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Serial No: 1

**Series No.: RCFL MLD Series RCF/02 –
Tranche 4**

Dated: October 04, 2018

**Reliance Commercial Finance Limited
(Formerly Reliance Gilts Limited)
(the “Company” or the “Issuer”)**

Registered Office: Reliance Centre, 6th Floor, South Wing, Off Western Express Highway,
Santacruz (East), Mumbai 400 055

Tel.: +91 22 3303 6000 Fax: +91 22 3303 6662

Website: www.reliancemoney.co.in

Corporate Identity Number (CIN): U66010MH2000PLC128301

[Contact person: Ekta Thakurel, Company Secretary & Compliance Officer

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INFORMATION MEMORANDUM OF PRIVATE PLACEMENT FOR ISSUE OF 50 RATED, LISTED, SECURED, REDEEMABLE, PRINCIPAL PROTECTED NON-CONVERTIBLE MARKET LINKED DEBENTURES (“NCDs”/ “DEBENTURES”), OF FACE VALUE OF RS. 10,00,000/- (RUPEES TEN LAKH ONLY) EACH FOR CASH AGGREGATING TO RS. 5,00,00,000/- (RUPEES FIVE CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION AGGREGATING TO RS. 5,00,00,000 (RUPEES FIVE CRORE ONLY) ON A PRIVATE PLACEMENT BASIS UNDER EXISTING ISIN NO. INE126D07156 (THE “ISSUE”).

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

THE BRAND RELIANCE MONEY IS REPRESENTED BY RELIANCE COMMERCIAL FINANCE LIMITED.

RISKS IN RELATION TO ISSUE

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

GENERAL RISKS

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

ISSUER'S ABSOLUTE RESPONSIBILITY

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

CREDIT RATING

BWR PP-MLD AA+ (pronounced BWR Double A Plus) (outlook: stable) by Brickwork Ratings India Limited, for borrowings up to an aggregate amount of Rs. 100,00,00,000/- (Rupees One Hundred Crore Only). **Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk.**

The rating(s) of any Series is not a recommendation to buy, sell or hold securities and investors should take their own decisions. Brickwork's ratings are opinion on credit quality and are not recommendations to buy sell or hold any security. Brickwork has based its ratings on information obtained from sources believed by them to be accurate and reliable. Brickwork 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 Brickwork have paid a credit rating fee, based on the amount and type of securities issued. The rating may be subject to revision or withdrawal at any time by the rating agency on the basis of new information. Each rating should be evaluated independently of any other rating. The rating agency has a right to suspend, withdraw/revise the rating at any time on the basis of new information.

MEMORANDUM OF PRIVATE PLACEMENT

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus. This is only an information brochure, in the form of a single initial disclosure document, intended for private use and should not be construed to be a prospectus and/or an invitation to the public for subscription to Debentures under any law for the time being in force. This Information Memorandum is in compliance with the applicable requirements of the regulatory authorities and has been prepared giving details as on June 30, 2018. However, at certain places to avoid ambiguity, the audited numbers are reported as on March 31, 2018. 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 BSE Limited ("BSE").

REGISTRAR AND TRANSFER AGENT	DEBENTURE TRUSTEE
 <p>Karvy Computershare Private Limited Karvy Selenium, Tower – B, 7th Floor, Plot no. 31 & 32, Survey No. 116/22, 115/24, 115/25, Financial District, Nanakramguda, Hyderabad 500 032 Tel. : +91 40 6716 1500 Fax: +91 40 6716 1791 Website: www.karvycomputershare.com Email: mis.radag@karvy.com</p>	 <p>Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) The IL & FS Financial Centre, Plot C-22, G Block, BandraKurla Complex, Bandra (East), Mumbai 400 051 Tel. : +91 22 2659 3535 Fax : +91 22 2653 3297 Website: www.vistraitcl.com Email: mumbai@vistra.com</p>

RATING AGENCY
 <p>Brickwork Ratings India Private Limited 3rd Floor, Raj Alkaa Park, 29/3 & 32/2, Kalena Agrahara, Bannerghatta Road, Bangalore 560 076 Tel.: +91 80 4040 9940 Fax: +91 80 4040 9941 Website: www.BrickworkRatings.com E-mail: kc.holla@brickworkratings.com</p>

VALUATION AGENCY

**ICRA Limited**

1105, Kailash Building, 11th Floor,
26 Kasturba Gandhi Marg,
New Delhi 110 001
Tel.: +91 11 2335 7940/50
Website: www.icra.in

ISSUE SCHEDULE

Issue Open Date	: October 04, 2018
Issue Close Date	: October 05, 2018
Pay-In Date(s)	: Between the Issue Open Date and Issue Close Date (both inclusive)

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**").

GENERAL DISCLAIMER

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

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

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

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

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

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED OR INCORPORATED BY REFERENCE IN THIS INFORMATION MEMORANDUM OR IN ANY MATERIAL MADE AVAILABLE BY THE ISSUER TO ANY POTENTIAL INVESTOR PURSUANT HERETO AND, IF 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 BRICKWORK IS OR WILL BE ACCEPTED BY ANY SUCH INTERMEDIARY AND/OR ANY OF ITS AFFILIATES AS TO THE ACCURACY, FAIRNESS OR COMPLETENESS OR OTHERWISE OF THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE ISSUER. ACCORDINGLY, ALL SUCH INTERMEDIARIES ASSOCIATED WITH THIS ISSUE SHALL HAVE NO LIABILITY IN RELATION TO THE INFORMATION CONTAINED IN THIS INFORMATION MEMORANDUM OR ANY OTHER INFORMATION PROVIDED BY THE ISSUER IN CONNECTION WITH THE ISSUE.

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

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

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

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

EACH PERSON RECEIVING THIS INFORMATION MEMORANDUM ACKNOWLEDGES THAT:

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

- 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. 5,00,00,000/- (RUPEES FIVE CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION AGGREGATING TO RS. 5,00,00,000 (RUPEES FIVE CRORE ONLY) ON PRIVATE PLACEMENT BASIS IS BEING FILED WITH THE BSE IN TERMS OF SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED BY THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) (AMENDMENT) REGULATIONS, 2012 AS AMENDED FROM TIME TO TIME; THE GUIDELINES FOR ISSUE AND LISTING OF STRUCTURED PRODUCTS/MARKET LINKED DEBENTURES 2011 ("STRUCTURED PRODUCTS GUIDELINES");.

AS PER THE PROVISIONS OF THE SEBI DEBT REGULATIONS, A COPY OF THIS INFORMATION MEMORANDUM HAS NOT BEEN FILED WITH OR SUBMITTED TO SEBI.. IT IS DISTINCTLY UNDERSTOOD THAT THIS INFORMATION MEMORANDUM SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO HAVE BEEN APPROVED OR VETTED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PURPOSE FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS INFORMATION MEMORANDUM.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE INFORMATION MEMORANDUM TO BSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE INFORMATION MEMORANDUM HAS BEEN CLEARED OR APPROVED BY BSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS

INFORMATION MEMORANDUM, NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE BSE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER.

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

THE ISSUER FURTHER CERTIFIES THAT THE ISSUE IS IN COMPLIANCE WITH SEBI CIRCULAR DATED JUNE 30, 2017 DEALING WITH CONSOLIDATION OF SECURITIES UNDER AN EXISTING ISIN

DISCLAIMER IN RESPECT OF JURISDICTION

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

DISCLAIMER IN RELATION TO THE VALUATION AGENCY

THE VALUATION AGENCY APPOINTED FOR EACH TYPE OF DEBENTURES (AS DEFINED IN SUMMARY TERM SHEET BELOW) WILL PUBLISH THE VALUATION OF NCDS ON ITS WEBSITE AT LEAST ONCE EVERY CALENDAR WEEK. THE VALUATION SHALL BE AVAILABLE ON THE WEBSITE OF THE APPLICABLE VALUATION AGENCY. THE ISSUER WILL ALSO MAKE AVAILABLE, AS SOON AS PRACTICABLE, THE VALUATION PROVIDED BY THE VALUATION AGENCY ON THE WEBSITE OF THE ISSUER AT <https://www.reliancemoney.co.in/investors>

UPON REQUEST BY ANY DEBENTURE HOLDER (AS DEFINED BELOW) FOR THE VALUATION OF THE NCDS, THE ISSUER SHALL PROVIDE THEM WITH THE LATEST VALUATION.

WHERE THE VALUATION AGENCY IS ICRA LIMITED (ICRA):

MARKET LINKED DEBENTURE VALUATION PROVIDED BY THE VALUATION AGENT REFLECTS THE VALUATION AGENT'S OPINION ON THE VALUE OF THE MARKET LINKED DEBENTURE ON THE VALUATION DATE AND DOES NOT CONSTITUTE AN AUDIT OF THE ISSUER BY THE VALUATION AGENT. THE VALUATION IS BASED ON THE INFORMATION SOUGHT FROM THE ISSUER OR OBTAINED BY THE VALUATION AGENT FROM SOURCES IT CONSIDERS RELIABLE. THE VALUATION AGENT DOES NOT GUARANTEE THE COMPLETENESS OR ACCURACY OF THE INFORMATION ON WHICH THE VALUATION IS BASED. THE VALUATION AGENT SPECIFICALLY STATES THAT THE VALUATION IS AN INDICATIVE VALUE OF THE DEBENTURE ON THE VALUATION DATE AND CAN BE DIFFERENT FROM THE ACTUAL REALIZABLE VALUE OF THE DEBENTURE. THE VALUATION DOES NOT COMMENT ON THE MARKET PRICE OF THE MARKET LINKED DEBENTURES OR SUITABILITY FOR A PARTICULAR INVESTOR. IN THE EVENT OF EARLY REDEMPTION/BUY BACK/ ANY OTHER PREMATURE EXIT, INVESTORS MAY CHOOSE TO CONTACT THE CLIENT DIRECTLY OR THROUGH THEIR INTERMEDIARIES (THROUGH WHOM INVESTMENTS IN THE SPECIFIED MLDS WERE MADE) OR, IN THE ALTERNATIVE, FOLLOW THE PROCEDURE AS SET OUT IN THE RELEVANT OFFER DOCUMENT.

Definitions / Abbreviations / Terms Used	
Articles of Association	Articles of Association of Reliance Commercial Finance Limited
Board of Directors	Board of Directors of Reliance Commercial Finance Limited
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Certificate of Registration	The Certificate of Registration obtained from the Reserve Bank of India under Section 45 IA of the Reserve Bank of India Act, 1934
Company / Issuer	Reliance Commercial Finance Limited (“ RCFL ”)
Companies Act	The Companies Act, 1956, as amended (without reference to the sections thereof that have ceased to have effect upon notification of sections of Companies Act, 2013) (the “ Companies Act, 1956 ”) read with the applicable provisions of the Companies Act, 2013 to the extent notified and in effect (the “ Companies Act, 2013 ”), and together with the Companies Act, 1956, the “ Companies Act ”.
Debentures/Debt Instruments / NCDs	Rated, Listed, Secured, Redeemable, Principal Protected Non-Convertible Market Linked Debentures issued / proposed to be issued pursuant to this Information Memorandum
Debenture Holders	Persons who are for the time being holders of the Debentures and whose names are last mentioned in the Debentures/ Register of Debenture Holders and shall include Beneficiaries.
Debenture Trust Deed	Shall mean the debenture trust deed between the Issuer and Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) (“ Debenture Trustee ”) for the creation of security in favour of the Debenture Trustee for the benefit of the Debenture Holders.
Debenture Trustee	Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited)
Depositories	NSDL and CDSL
DP	Depository Participant as defined under the Depositories Act, 1996
FY	Financial Year
Information Memorandum	Shall mean the Information Memorandum / Private Placement Offer cum Application Letter
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 50 Rated, Listed, Secured, Redeemable, Principal Protected Non-Convertible Market Linked Debentures of Rs. 10,00,000 (Rupees Ten Lakh Only) each aggregating to Rs. 5,00,00,000/- (Rupees Five Crore Only) with an option to retain oversubscription aggregating to Rs. 5,00,00,000 (Rupees Five Crore Only) on a private placement basis.
Issuer Group	The Issuer or any of its holding, subsidiary, associate, affiliate or group entities.
Letter of Allotment / Allotment Advice	Letter addressed by or on behalf of the Issuer to an Investor stating therein, <i>inter-alia</i> that the Investor’s application has been accepted for allotment for the number of Debentures mentioned in such advice and the application money paid by it has been accordingly adjusted towards payment of the allotment money on the number of Debentures being allotted to it.
Memorandum	Memorandum of Association of the Company.
MCA	Ministry of Corporate Affairs, Government of India.
NBFC	Non-Banking Financial Company

Definitions / Abbreviations / Terms Used	
NPA	Non Performing Asset
NSDL	National Securities Depository Limited
Private Placement	Private Placement means any offer or invitation to subscribe or issue of securities to a select group of persons by a Company (other than by way of public offer) through private placement offer-cum-application, which satisfies the conditions specified in Section 42 of the Companies Act, 2013 read with Rules thereunder as amended from time to time and Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, issued by the RBI (as amended and updated from time to time)
RBI Private Placement Directions	Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 dated September 1, 2016, issued by the RBI (as amended and updated from time to time)
RBI	Reserve Bank of India
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 and as amended from time to time.
Security Documents	The Debenture Trust Deed. Security documents entered into for the creation of security in favour of the Debenture Trustee for the benefit of the Debenture Holders
Series	Any series or tranche of Debentures issued under this Information Memorandum
Structured Product Guidelines	Guidelines for Issue and Listing of Structured Products/ Market Linked Debentures, 2011 and as amended from time to time.
Valuation Agency	ICRA Limited (ICRA) or CARE Ratings Limited (formerly known as Credit Analysis & Research Limited) (CARE), as defined in SUMMARY TERM SHEET
Willful Defaulter	Willful Defaulter means an issuer who is categorized as a willful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such.

FORM PAS-4

[Pursuant to Section 42 of Companies Act, 2013 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014]

Part –A
PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER

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, if any and other contact details of the Company indicating both registered office and corporate office;	26
b.	Date of incorporation of the Company;	36
c.	Business carried on by the Company and the details of branches or units, if any;	28
d.	Brief particulars of the management of the Company;	37
e.	Names, addresses, Director Identification Number (DIN) and occupation of the directors;	32
f.	Management's perception of risk factors;	15
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;	26
i.	Any Default in Annual filing of the Company under the Companies Act, 2013 or the rules made there under.	None
2.	PARTICULARS OF THE OFFER	
a.	Financial position of the Company for the last 3 financial years;	Annexure XI
b.	Date of passing of board resolution;	43
c.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	
d.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	
e.	Price at which the security is being offered including the premium, if any, along with justification of the price;	
f.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer;	Not Applicable
g.	Relevant date with reference to which the price has been arrived at;	
h.	The class or classes of persons to whom the allotment is proposed to be made;	43
i.	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Not Applicable
j.	The proposed time within which the allotment shall be completed;	43
k.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them;	Not Applicable

Sr. No.	Particulars	Page No.
l.	The change in control, if any, in the company that would occur consequent to the private placement;	None
m.	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price;	Annexure VI
n.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer;	Not Applicable
o.	Amount which the Company intends to raise by way of proposed offer of securities;	43
p.	Terms of raising of securities:	
	(a) duration; if applicable	
	(b) rate of dividend;	
	(c) rate of interest;	
	(d) mode of payment;	
q.	Proposed time schedule for which the private placement offer cum application letter is valid;	
r.	Purposes and objects of the offer;	
s.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	
t.	Principle terms of assets charged as security, if applicable;	
u.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations;	None
v.	The pre-issue and post-issue shareholding pattern of the Company;	ANNEXURE II
3.	MODE OF PAYMENT FOR SUBSCRIPTION:	
	<ul style="list-style-type: none"> • Cheque; or • Demand Draft; or • Other Banking Channels. 	
4.	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 issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed;	NIL
c.	Remuneration of directors (during the current year and last three financial years);	34
d.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided;	Annexure 5
e.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum	NIL

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	application 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;	
f.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of Company and all of its subsidiaries, and 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 private placement offer cum application 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.	NIL
5.	FINANCIAL POSITION OF THE COMPANY	
	The capital structure of the company in the following manner in a tabular form-	
(i)(a)	the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	29
(b)	size of the present offer;	As per Summary Term Sheet
(c)	Paid-up capital	Not Applicable
	(A) after the offer;	
	(B) after conversion of convertible instruments (if applicable);	
(d)	share premium account (before and after the offer);	Not Applicable
(ii)(a)	the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration;	29
	Provided that the issuer Company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case;	
(b)	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter;	Annexure XI
(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);	35
(d)	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter;	Annexure XI
(e)	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter;	Annexure XI
(f)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company;	Annexure XI

PART - B		
	Application Form	Refer to Part – B of this Information Memorandum / Private Placement Offer Cum Application Letter
6.	A DECLARATION BY THE DIRECTORS	85

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 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 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 occurs, 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.

