainment Private Limited	23 (-)	- (-)	23 (-)
iii) Reliance Big Entertainment Private Limited	- (11)	- (-)	- (11)
b) Balance as at March 31, 2013			
i) Reliance Land Private Limited	- (-)	486 (486)	486 (486)
ii) Reliance Share & Stock Brokers Private Limited	- (-)	86 (86)	86 (86)
iii) Reliance Big Entertainment Private Limited	1 393 (1 393)	- (-)	1 393 (1 393)
iv) Reliance Communications Limited [Net of Provision ₹ 77 crore (Previous year ₹ Nil)]	230 (307)	- (-)	230 (307)
v) Reliance Asset Reconstruction Company Limited	- (-)	49 (49)	49 (49)
vi) Ammolite Holdings Limited (Net of Provision ₹ 29 crore)	- (-)	- (29)	- (29)
vii) Reliance Life Insurance Company Limited	- (-)	4 776 (3 717)	4 776 (3 717)

Notes to Consolidated Financial Statements as at March 31, 2013

	(₹ in crore)		
	Fellow Subsidiaries	Associates	Total
Interest / Finance income accrued on Investment			
a) Balance as at March 31, 2013			
i) Reliance Land Private Limited	-	166	166
	(-)	(107)	(107)
ii) Ammolite Holdings Limited	-	-	-
	(-)	(19)	(19)
iii) Reliance Big Entertainment Private Limited	524	-	524
	(365)	(-)	(365)
Loans Given			
a) Given during the year			
i) Reliance Land Private Limited	-	11	11
	(-)	(17)	(17)
ii) Zapak Digital Entertainment Limited	2	-	2
	(20)	(-)	(20)
iii) Jump Games Private Limited	4	-	4
	(5)	(-)	(5)
iv) Reliance Asset Reconstruction Company Limited	-	-	-
	(-)	(3)	(3)
v) Reliance Big Entertainment Private Limited	743	-	743
	(61)	(-)	(61)
b) Returned/Adjusted during the year			
i) Reliance Land Private Limited	-	-	-
	(-)	(140)	(140)
ii) Reliance Asset Reconstruction Company Limited	-	4	4
	(-)	(8)	(8)
iii) Reliance Big Entertainment Private Limited	205	-	205
	(24)	(-)	(24)
iv) Zapak Digital Entertainment Limited	20	-	20
	(20)	(-)	(20)
v) Jump Games Private Limited	5	-	5
	(5)	(-)	(5)
vi) Reliance Life Insurance Company Limited	-	9	9
	(-)	(2)	(2)
c) Balance as at March 31, 2013			
i) Reliance Land Private Limited	-	24	24
	(-)	(13)	(13)
ii) Zapak Digital Entertainment Limited	2	-	2
	(20)	(-)	(20)
iii) Jump Games Private Limited	4	-	4
	(5)	(-)	(5)
iv) Reliance Asset Reconstruction Company Limited	-	1	1
	(-)	(5)	(5)
v) Reliance Big Entertainment Private Limited	576	-	576
	(38)	(-)	(38)
vi) Reliance Life Insurance Company Limited	-	7	7
	(-)	(16)	(16)
Trade Receivables as at March 31, 2013			
i) Reliance Communications Infrastructure Limited	-	-	-
	(1)	(-)	(1)
Advances			
a) Balance as at March 31, 2013			
i) Reliance Communications Infrastructure Limited	2	-	2
	(-)	(-)	(-)
ii) Reliance Life Insurance Company Limited	-	-	-
[(₹ 2 67 733 (Previous year ₹ Nil)]	(-)	(4)	(4)
Trade Payables as at March 31, 2013			
i) Big Flicks Private Limited	-	-	-
[₹ 4 29 830 (Previous year ₹ 4 29 830)]	(-)	(-)	(-)

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

	(₹ in crore)		
	Fellow Subsidiaries	Associates	Total
Income			
a) Interest & Finance Income (including Premium on Preference Shares)			
i) Reliance Land Private Limited	-	61	61
	(-)	(61)	(61)
ii) Ammolite Holdings Limited	-	-	-
	(-)	(5)	(5)
iii) Reliance Big Entertainment Private Limited	187	-	187
	(162)	(-)	(162)
b) Rent			
i) Reliance Communications Infrastructure Limited	1	-	1
	(-)	(-)	(-)
c) Dividend Income			
i) Reliance Communications Limited (Previous year ₹ 42 10 544)	1	-	1
	(-)	(-)	(-)
ii) Reliance Life Insurance Company Limited	-	19	19
	(-)	(-)	(-)
d) Reimbursement of Expenditure			
i) Reliance Communications Infrastructure Limited [₹ 23 25 359 (Previous year ₹ 32 15 245)]	-	-	-
	(-)	(-)	(-)
ii) Reliance Asset Reconstruction Co. Limited (₹ 24 06 000)	-	-	-
	(-)	(1)	(1)
iii) Reliance Land Private Limited [₹ Nil (Previous year ₹ 4 63 890)]	-	-	-
	(-)	(-)	(-)
iv) Reliance Big Entertainment Private Limited [₹ Nil (Previous year ₹ 4 850)]	-	-	-
	(-)	(-)	(-)
v) Reliance Life Insurance Company Limited	-	5	5
	(-)	(5)	(5)
e) Management Fees			
i) Reliance Life Insurance Company Limited	-	6	6
	(-)	(6)	(6)
Expenditure			
a) Finance cost			
i) Reliance Life Insurance Company Limited	-	39	39
	(-)	(2)	(2)
b) Insurance			
i) Reliance Life Insurance Company Limited [₹ 43 76 801 (Previous year ₹ Nil)]	-	-	-
	(-)	(-)	(-)
ii) AAA Entertainment Private Limited [₹ 47 93 000 (Previous year ₹ 23 91 000)]	-	-	-
	(-)	(-)	(-)
c) Miscellaneous Expenditure			
i) Reliance Land Private Limited	-	1	1
	(-)	(2)	(2)
Contingent Liability			
a) Guarantees to Banks and Financial Institutions			
i) Ammolite Holdings Limited	-	82	82
	(-)	(77)	(77)
ii) Reliance Big Entertainment Private Limited	50	-	50
	(-)	(-)	(-)

Key Managerial Personnel

- a) Shri V.R. Mohan
 -Employee benefit expenses ₹ 69 99 996 (Previous year ₹ 68 54 397)
 -Loan given balance as at March 31,2013 ₹ 4 35 351 (Previous year ₹ 4 49 751)

Enterprise over which individual described in clause A(iii)above has control

- a) Reliance Power Limited
 -Commercial Paper subscribed & redeemed ₹ Nil (Previous year ₹ 224 crore)
 -Investment balance as at March 31,2013 ₹ 3 crore (Previous year ₹ 3 crore)
 -Reimbursement of expenditure ₹ 1 06 120 (Previous year Nil)

Notes to Consolidated Financial Statements as at March 31, 2013

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 disclosed 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 ₹ 1,20,000 (Previous year ₹ 1,00,000.) 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 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

42 Auditors' remuneration includes:

	(₹ in crore)	
	2012-13	2011 - 12
i) Audit Fees	3	2
ii) Tax Audit Fees [₹ 6 31 798 (Previous year ₹ 8 45 618)]	-	-
iii) Certification and other reimbursement charges [₹ 4 34 152 (Previous year ₹ 2 29 434)]	-	-
Total	3	2

43 Leases

Details of Future Minimum Lease Receivables are as under :

	(₹ in crore)	
	2012-13	2011 - 12
Within one year of the balance sheet date	24	21
Due in a period between one year and five years	42	50
Due after five years [₹ 26 00 000 (Previous year ₹ 3 91 880)]	-	-

Details of future minimum lease rent payable under operating lease for each of the following periods:

	(₹ in crore)	
	2012-13	2011 - 12
Not Later than one year	5	8
Later than one year and not later than five years	4	7
Later than five years	-	-

44 Basic and diluted earnings per share:

The computation of earnings per share is set out below

	(₹ in crore)	
	2012-13	2011 - 12
a) Amounts used as the numerators		
Net Profit after tax	812	458
Net Profit attributable to equity shareholders	812	458
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 (₹)	33.05	18.64
d) Diluted earnings per share of face value ₹ 10 each (₹)	33.05	18.64

45 Contingent Liabilities and Commitments (As Certified by the Management)

	(₹ in crore)	
	March 31, 2013	March 31, 2012
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions	1 755	1 454
ii) Claims against the Company not acknowledge as debt	28	27
iii) Outstanding Forward Exchange Contract	52	38

Reliance Capital Limited

Notes to Consolidated Financial Statements as at March 31, 2013

(₹ in crore)

	March 31, 2013	March 31, 2012
Commitments		
i) Estimated amount of contracts remaining to be executed on capital account (net of advances)	48	87
ii) Undrawn Committed Credit lines	757	481
iii) Uncalled amount of Investments	66	170

Share of company in contingent liabilities and capital commitments of an associate are as follows

(₹ in crore)

	March 31, 2013	March 31, 2012
Contingent Liabilities		
i) Claims against the Company not acknowledge as debt	11	6
ii) Statutory Demands /liabilities in disputed not provided for	9	7
iii) Guarantees to Banks and Financial Institutions	-	-
Commitments		
i) Commitment towards fixed Assets	41	38
ii) Other commitments	4	8

46 The subsidiaries / associate companies considered in the consolidated financial statements with their proportion of ownership are as under

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
List of Subsidiaries			
Reliance Capital Asset Management Limited	India	March 31, 2013	65.23%
Reliance Asset Management (Mauritius) Limited	Mauritius	March 31, 2013	65.23%
Reliance Asset Management (Singapore) Pte Limited	Singapore	March 31, 2013	65.23%
Reliance Capital Asset Management (UK) Plc	United Kingdom	March 31, 2013	65.23%
Reliance Asset Management (Malaysia) SDN BHD	Malaysia	March 31, 2013	65.23%
Reliance Capital Pension Fund Limited	India	March 31, 2013	65.23%
Reliance General Insurance Company Limited	India	March 31, 2013	96.50%
Reliance Capital Trustees Co. Limited	India	March 31, 2013	100.00%
Reliance Gilts Limited	India	March 31, 2013	100.00%
Reliance Money Precious Metals Private Limited	India	March 31, 2013	100.00%
Reliance Venture Asset Management Private Limited	India	March 31, 2013	100.00%
Reliance Money Express Limited	India	March 31, 2013	100.00%
Reliance Equity Advisors (India) Limited	India	March 31, 2013	100.00%
Reliance Home Finance Limited	India	March 31, 2013	100.00%
Reliance Equities International Private Limited (merged with the company w.e.f. March 31, 2013)	India	March 31, 2013	100.00%
Emerging Money Mall Limited (w.e.f. February 20, 2013) (merged with the company w.e.f. March 31, 2013)	India	March 31, 2013	100.00%
Reliance Securities Limited	India	March 31, 2013	99.60%
Reliance Composite Insurance Broking Limited	India	March 31, 2013	51.79%
Reliance Commodities Limited	India	March 31, 2013	100.00%
Reliance Financial Limited	India	March 31, 2013	100.00%
Reliance Alternative Investments Services Private Limited	India	March 31, 2013	100.00%
Reliance Wealth Management Limited	India	March 31, 2013	100.00%
Reliance Spot Exchange Infrastructure Limited	India	March 31, 2013	100.00%
Reliance Exchangenext Limited	India	March 31, 2013	100.00%
Indian Agri Services Private Limited (w.e.f April 30, 2012)	India	March 31, 2013	100.00%

Notes to Consolidated Financial Statements as at March 31, 2013

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
Reliance Investment Banking Services Private Limited	India	March 31, 2013	100.00%
Reliance Capital (Singapore) Pte Limited	Singapore	March 31, 2013	100.00%
Reliance Consultants (Mauritius) Limited	Mauritius	March 31, 2013	100.00%
Quant Capital Private Limited	India	March 31, 2013	74.00%
Quant Broking Private Limited	India	March 31, 2013	74.00%
Quant Capital Advisors Private Limited	India	March 31, 2013	74.00%
Quant Securities Private Limited	India	March 31, 2013	74.00%
Quant Commodity Broking Private Limited	India	March 31, 2013	74.00%
Quant Commodities Private Limited	India	March 31, 2013	74.00%
Quant Investments Services Private Limited	India	March 31, 2013	74.00%
Quant Capital Finance and Investments Private Limited	India	March 31, 2013	74.00%
QOPPA Trading Private Limited	India	March 31, 2013	74.00%
QCAP Trade Private Limited	India	March 31, 2013	74.00%
Quant Alternative Asset Management Private Limited (w.e.f. October 12, 2012)	India	March 31, 2013	74.00%
List of Associates			
Reliance Land Private Limited	India	March 31, 2013	50.00%
Reliance Share & Stock Brokers Private Limited	India	March 31, 2013	50.00%
Indian Commodity Exchange Limited	India	March 31, 2013	26.00%
Ammolite Holding Limited	Jersey	March 31, 2013	* 50.00%
Reliance Asset Reconstruction Company Limited	India	March 31, 2013	49.00%
Reliance Life Insurance Company Limited	India	March 31, 2013	47.78%
Partnership Firm			
Reliance Capital Partners (Partnership Firm)	India	March 31, 2013	#

Note:-

- a) # Proportion of ownership interest in Partnership firm is on the basis of weighted average capital
 b) * The Financial statements of Ammolite Holdings Limited, have been certified by the management.

- 47** 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 (firm) stake in 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.
- 48** Goodwill of ₹ 4,576 crore (Previous year ₹ 3,627 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".
- 49** Pursuant to the general exemption granted by the Ministry of Corporate Affairs, Government of India, the Parent Company 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.