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

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

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

(a) Model Risks

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

(b) Uncertain trading markets and liquidity risk

Investors should be prepared to hold the Debentures until maturity as Investors may not be able to liquidate or sell any or all of the Debentures as and when they require or at an amount equal to or more than the invested amount. There is currently no active or liquid secondary trading market for these

Debentures. The Company cannot assure Debenture Holders that a trading market for the Debentures will ever develop or if developed that such market will be sustained. Many factors independent of the creditworthiness of the Company affect the trading market of the Debentures. These factors include:

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

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

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

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

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

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

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

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

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

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

- (a) they may lose all or a substantial portion of their investment in case of an early redemption and/or if the Debentures are not held till maturity;
- (b) the market price of such Debentures may be very volatile;
- (c) they may receive no interest;
- (d) the relevant underlying shares or index may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other shares or indices;
- (e) if the relevant underlying shares or index is linked to Debentures with a multiplier greater than one or contains some other leverage factor, the effect of changes in such underlying shares or indices on principal or interest payable is likely to be magnified; and
- (f) the timing of changes in the relevant underlying shares or index may affect the actual yield to the Debenture Holders, even if the average level is consistent with their expectations.

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

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

(e) No Claim against reference asset

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

(f) Leverage Risk

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

(g) Interest Rate Risk of the Debentures

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

(h) Compounding of Risks

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

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

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

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

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

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

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

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

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

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

4. Market Value

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

5. Certain Hedging Considerations

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

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

6. No affiliation with issuers/publishers of underlying assets

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

Internal Risk Factors

1) Debenture Redemption Reserve (DRR)

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

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

2) 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, 2017, the Company has net NPAs of Rs. 612 Crore. In addition, the Company follows a conservative provisioning and write-off policy, which is in line with what is prescribed by the RBI.

3) Contingent Liabilities

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

4) NPAs

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

As on March 31, 2017, the Company has net NPAs of Rs. 612 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.

5) 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.

6) 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.

7) Operational and Systems Risk

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

8) 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.

9) Potential Conflicts of Interest

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

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

a) Transactions Involving the underlying

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

b) Issuing of other debentures in respect of the underlying

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

c) Market-Making for the underlying

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

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

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

e) Obtaining of Non-public Information

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

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

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

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

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

Reliance Commercial Finance Limited
Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway, Santacruz (East),
Mumbai 400 055
Phone: +91 22 3303 6000 Fax:+91 22 3303 6662
Website: www.reliancemoney.co.in

Name and address of the office of the Issuer

Reliance Commercial Finance Limited
Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway, Santacruz (East),
Mumbai 400 055

2. Name and address of Chief Financial Officer of the Issuer

Mr. Sandeep Khosla
Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway, Santacruz (East),
Mumbai 400 055
Tel.: +91 22 3303 6000
E-mail: sandeep.khosla@relianceada.com

3. Name and address of Compliance Officer of the Issuer

Ms. Ekta Thakurel
Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway, Santacruz (East),
Mumbai 400 055
Email: ekta.thakurel@relianceada.com
Contact No.: +91 22 3303 6000

4. Name and address of the Debenture Trustee of the Issue

Vistra ITCL (India) Limited
(formerly IL & FS Trust Company Limited)
The IL & FS Financial Centre, Plot C-22, G Block,
Bandra Kurla Complex, Mumbai 400 051

5. Name and Address of the Arrangers to the Issue

Not Applicable

6. Name and address of the Registrar of the Issue

Karvy Computershare Private Limited
Karvy Selenium, Tower – B, Plot no. 31 & 32,
Survey No. 116/22, 115/24, 115/25
Financial District, Nanakramguda
Hyderabad 500 032

7. Name and address of Credit Rating Agencies of the Issue

Brickwork Ratings India Private Limited
3rd Floor, Raj Alkaa Park,
29/3 & 32/2, Kalena Agrahara,
Bannerghatta Road, Bangalore 560 076

8. Name and address of the Auditors of the Issuer

Statutory Auditor
Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
252, Veer Savarkar Marg,
Shivaji Park, Dadar (West)
Mumbai 400 028

9. Internal Auditor

KPMG
1st Floor, Lodha Excelus,
Apollo Mills Compound,
N. M. Joshi Marg,
Mahalakshmi,
Mumbai 400 011

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

Reliance Commercial Finance Limited is a finance company promoted by Reliance Capital Limited (RCL), the financial services company of the Reliance Group and is a subsidiary of Reliance Capital Limited. The company has been issued a certificate of registration to function as a Non Deposit taking Non-Banking Finance Company by the Reserve Bank of India.

The company focuses and concentrates on extending financial assistance to customers mainly at competitive terms coupled with efficient delivery outlets and channels. The Company undertakes and arrange all types of business relating to financing of consumers, individuals, industry or corporates, for all kinds of vehicles, machinery, plants, two-wheelers, tractors and other farm equipment, consumer durables, equipment, renewable energy equipment / infrastructure, construction equipment, office equipment, their spares and components, including used / refurbished products. The Company is also engaged in all forms of securitization for purchase of the books debts receivables of companies and to lend or give credit against the same.

Reliance Commercial Finance Limited (RCFL) offers a wide range of products which include Small and Medium Enterprises (SME) loans, Loans Against Property (LAP), Infrastructure financing, Agriculture loans and Supply Chain financing, Micro financing, Vehicle loans and Construction finance. The focus in this business continues to be on asset backed lending and productive asset creation. The aim of RCFL is not only credit growth per se, but also the quality of credit sourced.

The company possesses the following distinctive strengths:-

- ✓ Experienced Board of Directors
- ✓ Group Potential and support
- ✓ Experience in handling retail customer business including financial products
- ✓ National Presence and reach
- ✓ Speed and efficiency for ensuring quick Turn Around Time
- ✓ Banquet of related products for ensuring customer penetration and satisfaction
- ✓ Committed long term player with customer base

The disbursements for the year ended March 31, 2018, were Rs. 10,061.30 crore. As of March 31, 2018, the Assets under Management (including securitized portfolio) was Rs. 16,475 crore. During the year, the Company securitized loans of Rs. 2,801 crore. The Net Interest Income for the year ended March 31, 2018, was at Rs. 734 crore. As on March 31, 2018, the outstanding loan book was Rs. 13,7582 crore. This loan book is spread over 51,400 customers from top 39 Indian cities. The gross non-performing assets were at Rs. 421.82 crore. RCFL achieved a profit before tax of Rs. 281.07 crore.

Reliance Commercial Finance Limited has no subsidiaries. The details of branches as on June 30, 2018 are given in Annexure I

iii. Corporate Structure
a). Details of Share Capital as on last quarter end i.e. June 30, 2018:-

Share Capital	Amount (Rs. in crore)*
Authorized Share Capital	
60,00,00,000 Equity Shares of Rs. 10 each	600.00
40,00,00,000 0% p.a. Non-Convertible Redeemable Preference Shares of Rs. 10 each	400.00
20,00,000 10% p.a. Non-Convertible Non-Cumulative Redeemable preference Shares of Re. 1 each	0.20
Total	1000.20
Issued, Subscribed and Fully Paid- up Share Capital	
13,53,25,700 Equity Shares of Rs. 10 each	135.33
40,00,00,000 0% p.a. Non-Convertible Redeemable Preference Shares of Rs. 10 each	400.00
13,79,857 10% p.a. Non-Convertible Non-Cumulative Redeemable preference Shares of Re.1 each	0.14
Total	535.47

*Figures are round off to the nearest two decimals.

b). Changes in its capital structure as on last quarter end i.e. June 30, 2018 for the last five years:-

Sr. No.	Date of change	Particulars of Issue	Authorized Capital	Paid up Capital	
			No. of Shares	No. of shares	Cumulative Total No. of shares
1	17-08-2000	Equity Shares issued upon incorporation	20,00,00,000	700	700
2	16-10-2000	Allotment of Equity Shares to Reliance Industries Limited	-	20,00,000	20,00,700
3	24-01-2008	Allotment of Equity Shares to Reliance Capital Limited	-	50,00,000	70,00,700
4	18-02-2015	Allotment of Equity Shares to Reliance Capital Limited	-	53,00,000	1,23,00,700
5	08-02-2016	Allotment of Equity Shares to Reliance Capital Limited	-	10,00,000	1,33,00,700
6	16-03-2016	Allotment of Equity Shares to Reliance Capital Limited	-	5,00,00,000	6,33,00,700

Sr. No.	Date of change	Particulars of Issue	Authorized Capital	Paid up Capital	
			No. of Shares	No. of shares	Cumulative Total No. of shares
7	09-03-2017	Increase in the Authorised Share Capital: Equity Shares 20 crore and Preference Shares 40 crore	60,00,00,000	-	6,33,00,700
8	27-03-2017	Allotment of Equity Shares to Reliance Capital Limited	-	3,00,00,000	9,33,00,700
9	27-03-2017	Allotment of Equity Shares to Reliance Capital Limited	-	2,95,25,000	12,28,25,700
10	29-03-2017	Allotment of Preference shares to Reliance Capital Limited	-	40,00,00,000	40,00,00,000
11	31-10-2017	Increase in the Authorised Share Capital: Preference Share 20 Lakh	20,00,000	-	20,00,000
12	18-12-2017	Allotment of Preference share to the shareholders of Reliance MediaWorks Limited pursuant to the scheme of Arrangement.	-	13,79,857	13,79,857
13	27-03-2018	Increase in the Authorised Share Capital: Equity Shares 40 crore	40,00,00,000	-	100,00,00,000
14	28-03-2018	Allotment of Equity Shares to Reliance Capital Limited	-	1,25,00,000	13,53,25,700

c). Equity Share Capital History of the Company as on last quarter end i.e. June 30, 2018 for the last five years:-

Date of Allotment	Particulars	No. of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Consideration (Cash other than cash, etc)	Cumulative		
						No. of equity shares	Equity Share Capital (Rs.)	Equity Share Premium (Rs. in crore)
17-08-2000	Upon Incorporation	700	10/-	10/-	Cash	700	7000	Nil
16-10-2000	Allotment to Reliance Industries Limited	20,00,000	10/-	10/-	Cash	20,00,700	2,00,07,000	Nil
24-01-2008	Allotment to Reliance Capital Limited	50,00,000	10/-	10/-	Cash	70,00,700	7,00,07,000	Nil
18-02-2015	Allotment to Reliance Capital Limited	53,00,000	10/-	10/-	Cash	1,23,00,700	12,30,07,000	Nil
08-02-2016	Allotment to Reliance Capital Limited	10,00,000	10/-	10/-	Cash	1,33,00,700	13,30,07,000	Nil
16-03-2016	Allotment to Reliance Capital Limited	5,00,00,000	10/-	10/-	Cash	6,33,00,700	63,30,07,000	Nil
27-03-2017	Allotment to Reliance Capital Limited	3,00,00,000	10/-	294/-	Cash	9,33,00,700	93,30,07,000	852.00
27-03-2017	Allotment to Reliance Capital Limited	2,95,25,000	10/-	294/-	Cash	12,28,25,700	122,82,57,000	1,690.51
28-03-2018	Allotment to Reliance Capital Limited	1,25,00,000	10/-	320/-	cash	13,53,25,700	135,32,57,000	2078.01

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

- Reliance Commercial Finance limited (formerly known as "Reliance Gilts Limited") and Reliance Capital Limited has entered into a scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956, whereby the Commercial Finance Business of Reliance Capital is transferred to Reliance Commercial Finance Limited. The Hon'ble High Court of Judicature at Bombay has sanctioned the Scheme of Amalgamation on December 9, 2016. The Scheme has become effective on March 24, 2017 on filing with the Registrar of Companies, Maharashtra, Mumbai with effect from April 1, 2016 i.e. Appointed Date.

- In the matter of Scheme of Arrangement between Reliance MediaWorks Limited (“RMW” or “The Demerged Company”) and Reliance Commercial Finance Limited (“RCFL” or “The Resulting Company”) and their respective Shareholders (“Scheme”) and pursuant to the Order passed by the Hon’ble National Company Law Tribunal (“NCLT”), Mumbai Bench, on October 18, 2017, the Lease Rental business of Reliance MediaWorks Limited has been transferred and vested into Reliance Commercial Finance Limited with effect from November 16, 2017, appointed date March 31, 2017.

e). Details of any Re-organization or Reconstruction in the last 1 year:-

The Company has not entered into any re-organization 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. June 30, 2018 :- Please refer ANNEXURE II
II	List of Top 10 holders of equity shares & Preference shares of the Company as on last quarter end i.e. June 30, 2018 :- Please refer ANNEXURE III

g). Details regarding the directors of the Company:-

Sr. No.	Name of Director /Designation/ DIN/ Occupation	Age	Address	Director of the Company since	Details of other Directorship
1.	Mr. Arvind Mayaram Independent Director DIN 00080262 Professional	62	D-18, Nizamuddin West, New Delhi 110 013	February 26, 2018	1. Access Development Services
2.	Ms.Deena Mehta Independent Director DIN 00168992 Professional	57	17-A, Abhilasha Building, August Kranti Marg, Mumbai 400 036	March 11, 2016	1. Asit C Mehta Investment Intermediates Limited 2. Asit C Mehta Financial Services Limited 3. NMIMS Business School Alumni Association 4. Asit C Mehta Comdex Services, DMCC 5. Reliance Asset Reconstruction Company Limited 6. Gandhar Oil Refinery (India) Limited 7. Reliance Home Finance Limited

3.	Ms. Lav Chaturvedi Director DIN 02859336 Service	41	403/404 Golden Rays, X Wing Shastri nagar, Andheri (West), Mumbai 400 053	December 21, 2012	1. Reliance Asset Reconstruction Company Limited
					2. Reliance Financial Limited
					3. Indian Commodity Exchange Limited
					4. Reliance General Insurance Company Limited
					5. Reliance AIF Management Company Limited
					6. RAMS Equities Portfolio Fund
					7. Best Ideas Fund SICAV-SIF
					8. IMSF (Mauritius) Limited
					9. Cohesion India Best Ideas (Master) Fund Limited
					10. RAMS Global Investment Fund (UCITS) ICA
					11. Cohesion India Best Ideas Fund (Delaware) LLC
4.	Mr. Devang Mody Executive Director & CEO DIN 07794726 Service	45	Balaji Tower, Flat No. 101, 1 st Floor, J.K Mehta Road, Santacruz (West) Mumbai 400 054	April 20, 2017	1. Billionloans Financial Services Private 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 and DIN	Age	Date of Appointment/ Resignation	Director of the Company since (in case of resignation)	Remarks
Shri Padmanabh Vora Independent Director DIN:00003192 Professional	74	March 11, 2016	-	Appointment
Smt. Deena Mehta Independent Director DIN:00168992 Professional	57	March 11, 2016	-	Appointment
Shri Soumen Ghosh Director DIN:01262099 Service	58	March 31, 2017	February 19, 2016	Resignation
Shri Mohan Ramachandran Director DIN:01072442 Service	64	February 9, 2017	April 20, 2006	Resignation
Shri Monish Sheth Director DIN: 06543757 Service	38	February 9, 2017	June 30, 2015	Resignation
Shri Devang Mody Executive Director DIN: 07794726 Service	45	April 20, 2017	-	Appointment
Shri Padmanabh Vora Independent Director DIN 00003192 Professional	74	February 26, 2018	March 11, 2016	Resignation
Shri Arvind Mayaram Independent Director DIN 00080262 Professional	62	February 26, 2018	-	Appointment

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

(Rs. in Lakhs)

Name of Directors	2017-2018	2016-2017	2015-2016
Shri Padmanabh Vora	14.00	6.00	-
Smt. Deena Mehta	9.20	6.00	-
Total	23.20	12.00	-

*No remuneration has been paid to the directors except sitting fees for attending Board and Committee meetings.

j. (i) Key Operational and Financial Parameters for the last three Audited Financial Years

(Rs. in crore)

Parameters	2017-2018	2016-2017	2015-2016
Net worth	2,617.18	2,012.55	60.52
Total Debt of which -	12,101.55	10,563.24	-
- Non Current Maturities of Long Term Borrowing	6,132.35	5,811.95	-
- Short Term Borrowing	1,682.61	1,820.52	-
- Current Maturities of Long Term Borrowing	4,286.59	2,930.77	-
Net Fixed Assets	340.38	29.38	-
Non Current Assets	8661.51	7,903.28	9.16
Cash and Bank balances	684.97	410.75	0.06
Current Investments	-	-	50.00
Current Assets	6254.66	5,311.02	1.30
Non-Current Liabilities	252.75	128.38	-
Current Liabilities	480.39	457.01	0.01
Assets Under Management	16,474.68	16,758.99	-
Off Balance Sheet Assets	418.72	4,322.92	-
Interest / Finance Income	2133.64	1,953.34	0.05
Interest Expense	1114.67	1,039.87	-
Provisioning & Write-offs	131.66	189.07	0.00
PAT	208.37	295.17	0.03
Gross NPA (%)	2.6%	3.7%	-
Net NPA (%)	2.0%	3.1%	-
Tier I Capital Adequacy Ratio (%)	15.81%	14.16%	-
Tier II Capital Adequacy Ratio (%)	3.48%	3.03%	-
Dividend (%)	5%	5%	-
Dividend (inclusive of Dividend Tax)	7.39	7.39	-
Interest Coverage Ratio (Cash profit after tax plus interest paid/interest paid)	1.22	1.30	-

Gross Debt: Equity Ratio of the Issuer:

Before the issue of the Debentures	4.78:1*
After the issue of the Debentures	4.78:1*

* As on March 31, 2018.

** Based on issuances up to March 31, 2018 and proposed issue under this Information Memorandum.

j). (ii) Project cost and means of financing, in case of funding of new projects:

Not Applicable

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

History

The Company was incorporated on August 17, 2000 with the Registrar of Companies (RoC), Mumbai, Maharashtra under the provisions of the Companies Act, 1956 as Reliance Life Insurance Limited. The Company later changed its name from Reliance Life Insurance Limited to Reliance Life Insurance Company Limited on October 12, 2000. The Company later changed its name from Reliance Life Insurance Company Limited to RLIC Limited on October 24, 2005. Further, the Company has changed its name from RLIC Limited to Reliance Gilts Limited on March 3, 2006. The Company was issued the Certificate of Registration to carry on the business of non-banking financial institution without accepting public deposits on May 21, 2009 by Reserve Bank of India having the Registration Certificate Number N-13.01933. Later, the Company has changed its name from Reliance Gilts Limited to Reliance Commercial Finance Limited on June 7, 2016. Subsequent to name change new certificate of registration from Reserve Bank of India has been received on July 27, 2016.

The registered office of the company is at Reliance Centre, 6th Floor South Wing, Off Western Express Highway, Santacruz (East), Mumbai 400 055. The Company shifted its registered office to its current address w.e.f. February 9, 2017. Previous to the February 9, 2017 the registered office of the company is at Reliance Centre, 19, Walchand Hirachand Marg, Mumbai 400 001.

The authorised share capital of the Company was modified from time to time by passing requisite resolutions at the meeting of the members. The details of the authorised share capital at the time of incorporation at its subsequent modifications are provided as under, as on last quarter ended i.e. June 30, 2018:

(Amount in Rs.)

Date of Modification	Equity Share Capital	Preference Share Capital	Total Authorised Capital
Upon incorporation	200,00,00,000	-	200,00,00,000
March 10, 2017	200,00,00,000	400,00,00,000	600,00,00,000
October 31, 2017	-	20,00,000	600,20,00,000
March 27, 2018	400,00,00,000	-	1000,20,00,000

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

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

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

Reliance Commercial Finance Limited (formerly known as “Reliance Gilts Limited”) and Reliance Capital Limited has entered into a scheme of Amalgamation under Section 391 to 394 of the Companies Act, 1956, whereby the Commercial Finance Business of the Reliance Capital is transferred to Reliance Commercial Finance Limited. The Hon’ble High Court of Judicature at Bombay has sanctioned the scheme of Demerger on December 09, 2016. The Scheme has become effective on March 24, 2017 on filing with the Registrar of Companies, Maharashtra, Mumbai with effect from April 1, 2016 i.e. Appointed Date.

In the matter of Scheme of Arrangement between Reliance MediaWorks Limited (“RMW” or “The Demerged Company”) and Reliance Commercial Finance Limited (“RCFL” or “The Resulting Company”) and their respective Shareholders (“Scheme”) and Pursuant to the Order passed by the Hon'ble National Company Law Tribunal (“NCLT”), Mumbai Bench, on October 18, 2017, the Lease Rental business of Reliance MediaWorks Limited has been transferred and vested into Reliance Commercial Finance Limited with effect from November 16, 2017, appointed date March 31, 2017.

I. Brief particulars of the management of the Company

Board of Directors Profile

Mr. Arvind Mayaram, 62 years, Independent Director and a Member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholder Relationship Committee. He was first appointed as a Director of our Company on February 26, 2018. Shri Arvind Mayaram is a former bureaucrat and has held various key positions within the Government of India including as Secretary at Ministry of Minority Affairs, Finance Secretary & Secretary at Department of Economic Affairs Ministry of Finance. Previously, he has also held positions such as Special Secretary & Financial Advisor at Ministry of Rural Development and Joint Secretary (Infrastructure & Asian Development Bank) at Department of Economic Affairs, Ministry of Finance, Government of India.

Ms. Deena Mehta, 57 years, Independent Director and member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders Relationships Committee. She was first appointed as a Director on March 11, 2016. She is an associate member of Institute of Chartered Accountants of India (ICAI) and fellow member of Securities & Investment Institute of London. She has completed Post Graduation in Management Studies with specialization in Finance from NMIMS and Post Graduate diploma course in Securities Law from Government Law College. She is presently Managing Director of Asit C. Mehta Investment Intermediates Limited. She has more than 20 years of experience in securities market.

Mr. Lav Chaturvedi, 42 years, Non-Executive Director and member of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. He is an MBA from Syracuse University, New York. He is also a Chartered Financial Analyst from the CFA Institute, USA. He is a steering committee member of PRMIA's Mumbai Chapter. He is currently the Chief Risk Officer for Reliance Capital Limited. He has worked with Ips-Sendero, subsidiary of Fiserv (a Fortune 500 company), in Scottsdale, Arizona, USA at the senior management level, providing strategic and tactical consulting on balance sheet management to clients and assisting in the resolution of advanced analytical and policy issues. He has rich in-depth exposure to the entire spectrum of commercial as well as financial functions in corporate finance, banking and consulting industries at the domestic as well as international level.

Mr. Devang Mody, 45 years, Executive Director (ED) & Chief Executive Officer (CEO), he has a rich experience of over 20 years in the financial sector. He joins the Company from Bajaj Finance, where he served as President of Consumer Business, managing a group of B2B and B2C lending businesses. The consumer finance business of Bajaj Finance, under his leadership, witnessed a sharp growth to its current size spanning over 300 towns, with market leadership positions across various business lines. A Chartered Accountant by qualification, he started his career with Mahajan & Aibara, and then moved on to work with EY, followed by GE Money Financial Services where he was VP – Strategic Initiatives, before moving to Bajaj Finance.

Key Management Personnel

Mr. Sandeep Khosla, 38 years, Chief Financial Officer, is a member of the Institute of Chartered Accountants of India. He has around fifteen years of experience in financial sectors and has been part of senior management at Bajaj Finance, Tata Capital and ICICI Bank Limited before joining the Reliance Group.

Ms. Ekta Thakurel, Company Secretary & Compliance officer, an associate member of the Institute of Company Secretaries of India. She has over nine years of experience in the financial sector and has worked with Kotak, HDFC and other notable groups in the field of company law, corporate governance, RBI and IRDA compliances.

m. Details regarding the auditors of the Issuer

1. Details of the statutory auditor of the Company:-

Name	Address	Auditor Since
Price Waterhouse & Co Chartered Accountants LLP	252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai 400 028	From July 1, 2017

2. Details of change in auditor since last 3 years

Name	Address	Date of Appointment / Resignation	Auditors of the Company since (in case of resignation)	Remarks
Chaturvedi & Shah	714-715, Tulsiani Chambers, 212, Nariman Point, Mumbai 400 020	July 1, 2017	April 1, 2007	Retires pursuant to the provisions of Section 139 of the Act along with the Rules made thereunder
Price Waterhouse & Co Chartered Accountants LLP	252, Veer Savarkar Marg, Shivaji Park, Dadar (West) Mumbai 400 028	From July 1, 2017 to present	-	-

n. Details of borrowings of the Issuer, as on the latest quarter end i.e. June 30, 2018

1. Details of Secured Loan Facilities

Please refer Annexure IV

2. Details of Unsecured Loan Facilities

Please refer Annexure V

3. Details of Non-Convertible Debentures (NCDs)

Please refer Annexure VI

4. Details of Rest of the borrowing (if any including hybrid debt like FCCB, optionally Convertible Debentures / Preference Shares)

NIL

5. List of Top 10 Debenture Holders

Please refer Annexure VII

6. 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 VIII

7. Details of Commercial Paper

Please refer Annexure IX

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

No default or delay in payment of interest and principal amount on term loans, cash credit facilities and other financial indebtedness including corporate guarantee issued by the issuer.

o. Details of Promoters of the Issuer:- Details of Promoter Holding in the Issuer as on latest quarter end i.e. June 30, 2018

Please refer Annexure X

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

Please refer Annexure XI- XI-A, XI-B, XI-C.

q. Abridged version Latest Audited / Limited Review Half yearly Financial Information (like Profit & Loss statement and Balance Sheet) and auditor's qualifications, if any.

NIL

r. Details of debt securities issued and sought to be listed including face value, nature of securities mode of issue i.e. Private Placement (Summary Term Sheet / Terms of Raising of Securities):

The Company proposes to issue and list NCDs of Face Value of Rs. 10,00,000/- (Rupees Ten Lakh Only) each, and these would be issued in dematerialized form. The Issue is on private placement basis. The detailed features of the NCDs are given in the SUMMARY TERM SHEET.

s. Illustration of Bond Cash Flows (to be disclosed in Information Memorandum as per SEBI circular CIR/IMD/DF/18/2013 dated October 29, 2013 and CIR/IMD/DF-1/122/2016):

For details please refer Summary Term Sheet

t. Issue Size

The Issue of Debentures is **Rs. 5,00,00,000/- (Rupees Five Crore Only)** with an option to retain oversubscription aggregating to Rs. 5,00,00,000 (Rupees Five Crore Only) (For details please refer Summary Term Sheet)

u. Minimum Subscription Size

The minimum subscription size for this Issue is Rs. 30 Lakhs and in multiples of Rs. 10 Lakh thereafter.

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 the Reserve Bank of India under Section 45 IA of the RBI Act 1934.
3.	Certified copy of the Resolution under Section 180(1)(c) of the Companies Act, 2013 passed by the Members of the Company on September 8, 2018 -(Annexure 3)
4.	Certified copy of the Resolution under Section 179 (3)(d) of the Companies Act, 2013 passed by the Board of Directors of the Company on April 23, 2018 - (Annexure 3)
5.	Certified copy of the resolution under Section 42 of the Companies Act, 2013 passed by the Members of the Company on September 8, 2018 – (Annexure 4)
6.	Certified copy of the resolution under Section 42 of the Companies Act, 2013 passed by the Board of Directors of the on April 23, 2018 – (Annexure 4)
7.	Financial Statements of financial year 2017-18, 2016-17, and 2015-2016.(Annexure 5)
8.	Copy of credit rating letter of Brickwork Ratings India Limited – (Annexure 1)
9.	Copy of consent letter of Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) to act as debenture trustee for the proposed issue – (Annexure 2)
10.	Copy of consent letter of Karvy Computershare Private Limited to act as Registrar & Transfer Agent for the proposed issue.
11.	Copy of the Debenture Trust Deed to secure debentures under this Information Memorandum.
12.	Copy (ies) of the Agreement(s) with Depository (ies).

- 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 is no material event/development having an implication on the financial/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.

- 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 Debentures shall be redeemed at such price and in the manner as mentioned in Summary Term Sheet.

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

Please refer 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 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. 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 will be Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited). The Company has obtained consent from Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) to act in relation to the proposed issuances. The copy of the consent letter from the Debenture Trustee has been annexed at Annexure 2.

- af. 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.**

Brickwork Ratings India Private Limited having its corporate office at 3rd Floor, Raj Alkaa Park, 29/3 & 32/2, Kalena Agrahara, Bannerghatta Road, Bengaluru 560 076 has assigned BWR AA+ (BWR Double A Plus) (Outlook:Stable) rating to these debentures.

Please refer Credit Rating Letter from Brickwork Ratings India Private Limited, attached as Annexure 1 for rating rationale can be accessed on the website of the rating agency

- ag. 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 designated stock exchange i.e. BSE Limited.

- ah. 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

- ai. Security creation**

The Security has been created vide Debenture Trust Deed 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.