As per our report of even date

For and on behalf of the Board

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

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

Chairman

Anil D. Ambani

Directors

Rajendra P. Chitale

Dr. Bidhubhusan Samal

Vijay Napawaliya
 Partner
 Membership No: 109859
 Mumbai
 Dated: May 16, 2013

Manoj Kumar Vijai
 Partner
 Membership No: 046882

President & Company Secretary **V. R. Mohan**
 Mumbai
 Dated: May 16, 2013

Notes to Consolidated Financial Statements as at March 31, 2013

Sr. No	Name	Country	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 Ltd.	India	11.47	1,209.07	1,500.21	279.67	521.24	712.67	258.04	60.50	197.54	161.28
2	Reliance Capital Trustee Co. Ltd.	India	0.05	0.60	0.65	-	0.60	0.23	0.09	0.02	0.07	-
3	Reliance General Insurance Company Ltd.	India	122.78	660.83	4,352.13	3,568.53	3,247.20	2,417.37	(92.77)	-	(92.77)	-
4	Reliance Gilts Ltd.	India	7.00	(2.86)	4.16	0.02	-	0.20	0.19	-	0.19	-
5	Reliance Asset Management (Mauritius) Ltd.	Mauritius	10.64	(0.39)	14.35	4.11	0.01	7.34	3.29	0.10	3.20	-
6	Reliance Asset Management (Singapore) Pte. Ltd.	Singapore	17.05	34.78	55.78	3.95	50.09	10.13	(11.88)	-	(11.88)	-
7	Reliance Money Express Ltd.	India	17.81	20.28	76.87	38.78	-	47.87	11.18	2.15	9.03	-
8	Reliance Money Precious Metals Pvt. Ltd.	India	8.00	(8.12)	26.61	26.73	1.41	0.64	(8.08)	0.01	(8.09)	-
9	Reliance Venture Asset Management Pvt. Ltd.	India	0.01	2.60	2.62	0.01	1.80	0.17	(0.01)	-	(0.01)	-
10	Reliance Equity Advisors (India) Ltd.	India	0.05	(13.19)	24.21	37.35	3.26	19.30	1.87	0.59	1.28	-
11	Reliance Capital Asset Management (UK) Plc	UK	26.74	(25.89)	0.96	0.11	-	2.48	(6.36)	-	(6.36)	-
12	Reliance Composite Insurance Broking Ltd.	India	2.50	(1.18)	10.19	8.87	0.05	12.58	(8.90)	0.43	(9.33)	-
13	Reliance Home Finance Ltd.	India	65.82	355.09	2,953.50	2,532.59	13.76	361.14	42.02	14.54	27.48	-
14	Reliance Capital (Singapore) Pte. Ltd.	Singapore	9.54	1.11	10.67	0.02	-	-	(0.02)	-	(0.02)	-
15	Reliance Securities Ltd.	India	150.00	26.39	324.88	148.48	86.19	114.52	(7.69)	(0.34)	(7.35)	-
16	Reliance Commodities Ltd.	India	3.00	10.40	38.90	25.50	-	13.68	2.55	0.89	1.66	-
17	Reliance Financial Ltd.	India	11.00	32.05	43.45	0.40	-	6.47	1.30	0.40	0.90	-
18	Reliance Investment Banking Services Ltd.	India	7.00	0.35	7.47	0.12	0.70	3.00	0.36	0.12	0.24	-
19	Reliance Wealth Management Ltd.	India	11.50	(6.92)	4.93	0.35	-	3.45	(3.08)	-	(3.08)	-
20	Reliance Alternative Investments Services Pvt. Ltd.	India	0.01	0.02	0.05	0.02	-	0.06	-	-	-	-
21	Reliance Asset Management (Malaysia) SDN BHD	Malaysia	27.77	(20.39)	7.65	0.28	5.77	1.63	(9.47)	-	(9.47)	-
22	Reliance Consultants (Mauritius) Ltd.	Mauritius	0.26	(0.16)	0.26	0.16	-	0.00	(0.09)	-	(0.09)	-
23	Reliance Capital Pension Fund Ltd.	India	25.00	0.53	25.69	0.17	25.41	1.61	0.33	-	0.33	-
24	Reliance Exchanges Ltd.	India	6.91	33.84	48.11	7.35	47.43	0.16	(25.49)	-	(25.49)	-
25	Reliance Spot Exchange Infrastructure Ltd.	India	17.65	(22.02)	2.28	6.65	-	0.54	(1.28)	-	(1.28)	-
26	Indian Agri Services Pvt. Ltd.	India	0.12	(0.07)	0.08	0.03	-	0.03	-	-	-	-
27	Quant Capital Pvt. Ltd.	India	10.00	194.00	498.28	294.28	170.01	5.76	1.83	0.59	1.24	-
28	Quant Broking Pvt. Ltd.	India	18.01	147.29	643.19	477.89	1.00	58.87	2.43	0.49	1.93	-
29	Quant Capital Advisors Pvt. Ltd.	India	0.11	2.45	3.82	1.26	-	2.77	0.01	-	0.01	-
30	Quant Securities Pvt. Ltd.	India	1.54	1.53	161.07	158.00	-	5.69	0.86	0.30	0.55	-
31	Quant Commodity Broking Pvt. Ltd.	India	0.14	1.91	133.93	131.88	-	2.51	0.73	0.24	0.49	-
32	Quant Commodities Pvt. Ltd.	India	0.21	17.34	104.76	87.21	-	23.64	14.02	5.00	9.02	-
33	Quant Investments Services Pvt. Ltd.	India	0.74	5.86	6.82	0.22	-	3.25	0.09	0.02	0.07	-
34	Quant Capital Finance And Investments Pvt. Ltd.	India	3.83	18.13	22.76	0.81	-	1.97	0.03	0.02	0.01	-
35	QOPPA Trading Pvt. Ltd.	India	0.52	0.03	63.48	62.93	-	0.56	0.00	-	0.00	-
36	QCAP Trade Pvt. Ltd.	India	0.52	0.38	42.28	41.38	-	5.81	0.01	-	0.01	-

RELIANCE

Capital

**Annual Report
2013-14**

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

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

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 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 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

Annexure to the Independent Auditors' Report on the Financial Statement

- 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

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

Reliance Capital Limited

Balance Sheet as at March 31, 2014

(₹ in crore)

	Note No.	As at March 31, 2014		As at March 31, 2013	
I EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	4	244		246	
(b) Reserves and surplus	5	11 390	11 634	11 266	11 512
(2) Non-current liabilities					
(a) Long-term borrowings	6	12 128		12 402	
(b) Deferred tax liabilities (net)	7	12		6	
(c) Other long-term liabilities	8	82		14	
(d) Long-term provisions	9	36	12 258	30	12 452
(3) Current liabilities					
(a) Short-term borrowings	10	6 754		4 190	
(b) Trade payables	11	9		1	
(c) Other current liabilities	12	5 620		5 171	
(d) Short-term provisions	13	240	12 623	231	9 593
TOTAL			36 515		33 557
II ASSETS					
(1) Non-current assets					
(a) Fixed assets	14				
(i) Tangible assets		150		131	
(ii) Intangible assets		32		20	
(iii) Intangible assets under development		-		3	
		182		154	
(b) Non-current investments	15	13 103		13 309	
(c) Long-term loans and advances	16	12 738		10 199	
(d) Other non-current assets	17	1 756	27 779	1 344	25 006
(2) Current assets					
(a) Current investments	18	467		366	
(b) Trade receivables	19	5		-	
(c) Cash and bank balances	20	1 848		745	
(d) Short-term loans and advances	21	5 932		7 025	
(e) Other current assets	22	484	8 736	415	8 551
TOTAL			36 515		33 557

See accompanying notes to the financial statements 1 - 51

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

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

(₹ in crore)

	Note No.	2013-14	2012-13
REVENUE			
I	Revenue from operations	23 3 169	3 828
II	Other income	24 <u>85</u>	<u>40</u>
III	Total revenue (I+II)	3 254	3 868
IV EXPENSES			
	Employee benefits expense	25 148	165
	Finance cost	26 2 279	2 179
	Depreciation and amortisation expense	14 34	29
	Other expenses	27 <u>329</u>	<u>791</u>
	Total expenses	<u>2 790</u>	<u>3 164</u>
V	Profit before exceptional items and tax (III-IV)	464	704
VI Exceptional items			
	Investment written off as per amalgamation (Refer Note No. 29)	-	680
	Withdrawal from general reserve (Refer Note No. 29)	<u>-</u>	<u>(680)</u>
VII	Profit before tax (V-VI)	464	704
VIII Tax expense			
	(1) Current tax	50	33
	(2) Deferred tax	<u>5</u>	<u>9</u>
		<u>55</u>	<u>42</u>
IX	Profit after tax (VII-VIII)	<u>409</u>	<u>662</u>
X	Earnings per equity share face value of ₹ 10 each fully paid up	40	
	(1) Basic (₹)	16.67	26.95
	(2) Diluted (₹)	16.67	26.95

See accompanying notes to the financial statements 1 – 51

As per our report of even date

For **Chaturvedi & Shah**
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V. R. Mohan

Reliance Capital Limited

Cash Flow Statement for the year ended March 31, 2014

(₹ in crore)

	2013-14	2012-13	
A. Cash flows from operating activities			
Profit before exceptional items and tax	464		704
Adjusted for			
Depreciation and amortisation expense	34		29
Bad debts recovered	(30)		(34)
Provision for NPA, doubtful debts and balances written off	88		296
Provision and loss on repossessed stock	14		9
Provision for diminution in the value of investments / written off	(23)		236
Provision for gratuity / leave encashment (Previous year ₹ 20 68 523)	(1)		-
Excess provision / credit balance written back	(26)		(1)
(Profit) / loss on sale of fixed assets	(25)		2
Amortised DSA commission	37		39
(Profit) / loss share in partnership firm	(15)		9
Interest income on investments	(450)		(467)
Dividend income on investments	(135)		(132)
(Profit) / loss on sale of investments (net)	(61)		(1 011)
Amortised brokerage on borrowings	25		28
Discount on commercial papers	349		407
Interest expenses	1 905	1 686	1 744
Operating profit before working capital changes		2 150	1 858
Adjusted for			
Proceeds from / (repayment of) short term borrowings (Net)	2 215		331
Proceeds from long term borrowings	4 587		6 235
Repayment of long term borrowings	(5 026)		(4 398)
Unamortised expenses incurred	(71)		(99)
Trade receivables & loans and advances	(1 668)		(3 371)
Trade payables and liabilities	484	521	(159)
Cash generated from operations		2 671	397
Interest paid	(1 727)		(1 745)
Taxes paid (Net)	(142)	(1 869)	(2)
Net cash from / (used in) operating activities		802	(1 350)

Cash Flow Statement for the year ended March 31, 2014

(₹ in crore)

	2013-14	2012-13
B. Cash flows from investing activities		
Purchase of fixed assets (including capital advances)	(166)	153
Sale of fixed assets	35	5
Investments in subsidiaries	(54)	(410)
Proceeds from sale of investments in subsidiaries	25	1 459
Withdrawal from partnership firm current account (Net)	150	140
Purchase of non-current investments	(2 819)	(2 393)
Proceeds from sale of non-current investments	3 010	2 551
(Purchase) / Proceeds from sale of current investments (Net)	(94)	127
Interest received on investments	176	274
Dividend received on investments	135	132
Net Cash from / (used in) investing activities	398	2 038
C. Cash flows from financing activities		
Dividend paid (including dividend tax thereon)	(211)	(340)
Net Cash from / (used in) Financing Activities	(211)	(340)
Net Increase / (Decrease) In Cash And Cash Equivalents (A + B + C)	989	348
Opening balance of cash and cash equivalents	679	328
Add: On amalgamation (Refer Note b given below)	- 679	3 331
Closing balance of cash and cash equivalents	1 668	679

Notes:

- The previous year's figures have been regrouped and reclassified wherever necessary.
- 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.
- 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

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V. R. Mohan

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.

Notes to the Financial Statement as at March 31, 2014

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.

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.

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.

Notes to the Financial Statement as at March 31, 2014

- 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, 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 Previous year figures has been regrouped /reclassified wherever necessary.

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
4 Share capital		
(a) Authorised:		
30 00 00 000 Equity shares of ₹ 10 each (Previous year 30 00 00 000)	300	300
10 00 00 000 Preference shares of ₹ 10 each (Previous year 10 00 00 000)	100	100
	<u>400</u>	<u>400</u>
(b) Issued & Subscribed:		
24 69 77 006 Equity shares of ₹ 10 each fully paid up (Previous year 24 69 77 006)	247	247
	<u>247</u>	<u>247</u>
(c) Paid up:		
24 56 32 800 Equity shares of ₹ 10 each fully paid up (Previous year 24 56 32 800)	245	245
Add: Forfeited shares	1	1
13 44 206 Equity shares of ₹ 10 each (Previous year 13 44 206)		
Less: Advance to ESOP Trust [Refer Note No. (i) below & Note No. 35]	2	-
16 00 000 Equity shares of ₹ 10 each		
	<u>244</u>	<u>246</u>
(d) Equity shares held by holding Company and subsidiaries of holding company:		

Name of the holder	As at March 31, 2014		As at March 31, 2013	
	%	Qty.	%	Qty.
Reliance Innoventures Private Limited (Holding Company)	0.23	5 76 450	0.23	5 76 450
AAA Enterprises Private Limited (Subsidiary of holding Company)	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting And Engineers Private Limited (Subsidiary of holding Company)	11.39	2 79 75 633	11.39	2 79 75 633

(e) Equity shares in the Company held by each shareholder holding more than 5 percent:

Name of the holder	As at March 31, 2014		As at March 31, 2013	
	%	Qty.	%	Qty.
AAA Enterprises Private Limited	40.07	9 84 14 206	40.07	9 84 14 206
AAA Infrastructure Consulting And Engineers Private Limited	11.39	2 79 75 633	11.39	2 79 75 633

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

- (f) The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholder.

For the year ended March 31, 2014, the amount of per share dividend recognised as distributable to equity shareholders is ₹ 8.50 (March 31, 2013 ₹ 8). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

- (g) **Reconciliation of numbers of shares outstanding**

	As at March 31, 2014		As at March 31, 2013	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Equity shares				
Opening balance	24 56 32 800	245	24 56 32 800	245
Movement during the year	-	-	-	-
Closing balance	24 56 32 800	245	24 56 32 800	245

(h) As on March 31, 2014, 6 37 035 equity shares (Previous year 5 07 101 equity shares) are held by custodian against which depository receipts have been issued.

(i) In terms of SEBI (ESOS and ESPS) Guidelines, 1999 and recent opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (the ICAI) the accounting treatment for the equity shares of the company held by the RCAP ESOS Trust as at March 31, 2014 has been given in Standalone Financial Statements of the Company. The said Trust is holding 16,00,000 equity shares of ₹ 10 each of the Company. Face value of the said shares are presented as deduction from the paid up share capital and balance ₹ 60 crore being an amount exceeding the said face value are presented as deduction from the Securities Premium with corresponding adjustment to the loan receivable from the Trust.
(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
5 Reserves and surplus		
Capital reserve		
As per last balance sheet	852	6
Add: Amount transferred as per scheme of amalgamation [Refer Note No. 29]	-	846
	<u>852</u>	<u>852</u>
Capital redemption reserve		
As per last balance sheet	10	10
Securities premium account		
As per last balance sheet	3 291	3 291
Less: Advance to ESOP Trust [Refer Note No. 4 (i) above & Note No. 35]	60	-
	<u>3 231</u>	<u>3 291</u>
General reserve #		
As per last balance sheet	4 700	5 314
Add: Amount transferred from surplus in statement of profit and loss	41	66
Less: Amount withdrawn as per scheme of amalgamation [Refer Note No. 29]	-	680
	<u>4 741</u>	<u>4 700</u>
Statutory reserve fund *		
As per last balance sheet	1 165	1 033
Add: Amount transferred from surplus in statement of profit and loss	82	132
	<u>1 247</u>	<u>1 165</u>
Surplus in statement of profit and loss		
As per last balance sheet	1 248	1 144
Add: Amount transferred from statement of profit and loss	409	662
Less: Proposed dividend [₹ 8.50 (Previous year ₹ 8) per equity share]	209	196
Less: Tax on proposed dividend (Refer Note No. 34)	16	15
Less: Interim dividend [₹ Nil (Previous year ₹ 5) per equity share]	-	123
Less: Tax on interim dividend	-	21
Less: Tax on proposed dividend for earlier years	-	5
Less: Transfer to statutory reserve fund	82	132
Less: Transfer to general reserve	41	66
	<u>1 309</u>	<u>1 248</u>
	<u>11 390</u>	<u>11 266</u>

Includes ₹ 3 837 crore (Previous year ₹ 3 837 crore) created pursuant to scheme of amalgamation.

* Created pursuant to section 45-IC of Reserve Bank of India Act, 1934.

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	As at March 31, 2014		As at March 31, 2013	
6 Long term borrowings				
Non convertible debentures				
-Secured [Refer Note No. 28(i)]				
Others	6 462		4 917	
Related party (Refer Note No. 38)	95		96	
-Unsecured				
Others	1 148		974	
Related party (Refer Note No. 38)	25	7 730	25	6 012
Term loans from banks / financial institutions				
-Secured [Refer Note No. 28(ii)]	4 248		5 831	
-Unsecured	100	4 348	-	5 831
Inter corporate deposits				
-Unsecured				
Others	-		9	
Related party (Refer Note No. 38)	50	50	550	559
		<u>12 128</u>	<u>550</u>	<u>12 402</u>
7 Deferred tax liabilities (net)				
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>
8 Other long-term liabilities				
Interest accrued but not due on debentures		55		13
Security deposits		27		1
		<u>82</u>		<u>14</u>
9 Long-term provisions				
Provision for employee benefits				
-Leave encashment (Refer Note No. 36)		3		3
Others				
-Standard assets		33		27
		<u>36</u>		<u>30</u>
10 Short term borrowings				
Loans from banks / financial institutions				
-Secured				
Cash credit (Refer Note (a) below)	650		41	
Short term (Refer Note (b & c) below)	1 451	2 101	500	541
Commercial paper -Unsecured (Refer Note (d) below)				
Others	4 653		3 378	
Related party (Refer Note No. 38)	-	4 653	271	3 649
		<u>6 754</u>	<u>271</u>	<u>4 190</u>

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

Notes:

- Cash Credits amounting to ₹ 650 crore (Previous year ₹ 41 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- Short term loan amounting to ₹ 1 440 crore (Previous year ₹ 500 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- Short term loan amounting to ₹ 11 crore (Previous year ₹ Nil) referred above are secured by fixed deposits pledged with bank.
- In respect of Commercial Papers maximum amount outstanding during the year was ₹ 5 175 crore (Previous year ₹ 5 296 crore).