- aj. 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 the Summary Term Sheet) will be payable by the Company for the defaulting period

ak. 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 – SUMMARY TERM SHEET		
Sr. No.	Particulars	Details
1.	Security Name	Reliance Commercial Finance Limited Market Linked Debentures Series RCF/02 – Tranche 4 (“Debentures”)
2.	Issuer / Company	Reliance Commercial Finance Limited
3.	Type of Instrument / Kind of Security	Rated, Listed, Secured, Redeemable Non-Convertible, Principal Protected Market Linked Debentures
4.	Series Number	RCFL MLD Series RCF/02 – Tranche 4
5.	ISIN No.	INE126D07156
6.	Board Resolution dated	April 23, 2018
7.	Shareholders Resolution Dated	September 8, 2018
8.	Nature of instrument	Secured
9.	Seniority	Senior The Debentures Holders shall have a pari - passu first charge over the Security created among the Trustee and the other lenders
10.	Mode of Issue	Private Placement
11.	Eligible Investor(s)	As mentioned in “Eligible Investors” on page 70 of the Information Memorandum
12.	Listing	The Issuer proposes to submit the listing document relating to the Debentures issued under this Information Memorandum to BSE Limited (“BSE”) within 15 (fifteen) days of the Date of Allotment
13.	Rating of the Instrument	BWR PP-MLD AA+ (Pronounced BWR Double A Plus) (outlook: Stable) by Brickwork Ratings India Private Limited
14.	Principal Amount / Face Value per Debenture	Rs. 10,00,000/- (Rupees Ten Lakh Only)
15.	Minimum Application and in multiples of thereafter	Minimum application shall be for 3 (Three) Debenture(s) and in multiples of 1 (One) thereafter.
16.	Issue size / Amount which the Company intends to raise	Rs. 5,00,00,000/- (Rupees Five Crore Only) (i.e. 50 Debentures)
17.	Option to retain oversubscription (amount)	Rs. 5,00,00,000 (Rupees Five Crore Only)
18.	Utilisation of Issue Proceeds / Objects of the Issue	The Debentures have been issued to raise resources to meet the ongoing funding requirements for the Company’s business activities, for general corporate purposes and refinancing of the existing debt obligations of the Company
19.	Details of utilisation of the Proceeds	The Issue Proceeds shall be utilized in accordance with the “Utilisation of Issue Proceeds / Objects of the Issue” provision above
20.	Interest on Application Money	Not Applicable
21.	Default Interest Rate	Please refer to the “Default in payment” section page 41 of the Information Memorandum
22.	Call Option (Redemption at the Option of the Company)	Not Applicable

23.	Put Option (Redemption at the Option of Debenture holders)	Not Applicable but see point 46 below
24.	Issue Timing / Proposed Time Schedule 1. Issue Open Date 2. Issue Close Date 3. Pay in Date 4. Deemed Date of Allotment	<p>October 04, 2018</p> <p>October 05, 2018</p> <p>Between the Issue Open Date and Issue Close Date (both inclusive)</p> <p>October 05, 2018</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>
25.	Issuance mode of the Instrument	These debentures would be issued only in Dematerialized form (Demat) through authorized DP
26.	Trading mode of the Instrument	Demat mode only.
27.	Settlement mode of the Instrument	RTGS / NEFT / Fund Transfer to the bank details as per Depository records
28.	Depository(ies)	NSDL and CDSL
29.	Business Day Convention	Please refer to the “Effect of Holidays” section on page 75 of the Information Memorandum
30.	Record Date	15 days prior to each Coupon Payment / Final Redemption Date / Contingent Early Redemption Date (if applicable) / Call Option Date (if applicable) / Put Option Date (if applicable).
31.	Security	<p>(i) a first charge & mortgage over the Company’s Gujarat Immovable Property (for details refer Annexure IV-A hereto);</p> <p>(ii) a first pari-passu charge on all present and future book debts, business receivables, current assets, investments and all other assets of the Company (for details refer Annexure IV-A hereto)</p>
32.	Security Cover	The Company shall maintain a minimum asset cover of 100% at all times.
33.	Contribution being made by the Promoters or directors either as part of the offer or separately in furtherance of such objects	Nil

34.	Transaction Documents	<ol style="list-style-type: none"> 1. Debenture Trustee Agreement 2. Debenture Trust Deed; 3. Information Memorandum; 4. Rating letter from Brickwork; 5. Consent letter of Karvy Computershare Private Limited to act as Registrar & Transfer Agent for the proposed issue; 6. Tripartite agreement(s) between the Company, NSDL/ CDSL and the Registrar and Transfer Agent; and 7. Uniform Listing Agreement with BSE Limited. 	
35.	Conditions Precedent to Disbursement	Not applicable	
36.	Condition Subsequent to Disbursement	Not applicable	
37.	Events of Default	Please refer to the "Main events of default and remedies under the Debenture Trust Deed" section on page 83 of the Information Memorandum	
38.	Provisions related to Cross Default Clause	Not Applicable	
39.	Role and Responsibilities of Debenture Trustee	Please refer to the "Main events of default and remedies under the Debenture Trust Deed" section on page 83 of the Information Memorandum	
40.	Governing Law and Jurisdiction	Please refer to the "Governing Law and Jurisdiction" section on page 83 of the Information Memorandum	
41.	Payment Details Payment Mode: the payment can be made through Cheque / DD / Other banking channels	Settlement Bank :	HDFC BANK LIMITED
		Branch :	FORT, MUMBAI
		Account Number :	57500000063575
		Account Name:	RELIANCE COMMERCIAL FINANCE LIMITED MLD A/C
		RTGS / IFSC Code:	HDFC0000060
42.	Registrar and Transfer Agent	Karvy Computershare Private Limited	
43.	Trustees	Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited)	
44.	Placement Fee	<p>For each of the Debenture applied for, a placement Fee of up to 3.00% of the Issue Price may be payable to the distributor (if any) by the Investor over and above the Issue Price.</p> <p>Note: For each of the Debenture applied for, the Issuer shall collect the Placement Fee, in addition to the Issue Price of the Debenture, from the Investor and credit such Placement Fee to the account of the distributor (if any). For the avoidance of doubt such Placement Fee is not and should not be construed as payment of commission as mentioned under section 40 of the Companies Act, 2013 and the rules made there under.</p>	

<p>45.</p>	<p>Early Redemption for Extraordinary Reason, Illegality and <i>Force Majeure</i></p>	<p>If, for reasons beyond the control of the Company, the performance of the Company's obligations under the Debentures is prevented by reason of force majeure including but not limited to an act of state or situations beyond the reasonable control of the Company, occurring after such obligation is entered into, or has become illegal or impossible in whole or in part or in the exercising of its rights, the Company may at its discretion and without obligation to do so, redeem and/or arrange for the purchase of all but not some of the Debentures, by giving notice of not less than 5 (five) Business Days to the Debenture Holders which notice shall be irrevocable and shall specify the date upon which the Debentures shall be redeemed (such date on which the Debentures become immediately due and payable, the "Early Redemption Date").</p> <p>Provided however that if the Company believes or is advised that it is necessary to only redeem and/or arrange for the purchase of the Debentures held by only certain class of Debenture Holders to overcome or mitigate any such force majeure, then the Company may without obligation to do so, redeem and/or arrange for the purchase of only such number of the Debentures actually held by such class of Debenture Holders at the relevant time.</p> <p>If the Debentures are bought by the Company, the Company will, if and to the extent permitted by applicable law, pay to each Debenture Holder in respect of each of the Debentures held by such Debenture Holder an amount equal to the Early Redemption Amount of a Debenture notwithstanding the illegality or impracticability, as determined by the Company in its sole and absolute discretion.</p>
<p>46.</p>	<p>Premature Exit</p>	<p>At the request of an Investor, the Company shall at its discretion and without being obliged to do so, arrange for the buyback ("Premature Exit") of such number of Debentures as the Investor shall request.</p> <p>Such Premature Exit shall occur at a price which shall take into consideration the market value of the Debentures, all costs incurred by the Company as a result of the Investor's request to early terminate the relevant number of Debentures (including costs of unwinding any hedge).</p> <p>Provided that, the price computed above may be further reduced by such amount not exceeding 10.00% of the face value of the Debentures, to be determined by the Company at its sole discretion.</p> <p>A request for Premature Exit by an Investor shall not be considered if made within 03 (three) months from the Deemed Date of Allotment.</p>

PROVISIONS RELATING TO COUPON (IF ANY) AND REDEMPTION AMOUNT PAYABLE

1.	Issue Price per Debenture/ Price of the Debenture & Justification	101.67% of Principal Amount (Face Value) (The security is being issued at a premium, with the Coupon Amount / Rate and Coupon Payment Frequency as mentioned below which is in accordance with the prevailing market conditions at the time of issue)								
2.	Discount at which security is issued and the effective yield as a result of such discount	The security is being issued at 101.67% of the Principal Amount. Please refer to "Coupon Amount/Rate" below								
3.	Initial Valuation Date	July 30, 2018								
4.	Final Valuation Date	The Nifty 50 Index futures expiry date in the month of September 2019 (i.e. September 26, 2019, provided that, if such date is not a scheduled Nifty 50 Index futures expiry date, then the Nifty 50 Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the Final Valuation Date)								
5.	Final Redemption Date / Final Maturity Date	December 02, 2019								
6.	Tenor	423 (Four Hundred and Twenty Three) days from the Deemed Date of Allotment								
7.	Redemption Amount	On the Redemption Date / Final Maturity Date, each Debenture holder will receive per Debenture held an amount equal to 100% of Principal Amount + Coupon Amount								
8.	Redemption Premium / Discount	Not applicable								
9.	Coupon Type / Basis (a) Reference Index (b) Index Sponsor	Reference Index Linked Nifty 50 index India Index Services & Products Limited (IISL)								
10.	Change of Coupon Basis/Step Up/Step Down Coupon Rate	Not Applicable								
11.	Coupon Payment Dates/ Frequency	Final Redemption Date / Final Maturity Date Only								
12.	Observation Dates	<p>The Initial Observation Date and each Subsequent Observation Date, as under:</p> <p>Initial Observation Date: The Initial Valuation Date (i.e. July 30, 2018)</p> <p>Subsequent Observation Dates: The Nifty 50 Index futures expiry dates in the months of July 2019, August 2019 and September 2019, which are expected to be as below*:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>S. No. (i)</th> <th>Subsequent Observation Date(i)</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>July 25, 2019</td> </tr> <tr> <td>2</td> <td>August 29, 2019</td> </tr> <tr> <td>3</td> <td>September 26, 2019</td> </tr> </tbody> </table> <p>* Provided that, if any such date is not a scheduled Reference Index futures expiry date, then the Reference Index futures expiry date as notified by the National Stock Exchange for that month will be considered as the observation date .</p>	S. No. (i)	Subsequent Observation Date(i)	1	July 25, 2019	2	August 29, 2019	3	September 26, 2019
S. No. (i)	Subsequent Observation Date(i)									
1	July 25, 2019									
2	August 29, 2019									
3	September 26, 2019									

13.	Coupon Amount / Rate	<p>A) If Final Level >= 30% of Initial Level (i.e. 0.30 * Initial Level), Principal Amount * Rebate</p> <p style="text-align: center;">Or</p> <p>B) If Final Level < 30% of Initial Level (i.e. 0.30 * Initial Level), Nil</p> <p>Where,</p> <p>“Rebate” = 12.95%</p> <p>“Final Level” = $\left(\frac{1}{3}\right) \times \sum_{i=1}^3 Level(i)$</p> <p>“Level(i)” = Official Closing Level of the Reference Index on the Subsequent Observation Date(i)</p> <p>“Initial Level” = Official Closing Level of the Reference Index on the Initial Observation Date</p>
14.	Valuation Agency	<p>The Valuation Agency ICRA Limited shall be appointed by the Issuer and communicated to each Investor in the Allotment Advice.</p> <p>ICRA Limited: The Valuation Agency will publish a valuation on its website at least once every calendar week. The valuation shall be available on the website of the Valuation Agency at https://www.icra.in/MldValuation/ViewMld.</p> <p>The Issuer will also make available, as soon as practicable, the valuation provided by the Valuation Agency on its website at https://www.reliancemoney.co.in/</p> <p>The cost of valuation shall be in the range of 0.03% p.a. to 0.10% p.a. of issue size and shall be borne by the Issuer.</p> <p>The latest and historical valuations for the the Debentures will be published on the website of the Issuer at https://www.reliancemoney.co.in/ and the website of the Valuation Agency at https://www.icra.in/MldValuation/ViewMld.</p> <p>Upon request by any Debenture Holder for the valuation of the Debentures, the Issuer shall provide them with the latest valuation.</p>

Disclosure of Cash Flows as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013 and CIR/IMD/DF-1/122/2016

Company	Reliance Commercial Finance Limited
Principal Amount / Face Value per Debenture	Rs.10,00,000/- (Rupees Ten Lakh only)
Issue Date	October 04, 2018
Date of Allotment	October 05, 2018
Date of Redemption	December 02, 2019
Coupon Rate	Market Linked
Frequency of the Interest Payment with specified dates	On the Final Maturity Date/Final Redemption Date only
Day Count Convention	Not Applicable

Cash Flows	Date (of actual payment)	No. of Days in Coupon Period	Amount in Rupees
Coupon	December 02, 2019	423	Market Linked
Principal Redemption	December 02, 2019	423	Rs. 10,00,000
Total			Rs. 10,00,000 + Market Linked Coupon

Note: 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 and CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Scenario Analysis

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

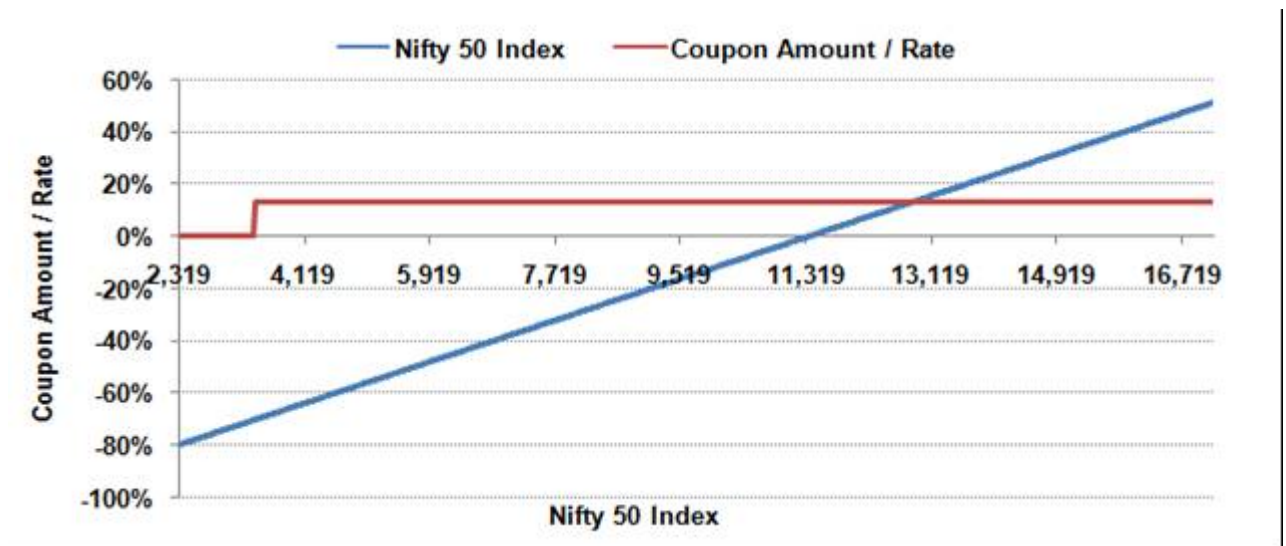
A. Tabular Representation

Scenarios	Initial Level	Final Level	Performance of Reference Index	Coupon Amount / Rate	Initial Investment Amount*	Redemption Amount	Return on Debenture (Annualized)^
					(in INR)	(in INR)	
Rising Market Conditions	11,319.55	14,149.44	25.00%	12.95%	10,167,000	11,295,000	9.50%
	11,319.55	13,017.48	15.00%	12.95%	10,167,000	11,295,000	9.50%
	11,319.55	12,451.51	10.00%	12.95%	10,167,000	11,295,000	9.50%
	11,319.55	12,225.11	8.00%	12.95%	10,167,000	11,295,000	9.50%
Stable Market Conditions	11,319.55	11,885.53	5.00%	12.95%	10,167,000	11,295,000	9.50%
	11,319.55	11,659.14	3.00%	12.95%	10,167,000	11,295,000	9.50%
	11,319.55	11,432.75	1.00%	12.95%	10,167,000	11,295,000	9.50%
Falling Market Conditions	11,319.55	10,753.57	-5.00%	12.95%	10,167,000	11,295,000	9.50%
	11,319.55	7,923.69	-30.00%	12.95%	10,167,000	11,295,000	9.50%
	11,319.55	2,829.89	-75.00%	0.00%	10,167,000	10,000,000	NA

*The security is being issued at 101.67% of the Principal Amount

^The Return on Debenture (Annualized) is calculated on the Issue Price of the Debenture

B. Graphical Representation



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

DISCLOSURES AND INFORMATION RELATING TO THE REFERENCE UNDERLYING(S)**TERMS AND CONDITIONS RELATING TO THE REFERENCE INDEX (ICES)****Applicable for the Type of Debentures as specified in the Summary Term Sheet which are “Reference Index Linked”**

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

1. NIFTY 50 INDEX

The Nifty 50 is a well diversified 50 stock index accounting for 12 sectors of the economy. It is used for a variety of purposes such as benchmarking fund portfolios, index based derivatives and index funds.

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

- The Nifty 50 Index represents about 62.90% of the free float market capitalization of the stocks listed on NSE as on March 31, 2017.
- The total traded value of Nifty 50 index constituents for the last six months ending March 2017 is approximately 43.8% of the total traded value of all stocks on the NSE.
- Impact cost of the Nifty 50 for a portfolio size of Rs.50 lakhs is 0.02% for the month March 2017.
- Nifty 50 is ideal for derivatives trading.