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
11 Trade payables		
-Due to micro, small and medium enterprises (Refer Note below)	-	-
- Due to Others	<u>9</u>	<u>1</u>
	<u>9</u>	<u>1</u>
Note:		
There are no micro, small and medium scale business enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
12 Other current liabilities		
Current maturities of long-term debt		
Non convertible debentures		
-Secured [Refer Note No. 28(i)]		
Others	1 287	1 318
Related party (Refer Note No. 38)	<u>56</u>	<u>85</u>
Inter corporate deposits		
-Unsecured		
Others	-	1
Related party (Refer Note No. 38)	<u>400</u>	<u>150</u>
Term loans from banks / financial institutions		
-Secured [Refer Note No. 28(ii)]	2 334	2 687
Interest accrued but not due on debentures	423	287
Income received in advance	3	6
Advance from customers	35	64
Temporary book overdraft	745	282
Other payables*	323	279
Unclaimed dividend#	<u>14</u>	<u>12</u>
	<u>5 620</u>	<u>5 171</u>

Notes:

* Includes provision for expenses, statutory payments, securitisation / assignment payable and other payables.

Does not include any amounts, due and outstanding, to be deposited to the Investor Education and Protection Fund.

13 Short-term provisions

Provision for employee benefits (Refer Note No. 36)

-Leave encashment [₹ 40 48 851 (Previous year ₹ 45 26 486)]	-	-
Others		
-Standard assets	15	20
-Proposed dividend	209	196
-Tax on proposed dividend	<u>16</u>	<u>15</u>
	<u>240</u>	<u>231</u>

Notes to the Financial Statement as at March 31, 2014

14 Fixed assets

Description	Gross Block			As at March 31, 2014	Upto April 1, 2013	Depreciation / Amortisation For the Year	Deductions	Upto March 31, 2014	Net Block	
	As at April 1, 2013	Additions / Adjustments	Deductions / Adjustments						As at March 31, 2014	As at March 31, 2013
(i) Tangible assets										
Lease assets										
Plant and equipments	23	23	-	46	4	5	-	9	37	19
Data processing machineries	16	6	-	22	5	4	-	9	13	11
Vehicles	41	-	11	30	12	5	4	13	17	29
Sub total A	80	29	11	98	21	14	4	31	67	59
Previous year	79	7	6	80	10	12	1	21	59	
Own assets										
Freehold Land*	-	13	-	13	-	-	-	-	13	-
Buildings	69	- ⁽ⁱ⁾	5	64	18	3	2	19	45	51
Data processing machineries	42	5	3	44	33	4	3	34	10	9
Furniture and fixtures	10	3	-	13	8	1	-	9	4	2
Vehicles	7	1	- ⁽ⁱⁱ⁾	8	4	1	- ^(iv)	5	3	3
Office equipments	11	1	- ⁽ⁱⁱⁱ⁾	12	5	1	- ^(v)	6	6	6
Leasehold improvement	6	2	-	8	5	1	-	6	2	1
Sub total B	145	25	8	162	73	11	5	79	83	72
Previous year	143	11	9	145	70	10	7	73	72	
Total (A+B)	225	54	19	260	94	25	9	110	150	131
Previous year	222	18	15	225	80	22	8	94	131	
(ii) Intangible assets										
Computer software / Licensing cost	49	21	-	70	29	9	-	38	32	20
Total	49	21	-	70	29	9	-	38	32	20
Previous year	43	6	-	49	22	7	-	29	20	

Notes:

1. In respect of Intangible assets:

(i) It is other than internally generated.

(ii) Average remaining useful life is as follows:

a) Additions for financial year 2013-14 - 4 years

c) Additions for financial year 2011-12 - 2 years (Previous year 3 years)

e) Additions for financial year 2009-10 - Nil year (Previous year 1 year)

2. (i) ₹ 6 00 361 (ii) ₹ 37 61 041 (iii) ₹ 8 100 (iv) ₹ 31 95 825 (v) ₹ 8 100

3. * Freehold Land ₹ 13 crore (Previous year ₹ Nil) acquired against settlement of loan.

b) Additions for financial year 2012-13 - 3 years (Previous year 4 years)

d) Additions for financial year 2010-11 - 1 year (Previous year 2 years)

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
15. Non-current investments					
Other Investments					
(A) Investments in Equity instruments (valued at cost unless stated otherwise)					
Quoted, fully paid-up					
Aurionpro Solutions Limited	10	13 06 906	13 06 906	35	35
Anant Raj Limited	2	31 09 000	31 09 000	21	21
Celebrity Fashions Limited [₹ 11 25 465 (Previous year ₹ 11 25 465)]	10	8 98 750	8 98 750	-	-
EIH Limited	2	46 54 545	46 54 545	47	47
EMCO Limited	2	19 43 000	19 43 000	14	14
EPC Industrie Limited	2	4 89 658	5 22 000	6	6
Gujarat Fluorochemicals Limited	1	98 701	-	3	-
HBL Power Systems Limited	1	1 43 60 000	1 43 60 000	27	27
Indiabulls Financial Services Limited	2	-	16 19 710	-	31
Indiabulls Infrastructure and Power Limited	2	48 10 000	48 10 000	2	2
Indian Terrain Fashions Limited	10	3 30 962	3 30 962	14	14
Kinetic Engineering Limited	10	7 15 000	7 15 000	13	13
Kirloskar Pneumatic Company Limited	10	1 45 000	1 45 000	6	6
Jindal Saw Limited	2	13 13 700	15 00 000	16	18
Padmalaya Telefilms Limited	10	5 11 000	5 11 000	2	2
Pratibha Industries Limited	2	14 50 000	14 50 000	9	9
Radico Khaitan Limited	2	11 85 246	-	16	-
Reliance Communications Limited*	5	2 96 95 295	3 10 95 295	293	307
Reliance Industrial Infrastructure Limited	10	1 60 100	1 60 100	1	1
Reliance MediaWorks Limited	5	3 62 49 805	85 29 366	328	217
Reliance Broadcast Network Limited (Refer Note 9)	5	-	1 57 27 957	-	77
Reliance Power Limited*	10	41 17 823	41 17 823	3	3
TV18 Broadcast Limited	2	2 71 02 549	2 54 00 000	54	51
TV Today Network Limited	5	58 28 705	81 00 000	73	102
Ventura Textiles Limited (Refer Note 10)	10	12 87 500	12 87 500	6	6
				989	1 009
Less: Provision for diminution in value of investments				296	369
				693	640
Unquoted, fully paid-up					
AllGreen Energy India Private Limited [₹ 4 230 (Previous year ₹ 4 230)]	10	10	10	-	-
Adhar Project Management & Consultancy Private Limited [₹ 2 52 231 (Previous year ₹ Nil)]	10	1 400	-	-	-
BSE Limited	1	1 30 000	1 30 000	2	2
Gini & Jony Apparel Private Limited	10	11 16 999	-	1	-
Gradatim IT Ventures (India) Private Limited [₹ 2 611 (Previous year ₹ 2 611)]	10	64	64	-	-
Global Wind Power Limited	10	21 60 000	21 60 000	24	24
Grover Zampa Vineyards Limited (formerly Grover Vineyards Limited) (Refer Note 7)	10	23 54 132	13 61 707	16	13
KLT Automotive & Tubular Products Limited	10	5 25 000	5 25 000	11	11
Menon & Menon Limited	10	15 60 000	15 60 000	6	6
National Multi Commodity Exchange of India Limited	10	16 66 667	16 66 667	11	11
One 97 Communications Limited	10	3 84 616	3 84 616	10	10
Podar Shakti Synthetics Private Limited [₹ 35 150 (Previous year ₹ Nil)]	10	3 515	-	-	-
Reverse Logistics Company Private Limited	10	16 542	16 542	5	5
Reliance CWT India Limited (Refer Note 6) [₹ 90 000 (Previous year ₹ 90 000)]	10	9 000	9 000	-	-
Reliance Financial Advisory Services Limited (Refer Note 8) (formerly Reliance Investment Banking Services Limited)	10	11 90 000	-	1	-

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Reliance Net Limited	10	5 26 497	5 26 497	1	1
Reliance Tech Services Private Limited [₹ Nil (Previous year ₹ 10 000)]	10	-	1 000	-	-
Reliance Broadcast Network Limited (Refer Note 9)	5	1 57 27 957	-	77	-
Reliance Venture Asset Management Private Limited (Refer Note 8) [₹ 12 000 (Previous year ₹ Nil)]	10	1 200	-	-	-
SWAWS Credit Corporation India Private Limited	10	17 20 668	-	2	-
Tessolve Services Private Limited [₹ 6 600 (Previous year ₹ 6 600)]	10	100	100	-	-
Unilazer Media Limited	10	14 68 109	14 68 109	30	30
Vallee De Vin Private Limited (Refer Note 7)	10	-	13 43 175	-	2
Viscount Management Services Limited (Refer Note 6)	10	40 800	40 800	274	274
Wellspring Healthcare Private Limited [₹ 17 768 (Previous year ₹ 17 768)]	5	5	10	-	-
				471	389
Less: Provision for diminution in value of investments				14	10
				457	379
Subsidiary Companies *					
Unquoted, fully paid-up					
Reliance Alternative Investments Services Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
Reliance Capital Asset Management Limited	10	75 14 800	75 14 800	184	184
Reliance Capital AIF Trustee Company Private Limited [₹ 6 00 000 (Previous year ₹ Nil)]	10	60 000	-	-	-
Reliance Money Precious Metals Private Limited	10	80 00 000	80 00 000	8	8
Reliance Capital Trustee Co. Limited [₹ 5 07 000 (Previous year ₹ 5 07 000)]	10	50 700	50 700	-	-
Reliance Capital (Singapore) Pte. Limited (Refer Note 8)	15	-	20 00 001	-	9
Reliance Commodities Limited	10	30 00 000	30 00 000	3	3
Reliance Equity Advisors (India) Limited [₹ 5 00 000 (Previous year ₹ 5 00 000)]	10	50 000	50 000	-	-
Reliance Exchangenext Limited	10	69 10 000	69 10 000	69	69
Reliance Financial Limited	10	1 10 00 000	1 10 00 000	11	11
Reliance General Insurance Company Limited	10	11 84 80 288	11 84 80 288	1 717	1 717
Reliance Gilts Limited	10	70 00 700	70 00 700	7	7
Reliance Home Finance Limited	10	6 58 20 000	6 58 20 000	321	321
Reliance Financial Advisory Services Limited (Refer Note 8) (formerly Reliance Investment Banking Services Limited)	10	-	70 00 000	-	7
Reliance Money Express Limited	10	1 38 13 140	1 38 13 140	25	25
Reliance Money Solutions Private Limited (₹ 1 00 000)	10	10 000	-	-	-
Reliance Securities Limited	10	2 49 00 000	2 49 00 000	25	25
Reliance Venture Asset Management Private Limited (Refer Note 8) [₹ Nil (Previous year ₹ 1 00 000)]	10	-	10 000	-	-
Reliance Wealth Management Limited	10	1 55 00 000	1 15 00 000	16	12
Quant Capital Private Limited	10	74 01 423	74 01 423	200	200
				2 586	2 598
Less: Provision for diminution in value of investments				72	19
				2 514	2 579
Associate Companies*					
Unquoted, fully paid-up					
Ammolite Holdings Limited [₹ 45 332 (Previous year ₹ 45 332)]	\$1	1 000	1 000	-	-
Reliance Land Private Limited	10	5 00 000	50 00 000	1	5

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Reliance Life Insurance Company Limited (Refer Note 6)	10	57 15 64 410	57 15 64 410	4 776	4 776
Reliance Share & Stock Brokers Private Limited	10	5 00 000	50 00 000	1	5
Reliance Asset Reconstruction Company Limited	10	4 90 00 000	4 90 00 000	49	49
				4 827	4 835
Less: Provision for diminution in value of investments [₹ 45 332 (Previous year ₹ Nil)]				-	-
				4 827	4 835
Sub-Total (A)				8 491	8 433
(B) Investments in preference shares (valued at cost unless stated otherwise)					
Unquoted, fully paid-up					
Series A 8% Non Cumulative Convertible Preference Shares of AllGreen Energy India Private Limited	10	1 60 115	3 20 229	7	15
0% Optionally Convertible Redeemable Preference Shares of Payone Enterprises Private Limited	10	20 60 000	20 60 000	206	206
0.001% Optionally Convertible Cumulative Redeemable Preference Shares of Asmitha Microfin Limited	10	84 80 000	84 80 000	8	8
Fully & Compulsorily Convertible Cumulative Participating Preference Shares of Gradatim IT Ventures (India) Private Limited	39	6 37 191	6 37 191	3	3
0% Convertible Preference Shares of Grover Zampa Vineyards Limited (formerly Grover Vineyards Limited (Refer Note 7))	10	6 93 093	4 06 056	5	4
10% Cumulative Redeemable Preference Shares of Reliance Money Infrastructure Limited	10	-	10 00 000	-	1
10% Non-Cumulative Optionally Convertible Redeemable Preference Shares of Reliance Money Infrastructure Limited	10	-	3 50 00 000	-	35
9% Non Cumulative Redeemable Preference Shares of India Best Buy Private Limited	10	20 00 000	20 00 000	200	200
12% Non Cumulative Convertible Redeemable Preference Shares of Reliance Big Entertainment Private Limited*	1	1 00 00 000	1 00 00 000	1 000	1 000
0% Optionally Convertible Redeemable Preference Shares of Reliance Net Limited	10	12 07 758	40 35 684	143	475
Scalable Display Technologies, Inc. Series A-1 Preferred Stock	50.001	1 50 846	1 50 846	2	2
0.001% Optionally Convertible Cumulative Redeemable Preference Shares of Share Microfin Limited	10	1 19 40 000	1 19 40 000	11	12
Series A Preference Shares of Suvidhaa Infoserve Private Limited	1	72 37 980	72 37 980	11	11
Series B Preference Shares of Suvidhaa Infoserve Private Limited	3	3 69 709	3 69 709	1	1
Compulsory Convertible Preference Shares of Tessolve Services Private Limited	10	18 89 830	18 89 830	12	12
0% Optionally Convertible Redeemable Preference Shares of Viscount Management Services Limited	1	5 10 68 177	5 10 68 177	510	510
Series A Preference Shares of Yatra Online Inc.	50.0001	42 00 042	42 00 042	6	6
Series B Preference Shares of Yatra Online Inc.	50.0001	27 31 960	27 31 960	16	16
Series C Preference Shares of Yatra Online Inc.	50.0001	11 44 946	11 44 946	16	16
0% Convertible Preference Shares of Vallee De Vin Private Limited (Refer Note 7)	10	-	4 00 542	-	1
Fully Convertible Preference Shares of Wellspring Healthcare Private Limited	50	18 562	18 562	3	3
				2 160	2 537
Less: Provision for diminution in value of investments				1	-
				2 159	2 537

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Subsidiary Companies *					
Unquoted, fully paid-up					
9% Non Cumulative Non Convertible Redeemable Preference Shares of Quant Broking Private Limited [₹ 1 00 000 (Previous year ₹ 1 00 000)]	10	10 000	10 000	-	-
1% Non Convertible Non Cumulative Redeemable Preference Shares of Reliance Capital Asset Management Limited [₹ Nil (Previous year ₹ 16 20 000)]	100	-	16 200	-	-
10% Cumulative Redeemable Preference Shares of Reliance Securities Limited	10	12 50 00 000	12 50 00 000	125	125
0% Optionally Convertible Redeemable Preference Shares of Reliance Money Express Limited	10	-	40 00 000	-	4
0.01% Non Convertible Non Cumulative Preference Shares of Quant Capital Private Limited	10	50 00 000	-	50	-
				<u>175</u>	<u>129</u>
Associate Companies					
Unquoted, fully paid-up					
0% Optionally Convertible Redeemable Preference Shares of Reliance Land Private Limited	10	1 41 25 000	1 41 25 000	481	481
0% Optionally Convertible Redeemable Preference Shares of Reliance Share & Stock Brokers Private Limited	100	4 00 000	4 00 000	4	4
0% Optionally Convertible Redeemable Preference Shares of Reliance Share & Stock Brokers Private Limited	10	7 65 000	7 65 000	77	77
				<u>562</u>	<u>562</u>
				<u>2 896</u>	<u>3 228</u>
Sub-Total (B)					
(C) Investments in Government or Trust Securities (valued at cost unless stated otherwise)					
Unquoted					
National Saving Certificates [₹ 45 000 (Previous year ₹ 45 000)] (Deposited with sales tax department)		-	-	-	-
Sub-Total (C)					
(D) Investments in debentures or bonds (valued at cost unless stated otherwise)					
Associate Companies *					
Unquoted, fully paid-up					
Series DDB I - Non Secured Redeemable Non Interest Bearing Non Convertible Deep Discount Bonds - Ammolite Holdings Limited	\$ 961	7 524	7 524	29	29
Less: Provision for diminution in value of investments				<u>29</u>	<u>29</u>
				<u>-</u>	<u>-</u>
Others					
Unquoted, fully paid-up					
Kumar Builders Mumbai Realty Private Limited 18% NCD July 1, 2015	1 00 000	1 162	-	12	-
12.00% India Infoline Finance Limited NCD February 27, 2019	10 00 000	250	250	25	25
20% Kumar Urban Development Private Limited August 18, 2014	1 00 000	4 600	4 500	46	45
Jindal JTF Limited 9.50% NCD July 8, 2017	10 00 000	263	-	26	-
12% Business Broadcast News Private Limited	10 000	60 000	60 000	60	60
11% Secured Optionally Fully Convertible Redeemable Debentures Series A - Ventura Textiles Limited	50 00 000	-	20	-	11
Reliance Broadcast Network Limited NCD August 8, 2015	10 00 000	1 500	1 500	150	150
12% Optionally fully Convertible Debentures Series B - Ventura Textiles Limited	50 00 000	-	22	-	10
Zero Coupon Optionally Fully Convertible Unsecured Debentures Viscount Management Services Limited	1 000	77 10 643	57 85 496	771	579