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

Historical Performance:

Source: www.nseindia.com

Disclaimer by the Sponsor

The Debentures are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL"). IISL does not make any representation or warranty, express or implied, to the owners of the Debentures or any member of the public regarding the advisability of investing in securities generally or in the Debentures particularly or the ability of the Nifty 50 Index to track general stock market performance in India. The relationship of IISL to the Issuer is only in respect of the licensing of the Indices and certain trademarks and trade names associated with such Indices which is determined, composed and calculated by IISL without regard to the Issuer or the Debentures. IISL does not have any obligation to take the needs of the Issuer or the owners of the Debentures into consideration in determining, composing or calculating the Nifty 50 Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Debentures to be issued or in the determination or calculation of the equation by which the Debentures is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Debentures.

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

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

2. NIFTY BANK INDEX

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

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

Market Representation

- The Nifty Bank Index represent about 17% of the free float market capitalization of the stocks listed on NSE and 93% of the free float market capitalization of the stocks forming part of the Banking sector universe as on March 31, 2017.
- The total traded value for the last six months ending March 2017 of all the Index constituents is approximately 13% of the traded value of all stocks on the NSE and 85% of the traded value of the stocks forming part of the Banking sector universe.

Selection Criteria of the index set is based on the following criteria:

- Companies ranked within top 800 based on both average daily turnover and average daily full market capitalisation based on previous six months period data are considered eligible
- The constituents should be available for trading in the derivatives segment (Stock Futures & Options market) on NSE.
- Company's trading frequency should be at least 90% in the last six months.
- A company which comes out with a IPO will be eligible for inclusion in the index, if it fulfils the normal eligibility criteria for the index for a 3 month period instead of a 6 month period.



Historical Performance:

Source: www.nseindia.com

Disclaimer by the Sponsor

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

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

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

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

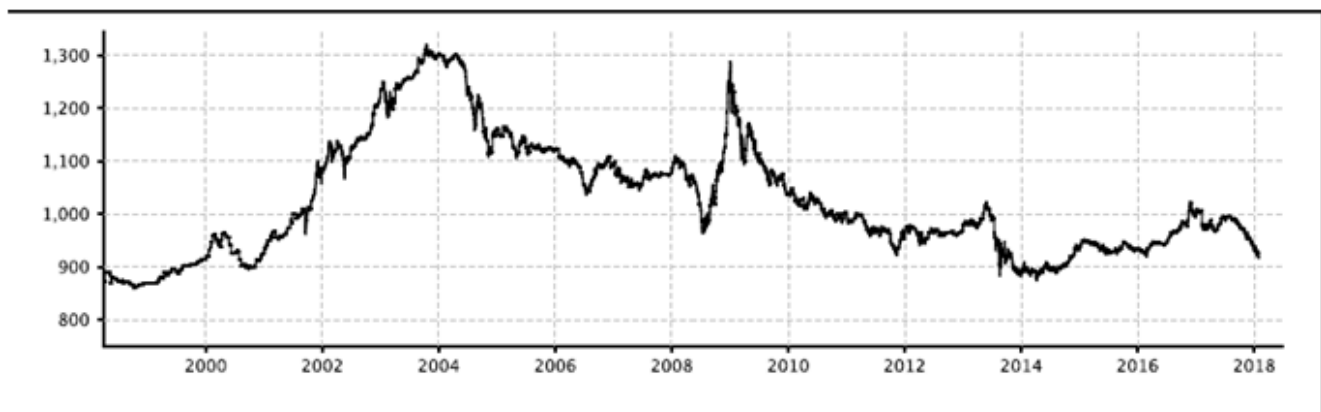
The Nifty 10 yr Benchmark G-Sec (Clean Price) Index is constructed using the clean price of 10 year bond issued by the Central Government, India. This index will provide a measure of price movement of a 10 year benchmark bond on the basis of clean price only. Accrued Interest and coupon payments are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

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

Methodology:

- Index represents 10 year Government of India Bond identified as "Benchmark" security by FIMMDA
- The Index will only consider the clean price of the 10 year on the run for index calculations
- The index is computed using the price returns methodology

Historical Performance:



Source: www.nseindia.com

Disclaimer by the Sponsor

The Debentures are not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL"). IISL does not make any representation or warranty, express or implied, to the owners of the Debentures or any member of the public regarding the advisability of investing in securities generally or in the Debentures particularly or the ability of the Nifty 10 yr Benchmark G-Sec (Clean Price) Index to track general stock market performance in India. The relationship of IISL to the Issuer is only in respect of the licensing of the Indices and certain trademarks and trade names associated with such Indices which is determined, composed and calculated by IISL without regard to the Issuer or the Debentures. IISL does not have any obligation to take the needs of the Issuer or the owners of the Debentures into consideration in determining, composing or calculating the Nifty 10 yr Benchmark G-Sec (Clean Price) Index. IISL is not responsible for or has participated in the determination of the timing of, prices at, or quantities of the Debentures to be issued or in the determination or calculation of the equation by which the Debentures is to be converted into cash. IISL has no obligation or liability in connection with the administration, marketing or trading of the Debentures.

IISL do not guarantee the accuracy and/or the completeness of the Nifty 10 yr Benchmark G-Sec (Clean Price) Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL does not make any warranty, express or implied, as to results to be obtained by the Issuer, owners of the Debentures, or any other person or entity from the use of the Nifty 10 yr Benchmark G-Sec (Clean Price) Index or any data included therein. IISL makes no express or implied warranties, and expressly disclaim all

warranties of merchantability or fitness for a particular purpose or use with respect to the index or any data included therein. Without limiting any of the foregoing, IISL expressly disclaim any and all liability for any claims, damages or losses arising out of or related to the Products, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

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

1. DEFINITIONS

- 1.1 “Additional Disruption Event”** means, in respect of the Reference Index, any of either of Change in Law, Hedging Disruption or Increased Cost of Hedging.
- 1.2 “Change in Law”** means that, on or after the Deemed Date of Allotment (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or (b) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Company determines in its sole and absolute discretion that (i) it has become illegal for it or any of its affiliates or agents acting on its behalf to hold, acquire or dispose of any Component Asset, or (ii) the Company will incur a materially increased cost in performing its obligations in relation to the Debentures (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Company and/or any of its affiliates or agents acting on its behalf)
- 1.3 “Component Asset”** means,
a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, any security comprised within the Reference Index from time to time.
- 1.4 “Disrupted Day”** means, any Scheduled Trading Day on which a relevant Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.
- 1.5 “Early Closure”** means, the closure on an Exchange Business Day of the Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Valuation Time on such Exchange Business Day.
- 1.6 “Exchange”** means,
a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, the NSE Limited, any successor to such exchange or any substitute exchange or quotation system to which trading in such shares underlying such Reference Index has temporarily relocated (provided that the Issuer has determined that there is comparable liquidity relative to such shares underlying such Reference Index on such temporary substitute exchange or quotation system as on the original Exchange).
- 1.7 “Exchange Business Day”** means, any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding such Exchange closing prior to its Scheduled Closing Time.

- 1.8 “Exchange Disruption”** means, any event (other than an Early Closure) that (i) disrupts or impairs (as determined by the Company) the ability of market participants in general to obtain market values for, the Reference Index on the Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Reference Index on any relevant Exchange.
- 1.9 “Hedging Disruption”** means that if at any time the Issuer is unable to obtain a “value of Reference Index based on an actual executed price of the constituent of such index”, whether by virtue of its inability to unwind any relevant hedge position, prevailing market conditions or such other events and/or circumstances which are beyond the control of the Issuer, then the Company shall reasonably determine the “value of Reference Index” to be applied in such circumstances; or redeem the Debentures in full (but not in part only) at their fair market value minus associated costs by giving notice to Debentures Holders.
- 1.10 “Increased Cost of Hedging”** means that the Company and/or any of its affiliates or agents acting on its behalf would incur a materially increased (as compared with circumstances existing on the Initial Valuation Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the equity or other price risk of the Company issuing and performing its obligations with respect to the Debentures, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s); provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Company and/or any of its affiliates or agents acting on its behalf shall not be deemed an Increased Cost of Hedging.
- 1.11 “Market Disruption Event”** means, in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Company determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purpose of determining whether a Market Disruption Event exists in relation to the Reference Index at any time, if a Market Disruption Event occurs in respect of a security included in the Reference Index at any time, then the relevant percentage contribution of that security to the level of the Reference Index shall be based on a comparison of (a) the portion of the level of the Reference Index attributable to that security and (b) the overall level of the Reference Index, in each case immediately before the occurrence of such Market Disruption Event. The Company shall, as soon as reasonably practicable, notify the Debenture holder of the existence or occurrence of a Disrupted Day on any day that but for the occurrence or existence of a Disrupted Day would have been a Observation Date;
- 1.12 “Observation Date”** shall mean each Date as specified in the Summary Term Sheet above, provided that if such day is not a Scheduled Trading Day then, as per Modified Following Business Day Convention or if the day which would otherwise be the Observation Date, is a Disrupted Day, then the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Observation Date is a Disrupted Day. In that case (a) that the eighth Scheduled Trading Day shall be deemed to be the relevant Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (b) the Company shall determine the level of the Reference Index as of the Observation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Reference Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Observation Time on that eighth Scheduled Trading Day of each security comprising the Reference Index (or, if an event giving rise to a Disrupted Day

has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); provided always that the final Observation Date will not be later than the eighth Business Day after the Final Valuation Date and if the eighth Scheduled Trading Day would be later than the eighth Business Day after the Final Valuation Date, references to the eighth Scheduled Trading Day shall be deemed to be the eighth Business Day after the Final Valuation Date.

- 1.13 “Observation Time”** means any time within normal business hours;
- 1.14 “Official Closing Level”** means (subject to what is provided below in reference to Adjustments to the Reference Index), the official closing level of the Reference Index of a given day as published by the National Stock Exchange;
- 1.15 “Scheduled Closing Time”** means,
- a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, in respect of the Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours;
- 1.16 “Scheduled Trading Day”** means any weekday on which the Exchange is scheduled to be open for trading for their respective regular trading sessions (other than special trading sessions);
- 1.17 “Sponsor”** means,
- a) in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, IISL
- 1.18 “Trading Disruption”** means, in respect of Type of Debentures where the Reference Index is the Nifty 50 Index, any suspension of or limitation imposed on trading by the relevant Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or otherwise (i) on the Exchange relating to the relevant share that comprise 20.00% or more level of the Reference Index or (ii) in futures or options contracts relating to the Reference Index on any relevant Exchange;
- 1.19 “Valuation Time”** means the Scheduled Closing Time on the Exchange. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

2. ADJUSTMENTS TO THE REFERENCE INDEX

If the Reference Index:

- (a) is not calculated and published by the Sponsor but is calculated and published by a successor to the Sponsor acceptable to the Company;

OR

- (b) is replaced by a successor index using, in the determination of the Sponsor, the same or a substantially similar formula for and method of calculating the Reference Index, then in each case that index (the **Successor Reference Index**) will be deemed to be the Reference Index.

If:

- (a) on or prior to any Observation Date or any other relevant date, the Sponsor announces that it will make a material change in the formula for or the method of calculating the Reference Index or in any

other way materially modifies the Reference Index (other than a modification prescribed in that formula or method to maintain the Reference Index in the event of changes in constituent stock and capitalisation and other routine events) (a “**Reference Index Modification**”);

OR

- (b) on a Observation Date, the Sponsor fails to calculate and announce the Reference Index (a “**Reference Index Disruption**”) and, together with a Reference Index Modification and a Reference Index Cancellation each a “**Reference Index Adjustment Index**”),
- (c) The license agreement between the Sponsor and Calculation Agent is terminated and
- (d) The license agreement between the Calculation Agent and Issuer is terminated

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

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

If, on or prior to any Observation Date, the Sponsor permanently cancels the Reference Index and no Successor Reference Index exists (a “**Reference Index Cancellation**”), this shall constitute an Early Redemption Event for Extraordinary Reason as referred to in the Terms and Conditions above and accordingly consequent early redemption of the Debentures by the Company if so elected for by the Company.

3. ADDITIONAL DISRUPTION EVENTS

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

TERMS AND CONDITIONS RELATING TO THE REFERENCE INTEREST RATE FUTURES

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

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

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

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

1. DEFINITIONS

- 1.1 **“Business Day”** means any day on which scheduled commercial banks are open for business in Mumbai and shall also include any Exchange Business Day as defined hereinafter;
- 1.2 **“Disrupted Day”** means any Scheduled Trading Day on which the NSE fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;
- 1.3 **“Early Closure”** means in respect of Interest Rate Futures, the closure on an Exchange Business Day of the Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Valuation Time on such Exchange Business Day;
- 1.4 **“Early Redemption Amount”** means the amount payable by the Issuer to the Debenture Holder on an Early Redemption Date. This amount will be the fair value of the Debentures on such Early Redemption Date.
- 1.5 **“Exchange”** means in respect of Interest Rate Futures, the National Stock Exchange or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Interest Rate Futures has temporarily relocated (provided that there is comparable liquidity relative to such Interest Rate Futures on such temporary substitute exchange or quotation system as on the original Exchange);

- 1.6 **“Exchange Business Day”** means any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding such Exchange closing prior to its Scheduled Closing Time;
- 1.7 **“Exchange Disruption”** means in respect of Interest Rate Futures, any event (other than an Early Closure) that disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values;
- 1.8 **“Market Disruption Event”** means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption at any time during the one hour period that ends at the Valuation/Observation Time, (ii) an Exchange Disruption at any time during the one hour period that ends at the Valuation/Observation Time or (iii) an Early Closure, which in either case is material. For the avoidance of doubt, a limitation on the hours and number of days of trading resulting from a change in the regular business hours of the Exchange will not constitute a Market Disruption Event; The Company shall, as soon as reasonably practicable, notify the Debenture Holders of the existence or occurrence of a Disrupted Day on any day that but for the occurrence or existence of a Disrupted Day would have been an Observation Date;
- 1.9 **“Observation Date”** shall mean each Date as specified in the Summary Term Sheet above, provided that if such day is not a Scheduled Trading Day then, as per Modified Following Business Day Convention or if the day which would otherwise be the Observation Date, is a Disrupted Day, then the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Observation Date is a Disrupted Day. In that case (a) that the eighth Scheduled Trading Day shall be deemed to be the relevant Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (b) the Company shall determine the level of the Reference Interest Rate Future as of the Observation Time on that eighth Scheduled Trading Day last in effect prior to the occurrence of the first Disrupted Day using the quoted price as of the Observation Time on that eighth Scheduled Trading Day of the Reference Interest Rate Future (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); provided always that the final Observation Date will not be later than the eighth Business Day after the Final Valuation Date and if the eighth Scheduled Trading Day would be later than the eighth Business Day after the Final Valuation Date, references to the eighth Scheduled Trading Day shall be deemed to be the eighth Business Day after the Final Valuation Date.
- 1.10 **“Observation Time”** means Scheduled Closing Time on an Observation Date;
- 1.11 **“Scheduled Closing Time”** means in respect of the Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after-hours or any other trading outside of the regular trading session hours;
- 1.12 **“Scheduled Trading Day”** means in respect of Interest Rate Futures, any day on which the relevant Exchange is scheduled to be open for trading for its respective regular trading sessions;