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Wadhwa Residency Private Limited Sr. I Bonds M July 11, 2017	100	15 00 000	-	15	-
Shah Group Builders Limited NCD FV ₹ 100	100	12 40 500	-	12	-
Optionally Convertible Debenture SWAWS Credit Corporation India Private Limited	100	57 355	-	1	-
Grover Zampa Vineyards Limited Convertible Debenture	100	4 36 371	-	4	-
Optionally Convertible Debenture Brijkishore Trading Limited	10 00 000	250	-	25	-
				1 147	880
Less: Provision for diminution in value of investments				-	21
				1 147	859
Sub-Total (D)				1 147	859
(E) Investments in Partnership Firm* (valued at cost unless stated otherwise)					
Reliance Capital Partners (Refer Note No. 32)				275	544
Sub-Total (E)				275	544
(F) Other non-current investments (valued at cost unless stated otherwise)					
Investment in units of Seed/Equity Fund- unquoted, fully paid-up					
The India Seed Investment Trust	1 00 000	-	500	-	3
				-	3
Investment in units of fund - unquoted, [fully paid-up (Previous year partly paid-up ₹ 7.40)]					
Class A units of Reliance Alternative Investments Fund	10	20 00 00 000	20 00 00 000	200	148
				200	148
Warrants - unquoted, partly paid-up					
Textrade International Limited (Refer note 4 below)	-	60 985	60 985	-	-
				-	-
Investment in joint venture					
KGS Developers Limited (Refer note 5 below)				85	85
				85	85
Pass Through Certificates & Security Receipts					
Indian Receivable Trust A-2		-	87	-	3
Aurora A1		-	205	-	4
Aurora A2		-	900	-	2
EXIMIUS SBL IFMR CAPITAL 2012-A1 [₹ Nil (Previous year ₹ 367,151)]		-	1	-	-
Indian Receivable Trust 1 SR-A PTC 28SP12		87	-	1	-
Aurora SBL Ifmr Capital 2012 SR-A1 PTC 01FB13		205	-	2	-
Aurora SBL Ifmr Capital 2012 SR-A2 PTC 01FB13		900	-	3	-
IFMR Capital Mosec Hypnos 2013 SR-A2 PTC 27SP13		2 01 949	-	1	-
IFMR Capital Mosec Paeon 2013 SR-A2 PTC 27SP13		10 783 828	-	-	-
IFMR Capital Mosec Hera 2013 SR-A2 PTC 310T13		43 786	-	1	-
IFMR Capital Mosec Teleso 2013 SR-A3 PTC 30DC13		16 652 743	-	1	-
				9	9
Sub-Total (F)				294	245
Total non-current investments (A+B+C+D+E+F)				13 103	13 309

* Related Party

Notes:

	As at March 31, 2014		As at March 31, 2013	
	Book Value	Market value	Book Value	Market value
1. Aggregate value of investments				
Quoted investments	693	915	640	515
Unquoted investments	12 410	-	12 669	-
TOTAL	13 103	915	13 309	515

Notes to the Financial Statement as at March 31, 2014

2. Aggregate value of provision for diminution in value of investments
- | | | |
|----------------------|------------|------------|
| Quoted investments | 296 | 369 |
| Unquoted investments | 115 | 79 |
| TOTAL | 411 | 448 |
3. Investments includes ₹ 9 crore (Previous year ₹ 63 crore) of equity shares given as collateral towards margin with brokers.
4. The Company has been allotted Warrants without paying any consideration at the time of allotment.
5. The Company has entered into a joint venture with KGS Developers Limited in respect of real estate project development. The Company has invested ₹ 85 crore and is entitled to share the Profit / Loss equally. However assets, liabilities, revenue and expenses related to the project are not included in the financial statements of the Company as it does not meet the definition criteria of a Joint Venture under AS 27 "Financial Reporting of Interests in Joint Ventures".
6. Investment in 38,85,24,405 (Previous year 38,85,24,405) equity shares of Reliance Life Insurance Company Limited, 9,000 (Previous year 9,000) equity shares of Reliance CWT India Limited and 30,000 (Previous year 30,000) equity shares of Viscount Management Services Limited are carried at fair value i.e. at amount transferred under the scheme of amalgamation..
7. During the year the Company has allotted 794,478 equity shares and 236,917 preference shares of Grover Vineyards Limited as per Scheme of Amalgamation of Grover Vineyards Limited and Vallee De Vine Private Limited. After the Amalgamation, Grover Vineyards Limited has change its name to Grover Zampa Vineyards Limited.
8. During the year Reliance Venture Asset Management Private Limited, Reliance Capital (Singapore) Pte. Limited and Reliance Financial Advisory Services Limited (Formerly Reliance Investment Banking Services Limited) ceased to be subsidiaries of the Company.
9. Reliance Broadcast Network Limited got delisted from stock exchanges during the year, hence disclosed under the unquoted investments.
10. Ventura Textiles Limited has been suspended from stock exchanges during the year.

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013	
16 Long-term loans and advances			
(a) Capital advances			
Secured, considered good	176	76	
Unsecured, considered good	24	17	93
(b) Security deposits-Unsecured			
Considered good	46	38	
Considered doubtful [₹ 24 26 303 (Previous year ₹ 17 20 333)]	-	-	
Less : Provision for doubtful debts [₹ 24 26 303 (Previous year ₹ 17 20 333)]	-	-	38
(c) Loans			
Considered doubtful			
-Secured	207	228	
-Unsecured	10	37	
Less : Provision for non performing assets and doubtful debt	24	66	
	193	199	
Considered good			
Related party (Refer Note No. 38)			
-Secured	329	61	
-Unsecured	508	87	
Officer of the company-Unsecured (Refer Note No. 38) [₹ 4 20 951 (Previous year ₹ 4 35 351)]	-	-	
Others			
-Secured	8 733	6 699	
-Unsecured	2 426	2 732	
	11 996	9 579	9 778
(d) Advances			
Considered doubtful			
-Secured	90	49	
Less : Provision for non performing assets and doubtful debts	33	10	
	57	39	
Considered good			
Related party - Unsecured (Refer Note No.38)	-	88	
Others-Unsecured	6	6	
	6	94	133
(e) Other loans and advances			
-VAT and Service tax credit available	20	29	
-Advance income tax & TDS deducted [net of provision of ₹ 225 crore (Previous year ₹ 175 crore)]	220	128	157
	12 738	10 199	

Note:

Advances includes ₹ Nil (Previous Year ₹ 52 crore) paid towards share application money.

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

	(₹ in crore)	
	As at March 31, 2014	As at March 31, 2013
17 Other non-current assets		
(a) Other bank balances		
- In fixed deposit accounts (Refer Note below)		
More than 12 months		
-Under lien	154	133
-Other	4	6
	<u>158</u>	<u>139</u>
More than 3 months less than 12 months		
-Under lien	120	109
-Other	24	-
	<u>144</u>	<u>109</u>
	302	248
(b) Accrued interest / finance income on investments	1 296	958
(c) Unamortised expenditures		
Unamortised DSA commission	71	72
Add : Incurred during the year	38	38
Less :Amortised during the year	37	39
	<u>72</u>	<u>71</u>
Less : To be amortised during the next year	28	22
	<u>44</u>	<u>49</u>
Unamortised brokerage on borrowings	96	63
Add : Incurred during the year	33	61
Less : Amortised during the year	25	28
	<u>104</u>	<u>96</u>
Less : To be amortised during the next year	23	20
	<u>81</u>	<u>76</u>
	125	125
(d) Repossessed assets	43	18
Less : Provision for diminution	10	5
	<u>33</u>	<u>13</u>
	1 756	1 344

Note:

In respect of balances with Scheduled Banks in Fixed deposit accounts, ₹ 170 crore (Previous year ₹ 242 crore) is kept as credit enhancement towards securitisation / assignment transaction, ₹ 2 12 500 (Previous year ₹ 212 500) is kept as deposit with sales tax authority, ₹ 5 00 000 (Previous year ₹ 5 00 000) is kept as deposit with the Pension Fund Regulatory and Development Authority (PFRDA) and ₹ 104 crore (Previous year ₹ 2 00 000) is kept as deposit with bank for issuing of Bank Guarantee on behalf of third parties.

	(₹ in crore)				
	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
18 Current investments					
Investments in preference shares - Quoted fully paid up (current portion of long-term investments) (valued at cost unless stated otherwise)					
5% Non Convertible Cumulative Preference Shares of Network18 Media & Investments Limited	150	-	6 75 343	-	10
Sub-Total (A)				<u>-</u>	<u>10</u>
Investments in debentures or bonds (current portion of Long-term investments) (valued at cost unless stated otherwise)					
Unquoted, fully paid-up					
12.00% Vensat Tech Services Private Limited	100	7 50 000	7 50 000	7	7
Zero Coupon Convertible Unsecured Debentures Viscount Management Services Limited	1 000	-	12 06 000	-	121
				<u>7</u>	<u>128</u>
Less: Provision for diminution in value of investments				1	-
Sub-Total (B)				<u>6</u>	<u>128</u>

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	Face Value / Issue Price ₹	Quantity		Value	
		As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
Investment in Mutual Fund -*Quoted (valued at cost or market value whichever is lower)					
Peerless Liquid Fund - Super Instl.Growth	10	-	1 55 97 096	-	20
Reliance Liquidity Fund-Direct Growth Plan Grow Option	1 000	9 04 001	6 79 823	283	120
Sub-Total (C)				283	140
Investment in Partnership firm (current portion of Long-term investments) (valued at cost unless stated otherwise)					
Reliance Capital Partners (Refer Note No. 32)	-	-	-	135	-
Sub-Total (D)				135	-
Other current investments -Unquoted (valued at cost unless stated otherwise)					
Pass Through Certificates					
Indian Receivable Trust 1 SR-A PTC 28SP12		87	-	2	-
Eximius SBL IFMR Capital 2012-A2		1 235	-	1	-
Aurora SBL IFMR Capital 2012 SR-A1 Ptc 01FB13		205	-	1	-
Indian MFI Trust Series VI SR-A1 PTC 13SP13		1	-	6	-
Indian MFI Trust Series VII SR-A1 PTC 24DC13		1	-	16	-
Indian MFI Trust Series X SR-A1 PTC 27MR14		1	-	9	-
IFMR Capital Mosec Hypnos 2013 SR-A2 PTC 27SP13		2 01 949	-	2	-
IFMR Capital Mosec Paeen 2013 SR-A2 PTC 27SP13		10 783 828	-	1	-
IFMR Capital Mosec Hera 2013 SR-A2 PTC 31OT13		43 786	-	1	-
Callisto IFMR Capital 2013 SR-A2 PTC 28OT13		41 036	-	1	-
Helene IFMR Capital 2013 SR-A3 PTC 31DC13		8 775 770	-	1	-
IFMR Capital Mosec Telesto 2013 SR-A3 PTC 30DC13		16 652 743	-	1	-
IFMR Capital Mosec Tethys 2013 SR-A3 PTC 31DC13		9 764 906	-	1	-
Janalakshmi Financial Services JFS REL Trust		-	1	-	3
Abeona-Vistar SBL IFMR Capital 2012		-	90	-	3
Elete IFMR Capital 2012		-	400	-	3
Mosec XIV		-	2 61 949	-	2
IFMR Capital Mosec XV		-	2 700	-	2
Indian MFI Trust-Series I (GVMFL)		-	1	-	5
Indian Receivable Trust A-2		-	87	-	3
PFSP Trust-1		-	1	-	1
IMLRT 2012 SKS MICRO FINANCE		-	1 000	-	26
EXIMIUS SBL IFMR CAPITAL 2012-A1		-	1	-	3
EXIMIUS SBL IFMR CAPITAL 2012-A2		-	1 235	-	1
SMILE REL Dec-12 Series A1 PTC		-	1	-	8
SMILE REL Dec-12 Series A2 PTC		-	3	-	1
IMRT 3 PTC INV		-	1	-	21
Aurora A1		-	205	-	1
PFSP Trust 2		-	1	-	5
Sub-Total (D)				43	88
Total Current investments (A+B+C+D)				467	366

* For mutual fund net asset value (NAV) is taken as market value

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

Note:

1. Aggregate value of Investment	As at March 31, 2014		As at March 31, 2013	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	283	283	150	150
Unquoted Investments	184	-	216	-
	<u>467</u>	<u>283</u>	<u>366</u>	<u>150</u>
2. Aggregate value of provision for diminution in value of investments				
Quoted investments		-		-
Unquoted investments		1		-
TOTAL		<u>1</u>		<u>-</u>

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
--	-------------------------	-------------------------

19 Trade receivables

Unsecured, considered good valued unless stated otherwise

Doubtful debts outstanding for a period exceeding six months from the due date

Other debts-unsecured considered good

20 Cash and bank balances

(a) Cash and cash equivalents

Balances with banks

- In current accounts

- Fixed Deposits (less than 3 months)

Cash on hand (Previous year ₹ 29 96 143)

(b) Other bank balances

- Fixed Deposits under lien (less than 3 months)*

- Unclaimed dividend

* 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.

21 Short term loans and advances

(a) Loans

Considered good

Related party (Refer Note No. 38)

-Secured

-Unsecured

Others

-Secured

-Unsecured

(b) Advances

Considered good

Related party-unsecured (Refer Note No. 38)

Others

-Secured

-Unsecured

(c) Prepaid expenses

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
22 Other current assets		
(a) Interest accrued on loans	433	309
(b) Accrued interest / finance income on investments	-	64
(c) Unamortised DSA commission	28	22
(d) Unamortised brokerage on borrowings	23	20
	<u>484</u>	<u>415</u>

(₹ in crore)

	2013-2014		2012-2013	
23 Revenue from operations				
Interest and finance income on:				
-Long term investments	450		467	
-Loans	2 320		2 047	
-Fixed deposits and others	31	2 801	26	2 540
Profit on sale of (net):				
-Long term investments	12		990	
-Current investments	49	61	21	1 011
Dividends on investments:				
-Subsidiary	105		105	
-Long term	30		27	
-Current [₹ Nil (Previous year ₹ 17 85 375)]	-	135	-	132
Profit share in partnership firm (Refer Note No. 32 & 38)		15		-
Profit on Securities / Commodities		2		-
Lease rental income		23		21
Processing fees	71		66	
Less:Service tax recovered	8	63	7	59
Bad debts recovered		30		34
Other operating income	44		34	
Less : Service tax recovered	5	39	3	31
		<u>3 169</u>		<u>3 828</u>
24 Other income				
Management fee	30		30	
Less : Service tax recovered	3	27	3	27
Credit balance / excess provision written back		26		1
Profit on sale of fixed assets (net) (Previous year ₹ Nil)		25		-
Rent income		1		1
Miscellaneous income		6		11
		<u>85</u>		<u>40</u>
25 Employee benefit expense				
Salaries and wages		132		150
Contribution to provident and other funds		5		7
Staff welfare expenses		11		8
		<u>148</u>		<u>165</u>

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

	(₹ in crore)	
	2013-2014	2012-2013
26 Finance cost		
Interest expense		
-Debentures	904	640
-Bank loans / financial institutions (Long term and short term)	915	997
-Bank loans (Cash credit)	31	24
-Inter corporate deposits	55	83
Other borrowing costs		
-Discount on commercial papers	349	407
-Amortised brokerage on borrowings (Refer Note No. 17)	25	28
	<u>2 279</u>	<u>2 179</u>
27 Other expenses		
Bank charges	3	1
Rent	40	34
Rates and taxes	5	4
Repairs and maintenance		
-Buildings	1	1
-Others	32	29
Electricity	4	4
Insurance (₹ 41 40 144)	-	1
Travelling and conveyance	11	9
Postage, telegram and telephones	6	7
Legal & professional fees	90	77
Auditors' remuneration (Refer Note No. 33)	1	1
Sales and marketing expenses	17	25
Employee seminar and training	2	1
Donation (₹ 13 80 500)	-	1
Directors' sitting fees [₹ 13 32 924 (Previous year ₹ 14 11 912)]	-	-
Amortised DSA commission (Refer Note No. 17)	37	39
Provision for NPA, doubtful debts and balances written off *	88	296
Provision and loss on repossessed stock #	14	9
Provision / (Reversal) for diminution in the value investments / written off **	(23)	236
Loss share in partnership firm (Refer Note No. 32 & 38)	-	9
Loss on sale of fixed assets (net)	-	2
Miscellaneous expenses	1	5
	<u>329</u>	<u>791</u>

Notes:

* **Breakup of provision for NPA, doubtful debts and bad debts written off**

Provision for NPA and doubtful debts##	(25)	21
Provision for standard assets	4	8
Bad debts written off	109	146
Loss on sale of assignment	-	121
	<u>88</u>	<u>296</u>

Breakup of provision and loss on repossessed stock

Provision for diminution	5	3
Loss on sale of repossessed stock	9	6
	<u>14</u>	<u>9</u>

** **Breakup of provision / (reversal) for diminution in the value of investments / written off**

Provision / (Reversal) for diminution in the value of investments###	(36)	230
Investments written off	13	6
	<u>(23)</u>	<u>236</u>

Provision for NPA and doubtful debts includes reversal of ₹ 1 crore (previous year provision ₹ 7 crore) related to loan to subsidiary.

Provision / (Reversal) for diminution in the value of investments includes ₹ 53 crore (previous year reversal ₹ 21 crore) related to Investments in subsidiary

Notes to the Financial Statement as at March 31, 2014

28 Security clause / maturity profiles in respect to Secured Loans from banks / debentures

- (i) Non convertible debentures (NCDs) are redeemable at par, in one or more installments, on various dates:
- (a) NCDs amounting to ₹ 5,447 crore (Previous year ₹ 2,922 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House, near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on present and future book debts / business receivables of the Company. Business receivables includes Fixed Asset, Current Assets, Investments and any other assets, against security not exceeding ₹ 5,697 crore (Previous year ₹ 2,480 crore).
- (b) NCDs amounting to ₹ 2,453 crore (Previous year ₹ 3,494 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House, near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on present and future book debts / business receivables of the Company (except security towards securing Outstanding Term Loan and Cash Credit Limits). Business receivables includes Current Assets and Investments, against security not exceeding ₹ 2,778 crore (Previous year ₹ 3,760 crore).
- (c) The Company is in the process of creating security on the remaining NCDs amounting to ₹ Nil (Previous year ₹ 567 crore).
- (d) Maturity profile and Rate of interest of Long Term NCDs are as set out below:

(₹ in crore)

Rate of Interest	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2025-26	Total
#	123	-	-	-	-	-	-	-	-	-	123
8.40%	25	-	-	-	-	-	-	-	-	-	25
9.25%	-	-	-	-	-	-	-	-	6	-	6
9.30%	-	-	-	500	-	-	-	-	-	-	500
9.40%	-	-	-	-	-	-	-	-	1 500	-	1 500
9.45%	-	-	-	20	-	-	-	-	-	-	20
9.50%	10	-	-	-	-	-	-	-	5	-	15
9.60%	19	-	-	-	-	-	-	-	-	-	19
9.75%	10	-	15	-	-	-	-	-	-	-	25
9.80%	-	-	-	-	-	-	-	500	-	-	500
9.85%	5	-	75	-	-	-	-	45	-	-	125
9.86%	-	-	30	-	-	-	-	-	-	-	30
9.90%	-	-	-	-	-	500	-	75	-	-	575
9.95%	-	-	-	-	-	-	-	85	-	-	85
10.00%	-	10	241	-	-	-	-	10	-	-	261
10.05%	-	-	-	-	-	-	-	7	-	-	7
10.10%	-	-	-	16	-	-	-	10	-	-	26
10.15%	-	-	65	-	-	-	-	-	-	8	73
10.19%	-	-	-	-	-	-	-	-	155	-	155
10.20%	-	-	5	-	-	-	-	82	-	-	87
10.21%	-	50	-	-	-	-	-	-	-	-	50
10.24%	-	-	-	-	500	-	-	-	-	-	500
10.25%	-	90	16	-	-	-	-	40	-	-	146
10.26%	-	50	-	-	-	-	-	-	-	-	50
10.28%	-	-	-	-	15	-	-	-	-	-	15
10.30%	4	-	49	93	-	-	-	-	-	-	146
10.33%	-	-	25	-	-	-	-	-	-	-	25
10.35%	5	-	50	-	-	155	-	5	-	-	215
10.40%	50	105	-	-	-	-	-	350	-	-	505
10.50%	-	500	-	21	-	-	25	20	15	-	581
10.60%	-	-	-	-	-	-	83	51	-	-	134
10.65%	-	-	-	8	-	-	-	-	-	-	8
10.75%	-	-	-	-	-	-	367	-	-	-	367
11.00%	-	300	-	-	-	-	-	-	-	-	300
MLD	260	227	44	2	-	-	-	-	-	-	532
Total	510	1 332	614	660	515	655	475	1 280	1 681	8	7 730

Zero coupon deep discount non convertible debentures

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

- (ii) (a) Term Loans from banks includes ₹ 6 582 crore (Previous year ₹ 8 518 crore) are secured by pari passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company's commercial finance division.
 (b) Maturity profile of Long Term loans from banks are as set out below : (₹ in crore)

	2015-16	2016-17	2017-18	2018-19	Total
Term Loan from Banks	2 258	1 259	533	298	4 348

- (iii) Maturity profile of Long Term Inter Corporate Deposit are as set out below : (₹ in crore)

Rate of Interest	2016-17	Total
12.00%	50	50
Total	50	50

29 Amalgamation

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.

Hence, in accordance with the Scheme:-

- (i) As entire issued, subscribed and paid up share capital of REIPL and EMML was held by the Company, no shares of the Company have been allotted in lieu or exchange of its holding in REIPL and EMML. Consequent to the Scheme the share capital of REIPL and EMML 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 EMML 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 EMML at their respective fair value as decided by the Board of Directors of the Company. The net assets taken over include:

Assets / Liabilities Taken Over	REIPL	EMML	Total
(₹ in crore)			
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.

Notes to the Financial Statement as at March 31, 2014

30 Securitisation and assignment

- 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 / Assigned (Nos.)	8 708 (11 525)	- (31)	24 082 (6 892)	32 790 (18 448)
Total book value of loan assets Securitised / Assigned (Net of Provisions, if any) (₹)	880 (1 544)	- (25)	1 409 (586)	2 289 (2 155)
Sale consideration received for the Securitised / Assigned assets (₹)	880 (1 544)	- (25)	1 409 (465)	2 289 (2 034)
Net gain / (loss) on account of Securitisation / Assigned (₹)	- (-)	- (-)	- (-121)	- (-121)
Outstanding Credit Enhancement (Funded) as at March 31, 2014 (₹)	281 (172)	- (-)	42 (124)	323 (296)
Outstanding Liquidity Facility (₹)	- (-)	- (-)	- (-)	- (-)
Net Outstanding Servicing Liability as at March 31, 2014 (₹)	73 (62)	- (-)	134 (65)	207 (127)

Note : Figures in bracket indicate previous year figures.

(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	-	-

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

(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	-	-

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.

31 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 ₹ 8 crore (Previous year ₹ 11 crore) related to Reliance Home Finance Limited in the trust capacity as on March 31, 2014.

32 The Company is a partner in Reliance Capital Partners

a) The firm consists of following partners and their balances:

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).

33 Auditors' remuneration includes:

	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

Notes to the Financial Statement as at March 31, 2014

34 Tax on Proposed Dividend

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

35 Employees Stock Option Plans

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 ₹ 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

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

36 Employee benefits

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

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

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)
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

Notes to the Financial Statement as at March 31, 2014

(₹ in crore)

Particulars	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2013-14	2012-13	2013-14	2012-13
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 availment but not for encashment.

37 Segment reporting

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. 41 of the consolidated financial statements.

38 Related party disclosures

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 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 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					(₹ in crore)
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	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)
Trade payables					
a) Balance as at March 31, 2014	*	-	-	-	*
* [₹ 2 30 458 (**Previous year ₹ 4 79 830)]	(**)	(-)	(-)	(-)	(**)

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

Particulars					(₹ in crore)
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
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 *(Previous year ₹ 66 29 083)	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 (21)	(77) (77)	- (-)	- (-)	(24) (56)
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)
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
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)
d) Interest accrued on debentures as at March 31, 2014					
i) Reliance Securities Limited	4 (5)	- (-)	- (-)	- (-)	4 (5)

Notes to the Financial Statement as at March 31, 2014

						(₹ in crore)
Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total	
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)]	-	-	*	-	*	
	(-)	(-)	(*)	(-)	(*)	
ix) Reliance Securities Limited	150	-	-	-	150	
	(150)	(-)	(-)	(-)	(150)	
x) Quant Capital Private Limited	250	-	-	-	250	
	(200)	(-)	(-)	(-)	(200)	

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

						(₹ in crore)
Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total	
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	150	
	(-)	(-)	(-)	(140)	(140)	
b) Profit /(Loss) of Partnership firm during the year						
i) Reliance Capital Partners	-	-	-	15	15	
	(-)	(-)	(-)	-(9)	-(9)	
c) Balance as at March 31, 2014						
i) Reliance Capital Partners	-	-	-	410	410	
	(-)	(-)	(-)	(544)	(544)	
Interest / Finance income accrued on investment						
a) Balance as at March 31, 2014						
i) Reliance Land Private Limited	-	-	225	-	225	
	(-)	(-)	(166)	(-)	(166)	
ii) Reliance Big Entertainment Private Limited	-	530	-	-	530	
	(-)	(410)	(-)	(-)	(410)	
Loans Given						
a) Given during the year						
i) Reliance Land Private Limited	-	-	579	-	579	
	(-)	(-)	(11)	(-)	(11)	
ii) Reliance Financial Limited	20	-	-	-	20	
	(40)	(-)	(-)	(-)	(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	-	-	1 028	
	(-)	(743)	(-)	(-)	(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	-	-	-	20	
	(40)	(-)	(-)	(-)	(40)	
iii) Reliance Asset Reconstruction Company Limited	-	-	1	-	1	
	(-)	(-)	(4)	(-)	(4)	
iv) Quant Broking Private Limited	30	-	-	-	30	
	(16)	(-)	(-)	(-)	(16)	
v) Quant Commodities Private Limited	-	-	-	-	-	
	(100)	(-)	(-)	(-)	(100)	
vi) Quant Capital Private Limited	-	-	-	-	-	
	(50)	(-)	(-)	(-)	(50)	
vii) Reliance Securities Limited	-	-	-	-	-	
	(103)	(-)	(-)	(-)	(103)	
viii) Reliance Home Finance Limited	170	-	-	-	170	
	(-)	(-)	(-)	(-)	(-)	

Notes to the Financial Statement as at March 31, 2014

						(₹ in crore)
Particulars	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total	
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]	**	-	-	-	**	
	(-)	(-)	(-)	(-)	(-)	
Income						
a) Interest & Finance Income (including Premium on Preference Shares)						
i) Reliance Home Finance Limited	1	-	-	-	1	
	(-)	(-)	(-)	(-)	(-)	

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

						(₹ in crore)
Particulars		Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
ii)	Quant Capital Private Limited	-	-	-	-	-
		(1)	(-)	(-)	(-)	(1)
iii)	Reliance Land Private Limited	-	-	84	-	84
		(-)	(-)	(61)	(-)	(61)
iv)	Quant Broking Private Limited	2	-	-	-	2
		(3)	(-)	(-)	(-)	(3)
v)	Reliance Big Entertainment Private Limited	-	224	-	-	224
		(-)	(148)	(-)	(-)	(148)
b)	Rent					
i)	Reliance Communications Infrastructure Limited	-	1	-	-	1
		(-)	(1)	(-)	(-)	(1)
ii)	Reliance General Insurance Company Limited (# ₹ 5 25 000)	#	-	-	-	#
		(-)	(-)	(-)	(-)	(-)
c)	Dividend Income					
i)	Reliance Capital Asset Management Limited	105	-	-	-	105
		(105)	(-)	(-)	(-)	(105)
ii)	Reliance Communications 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
		(3)	(-)	(-)	(-)	(3)
ii)	Reliance Communications Infrastructure Limited *[₹ 4 01 188 (Previous year ₹ 23 25 359)]	-	*	-	-	*
		(-)	(*)	(-)	(-)	(*)
iii)	Reliance Asset Reconstruction Company Limited *(₹ 24 06 000)	-	-	1	-	1
		(-)	(-)	(*)	(-)	(*)
iv)	Reliance Capital Asset Management Limited	2	-	-	-	2
		(2)	(-)	(-)	(-)	(2)
v)	Reliance Securities Limited	2	-	-	-	2
		(1)	(-)	(-)	(-)	(1)
vi)	Reliance Home Finance 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
		(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)
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
		(9)	(-)	(-)	(-)	(9)
ii)	Reliance Capital Asset Management Limited	54	-	-	-	54
		(82)	(-)	(-)	(-)	(82)
iii)	Reliance Life Insurance Company Limited	-	-	9	-	9
		(-)	(-)	(39)	(-)	(39)
iv)	Reliance General Insurance Company Limited	9	-	-	-	9
		(-)	(-)	(-)	(-)	(-)
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
		(-)	(-)	(*)	(-)	(*)

Notes to the Financial Statement as at March 31, 2014

Particulars					(₹ in crore)
	Subsidiaries	Fellow Subsidiaries	Associates	Partnership Firm	Total
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	-	-	-	2
	(3)	(-)	(-)	(-)	(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	-	-	-	50
	(19)	(-)	(-)	(-)	(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)	-	-	-	(1)
	(7)	(-)	(-)	(-)	(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	-	-	-	12
	(5)	(-)	(-)	(-)	(5)
ii) Ammolite Holdings Limited	-	-	90	-	90
	(-)	(-)	(82)	(-)	(82)
iii) Reliance Big Entertainment Private Limited	-	100	-	-	100
	(-)	(50)	(-)	(-)	(50)
Shares given as collateral					
a) Reliance Securities Limited	9	-	-	-	9
	(63)	(-)	(-)	(-)	(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	-	4	*
* ₹ 27 23 658	(-)	(-)	(-)
# Reimbursement of expenditure ₹ Nil (Previous year ₹ 1 06 120)			

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.

Reliance Capital Limited

Notes to the Financial Statement as at March 31, 2014

- 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.

39 Leases

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)]	-	-

40 Basic and diluted earnings per share

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

- 41 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.

42 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.

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
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			

Notes to the 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
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 ₹	
	-	-	-	-

43 Disclosure of details as required by Para 13 of Non Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(i) Liability side

(₹ 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:

- 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 ₹ 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 Financial Statement as at March 31, 2014

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)]

Particulars	(₹ in crore)					
	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)]

Particulars	(₹ in crore)			
	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 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.

44 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

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

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.

Notes to the Financial Statement as at March 31, 2014

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	(-)	(-)	(433)	(731)	(2 063)	(4 789)	(1 012)	(31)	(9 059)
	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)

Notes:

- 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.
- 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.
- 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.

45 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

- The gold loans outstanding as at March 31, 2014 as a percentage of total assets is at 0.02% (Previous year 0.22%).
- 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

46 Contingent Liabilities and Commitments (As Certified by the Management) (₹ 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

47 Expenditure in foreign currency (₹ in crore)

Particulars	March 31, 2014	March 31, 2013
i) Travelling Expenses [₹ 10 35 068 (Previous year ₹ 13 20 686)]	-	-
ii) Professional Fees (Previous year ₹ 46 26 792)	-	-
iii) Sales & marketing	1	2
iv) Repairs & Maintenance others	1	1
v) Others - [₹ 10 26 516 (Previous year ₹ 5 05 682)]	-	-
Total	2	3

Notes to the Financial Statement as at March 31, 2014

48 Value of Imports on CIF basis

Particulars	(₹ in crore)	
	2013-14	2012-13
i) Capital Goods (₹ 38 05 522)	-	2
Total	-	2

49 Outstanding Future & Option as on March 31, 2014

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.