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

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

2. DETERMINATIONS

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

3. CORRECTION OF LEVELS

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

TERMS AND CONDITIONS RELATING TO THE REFERENCE STOCKS

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

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

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

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

1. DEFINITIONS

- 1.1 **“Business Day”** means any day on which scheduled commercial banks are open for business in Mumbai and shall also include any Exchange Business Day as defined hereinafter;
- 1.2 De-listing has the meaning given to it in Clause 3;
- 1.3 **“Disrupted Day”** means any Scheduled Trading Day on which the NSE fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred;
- 1.4 **“Early Closure”** means, in respect of a Stock, the closure on an Exchange Business Day of the Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange, as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the Valuation Time on such Exchange Business Day;
- 1.5 **“Early Redemption Amount”** means the amount payable by the Issuer to the Debenture Holder on an Early Redemption Date. This amount will be the fair value of the Debentures on such Early Redemption Date.
- 1.6 **“Exchange”** means, in respect of a Stock, the National Stock Exchange or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Stocks has temporarily relocated (provided that there is comparable liquidity relative to such Stock on such temporary substitute exchange or quotation system as on the original Exchange);
- 1.7 **“Exchange Business Day”** means any Scheduled Trading Day on which the Exchange is open for trading during its regular trading sessions, notwithstanding such Exchange closing prior to its Scheduled Closing Time;
- 1.8 **“Exchange Disruption”** means, in respect of a Stock, any event (other than an Early Closure) that disrupts or impairs the ability of market participants in general to effect transactions in, or obtain market values for, (i) the Stock on the Exchange, or (ii) futures or options relating to the Stock on the relevant Exchange;
- 1.9 **“Extraordinary Dividend”** means, in respect of a Stock, an amount per Stock paid as dividend for a particular reason, and not paid in regular course of time;
- 1.10 **“Market Disruption Event”** means, in respect of a Stock, the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption at any time during the one hour period that ends at the Valuation/Observation Time, (ii) an Exchange Disruption at any time during the one hour period that ends at the Valuation/Observation Time or (iii) an Early Closure, which in either case is material. For the avoidance of doubt, a limitation on the hours and number of days of trading resulting from a change in the regular business hours of the Exchange will not constitute a Market Disruption Event;

- 1.11 The Company shall, as soon as reasonably practicable, notify the Debenture Holders of the existence or occurrence of a Disrupted Day on any day that but for the occurrence or existence of a Disrupted Day would have been an Observation Date;
- 1.12 **“Merger Date”** means, in respect of a Merger Event of a Stock Issuer, the closing date of such Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Company;
- 1.13 **“Merger Event”** means, in respect of the Stock, any (i) reclassification or change of the Stock that results in a transfer of or an irrevocable commitment to transfer the Stock outstanding, to another entity or person, (ii) consolidation, amalgamation, merger or binding Stock exchange of the Stock Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding Stock exchange in which the Stock Issuer is the continuing entity and which does not result in reclassification or change of all of the Stock outstanding) or (iii) consolidation, amalgamation, merger or binding Stock exchange of the relevant Stock Issuer or its subsidiaries with or into another entity in which such Stock Issuer is the continuing entity and which does not result in a reclassification or change of all such Reference Stocks outstanding but results in the outstanding Stocks (other than Stocks owned or controlled by such other entity) immediately prior to such event collectively representing less than such percentage of the outstanding Stocks immediately following such event (a “Reverse Merger”), in each case if the Merger Date is on or before the relevant Valuation Date.
- 1.14 **“Observation Date”** shall mean each Date as specified in the Summary Term Sheet above, provided that if such day is not a Scheduled Trading Day then, as per Modified Following Business Day Convention or if the day which would otherwise be the Observation Date, is a Disrupted Day, then the relevant Observation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the Observation Date is a Disrupted Day. In that case (a) that the eighth Scheduled Trading Day shall be deemed to be the relevant Observation Date (notwithstanding the fact that such day is a Disrupted Day) and (b) the Company shall determine the level of the Reference Stocks as of the Observation Time on that eighth Scheduled Trading Day last in effect prior to the occurrence of the first Disrupted Day using the quoted price as of the Observation Time on that eighth Scheduled Trading Day of the Reference Stocks (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); provided always that the final Observation Date will not be later than the eighth Business Day after the Final Valuation Date and if the eighth Scheduled Trading Day would be later than the eighth Business Day after the Final Valuation Date, references to the eighth Scheduled Trading Day shall be deemed to be the eighth Business Day after the Final Valuation Date.
- 1.15 **“Observation Time”** means Scheduled Closing Time on an Observation Date;
- 1.16 **“Potential Adjustment Event”** has the meaning given to it in paragraph 2.1.
- 1.17 **“Scheduled Closing Time”** means in respect of the Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange on such Scheduled Trading Day, without regard to after-hours or any other trading outside of the regular trading session hours;

- 1.18 “**Scheduled Trading Day**” means in respect of a Stock, any day on which the relevant Exchange is scheduled to be open for trading for its respective regular trading sessions;
- 1.19 “**Reference Stock/ Stock**” shall mean and include each Stock as specified in table for Terms and Conditions of Debentures above.
- 1.20 “**Tender Offer**” means in respect of any Stock, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, such percentage of the outstanding voting Stocks of the relevant Stock Issuer which requires a public announcement to be made of such acquisition under the SEBI (Substantial Acquisition of Stocks and Takeovers) Regulations, 2011, based upon the making of filings with governmental or self-regulatory agencies or such relevant other information;
- 1.21 “**Tender Offer Date**” means in respect of a Tender Offer, the date on which the percentage of voting Stocks are actually purchased or otherwise obtained;
- 1.22 “**Trading Disruption**” means, in respect of a Stock, any suspension of or limitation imposed on trading by the Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or otherwise: (i) relating to the Stock on the Exchange or (ii) in futures or options contracts relating to the Stock on the Exchange;
- 1.23 “**Valuation Time**” means, the Scheduled Closing Time on the relevant Exchange. If the Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

2. ADJUSTMENTS TO THE STOCKS

2.1 Event requiring Adjustments

- (a) The occurrence of a **Merger Event, Tender Offer, Realisation Disruption Event** and **Potential Adjustment Event** (as defined hereinafter) shall each constitute an Adjustment Event:
- (b) For the purposes of this Information Memorandum, **Potential Adjustment Event**, shall mean, with respect to the Stock, any of the following:
- (i) a subdivision, consolidation or reclassification of the Stock (unless resulting in a Merger Event), or a free distribution or dividend of the Stock to existing holders by way of bonus, capitalisation or similar issue;
 - (ii) a distribution, issue or dividend to existing holders of the Stock of (1) such Stock or (2) other Stock capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of such Stock Issuer equally or proportionately with such payments to holders of such Stock, or (3) Stock capital or other securities of another issuer acquired or owned (directly or indirectly) by such Stock Issuer as a result of a spin-off or other similar transaction, or (4) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price;
- (c) An Extraordinary Dividend;
- (d) A call by the Stock Issuer in respect of Stocks that are not fully paid;

- (e) A repurchase by the Stock Issuer or any of its subsidiaries of its Stocks whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (f) An event that results in any Stockholder rights being distributed or becoming separated from Stocks of common stock or other Stocks of the capital stock of the Stock Issuer pursuant to a Stockholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) Any other event that may have a diluting or concentrating effect on the theoretical value of the relevant Stock.
- (h) "**Realisation Disruption Event**" shall have occurred if any restrictions, taxes, charges or other deductions have been imposed by any applicable governmental, taxation, judicial or regulatory body on (a) any dealing by the Issuer or any of its affiliates in any relevant instruments listed or traded on any Exchange or Related Exchange and held by the Issuer or any of its affiliates for hedging purposes such that the Issuer or any of its affiliates (1) is unable to continue to purchase, sell or otherwise deal in relevant instruments, (2) is unable to perform its obligations under the Debenture or in respect of any relevant hedging arrangements in connection therewith or (3) will incur a materially increased cost (as compared with circumstances existing at the Issue Opening Date) in performing its obligations under the Debenture or in respect of any relevant hedging arrangements in connection therewith;
- (i) "**Nationalization**" or "**De-listing Event**" shall have occurred if at any time in respect of the Stock Issuer, (A) all the Stocks of the Stock Issuer or all the assets or substantially all the assets of such Stock Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof ("**Nationalization**") or (B) the relevant Exchange announces that pursuant to the rules of such Exchange, such Stocks cease (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in India or such Stocks are no longer listed on an Exchange acceptable to the Issuer ("**De-listing**");
- (j) "**Insolvency Event**" shall have occurred if at any time, by reason of the voluntary or involuntary liquidation, winding-up, dissolution, bankruptcy or insolvency or analogous proceeding affecting the Stock Issuer (i) all the Stocks of the Stock Issuer are required to be transferred to any trustee, liquidator or other similar official or (ii) holders of the Stocks of such Stock Issuer become legally prohibited from transferring them;
- (k) "**Insolvency Filing Event**" shall have occurred if an Insolvency Filing shall have occurred. "**Insolvency Filing**" means, in respect of the Stock, that the Stock Issuer has instituted, or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organization or the jurisdiction of its head or home office, or it consents to, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or its consents to such a petition, provided that proceedings instituted or petitions

presented by creditors and not consented to by the relevant Stock Issuer shall not be deemed an insolvency filing.

2.2 Adjustment

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

- (a) upon determination by the Company that a Merger Event/Tender Offer has occurred, then, on or after the relevant Merger Date/Tender Offer Date, the Company shall make such adjustment to the relevant terms of the Debentures which is appropriate to account for the economic effect on the Debentures of such Merger Event/Tender offer (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Stock), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event/Tender offer by any exchange on which options on the Stock traded and determine the effective date of that adjustment.
- (b) if the Adjustment Event is a Potential Adjustment Event, then following the declaration by any Stock Issuer of an event which is a Potential Adjustment Event or following any adjustment to the settlement terms of listed contracts of the relevant Stock, the Company shall determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the relevant Stock and, if so,
 - a. will make the corresponding adjustment, if any, to the calculation of the Coupon Amount and/or the Final Redemption Amount and/or the Contingent Early Redemption Amount and/or any other relevant terms of the Debentures as the Company, in its sole and absolute discretion (which discretion is not subject to any challenge or dispute), appropriate to account for that diluting or concentrative effect or,
 - b. determine the effective date(s) of the adjustment(s); provided that no adjustment shall be made to the date of maturity of the Debentures. Such adjustments shall be deemed to be so made from such effective date(s).
- (c) if the Adjustment Event is a Realisation Disruption Event, on or before any Valuation Date, the Company may, in good faith and in a commercially reasonable manner, make such consequential adjustments to any of the terms of the Debentures (including any payment obligations) as it determines appropriate in order to reflect the particular Realisation Disruption Event. Such adjustments may include (but are not limited to) (1) deduction of the applicable charge, tax or deduction from the Redemption Amount or Early Redemption Amount, as the case may be, and/or (2) non-payment of the Redemption Amount or Early Redemption Amount and the retention of such amount, as the case may be, until the relevant restrictions are lifted. Any such adjustments will be effective as of the date determined by the Company.

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

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

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

3. DETERMINATIONS

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

4. CORRECTION OF STOCK PRICES

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

CERTAIN IMPORTANT DISCLAIMERS, INCLUDING IN RELATION TO THE REFERENCE UNDERLYINGS

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

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

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

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

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

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

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

- B.** Notwithstanding anything herein contained the Issuer shall not bear responsibility or liability for any losses arising out of any delay in or interruptions of performance of (a) the Sponsor's obligations with regard to the Reference Index(ices), or (b) the relevant Exchange with regard to the price or level of the Reference Stocks or Reference Interest Rate Futures, or (c) the Issuer's obligations under this Information Memorandum due to any Force Majeure Event, act of God, act of governmental authority, act of the public enemy or due to war, the outbreak or escalation of hostilities, riot, fire, flood, civil commotion, insurrection, labour difficulty (including, without limitation, any strike, or other work stoppage or slow down), severe or adverse weather conditions, communications line failure, or other similar cause beyond the reasonable control of the Issuer.

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

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 The Depositories Act, 1996 and rules notified by NSDL and 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 investor through the Summary Term Sheet.

Early Redemption for Extraordinary Reason, Illegality and Force Majeure

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

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

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

Early Redemption Amount means fair market value minus associated costs.

Premature Exit

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

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

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

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 to whom an offer is specifically made under this Information Memorandum will be eligible to apply:

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

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

Abundant pre-caution

As a matter of abundant caution and although not applicable in the case of Debentures, attention of applicants is specially drawn to any person who: (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of 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 attached hereto 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 Commercial Finance 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 Corporate / 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) Board 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-parcenors 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 AMC's 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 along with 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 FPIs/FILs

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 read with rules there under.

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

Company would make depository arrangements with the NSDL / CDSL for the issue of these Debentures in Electronic (Dematerialized) Form. The Investors holding these Debentures in the Electronic (Dematerialized) Form will be governed as per the provisions of the Depository Act, 1996, Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, rules notified by NSDL / 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 dematerialized 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 may be. 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 holder only, or in the case of joint holders, to the one whose name stands first. The Debentures shall be subjected 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 Trustee Agreement / 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 public holiday, the Modified Following Business Day Convention shall be considered.

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 along with 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 the Information Memorandum and has understood the same, and, on an independent assessment thereof, confirmed the same to be correct and, found the same acceptable for the investment made and has also reviewed the risk disclosures contained herein and has understood the risks, and determined that the Debentures are a suitable investment and that the Debenture Holder can bear the economic risk of that investment, including the possibility of receiving lower than expected or negligible returns;
- (f) has received all the information believed to be necessary and appropriate or material in connection with, and for, the investment in the Debentures ;
- (g) holds the Debentures as an investment, and has not purchased the Debentures on a speculative basis;
- (h) as an Investor, is knowledgeable and experienced in making investments, including in debt instruments having variable or unpredictable returns and also investments similar to the Debentures ;
- (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, the probability of any returns or any erosion in the value of the Debentures over its life, or on maturity, redemption, sale or disposal, and none of such entities or persons have made any representations to the Debenture Holder, express or implied, with respect to any of the above;
- (j) has assumed on the its own account, all risk of loss that may occur or be suffered including as to the returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Issuer Group or their Agents or the Company or its Agents (or to any person acting on its or their behalf) to indemnify or otherwise hold the Debenture Holder harmless in respect of any such loss and/or damage;
- (k) understands that the actual quantum of returns on the Debentures are not guaranteed or insured in any manner by the Company;
- (l) undertakes that, if the Debenture Holder sells the Debentures to subsequent Investors, the Debenture Holder shall ensure, and it is the Debenture Holder's obligation in that regard, that (1) the subsequent Investors receive the terms and conditions, risks and representations contained in this Information Memorandum and any other related document and fully understand that the Debentures are a structured product, (2) the sale to subsequent Investors will be effected by the Debenture Holder only on such Investors having confirmed the receipt of all of (1) above, (3) the sale and transfer of the Debentures shall be effected only in the manner stipulated;
- (m) understands that the Issuer Group or their Agents or the Company or its Agents or any person acting on behalf of the Issuer Group or the Company, may have an interest / position as regards the issue of the Debentures and/or may have an existing banking relationship, financial, advisory or other relationship with them and/or may be in negotiation/discussion with them as to transactions of any kind;
- (n) understands that at any time during the life of the Debentures the value of the Debentures may be substantially less than its redemption value.
- (o) understands that the valuation of the Debentures provided on the websites of the Issuer and /or the Valuation Agency do not represent the actual price of the Debentures that may be received upon sale or redemption and that the actual price received may be significantly different from what is reflected in the valuation;

- (p) has legal ability to invest in Debentures, and the investment does not contravene any provision of any law, regulation, or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holder, or its assets;
- (q) where the Debenture Holder is a **company**, it also confirms that:
- (i) notwithstanding the variable nature of the return on the Debentures, the Debenture Holder is not precluded under any law, rules, regulations and/ or circular/s issued by any statutory authority/ies including under the Companies Act, 2013 and rules thereof from investing in the Debentures,
 - (ii) all necessary corporate or other necessary action has been taken to authorize, and that the Debenture Holder has corporate ability and authority, to invest in the Debentures, and
- (iii) investment in the Debentures does not contravene any provisions of the Memorandum and the Articles of Association, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the Debenture Holder or the Debenture Holder's assets;
- (r) where the Debenture Holder is a **partnership firm**, it also confirms that:
- (i) investing in the Debentures on the terms and conditions stated herein is within the scope of the partnership's investment policy and does not conflict with the provisions of the partnership deed as currently in force,
 - (ii) the investment in Debentures is being made by and on behalf of the partners (and binds all the partners jointly and severally), and that the partnership is in force and existing, and the investment has been ratified by all of the partners, jointly and severally,
 - (iii) the investment in Debentures has been duly authorized by all the partners, and does not contravene any provisions of the partnership deed, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the partnership or its assets or any of the partners or their respective assets,
 - (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-parceners and beneficiaries of the HUF;
- (s) where the Debenture Holder is a **mutual fund / provident fund / superannuation fund / gratuity funds (each a "fund")** it also confirms that:
- (i) investing in the Debentures on the terms and conditions stated herein is within the scope of the fund's investment policy and does not conflict with the provisions of the trust deed/bye-laws/regulations as currently in force,
 - (ii) the investment in Debentures is being made by and on behalf of the fund and that the fund is in force and existing, and the investment has been ratified by appropriate resolutions, and
 - (iii) the investment in Debentures has been duly authorized and does not contravene any provisions of the trust deed/bye-laws/regulations as currently in force, or any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the fund or its assets;