50 Remittance in foreign currency on account of dividend

The Company has paid dividend in respect of shares held by custodian on behalf of 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	2013-14	2012-13
Dividend		
a) Number of Non Resident Shareholders	529	536
b) Number of Equity shares held by them	30 551	27 365
c) i) Amount of Dividend paid (gross) (amount in ₹)	2 44 408	2 05 238
ii) Year to which Dividend relates	2012-13	2011-12
Special Interim Dividend		
a) Number of Non Resident Shareholders	-	613
b) Number of Equity shares held by them	-	31 837
c) i) Amount of Dividend paid (gross) (amount in ₹)	-	1 59 185
ii) Year to which Dividend relates	-	2012-13

51 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.

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 **Anil D. Ambani**
Vice Chairman **Amitabh Jhunjunwala**
Directors **Rajendra P. Chitale**
Dr. Bidhubhusan Samal
V. N. Kaul

President & Company Secretary **V. R. Mohan**
Mumbai
Dated: May 2, 2014

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
Dated: May 2, 2014

Mumbai
Dated: May 2, 2014

Reliance Capital Limited

Consolidated Balance Sheet as at March 31, 2014

(₹ in Crore)

	Note No.	As at March 31, 2014		As at March 31, 2013	
I EQUITY AND LIABILITIES					
(1) Shareholders' funds					
(a) Share capital	4	244		246	
(b) Reserves and surplus	5	12 147	12 391	11 725	11 971
(2) Minority interest					
			544		516
(3) Non-current liabilities					
(a) Long-term borrowings	6	14 178		13 686	
(b) Other long-term liabilities	7	83		14	
(c) Long-term provisions	8	57	14 318	48	13 748
(4) Current liabilities					
(a) Short-term borrowings	9	7 134		4 386	
(b) Trade payables	10	454		342	
(c) Other current liabilities	11	9 437		8 529	
(d) Short-term provisions	12	1 250	18 275	1 096	14 353
TOTAL			45 528		40 588
II ASSETS					
(1) Non-current assets					
(a) Fixed assets	13				
(i) Tangible assets		193		182	
(ii) Intangible assets		289		252	
(iii) Intangible assets under development		1		5	
		483		439	
(b) Non-current investments	14	14 137		13 560	
(c) Deferred tax assets (net)	15	29		34	
(d) Long-term loans and advances	16	15 631		12 741	
(e) Other non-current assets	17	1 887	32 167	1 533	28 307
(2) Current assets					
(a) Current investments	18	2 020		1 527	
(b) Inventories	19	164		144	
(c) Trade receivables	20	932		839	
(d) Cash and bank balances	21	2 663		1 582	
(e) Short-term loans and advances	22	6 831		7 472	
(f) Other current assets	23	751	13 361	717	12 281
TOTAL			45 528		40 588

See accompanying notes to the financial statements 1-50

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

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

(₹ in crore)

	Note No.	2013-14	2012-13
Revenue			
I			
Revenue from operations	24	7 455	7 470
II			
Other income	25	89	49
III Total revenue (I+II)		7 544	7 519
IV Expenses			
Employee benefits expense	26	599	607
Finance costs	27	2 501	2 343
Depreciation and amortisation expense	13	61	56
Other expenses	28	3 536	3 683
Total expenses		6 697	6 689
V Profit before tax (III-IV)		847	830
VI Tax expense:			
(1) Current taxation		157	118
(2) Taxation for earlier years		1	(2)
(3) Deferred tax		6	11
VII Profit after tax (V-VI)		683	703
VIII Less: Share of minority shareholders		97	62
IX Profit after minority interest (VII-VIII)		586	641
X Add: Share of profit/(loss) in associates		163	131
XI Profit after share of profit / (loss) in associates (IX+X)		749	772
XII Add: Profit / (loss) on sale/amalgamation of subsidiaries (Refer Note No. 30)		(2)	40
XIII Net profit after tax (XI+XII)		747	812
XIV Earnings per equity share of ₹ 10 each fully paid up			
(1) Basic (₹)	45	30.38	33.05
(2) Diluted (₹)		30.38	33.05

See accompanying notes to the financial statements 1-50

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

Reliance Capital Limited

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

(₹ in crore)

	2013-14	2012-13
A. Cash flows from operating activities		
Profit before tax	847	830
Adjusted for		
Depreciation & Ammortisation	61	56
Provision for NPA, Doubtful Debts and Balances Written off	115	334
Provision for Diminution in the Value Investments / Written off	(21)	304
Provision and Loss on Repossessed Stock	14	9
Provision for gratuity / leave encashment	(3)	(1)
Excess provision / credit balance written back	(30)	(11)
Bad debts recovered	(30)	(34)
(Profit) / Loss on sale of Fixed Assets	(24)	2
Reserve for Unexpired Risk provided	121	183
Amortised DSA commission	44	46
Amortised Distribution cost	3	3
Interest Income on Investments	(878)	(753)
Dividend Income on Investments	(39)	(40)
(Profit) / Loss on sale of Investment (Net)	(113)	(1 071)
Amortised Brokerage on Borrowing	27	29
Discount on commercial papers	356	408
Interest expenses	2 118	1 906
	1 721	1 370
Operating profit before working capital changes	2 568	2 200
Adjusted for		
Proceeds from / (repayment of) short term borrowings (Net)	2 392	311
Proceeds from Long term borrowings	5 575	6 654
Repayment of Long term borrowings	(5 257)	(4 453)
Inventories	(20)	(17)
Deferred expenses	(85)	(112)
Trade receivables & Loans and advances	(2 591)	(3 966)
Trade payables and Liabilities	1 055	1 667
	1 069	84
Cash generated from operations	3 637	2 284
Interest paid	(1 931)	(1 894)
Taxes paid	(235)	(99)
	(2 166)	(1 993)
Net cash from / (used in) operating activities	1 471	291

Consolidated Cash Flow Statement for the year ended March 31, 2013

(₹ in crore)

	2013-14	2012-13
B. Cash flows from investing activities		
Purchase of fixed assets (including capital advances)	(189)	126
Sale of fixed assets	33	7
Purchase of non-current investments	(7 382)	(7 970)
Proceed from sale of non-current investments	6 916	7 409
Proceed from sale of current investments (net)	(256)	453
Interest received	625	517
Dividend received	39	40
Net Cash from / (used in) investing activities	(214)	582
C. Cash flows from financing activities		
Dividends paid (including dividend tax thereon)	(276)	(419)
Net Cash from / (used in) Financing Activities	(276)	(419)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	981	454
Opening balance of cash and cash equivalents	1 112	658
Add: On amalgamation (Refer Note (b) given below)	1	*
*(Previous year ₹ 5 95 231)		
	1 113	658
Closing balance of cash and cash equivalents	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**
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Chairman
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Dated: May 2, 2014

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

V. R. Mohan

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.

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

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.

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. 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:

- (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.

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

- (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".

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

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

- 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.

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.

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

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.

(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 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.

Reliance Capital Limited

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

		(₹ in crore)	
		As at March 31, 2014	As at March 31, 2013
4	Share capital		
(a)	Authorised:		
	30 00 00 000 Equity shares of ₹ 10 each (Previous year 30 00 00 000)	300	300
	10 00 00 000 Preference shares of ₹ 10 each (Previous year 10 00 00 000)	100	100
		<u>400</u>	<u>400</u>
(b)	Issued & Subscribed		
	24 69 77 006 Equity shares of ₹ 10 each fully paid up (Previous year 24 69 77 006)	247	247
		<u>247</u>	<u>247</u>
(c)	Paid Up		
	24 56 32 800 Equity shares of ₹ 10 each fully paid up (Previous year 24 56 32 800)	245	245
	Add: Forfeited shares	1	1
	13 44 206 Equity shares of ₹ 10 each (Previous year 13 44 206)		
	Less: Advance to ESOP Trust [Refer Note No. (i) below]		
	16 00 000 Equity shares of ₹ 10 each	2	-
		<u>244</u>	<u>246</u>
(d)	Equity shares held by holding company and subsidiaries of holding Company:		
	Name of the holder	As at March 31, 2014	As at March 31, 2013
		% Qty.	% Qty.
	Reliance Innoventures Private Limited (Holding Company)	0.23 5 76 450	0.23 5 76 450
	AAA Enterprises Private Limited (Subsidiary of Holding Company)	40.07 9 84 14 206	40.07 9 84 14 206
	AAA Infrastructure Consulting & Engineers Private Limited (Subsidiary of Holding Company)	11.39 2 79 75 633	11.39 2 79 75 633
(e)	Equity shares in the Company held by each shareholder holding more than 5 percent:		
	Name of the holder	As at March 31, 2014	As at March 31, 2013
		% Qty.	% Qty.
	AAA Enterprises Private Limited	40.07 9 84 14 206	40.07 9 84 14 206
	AAA Infrastructure Consulting & Engineers Private Limited	11.39 2 79 75 633	11.39 2 79 75 633
(f)	The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholder. For the year ended March 31, 2014, the amount of per share dividend recognised as distributable to equity shareholders is ₹ 8.50 (March 31, 2013 ₹ 8). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.		
(g)	Reconciliation of numbers of share outstanding:		
		As at March 31, 2014	As at March 31, 2013
		No. of Shares Amount (₹ in crore)	No. of Shares Amount (₹ in crore)
	Equity shares		
	Opening balance	24 56 32 800 245	24 56 32 800 245
	Movement during the year	- -	- -
	Closing balance	24 56 32 800 245	24 56 32 800 245
(h)	As on March 31, 2014, 6,37,035 equity shares (Previous year 5,07,101 equity shares) are held by custodian against which depository receipts have been issued.		
(i)	In terms of SEBI (ESOS and ESOS) Guidelines, 1999 and recent opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (the ICAI) the accounting treatment for the equity shares of the Company held by the RCAP ESOS Trust as at March 31, 2014 has been given in Consolidated Financial Statements of the Company. The said Trust is holding 16,00,000 equity shares of ₹ 10 each of the Company. Face value of the said shares are presented as deduction from the paid up share capital and balance ₹ 60 crore being an amount exceeding the said face value are presented as deduction from the Securities Premium with corresponding adjustment to the loan receivable from the Trust.		

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

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013	
5 Reserves & surplus			
Capital reserve	172	6	
Add: Amount transferred as per scheme of amalgamation [Refer Note No. 31(I)]	-	846	
Less: Amount withdrawn as per scheme of amalgamation [Refer Note No. 31(I)]	-	680	172
Capital redemption reserve			
As per last balance sheet	35	36	
Add: Amount transferred from statement of profit and loss	15	-	
Less: Minority share adjustments	-	1	35
Securities premium account			
As per last balance sheet	3 599	3 757	
Less: Advance to ESOP Trust [Refer Note No. 4 (i) above]	60	-	
Less: Minority share adjustments	7	158	3 599
General reserve **			
As per last balance sheet	5 451	5 385	
Add: Amount transferred from statement of profit and loss	67	88	
Less: Minority share adjustments	11	22	5 451
Statutory reserve fund *			
As per last balance sheet	1 176	1 040	
Add: Amount transferred from statement of profit and loss	79	136	
Less: Minority share adjustments [₹ Nil (Previous year ₹ 3 657)]	-	-	1 176
Special reserve fund #			
As per last balance sheet	19	14	
Add: Amount transferred from statement of profit and loss	9	5	19
Foreign currency translation reserve			
As per last balance sheet	22	26	
Add : Addition during the year	7	5	
Less: Cessation of subsidiary	1	-	
Less: Minority share adjustments	3	9	22
Settlement guarantee fund			
As per last balance sheet [₹ 4 65 000 (Previous year ₹ 4 65 000)]	-	-	-
Surplus in statement of profit & loss			
As per last balance sheet	1 251	1 258	
Add: amount transferred from statement of profit & loss	747	812	
Less: Proposed dividend	269	253	
Less: Tax on proposed dividend	46	26	
Less: Interim dividend	-	123	
Less: Tax on interim dividend	-	21	
Less: Proposed dividend for earlier years	-	44	
Less: Tax on proposed dividend for earlier years	-	5	
Less: Transfer to special reserve	9	5	
Less: Transfer to statutory reserve fund	79	136	
Less: Transfer to general reserve	67	88	
Less: Transfer to capital redemption reserve	15	-	
Less: Minority share adjustments	(65)	118	1 251
	12 147	11 725	

* Created pursuant to section 45-IC of Reserve Bank of India Act, 1934.

** Includes ₹ 3 837 crore (Previous year ₹ 3 837) created pursuant to schemes of amalgamation.

Created pursuant to Section 29C of the National Housing Bank Act, 1987.

Reliance Capital Limited

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

(₹ in crore)

	As at March 31, 2014		As at March 31, 2013	
6 Long term borrowings				
Non convertible debentures				
- Secured [Refer Note No. 29(i)]				
Others	6 751		5 003	
Related party (Refer Note No. 42)	25		15	
- Unsecured				
Others	1 296		1 092	
Related party (Refer Note No. 42)	25	8 097	25	6 135
Term loans from banks / financial institutions				
- Secured [Refer Note No. 29(ii)]	5 981		7 542	
- Unsecured	100	6 081	-	7 542
Inter corporate deposits -Unsecured		-		9
		<u>14 178</u>		<u>13 686</u>
7 Other long-term liabilities				
Interest accrued but not due on debentures		55		13
Security deposits		28		1
		<u>83</u>		<u>14</u>
8 Long-term provisions				
Provision for employee benefits				
-Leave encashment		7		9
-Gratuity [₹ 1 10 072 (Previous year ₹ 24 41 552)]		-		-
Others				
-Standard debts		50		39
		<u>57</u>		<u>48</u>
9 Short term borrowings				
Loans from banks / financial institutions				
-Secured (Refer Note given below)				
Cash credit	650		41	
Overdrafts from banks (Secured against fixed deposits receipts ₹ 220 crore (Previous year ₹ 216 crore))	124		170	
Short term	1 451	2 225	500	711
Inter corporate deposits -Unsecured		49		2
Commercial paper -Unsecured (Refer Note d below)				
Others	4 860		3 402	
Related parties (Refer Note No. 42)	-	4 860	271	3 673
		<u>7 134</u>		<u>4 386</u>

Notes:

- Cash Credits amounting to ₹ 650 crore (Previous year ₹ 41 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- Short term loan amounting to ₹ 1 440 crore (Previous year ₹ 500 crore) referred above are secured by pari passu first charge on all present and future book debts (only performing assets), receivables and loan assets pertaining only to the Company's commercial finance division.
- Short term loan amounting to ₹ 11 crore (Previous year ₹ Nil) referred above are secured by fixed deposits pledged with bank.
- In respect of Commercial Papers maximum amount outstanding during the year was ₹ 5 460 crore (Previous year ₹ 5 341 crore).

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

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
10 Trade payables		
-Due to micro, small and medium enterprises (Refer Note below)	-	-
- Due to others	454	342
	<u>454</u>	<u>342</u>
<p>There are no Micro, Small and Medium Scale Business Enterprises, to whom the group owes dues, which are outstanding for more than 45 days as at March 31, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the group.</p>		
11 Other current liabilities		
Current maturities of long-term debt		
Non convertible debentures		
-Secured [Refer Note No. 29(i)]	1 302	1 318
Inter corporate deposits –Unsecured (₹ 42 524)	-	1
Term loans from banks / financial institutions		
-Secured [Refer Note No. 29(ii)]	2 963	4 438
Interest accrued but not due on debentures	439	295
Income received in advance	4	45
Advance from customers	229	254
Temporary book overdraft	946	434
Claims outstanding	2 932	2 438
Trading margins from clients	44	52
Other payables*	564	561
Investor education and protection fund		
Unclaimed dividend #	14	12
	<u>9 437</u>	<u>8 529</u>

Notes:

* Includes provision for expenses, statutory payments, securitisation / assignment payable and other payables.

Does not include any amounts, due and outstanding, to be deposited to the Investor Education and Protection Fund.

12 Short-term provisions

Provision for employee benefits		
-Leave encashment	4	4
-Gratuity	1	1
Others		
- Income tax	-	2
-Standard debts	19	20
- Provision for loss – equity index options	3	3
-Provision for unexpired risk	898	785
-Provision for premium deficiency reserve	10	2
-Proposed dividend	269	253
-Tax on proposed dividend	46	26
	<u>1 250</u>	<u>1 096</u>

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

13 Fixed Assets

Description	Gross Block				Depreciation			Net Block		
	As at April 1, 2013	Additions / Adjustments	Deduction / Adjustments	As at March 31, 2014	Upto April 1, 2013	During the year	Deduction / Adjustments	Upto March 31, 2014	As at March 31, 2014	As at March 31, 2013
(i) Tangible Assets										
Lease assets										
Plant and equipments	23	23	-	46	5	5	-	10	36	18
Data processing machineries	16	6	-	22	5	4	-	9	13	11
Vehicles	41	-	11	30	11	5	4	12	18	30
Sub - total - A	80	29	11	98	21	14	4	31	67	59
Previous year	79	7	6	80	10	12	1	21	59	
Own assets										
Freehold Land*	-	13	-	13	-	-	-	-	13	-
Buildings	69	-	5	64	17	3	2	18	46	52
Data processing machineries	102	10	13	99	78	11	13	76	23	24
Furniture and fixtures	26	3	2	27	18	2	1	19	8	8
Vehicles	12	1	1	12	7	2	1	8	4	5
Office equipments	51	4	6	49	28	5	7	26	23	23
Leasehold improvement	44	4	7	41	34	5	7	32	9	10
Sub - total - B	304	35	34	305	182	28	31	179	126	122
Previous year	308	24	28	304	178	28	24	182	122	
Total (A+B)	383	64	45	403	203	42	35	210	193	182
Previous year	387	31	34	383	188	40	27	201	182	
(ii) Intangible Assets										
Computer software/licensing cost	137	36	23	150	101	19	23	97	53	36
Goodwill on business acquisition [Refer Note No. 31(III)]	-	3	-	3	-	- ⁽ⁱ⁾	-	- ⁽ⁱ⁾	3	-
Membership rights	1	-	-	1	1	- ⁽ⁱⁱ⁾	-	1	- ⁽ⁱⁱⁱ⁾	- ^(iv)
Goodwill on consolidation	216	17	-	233	-	-	-	-	233	216
Total	354	56	23	387	102	19	23	98	289	252
Previous year	166	195	7	354	86	16	-	102	252	

1. (i) ₹ 10 49 969 (ii) ₹ 7 50 000 (iii) ₹ 10 80 822 (iv) ₹ 18 30 822

2. * Freehold Land ₹ 13 crore (Previous year ₹ Nil) acquired against settlement of loan.

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

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
14 Non-current investments (valued at cost unless stated otherwise)		
Investments in equity shares		
-Quoted [Net of provision of ₹ 359 crore (Previous year ₹ 418 crore)]	937	827
-Unquoted [Net of provision of ₹ 14 crore (Previous year ₹ 10 crore)]	402	398
Investments in associate companies		
-Equity shares (carrying cost) [Net of Provision of ₹ 35 crore (Previous year ₹ Nil)]	5 286	5 158
-Preference shares	562	562
-Deep Discount Bonds [Net of Provision of ₹ 29 crore (Previous year ₹ 29 crore)]	-	-
Investments in preference shares		
-Unquoted [Net of provision of ₹ 1 crore (Previous year ₹ Nil)]	2 327	2 824
Investments in government or trust securities		
-Unquoted	1 378	1 000
Investments in debentures or bonds		
-Quoted	1 513	1 282
-Unquoted [Net of provision of ₹ Nil (Previous year ₹ 21 crore)]	1 289	1 019
Investments in mutual funds		
-Quoted	54	99
-Unquoted	88	84
Other non-current investments		
-Units of seed/equity fund- unquoted, fully paid-up [Net of provision of ₹ 27 00 000 (Previous year ₹ 2 crore)]	7	50
-Units of fund - unquoted, [fully paid-up (Previous year partly paid-up ₹ 7.40)]	200	148
-Joint venture (Refer Note 2 below)	85	85
-Pass through certificates & security receipts	9	24
	<u>14 137</u>	<u>13 560</u>
Notes:		
1. Aggregate value of Provision for diminution in value of investments		
Quoted Investments	359	418
Unquoted Investments	79	62
Total	<u>438</u>	<u>480</u>
2. The group has entered into a joint venture with KGS Developers Limited in respect of real estate project development. The group has invested ₹ 85 crore and is entitled to share the Profit / Loss equally. However assets, liabilities, revenue and expenses related to the project are not included in the financial statements of the group as it does not meet the definition criteria of a Joint Venture under (AS - 27) "Financial Reporting of Interests in Joint Ventures".		
15 Deferred tax assets		
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)	<u>115</u>	<u>109</u>
(b) Deferred tax liabilities		
Depreciation on fixed assets	10	7
Reserve for unexpired risk & others	8	5
Unamortised expenditure	68	63
Total (b)	<u>86</u>	<u>75</u>
Net deferred tax assets [(a)-(b)]	<u>29</u>	<u>34</u>

Reliance Capital Limited

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

(₹ in crore)

	As at March 31, 2014		As at March 31, 2013	
16 Long-term loans and advances				
(a) Capital advances				
Secured, considered good	176		76	
Unsecured, considered good	26	202	20	96
(b) Security deposits				
Unsecured, considered good	106		106	
Unsecured, considered doubtful [₹ 24 26 303 (Previous year ₹ 17 20 333)]	-		-	
Less : Provision for doubtful debts [₹ 24 26 303 (Previous year ₹ 17 20 333)]	-	106	-	106
(c) Loans				
Considered doubtful				
-Secured	259		262	
-Unsecured	4		30	
Less : Provision for non performing assets and doubtful debt	30		68	
	233		224	
Considered good				
Related party (Refer Note No. 42)				
-Secured	328		61	
-Unsecured	508		25	
Others				
-Secured	11 362		9 154	
-Unsecured	2 431		2 816	
	14 629	14 862	12 056	12 280
(d) Advances (Refer Note No. 2 below)				
Considered doubtful				
-Secured	90		50	
-Unsecured	2		1	
Less : Provision for non performing assets and doubtful debt	35		12	
	57		39	
Considered good - others (Unsecured)	115	172	10	49
(e) Other loans and advances				
-VAT & service tax credit available	22		31	
-Advance income tax & TDS deducted (net of income tax provision)	267	289	179	210
		15 631		12 741

Notes:

- In the opinion of the management, loans and advances, other than doubtful, are considered as good and fully recoverable.
- Advances includes ₹ Nil crore (Previous year ₹ 2 crore) paid towards share application money .

17 Other non-current assets

(a) Other bank balances				
- In fixed deposit accounts				
-Under lien (Refer Note No. 1 below)	319		316	
-Other	29	348	7	323
(b) Accrued interest / finance income on investments		1 359		1 053
(c) Unamortised expenditures				
Unamortised DSA commission	87		88	
Add : Incurred during the year	48		45	
Less : Amortised during the year	44		46	
	91		87	
Less : To be amortised during the next year	30		23	
	61		64	

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

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013	
Unamortised brokerage on borrowings	100	63	
Add : Incurred during the year	37	66	
Less : Amortised during the year	27	29	
	<u>110</u>	<u>100</u>	
Less : To be amortised during the next year	24	20	
	<u>86</u>	<u>80</u>	
Unamortised distribution cost	3	6	
Add : Incurred during the year	-	-	
Less : Amortised during the year	3	3	
	<u>-</u>	<u>3</u>	
Less : To be amortised during the next year	-	2	
	<u>-</u>	<u>1</u>	145
(d) Repossessed assets	43	19	
Less : Provision for diminution	10	7	12
	<u>1 887</u>	<u>1 533</u>	

1. In respect of balances with banks in fixed deposit accounts above includes:

- ₹ 314 crore (Previous Year ₹ 301 crore) is kept as credit enhancement towards securitisation/assignment transaction.
- ₹ 2 12 500 (Previous year ₹ 2 12 500) is kept as deposit with sales tax authority.
- ₹ 5 00 000 (Previous year ₹ 5 00 000) is kept as deposit with the Pension Fund Regulatory and Development Authority (PFRDA).
- ₹ 4 crore (Previous year ₹ 4 crore) is kept as deposit with bank for issuing of Bank Guarantee & Financial Institutions.
- ₹ Nil (Previous year ₹ 50 00 000) pledged with Insurance Regulatory & Development Authority.
- ₹ Nil crore (Previous year ₹ 10 crore) is pledged against Bank overdraft facility.
- ₹ 1 crore (Previous year ₹ Nil) is pledged towards collateral security deposit in favour of National Stock Exchange of India Limited.

18 Current investments

Investments in preference shares		
-Quoted	-	10
-Unquoted	120	119
Investments in government or trust securities		
-Unquoted	-	5
Investments in debentures or bonds (valued at cost unless stated otherwise)		
-Quoted	476	314
-Unquoted [Net of provision of ₹ 1 crore (Previous year ₹ Nil)]	300	540
Investments in mutual funds		
-Quoted	780	180
-Unquoted	298	268
Pass through certificates & security receipts	43	88
Other current investments (valued at cost unless stated otherwise)		
-Units of seed/equity fund- unquoted, fully paid-up [Net of provision of ₹ 8 crore (Previous year ₹ 1 crore)]	3	3
	<u>2 020</u>	<u>1 527</u>
1. Aggregate value of provision for diminution in value of investments		
Quoted investments	-	-
Unquoted investments	9	1
Total	<u>9</u>	<u>1</u>

Reliance Capital Limited

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

(₹ in crore)

	As at March 31, 2014	As at March 31, 2013
19 Inventories (As certified by management)		
Securities	93	76
Commodities	16	11
Paintings	55	37
Gold (* ₹ 29 10 031)	*	20
Stock of currencies [₹ 25 96 950 (Previous year ₹ 23 52 829)]	-	-
	<u>164</u>	<u>144</u>
20 Trade receivables		
Doubtful unsecured		
Debts outstanding for a period exceeding six months	44	39
Less : Provision for doubtful debts	43	38
	<u>1</u>	<u>1</u>
Other debts-unsecured, considered good;		
Others	931	838
	<u>932</u>	<u>839</u>
21 Cash & bank balances		
(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	7
	<u>2 094</u>	<u>1 112</u>
(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	7
	<u>555</u>	<u>458</u>
	<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.		
22 Short term loans and advances		
Unsecured, considered good;		
(a) Loans		
Considered good		
Related party (Refer Note No. 42)		
-Secured	186	95
-Unsecured	238	434
Others		
-Secured	4 374	3 644
-Unsecured	1 508	3 028
	<u>6 306</u>	<u>7 201</u>

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

(₹ in crore)

	As at March 31, 2014		As at March 31, 2013	
(b) Advances				
Considered good				
Related party unsecured (Refer Note No. 42) [Previous year ₹ 2 67 733]	1		-	
Others				
-Secured	128		109	
-Unsecured	274	403	96	205
(c) Other loans and advances				
-Deal and fund organisation expenses	-		4	
-VAT & service tax credit available	45		14	
-Advance income tax & TDS deducted (net of provision)	15	60	10	28
(d) Prepaid expenses		62		38
		<u>6 831</u>		<u>7 472</u>

23 Other current assets

Interest accrued on loans	633		483	
Accrued interest / finance income on investments	47		99	
Unamortised DSA commission	30		23	
Unamortised brokerage on borrowings	24		20	
Motor pool transition liabilities (Unamortised Losses)	-		79	
DR pool claims assets account	17		11	
Unamortised referral fees	-		2	
		<u>751</u>		<u>717</u>

(₹ in crore)

	2013-2014		2012-2013	
24 Revenue from operations				
Interest and finance income on:				
Long term investments	878		753	
Loans	2 718		2 374	
Fixed deposits & others	85	3 681	80	3 207
Lease rental income		23		21
Processing fees	110		91	
Less: Service tax recovered	12	98	10	81
Profit / (loss) on sale of (Net):				
Long term investments	44		1 028	
Current investments	69	113	43	1 071
Investment management and advisory fees		679		619
Portfolio management / Trustee fees		22		23
Commission and brokerage earned		266		221
Premium & commission earned		2 437		2 073
Dividends on long term / short term investments		39		40
Profit on sale of securities / commodities / gold (Net)		28		48
Bad debts recovered		30		34
Other operating income		39		32
		<u>7 455</u>		<u>7 470</u>

Reliance Capital Limited

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

(₹ in crore)

	2013-2014	2012-2013
25 Other income		
Exchange difference/ margin on sale of foreign currency (Net)	4	2
Credit balance / excess provision written back	30	11
Profit on sale of fixed assets (Net)	24	-
Management fees	12	12
Rent	1	1
Miscellaneous income	18	23
	<u>89</u>	<u>49</u>
26 Employee benefit expenses		
Salary and wages	545	555
Contribution to provident fund & other funds	25	27
Staff welfare expenses	29	25
	<u>599</u>	<u>607</u>
27 Finance cost		
Interest expense		
-Debentures	930	631
-Bank loans / financial institutions (Long term and short term)	1 139	1 242
-Bank loans (cash credit)	42	29
-Inter corporate deposits	-	1
-Others	7	3
Other borrowing costs		
-Discount on commercial papers	356	408
-Amortised brokerage on borrowings (Refer Note No. 17)	27	29
-Net (gain)/loss on foreign currency transactions and translation [₹ Nil (Previous year ₹ 3 52 124)]	-	-
	<u>2 501</u>	<u>2 343</u>
28 Other expenses		
Bank charges	7	5
Rent	104	75
Rates and taxes	34	47
Repairs and maintenance		
- Buildings	1	2
- Others	87	86
Electricity	10	11
Insurance	2	3
Travelling and conveyance	33	31
Claims incurred (Net)	1 604	1 261
Premium paid on reinsurance ceded	579	534
Reserve for unexpired risk	121	183
Postage, telegram and telephones	38	43
Legal & professional fees	234	207
Commission & brokerage [(Refer Note No. 40(iii)]	191	241
Auditors' remuneration (Refer Note No. 43)	3	3
Loss on sale of securities / commodities	-	6
Sales and marketing expenses	278	190
Employee seminar and training	11	8
Donation (₹ 23 24 220)	-	1

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

(₹ in crore)

	2013-2014	2012-2013
Directors' sitting fees	1	1
Amortised DSA commission (Refer Note No. 17)	44	46
Amortised Distribution cost (Refer Note No. 17)	3	3
Provision for NPA, doubtful debts and balances written off *	115	334
Provision / (Reversal) for diminution in the value investments / written off **	(21)	304
Provision and loss on repossessed stock #	14	9
Loss on sale of fixed assets / written off	-	2
Miscellaneous expenses	43	47
	<u>3 536</u>	<u>3 683</u>
Notes:		
* Breakup of provision for NPA, doubtful debts and bad debts written off		
Provision / (Reversal) for NPA and doubtful debts	(16)	50
Provision for standard debts	10	12
Bad debts written off	121	151
Loss on sale of assignment	-	121
	<u>115</u>	<u>334</u>
# Breakup of provision and loss on repossessed stock		
Provision for repossessed stock	5	3
Loss on sale of repossessed stock	9	6
	<u>14</u>	<u>9</u>
** Breakup of provision / (reversal) for diminution in the value of investments / written off		
Provision / (Reversal) for diminution in value of investments	(34)	298
Investments written off	13	6
	<u>(21)</u>	<u>304</u>

29 Security clause in respect to Secured Loans/Debentures:

- (i) Non convertible debentures (NCDs) referred above are redeemable at par, in one or more installments, on various dates.
- (a) NCDs amounting to ₹ 5,376 crore (Previous year ₹ 2,792 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House, near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on present and future book debts / business receivables of the Company. Business receivables includes Fixed Asset, Current Assets, Investments and any other assets, against security not exceeding ₹ 5,626 crore (Previous year ₹ 2,350 crore).
- (b) NCDs amounting to ₹ 2,398 crore (Previous year ₹ 3,459 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Avdesh House, near Pritam Nagar, Ellisbridge, Ahmedabad and additional first pari passu charge by way of hypothecation on present and future book debts / business receivables of the Company (except security towards securing Outstanding Term Loan and Cash Credit Limits). Business receivables includes Current Assets and Investments, against security not exceeding ₹ 2,723 crore (Previous year ₹ 3,725 crore).
- (c) NCDs amounting to ₹ 304 crore (Previous year ₹ 86 crore) are secured by way of first pari passu legal mortgage and charge over the premises situated at Bharuch and additional pari passu charge by way of hypothecation on the present and future books debts/receivables, outstanding money (loan book), receivable claims of Reliance Home Finance Limited with other secured lenders, except those book debts and receivables charged / to be charged in favour of National Housing Bank for refinance availed/ to be availed from them, of Home Finance Business subject to maintenance of minimum asset coverage of 100% of issue amount.
- (d) The Company is in the process of creating security on the remaining NCDs amounting to ₹ Nil (Previous year ₹ 567 crore).