- (t) where the Debenture Holder is a **HUF**, it also confirms that:
- the Karta declares that the above equally binds each of the co-parcenors and beneficiaries of the HUF, and the Karta declares that the investment is for the benefit of each of the co-parcenors and beneficiaries of the HUF;
- (u) where the Debenture Holder is an **individual**, also confirms that the investment in Debentures does not contravene any provisions of any law, regulation or contractual restriction or obligation or undertaking binding on or affecting the individual or its assets and he can invest in such Debentures; and
- (v) where the Debenture Holder or initial Applicant is **Portfolio Manager** registered with SEBI, and is investing in the Debentures as a **Discretionary Portfolio Manager**, it also confirms that:
- (i) it is fully in compliance with the laws and regulations applicable to it including the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 ("**Portfolio Manager Regulations**"), the Structured Products Guidelines, the Prevention of Money Laundering Act, 2002 ("**PML Act**"), the Prevention of Money Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 ("**PML Rules**"), the requirements of Circular dated 20th March 2006 "Guidelines on Anti-Money Laundering Standards" of the SEBI ("**AML Guidelines**") together with the PML Act and the PML Rules, the "**AML Laws & Rules**") and all applicable know-your-client norms ("**KYC Guidelines**") issued by any relevant regulator, as amended from time to time
- (ii) the Debenture Holder is appropriately investing in the Debentures on behalf of its clients, ("**Clients**") and the investment in the Debentures is within the scope of its authority including pursuant to the agreement entered into by the Debenture Holder with each of the Clients, as provided for by Regulation 14 of the Portfolio Manager Regulations) (the "**Agreement**"), and accordingly binds each of the Clients. The Debenture Holder has independently satisfied itself (a) as to the suitability and appropriateness of the investment in the Debentures as regards each of the Clients, (b) as to the capacity and authority of each of the Clients to invest in such Debentures 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, it shall be dealt with entirely by the Portfolio Manager with each of the Clients, with no reference to the Issuer,
- (iv) the Portfolio Manager has conducted suitability and appropriateness checks on each of its clients pursuant to the PM Regulations (as applicable), Structured Product Guidelines and the Portfolio Manager has fully advised each of its clients of the risks relating to investment in the Debentures and of its rights against the Portfolio Manager as its principal and accepts responsibility for such advice,
- (v) the Portfolio Manager has strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients,
- (vi) the Portfolio Manager consents to the disclosure or provision by the Issuer to any governmental or regulatory authority, or under any requirement of law, any information regarding the Client (to the extent made available to the Issuer by the Portfolio Manager) and the investment in the Debenture, as required of the Issuer under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law,
- (vii) the Portfolio Manager shall ensure that each Client understands the risks involved in investment in the Debentures and is capable of taking the risks posed by such Debentures and shall satisfy itself that the Debentures are suitable to the risk profile of the Client;
- (viii) the Portfolio Manager shall provide its Clients with a copy of the Information Memorandum;
- (ix) the Portfolio Manager shall guide the Clients as to where the valuations (of the Debentures) will be available;

(x) the Portfolio Manager shall guide the Clients as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Company or through the secondary market;

(xi) the Portfolio Manager further agrees to provide to the Issuer such additional information that the Issuer deems necessary or appropriate in order for the Issuer to comply with any such regulations and/or requests or requirements,

(xii) the Portfolio Manager also further agrees (including on the basis of any request made by the Issuer in this regard), to provide, to any governmental or regulatory authority any information regarding any or all of the Clients, the investment in the Debenture as required under regulations and/or as requested by any governmental or regulatory or other authority, and

(xiii) the Portfolio Manager further agrees that it is appropriately investing in these Debentures on behalf of its Clients and that the activities of the Portfolio Manager have not violated and will not violate the RBI Private Placement guidelines. The Portfolio Manager further confirms and undertakes that the Debenture Holder has not and will not use the name of the Issuer or any of its group entities or any of the words in any of its advertisement or any marketing material and the Portfolio Manager has not acted and shall not act in a manner that would render this Issue of Debentures, an offer to the public.

(w) where the Debenture Holder or initial Applicant is a Portfolio Manager registered with SEBI and is investing in the Debentures as **Non Discretionary Portfolio Manager**, it also confirms that:

- (i) it is fully in compliance with the laws and regulations applicable to it including the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 ("Portfolio Manager Regulations"), the Structured Products Guidelines the Prevention of Money Laundering Act, 2002 ("PML Act"), the Prevention of Money Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 ("**PML Rules**"), the requirements of Circular dated 20th March 2006 "Guidelines on Anti-Money Laundering Standards" of the SEBI ("AML Guidelines") together with the PML Act and the PML Rules, the "AML Laws & Rules") and all applicable know-your-client norms ("KYC Guidelines") issued by any relevant regulator,
- (ii) the Portfolio Manager is selling the Debentures, to appropriate Clients/the investor(s) or is investing on behalf of its Clients /the investor(s) appropriately and such sale / investment in the Debentures is within the scope of its authority and accordingly binds each of the Clients/ investor(s); further, the intermediary has satisfied itself as to the capacity and authority of each of the Clients / investor(s) to invest in such Debentures;
- (iii) Should there be any dispute by the Clients / investor(s) as regards the investment in the Debentures including but not limited to the scope of its authority with regard to such investment the same shall be dealt with entirely by the Intermediary with each of the Clients / investor(s), with no reference to the Issuer;
- (iv) the Portfolio Manager has conducted a risk profiling of each Client / Investor (s) pursuant to the Structured Products Guidelines and has satisfied itself that the Debentures are suitable to the risk profile of the Client / investor; has fully advised each of its Clients / the investor(s) of the risks relating to investment in the Debentures and ensured that the Client / investor has understood the risks involved in investment in the Debentures and is capable of taking the risks posed by the Debentures. The Portfolio Manager as required under the SEBI (Portfolio Managers) Regulations, 1993 has fully advised each of its Clients / the investor(s) of the rights of such Clients / investor(s) against the Intermediary as its principal and accepts responsibility for such advice;

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

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 the 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 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(s).

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 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 will be entitled from time to time to make further borrowings from the public, members of the company and/ or any other persons or to raise loans and advances or such other facilities from Banks, Financial Institutions on the security or otherwise without approval or consent from the Debenture Holders. The company is entitled to further borrowing without any prior consent from the existing lenders/ charge holders till the standard security cover is maintained.

Debenture Trustees

The Company has appointed Vistra ITCL (India) Limited (formerly IL & FS Trust Company Limited) as Debenture Trustee for this issue of Debentures. All the rights and remedies of the Debenture Holders will vest in and will be exercised by the trustees without the same having to be referred to the Debenture Holders. 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:

- (A) 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
 - (iv) Any indebtedness of the Company for borrowed monies, that is, indebtedness for and in respect of monies borrowed or raised 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 Trustee and the warranties given or deemed to have been given by it to the Beneficial Owner(s)/Debenture holder(s) or the 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) 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;
 - (viii) The Company ceases or threatens to cease to carry on its business or gives notice of its intention to do so;
- (B) 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.

(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 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.

Cost of the Issue

For the Debentures under the proposed issue, the Issuer shall pay upto 0.50% as commission.

Governing Law and Jurisdiction

The Debentures are governed by and will be construed in accordance with the Indian Laws, as applicable in the State of Maharashtra. 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 referred to as 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 it 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 or distributed in full or in part to any person other than the recipient 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, Rating Agency and the RTA to act in their respective capacities have been obtained.

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

(C) DECLARATION BY THE DIRECTORS THAT:

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

(D) DECLARATION :

We, Executive Director & CEO and Chief Financial Officer of the Company, declare that (a) the Company has complied with all the relevant provisions of the Companies Act, 1956 and the Companies Act 2013, (the "Act"), and Rules made thereunder, the guidelines issued by the Government and the guidelines and circulars issued by SEBI established under Section 3 of the Securities and Exchange Board of India Act, 1992 and Raising Money through Private Placement of Non-Convertible Debentures (NCDs) by NBFCs- vide RBI circular No. RBI/2014-15/475, DNBR PD. 008/03.10.119/2016-17 September 01, 2016 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, (b) the compliance with the said Act and the Rules made thereunder do not imply that payment of interest or repayment of debentures is guaranteed by Central Government; (c) the monies received under this offer shall be used only for the purposes and objects indicated in this Information Memorandum.

We are authorized by the Board of Directors of the Company vide resolution number 5 dated July 1, 2017, to sign this form and Information Memorandum and declare that all the requirements of the Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and Information Memorandum and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

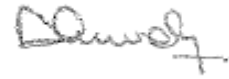
It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form and Information Memorandum.

For **Reliance Commercial Finance Limited**



Sandeep Khosla
Chief Financial Officer

Place: Mumbai
Date: October 4, 2018



Devang Mody
Executive Director & CEO

Annexure I

List of Branches of Reliance Commercial Finance Limited as on last quarter ended i.e. June 30, 2018

Sr. No.	Name of the Branch	Address
1.	Ahmedabad	Second Floor, Aashil Complex, Opposite HDFC House, Navarangpura, Ahmedabad, Gujarat 380 009
2.	Bengaluru	Third Floor, Brahmanand Court, 37 Lalbagh Road, Bengaluru, Karnataka 560 027
3.	Bhiwadi	First floor, Mamchand Plaza, Central Market Bhiwadi Distt Alwar, Rajasthan- 301019
4.	Bhopal	Mansarover Complex, FF-16, Second Floor, Hoshangabad Road, Bhopal, Madhya Pradesh 462 016
5.	Bhubaneswar	Third Floor, Unit-3, Kharvel Nagar, Back Side of Kalsi Petrol Pump, Bhubaneswar, Orissa 751 001
6.	Chandigarh	SCO 309-310, First Floor & Second Floor, Sector 35-B, Chandigarh 160 022
7.	Chennai	Reliance House, Fourth & Ground Floor, No-5, Haddows Road, Nungambakkam, Chennai, Tamil Nadu 600 006
8.	Coimbatore	Manchester Square, S3, Second Floor, 14, Puliyakulam Road, Coimbatore, Tamil Nadu 641 037
9.	Dehradun	Shiva Palace, Office No. 8, 9 & 10, First Floor, Opposite Secretariat, Rajpur Road, Dehradun, Uttarakhand 248 001
10.	Durgapur	Nazrul Sarani, Plot No.3601 (P), City Centre, Durgapur, West Bengal 713 216
11.	Guwahati	Second Floor, Kachari Basti, Behind Vinayak Furnishing, G.S. Road, Ulubari, Guwahati, Assam 781 007
12.	Hyderabad	Third Floor, Malik Estates, Mcg No.6-3-344, Banjara Hills, Hyderabad, Telangana 500 034
13.	Indore	No. 301/302, Corporate House, 169, RNT Marg, Indore, Madhya Pradesh 452 001
14.	Jaipur	Sixth Floor, C-44, Man Upasana, Sardar Patel Marg, C-Scheme, Jaipur 302 001
15.	Jalandhar	Puda Complex, First Floor, SCO-2, Ladowal Road, Jalandhar, Punjab 144 001
16.	Jodhpur	Sabu Tower, Second Floor, Chopasani Road, Jodhpur, Rajasthan 342 001
17.	Karnal	First Floor, SCO-211, Sector-12, Karnal, Haryana 132 001
18.	Kochi	Second Floor, Kurickal Arcade, NH47, Near Chenghampuzha Park, Edappally P.O. Ernakulam (District), Kochi, Kerala 682 024
19.	Kolhapur	Gemstone, Office No.7B, First Floor, New Shahupuri, Near Central Bus Stand Kolhapur, Maharashtra 416 001
20.	Kolkata	Sixth Floor, The Air conditioned Market, No. 1 S Sarani, Kolkata, West Bengal 700 071
21.	Ludhiana	Seventh Floor, SCO 10-11, Feroz Gandhi Market, Ludhiana, Punjab 141 001
22.	Madurai	S.S. Tower, No 78/4, Bypass Road, Madurai, Tamil Nadu 625 016
23.	Mumbai	Eleventh Floor, Ruby, Tulsi Pipe Road, Dadar (W), Mumbai, Maharashtra 400 028
24.	Mysore	36/D, 1st Floor, Mysore Trade Center, Opp KSRTC Bus Stand, B N Road, Mysore.
25.	Nagpur	Buty Building, First Floor, 317 R.T.Road, Civil Lines, Nagpur, Maharashtra - 440001
26.	Nashik	Suyojit Height, Office No. 2, Second Floor, Opposite Rajiv Gandhi Bhavan, Sharanpur Road, Nashik, Maharashtra 422 002
27.	New Delhi	260 -261, Dev House, Tribhuban Complex, Ishwar Nagar, New Friends Colony (W), New Delhi 110 065
28.	Pune	F-1, First Floor, The Metropole, Bund Garden Road, Pune, Maharashtra 411 001

Sr. No.	Name of the Branch	Address
29.	Raipur	Third Floor, Simran Tower, Pandri, Opposite LIC Building, Raipur, Chhattisgarh 492 004
30.	Rajkot	Toral Commercial Complex, 211, Second Floor, Near Trikon Baug, Rajkot, Gujarat 360 002
31.	Salem	No. 7/54 Ideal Complex, Junction Main Road, Five Road, Salem, Tamil Nadu 636 004
32.	Siliguri	First Floor, Gitanjali Complex, Sevoke Road, Siliguri, West Bengal 734 001
33.	Surat	701-A, A Wing, International, Trade Center, Majura Gate, Surat, Gujarat 395 002
34.	Thrissur	Capital City, Fourth Floor, Korappath Lane, Round North, Thrissur, Kerala 680 020
35.	Trichy	No. 20, First Floor, Royal Shelter Road, Cantontment, Trichy, Tamil Nadu 620 001
36.	Udaipur	Second Floor, Tanishq Tower Above Kotak Mahindra Bank, Residency Road, Sardarpura, Udaipur 313 001
37.	Vadodara	10-11 S/B, Panorama Complex, R.C.Dutt Road, Alkapuri, Vadodara, Gujarat 390 007
38.	Vijayawada	Second Floor, JM 3 Mohiuddin Estate, Labbi Peth, M.G.Road, Vijayawada, Andhra Pradesh 520 010
39.	Visakhapatnam	47/11/5, Mohans Arcade, Dwaraka Nagar, First Lane, Behind Sangam & Sarath Theater, Visakhapatnam, Andhra Pradesh 530 016

ANNEXURE II

Shareholding Pattern of the Company as on last quarter end i.e. June 30, 2018:

(a) Details of shareholding alongwith number of shares held in demat form:

Sr. No.	Particulars	Total No. of Equity Shares	Number of shares held in demat form	Total Shareholding as % of total no. of equity shares
(A)	Promoter & Promoter Group	13,53,25,700	13,53,25,694	100.00
(B)	Public	-	-	-
(C)	Non Promoter – Non Public (Shares underlying DRs and Shares held by Employee Trusts)	-	-	-
	GRAND TOTAL (A)+(B)+(C)	13,53,25,700	13,53,25,694	100.00

(b) Details of category – wise shareholding:

Sr. No.	Category	Pre-issue & Post-issue *	
		No. of shares held	% of shareholding
A	Promoters' holding		
1	Indian		
	Individual	-	-
	Bodies Corporate	13,53,25,700	13,53,25,700
	Sub-total	13,53,25,700	13,53,25,700
2	Foreign promoters	-	-
	Sub-total (A)	13,53,25,700	13,53,25,700
B	Non-promoters' holding		
1	Institutional investors	-	-
2	Non-institutional investors	-	-
	Private corporate bodies	-	-
	Directors and relatives	-	-
	Indian public	-	-
	Others [including Non-resident Indians (NRIs)]	-	-
	Sub-total (B)	-	-
	GRAND TOTAL (A) + (B)	13,53,25,700	13,53,25,700

* As the Issue is of Non-Convertible Debentures there is no change in the Pre-issue and Post-issue shareholding pattern of the Company.