Reliance Capital Limited

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

(e) Maturity profile and Rate of interest of Long Term Non Convertible Debentures are as set out below:

(₹ in crore)

Rate of Interest	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2025-26	Total
#	123	3	-	7	-	-	-	-	-	-	133
8.40%	25	-	-	-	-	-	-	-	-	-	25
9.09%	-	-	-	5	-	-	-	-	-	-	5
9.25%	-	-	-	55	-	-	-	-	16	-	71
9.30%	-	-	-	500	-	-	-	-	-	-	500
9.35%	-	-	-	-	-	-	-	-	30	-	30
9.40%	-	-	-	-	-	-	-	-	1,500	-	1,500
9.45%	-	-	-	20	-	-	-	-	-	-	20
9.48%	-	-	-	-	-	-	-	-	-	1	1
9.50%	10	-	-	5	-	-	-	-	30	-	45
9.52%	-	-	-	-	-	-	-	-	15	-	15
9.60%	19	-	-	-	-	-	-	-	-	-	19
9.70%	-	-	-	10	-	-	-	-	-	-	10
9.75%	60	5	15	-	-	-	-	-	-	-	80
9.80%	-	-	-	-	-	-	-	500	-	-	500
9.85%	5	-	75	-	-	-	-	45	-	-	125
9.86%	-	-	30	-	-	-	-	-	-	-	30
9.90%	-	15	-	-	-	500	-	75	2	-	592
9.95%	-	-	-	-	-	-	-	85	-	-	85
10.00%	15	10	281	-	-	-	-	26	-	-	332
10.05%	-	-	-	-	-	-	-	7	-	-	7
10.10%	-	-	20	16	-	-	-	10	-	-	46
10.15%	5	-	65	-	-	-	-	-	-	8	78
10.19%	-	-	-	-	-	-	-	-	155	-	155
10.20%	-	-	5	-	-	-	-	82	-	-	87
10.21%	-	50	-	-	-	-	-	-	-	-	50
10.24%	-	-	-	-	500	-	-	-	-	-	500
10.25%	-	75	16	-	-	-	-	40	-	-	131
10.26%	-	50	-	-	-	-	-	-	-	-	50
10.28%	-	-	-	-	15	-	-	-	-	-	15
10.30%	4	-	49	93	-	-	-	-	-	-	146
10.33%	-	-	25	-	-	-	-	45	-	-	70
10.35%	5	-	15	-	-	155	-	5	-	-	180
10.40%	50	105	-	-	-	-	-	400	-	-	555
10.50%	-	500	-	21	-	-	25	20	15	-	581
10.60%	-	-	-	-	-	-	83	59	-	-	142
10.65%	-	-	-	8	-	-	-	-	-	-	8
10.75%	-	-	-	-	-	-	367	-	-	-	367
11.00%	-	300	-	-	-	-	-	-	-	-	300
MLD	245	223	41	2	-	-	-	-	-	-	511
Total	566	1,336	637	742	515	655	475	1,399	1,763	9	8,097

Zero coupon non convertible debentures

(ii) Term Loans from banks above includes:

- (a) Term Loans from banks and current maturity of term loan includes ₹ 6 582 crore (Previous year ₹ 8 518 crore) are secured by pari passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company's commercial finance division.
- (b) Term Loans from Bank and current maturity of term loan of Reliance Home Finance Limited (RHFL):
- (i) Term loan ₹ 1859 crore (Previous year ₹ 1 695 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, except for those book debts/receivables to be charged in favour of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding ₹ 2057 crore (Previous year ₹ 1 880 crore).
- (ii) Term loan ₹ 150 crore (Previous year ₹ 100 crore) secured by pari passu first charge in favor of the lender on all the standard book debts, outstanding moneys, receivable claims of RHFL, except for those book debts/receivables to be charged in favor of National Housing Bank for refinance to be availed, if any, from them, against security not exceeding ₹ 167 crore (Previous year ₹ 110 crore).

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

- (iii) Term loan ₹ 212 crore (Previous year ₹ 187 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, against security not exceeding ₹ 235 crore (Previous year ₹ 206 crore).
- (iv) Term loan ₹ 140 crore (Previous year ₹ 161 crore) secured by pari passu first charge in favor of the lender on all the book debts, outstanding moneys, receivable claims of RHFL, against security not exceeding ₹ 168 crore (Previous year ₹ 192 crore).
- (c) Maturity profile of Long Term loans from banks are as set out below :

	2015-16	2016-17	2017-18	2018-19	Total
Term Loan from Banks	2 867	1 899	867	448	6 081

30 Profit on Sale of Subsidiaries and Amalgamation adjustments

	(₹ 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.

31 Scheme of Amalgamation & Arrangement

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.

Hence, in accordance with the Scheme:-

- (i) As entire issued, subscribed and paid up share capital of REIPL and EMML was held by the Company, no shares of the Company have been allotted in lieu or exchange of its holding in REIPL and EMML. Consequent to the Scheme the share capital of REIPL and EMML 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 EMML 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 EMML 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

Reliance Capital Limited

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

- (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:

Assets / Liabilities Taken Over	Amount
(₹ in crore)	
Liabilities	
Loans	22
Total	<u>22</u>
Assets	
Inventories	19
Cash & Bank Balance (₹ 4 05 059)	-
Loans & Advances (₹ 32 43 401)	-
Total	<u>19</u>
Excess of Liabilities over assets	3
Add: Sale consideration (₹ 25 00 000)	-
Net difference debited to goodwill	3

- 32 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
		(₹ in crore)		
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.

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

(i) Securitisation

		(₹ in crore)	
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	-	-
	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.

Reliance Capital Limited

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

- 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.

33 Goodwill on Consolidation of Subsidiaries

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

34 Employees Stock Option Plan (ESOP)

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

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.

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

- (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

- (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:

Reliance Capital Limited

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

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)

- 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.
- 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.
- 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:
 - 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%

- 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

- 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%

- 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.

- 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.

35 In case of Reliance Money Express Limited (RMEL)

- 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

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

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.

36 In case of Reliance General Insurance Company Limited (RGIC)

(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 IMTPI 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.

37 In case of Quant Capital Private Limited (QCPL)

- (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.
- (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.

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

- (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.

38 In case of Reliance Money Precious Metals Private Limited (RMPMPL)

- (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. 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 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.

39 In case of Reliance Exchangenext Limited (RNext)

- (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 Office, 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.

40 In case of Reliance Capital Asset Management Limited (RCAM)

- (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 Consolidated Financial Statement as at March 31, 2014

41 The Group is organised into following reportable segments referred to in Accounting Standard (AS 17) "Segment Reporting"

(₹ in crore)

Particular	Finance & Investments	Asset Management	General Insurance	Commercial Finance	Others	Elimination	Total
Revenue							
External	1 472 (2 158)	622 (527)	2 931 (2 408)	2 210 (2 117)	309 (309)	- (-)	7 544 (7 519)
Inter Segment	33 (23)	54 (83)	14 (9)	- (-)	13 (10)	114 (125)	- (-)
Total Revenue	1 505 (2 181)	676 (610)	2 945 (2 417)	2 210 (2 117)	322 (319)	114 (125)	7 544 (7 519)
Results							
Segment Results - Profit / (Loss) before Tax	144 (409)	260 (169)	64 (-93)	430 (342)	(49) (7)	- (-)	849 (834)
Unallocated Expenses							2 (4)
Profit / (Loss) before Tax	144 (409)	260 (169)	64 (-93)	430 (342)	(49) (7)	- (-)	847 (830)
Other information							
Segment Assets	25 353 (23 297)	214 (250)	4 887 (4 353)	17 153 (15 390)	1 220 (1 228)	3 299 (3 930)	45 528 (40 588)
Unallocated Assets	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total Asset	25 353 (23 297)	214 (250)	4 887 (4 353)	17 153 (15 390)	1 220 (1 228)	3 299 (3 930)	45 528 (40 588)
Segment Liabilities	13 987 (11 899)	120 (209)	4 039 (3 569)	14 545 (12 894)	667 (648)	765 (1 118)	32 593 (28 101)
Unallocated Liabilities	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total Liabilities	13 987 (11 899)	120 (209)	4 039 (3 569)	14 545 (12 894)	667 (648)	765 (1 118)	32 593 (28 101)
Capital Expenditure	25 (14)	3 (8)	15 (11)	52 (15)	5 (6)	- (-)	100 (54)
Depreciation	13 (14)	7 (9)	11 (11)	21 (15)	9 (7)	- (-)	61 (56)
Non Cash Expenses other than Depreciation	(3) (528)	4 (-)	121 (214)	133 (82)	50 (7)	- (-)	305 (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.

42 Related party disclosures

A. List of related parties

- i) **Holding Company**
Reliance Innoventures Private Limited
- ii) **Subsidiary of Holding Company**
AAA Enterprises Private Limited

Notes to the 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
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C. Transactions during the year with related parties:

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
Debentures			
a) Issued during the year	-	-	-
	(-)	(15)	(15)
b) Balance as at March 31, 2014	-	50	50
	(-)	(40)	(40)
c) Accrued interest on debentures as at March 31, 2014	-	1	1
	(-)	(1)	(1)
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	-	-	-
	(23)	(-)	(23)
b) Balance as at March 31, 2014 – Carrying cost [Net of provision ₹ 62 crore (Previous year ₹ 106 crore)]	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
	(749)	(11)	(760)
b) Returned / Adjusted during the year	1 024	284	1 308
	(230)	(13)	(243)
c) Balance as at March 31, 2014	837	424	1 261
	(583)	(32)	(615)

Reliance Capital Limited

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

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
d) Interest accrued on Loans	9 (-)	26 (-)	35 (-)
Advances			
a) Balance as at March 31, 2014 (*Previous year ₹ 2 67 733)	1 (2)	- (*)	1 (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 (187)	85 (63)	313 (250)
b) Rent	1 (1)	- (-)	1 (1)
c) Dividend Income	1 (1)	23 (19)	24 (20)
d) Reimbursement of Expenditure [* ₹ 23 25 359]	1 (*)	5 (5)	6 (5)
e) Management Fees	- (-)	6 (6)	6 (6)
f) Processing Fees	- (2)	- (-)	- (2)
Expenditure			
a) Finance cost	- (-)	9 (39)	9 (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)	- (29)	(77) (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 (50)	90 (82)	190 (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 (40)	50 (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)

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

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
b) Repaid during the year			
i) Reliance Life Insurance Company Limited	- (-)	300 (750)	300 (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 (482)	470 (482)
ii) Reliance Share & Stock Brokers Private Limited	- (-)	67 (68)	67 (68)
iii) Reliance Big Entertainment Private Limited	1 275 (1 393)	- (-)	1 275 (1 393)
iv) Reliance Communications Limited [Net of Provision ₹ Nil (Previous year ₹ 77 crore)]	293 (230)	- (-)	293 (230)
v) Reliance Asset Reconstruction Company Limited	- (-)	61 (58)	61 (58)
vi) Reliance Life Insurance Company Limited	- (-)	5 234 (5 062)	5 234 (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 (166)	225 (166)
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)

Reliance Capital Limited

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

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
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)
b) Rent			
i) Reliance Communications Infrastructure Limited	1 (1)	- (-)	1 (1)
c) Dividend Income			
i) Reliance Communications Limited	1 (1)	- (-)	1 (1)

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

(₹ in crore)

	Fellow Subsidiaries	Associates	Total
ii) Reliance Life Insurance Company Limited	- (-)	23 (19)	23 (19)
d) Reimbursement of Expenditure			
i) Reliance Communications Infrastructure Limited [* ₹ 4 01 188 (Previous year * ₹ 23 25 359)]	* (*)	- (-)	* (*)
ii) Reliance Asset Reconstruction Company Limited * (₹ 24 06 000)	- (-)	1 (*)	1 (*)
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 (39)	9 (39)
b) Insurance			
i) Reliance Life Insurance Company Limited *[₹ 43 76 801]	- (-)	1 (*)	1 (*)
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 (82)	90 (82)
ii) Reliance Big Entertainment Private Limited	100 (50)	- (-)	100 (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)

Reliance Capital Limited

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

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 :

- 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 ₹ 80,000 (Previous year ₹ 1,20,000) has been paid to Shri Anil D. Ambani, an individual having control.
- 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.

43 Auditors' remuneration includes

	(₹ in crore)	
	2013-14	2012-13
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

44 Leases

Details of future minimum lease receivables are as under :

	(₹ 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)]	-	-

Details of future minimum lease rent payable under operating lease for each of the following periods:

	(₹ in crore)	
	2013-14	2012-13
Not Later than one year	5	5
Later than one year and not later than five years	3	4
Later than five years	-	-

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

45 Basic and diluted earnings per share

The computation of earnings per share is set out below:

	(₹ in crore)	
	2013-14	2012-13
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

46 Contingent Liabilities and Commitments (As Certified by the Management)

	(₹ in crore)	
	March 31, 2014	March 31, 2013
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

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

47 The subsidiaries and associate companies considered in the consolidated financial statements with their proportion of ownership are as under:

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 Limited

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

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
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%
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%

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

Name	Country of Incorporation	Year Ending	Proportion of ownership (Interest)
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.
- 48** 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.
- 49** 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".
- 50** 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.

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

Notes to 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	5.35	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 Gilts 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 ExchangesX 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 = ₹ 47.73, 1GBP = ₹ 100.14, 1MYR = ₹ 18.44

APPLICATION FORM

Series No. RCL F Series B NCD 331

RELIANCE CAPITAL LIMITED

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

DEBENTURE/NCD SERIES F APPLICATION FORM SERIAL NO.																				
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ISSUE OF RATED SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES/NCDs OF Rs. 10,00,000/- (Rupees Ten Lakhs Only) EACH.

<p>SERIES FIXED-B/331 DEBENTURES APPLIED FOR: (Minimum Application of 5 (Five) Series Debenture(s) and in multiples of 01 (one) thereafter)</p> <p>Number of Series Debentures _____ In words _____</p> <p>Amount Rs. _____ In words Rupees _____</p>
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<p>DETAILS OF PAYMENT:</p> <p>Subscribers' Bank A/c No. _____ Bank Name _____</p> <p>Cheque / Demand Draft No/ UTR No. _____</p> <p>_____ Drawn on _____</p> <p>Funds transferred to Reliance Capital Limited, <i>HDFC Bank, A/c Nos. 00600310033293</i> Dated _____</p> <p>Total Amount Enclosed (In Figures) _____</p> <p>(In words) _____</p>

I/We the undersigned, confirm that the payment/ remittance made for subscription to securities vide this application form has been made as per the details of payment as mentioned above and that the Bank A/c from which such payment/ remittance has been made belongs to the Sole/ First Applicant/ Subscriber.

FIRST/SOLE APPLICANT'S NAME IN FULL (CAPITALS)

SECOND APPLICANT'S NAME IN FULL (CAPITALS)

THIRD APPLICANTS NAME IN FULL (CAPITALS)

FIRST/SOLE APPLICANT'S ADDRESS

ADDRESS																				
STREET																				
CITY																				
PIN						PHONE														
FAX																				
OCCUPATION																				
E-mail																				

FIRST/SOLE APPLICANT'S OCCUPATION -----

FIRST/SOLE APPLICANT'S PAN. _____ IT CIRCLE/WARD/DISTRICT _____
 SECOND APPLICANT'S PAN. _____ IT CIRCLE/WARD/DISTRICT _____
 THIRD APPLICANT'S PAN. _____ IT CIRCLE/WARD/DISTRICT _____

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 Series . I/We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Series . 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 unless expressly set out in the Application Form, I/We are applying to the Series 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 Series will be issued in dematerialised form. Applicant(s) are required to fill up the following particulars for such issuance:

REQUEST FOR SERIES IN DEMATERIALISED 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 Series to me/us, my/our Beneficiary Account as mentioned above would get credited to the extent of allotted Series, (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.

I/We understand that in case of allotment of Series 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.

I/We the undersigned, request you to credit all remittances including redemption proceeds of principal and coupon/ interest as well as all periodic coupon/ interest payments as per the below mentioned bank details for the beneficiary

BANK NAME	
BANK BRANCH	
BENEFICIARY ACCOUNT NAME	

BENEFICIARY ACCOUNT NUMBER	
RTGS / IFSC Code	

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 Series 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 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 and in the Shelf Disclosure Document (including the fact that these Series 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 Series 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 Series) 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 _____
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(Note: Cheque and Drafts are subject to realisation)