ANNEXURE III
List of Top 10 holders of equity shares of the Company as on the latest quarter ended i.e. June 30, 2018:

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 Capital Limited	13,53,25,694	13,53,25,694	100.00
2	Reliance Capital Limited jointly with Atul Kumar Tandon	1	-	-
3	Reliance Capital Limited jointly with Yogesh Deshpande	1	-	-
4	Reliance Capital Limited jointly with Madan Chaturvedi	1	-	-
5	Reliance Capital Limited jointly with Chetan Raval	1	-	-
6	Reliance Capital Limited jointly with Kannan Chettiar	1	-	-
7	Reliance Capital Limited jointly with Parul Jain	1	-	-
	Total	13,53,25,694	13,53,25,694	100.00

List of Top 10 preference shareholders of the Company as on the latest quarter ended i.e. June 30, 2018:

A. 0% p.a. Non-Convertible Redeemable Preference Shares of Rs. 10 each:

Sr. No.	Name of the Shareholder(s)	Total No. of Preference Shares
1.	Reliance Capital Limited	40,00,00,000
	Total	40,00,00,000

B. 10% p.a. Non-Convertible Non Cumulative Redeemable Preference Shares of Re. 1 each:

Sr. No.	Name of the Shareholder(s)	Total No. of Preference Shares
1.	Reliance Land Private Limited	6,22,071
2.	Edico Ventures Private Limited	2,89,809
3.	Vrushvik Broadcast Network Private Limited	2,12,800
4.	Reliance Alpha Services Private Limited	1,91,200
5.	Reliance Value Services Private Limited	12,000
6.	Reliance Capital Limited	9,660
7.	Crest Logistics And Engineers Private Limited	350
8.	Reliance Infocomm Engineering Private Limited	240
9.	Sejal Rakesh zaveri	200
10	SKV E-Stocks Private Limited	195

Annexure IV

Details of Secured Loan Facilities as on latest quarter ended i.e. June 30, 2018

I. Term Loan Facilities

(Rs. in Crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule	Security
Bank of Baroda	Term Loan	300	100	18-Dec-18 / 100.00	Refer note below
Karnataka Bank Limited	Term Loan	150	50	27-Mar-19 / 50.00	
Bank of Baroda	Term Loan	300	100	28-June-19 / 100.00	
United Bank of India	Term Loan	70	14	30-June-19 / 14.00	
Syndicate Bank	Term Loan	200	25	01-Dec-18 / 25.00	
Andhra Bank	Term Loan	600	240	03-Dec-18 / 120.00	
				03-Dec-19 / 120.00	
Bank of Maharashtra	Term Loan	230	153.33	22-Dec-18 / 76.67	
				22-Dec-19 / 76.66	
Punjab & Sind Bank	Term Loan	200	80	22-Dec-18 / 40.00	
				22-Dec-19 / 40.00	
Punjab National Bank	Term Loan	500	200	31-Dec-18 / 100.00	
				31-Dec-19 / 100.00	
Vijaya Bank	Term Loan	150	100	24-Feb-19 / 50.00	
				24-Feb-20 / 50.00	
Small Industries Development Bank of India	Term Loan	300	105	01-Oct-18 / 15.00	
				01-Jan-19 / 15.00	
				01-Apr-19 / 15.00	
				01-Jul-19 / 15.00	
				01-Oct-19 / 15.00	
				01-Jan-20 / 15.00	
				01-Apr-20 / 15.00	
United Bank of India	Term Loan	200	80	30-June-19 / 40.00	
				30-June-20 / 40.00	
Bank of India	Term Loan	200	120	23-Oct-18 / 40.00	
				23-Oct-19 / 40.00	
				23-Oct-20 / 40.00	
Indian Overseas Bank	Term Loan	500	300	24-Nov-18 / 100.00	
				24-Nov-19 / 100.00	
				24-Nov-20 / 100.00	
State Bank of India (Formerly State Bank of Patiala)	Term Loan	300	180	10-Dec-18 / 60.00	
				10-Dec-19 / 60.00	
				10-Dec-20 / 60.00	
The Federal Bank Limited	Term Loan	200	66.66	10-Dec-18 / 66.66	
State Bank of India (Formerly State Bank of Bikaner & Jaipur)	Term Loan	200	120	30-Jan-19 / 40.00	
				30-Jan-20 / 40.00	
				30-Jan-21 / 40.00	
Punjab & Sind Bank	Term Loan	200	120	18-Feb-19 / 40.00	
				18-Feb-20 / 40.00	
				18-Feb-21 / 40.00	

Small Industries Development Bank of India	Term Loan	350	210	10-Aug-18 / 17.50	
				10-Nov-18 / 17.50	
				10-Feb-19 / 17.50	
				10-May-19 / 17.50	
				10-Aug-19 / 17.50	
				10-Nov-19 / 17.50	
				10-Feb-20 / 17.50	
				10-May-20 / 17.50	
				10-Aug-20 / 17.50	
				10-Nov-20 / 17.50	
				10-Feb-21 / 17.50	
				10-May-21 / 17.50	
Syndicate Bank	Term Loan	300	100	25-Feb-19 / 100.00	Refer note below
The KarurVysya Bank Limited	Term Loan	100	100	25-Feb-19 / 33.33	
				25-Feb-20 / 33.33	
				25-Feb-21 / 33.34	
The Jammu & Kashmir Bank Limited	Term Loan	200	120	26-Feb-19 / 40.00	
				26-Feb-20 / 40.00	
				26-Feb-21 / 40.00	
Punjab & Sind Bank	Term Loan	140	84	23-Mar-19 / 28.00	
				23-Mar-20 / 28.00	
				23-Mar-21 / 28.00	
Andhra Bank	Term Loan	300	180	23-Mar-19 / 60.00	
				23-Mar-20 / 60.00	
				23-Mar-21 / 60.00	
Vijaya Bank	Term Loan	100	60	31-Mar-19 / 20.00	
				31-Mar-20 / 20.00	
				31-Mar-21 / 20.00	
State Bank of India (Formerly State Bank of Hyderabad)	Term Loan	150	90	18-Apr-19 / 30.00	
				18-Apr-20 / 30.00	
				18-Apr-21 / 30.00	
HDFC Bank Limited	Term Loan	100	33.66	17-Aug-18 / 8.33	
				17-Nov-18 / 8.33	
				17-Feb-19 / 8.33	
				17-May-19 / 8.33	
United Bank of India	Term Loan	100	100	28-June-19 / 33.34	
				28-June-20 / 33.34	
				28-June-21 / 33.34	
Central Bank of India	Working Capital Demand Loan (WC DL)	500			
The Karur Vysya Bank Limited	Term Loan	100	100	28-June-19 / 33.33	
				28-June-20 / 33.33	
				28-June-21 / 33.34	
Syndicate Bank	Term Loan	200	120	29-June-19 / 40.00	
				29-June-20 / 40.00	
				29-June-21 / 40.00	

Bank of Baroda	Term Loan	300	225	1-July-18 / 18.75	
				1-Oct-18 / 18.75	
				1-Jan-19 / 18.75	
				1-Apr-19 / 18.75	
				1-July-19 / 18.75	
				1-Oct-19 / 18.75	
				1-Jan-20 / 18.75	
				1-Apr-20 / 18.75	
				1-July-20 / 18.75	
				1-Oct-20 / 18.75	
				1-Jan-21 / 18.75	
				1-Apr-21 / 18.75	
				1-July-21 / 18.75	
Andhra Bank	Term Loan	300	300	16-Oct-19 / 100.00	
				16-Oct-20 / 100.00	
				16-Oct-21 / 100.00	
Karnataka Bank Limited	Term Loan	100	100	18-Oct-19 / 33.33	
				18-Oct-20 / 33.33	
				18-Oct-21 / 33.34	
Canara Bank	Term Loan	500	400	30-Dec-18 / 100.00	Refer note below
				30-Dec-19 / 100.00	
				30-Dec-20 / 100.00	
				30-Dec-21 / 100.00	
Bank Of Baroda	Term Loan	500	333.33	21-Feb-18 / 166.67	
				21-Feb-19 / 166.67	
				21-Feb-20 / 166.67	
Bank of Barhain & Kuwait B.S.C	Working Capital Demand Loan (WCDL)	55	55	21-Mar-18 / 55	
Small Industries Development Bank of India	Term Loan	400	300	01-Oct-18 / 25	
				01-Jan-19 / 25	
				01-Apr-19 / 25	
				01-Jul-19 / 25	
				01-Oct-19 / 25	
				01-Jan-20 / 25	
				01-Apr-20 / 25	
				01-Jul-20 / 25	
				01-Oct-20 / 25	
				01-Jan-21 / 25	
				01-Apr-21 / 25	
				01-Jul-21 / 25	

Micro Units Development & Refinance Agency Ltd.	Term Loan	120	97.5	10-July-18 / 7.5	
				10-Oct-18 / 7.5	
				10-Jan-19 / 7.5	
				10-Apr-19 / 7.5	
				10-July-19 / 7.5	
				10-Oct-19 / 7.5	
				10-Jan-20 / 7.5	
				10-Apr-20 / 7.5	
				10-July-20 / 7.5	
				10-Oct-20 / 7.5	
				10-Jan-21 / 7.5	
				10-Apr-21 / 7.5	
				10-July-21 / 7.5	
National Bank For Agriculture And Rural Development	Term Loan	300	210	31-Jul-18 / 45	
				31-Jan-19 / 45	
				31-Jul-19 / 45	
				31-Jan-20 / 45	
				31-Jul-20 / 6	
				31-Jan-21 / 6	
				31-Jul-21 / 6	
				31-Jan-22 / 6	
31-Jul-22 / 6					
HDFC Bank Limited	Term Loan	200	133.33	29-July-2018 / 16.67	Refer note below
				29-Oct-2018 / 16.67	
				29-Jan-2019 / 16.67	
				29-April-2019 / 16.67	
				29-July-2019 / 16.66	
				29-Oct-2019 / 16.66	
				29-Jan-2020 / 16.66	
				29-April-2020 / 16.66	
Bank of India	Term Loan	200	200	23-June-2021 / 100	
				23-June-2022 / 100	
The Catholic Syrian Bank Limited	Term Loan	50	50	29-June-2019 / 25	
				29-June-2020 / 25	
AU Small Finacne Bank Limited	Term Loan	50	50	30-Jan-2019 / 50	
National Bank for Agriculture and Rural Development	Term Loan	500	500	31-Jul-2018 / 75	
				31-Jan-2019 / 75	
				31-Jul-2019 / 75	
				31-Jan-2020 / 75	
				31-Jul-2020 / 75	
				31-Jan-2021 / 75	
				31-Jul-2021 / 12.50	
				31-Jan-2022 / 12.50	
				31-Jul-2022 / 12.50	
31-Jan-2023 / 12.50					
IDFC Bank Limited	Term Loan	60	45	30-Sept-2018 / 15	
				31-Dec-2018 / 15	
				31-Mar-2019 / 15	

IndusInd Bank	Term Loan	500	500	27-Jan-2019 / 125	Refer note below
				27-Apr-2019 / 125	
				27-Jul-2019 / 125	
				27-Oct-2019 / 125	
National Bank for Agriculture and Rural Development	Term Loan	750	750	31-Jan-2019 / 112.5	
				31-Jul-2019 / 112.5	
				31-Jan-2020 / 112.5	
				31-Jul-2020 / 112.5	
				31-Jan-2021/ 112.5	
				31-Jul-2021 / 112.5	
				31-Jan-2022 / 18.75	
				31-Jul-2022 / 18.75	
31-Jan-2023 / 18.75					
				31-Jul-2023 / 18.75	

II. Cash Credit Facilities

(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount outstanding	Repayment Date / Schedule
Axis Bank Limited	Cash Credit	50	49	-
Bank of India	Cash Credit	200	195	-
Corporation Bank	Cash Credit	250	248	-
Indian Overseas Bank	Cash Credit	200	197	-
State Bank of India (Formerly State Bank of Patiala)	Cash Credit	150	149.5	-
UCO Bank	Cash Credit	200	193	-
Syndicate Bank	Cash Credit	200	200	-
The Jammu & Kashmir Bank Limited	Cash Credit	75	73.5	-
Vijaya Bank	Cash Credit	100	49	-
	Total	1,425	1,354	-

***Description of security towards securing outstanding term loan and cash credit limit**

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

Annexure IV-A**SCHEDULE REFERRED IN THE DEBENTURE TRUST DEED ENTERED BETWEEN THE COMPANY AND TRUSTEE****MORTGAGED PREMISES****(Description of immovable properties situated at Bharuch, In the State of Gujarat)**

All the piece or parcel of Immoveable property, premises of Office No. 223 admeasuring 25.93 sq.mtrs. i.e. 279.00 sq. fts. "Second Floor", "Ashirwad Shopping Complex", developed upon land situated in State: Gujarat, District: Bharuch, Sub- District & Taluka: Bharuch, in limits of Bharuch Nagar Sevasadan, Moje: Aali, bearing Revenue Survey no. 78 Paikie, Pachbatti Area, City Survey Ward no 2, City Survey No.971 Paikie.

Boundaries of the property:

On or towards East by: Open Place

On or towards West by: Parking

On or towards North by: Office No. 222

On or towards South by: Office No. 224

HYPOTHECATION OF BOOK DEBTS, RECEIVABLES AND ALL OTHER ASSETS

All present and future book debts, business receivables, current assets, investments and all other assets of the Company.

Annexure V

Details of Unsecured Loan Facilities as on June 30, 2018:

(Rs. in crore)

Lender's Name	Type of Facility	Amount Sanctioned	Principal Amount Outstanding	Repayment Date / Schedule
HDFC Bank Limited	Overdraft	40	Nil	-

Annexure VI

Details of NCDs as on June 30, 2018:

Debenture Series		Tenor/ Period of Maturity (in days)	Coupon (p.a.)	Face Value / Issue Price (in Rs.)	Amount (Rs. In Crore)	Date of Allotment	Redemption Date / Schedule	Secured*/ Unsecured
INE126D07016	956340	3651	8.66%	10,00,000	25	15-05-2017	14-05-2027	Secured
INE126D07024	956344	2557	8.52%	10,00,000	10	16-05-2017	16-05-2024	Secured
INE126D07032	956371	2556	8.52%	10,00,000	6	18-05-2017	17-05-2024	Secured
INE126D07040	956374	3650	8.66%	10,00,000	10	23-05-2017	21-05-2027	Secured
INE126D07057	956820	2557	8.52%	10,00,000	38	21-08-2017	21-08-2024	Secured
INE126D07065	957089	1826	9.03%	10,00,000	400	13-10-2017	13-10-2022	Secured
INE126D07073	957090	3652	9.23%	10,00,000	500	13-10-2017	13-10-2027	Secured
INE126D07081	957259	423	8.80%	10,00,000	650	29-12-2017	25-02-2019	Secured
INE126D07099	957260	451	8.80%	10,00,000	650	29-12-2017	25-03-2019	Secured
INE126D07107	957681	417	9.15%	10,00,000	200	26-02-2018	19-04-2019	Secured
INE126D07115	957710	456	9.15%	10,00,000	335	15-03-2018	30-05-2019	Secured
INE126D07123	957826	1826	9.50%	10,00,000	500	05-04-2018	05-04-2023	Secured
INE126D07131	957907	1432	9.10%	10,00,000	15.20	26-04-2018	28-03-2022	Secured
INE126D07131	957907	1797	9.10%	10,00,000	15.20	26-04-2018	28-03-2023	Secured
INE126D07131	957907	2163	9.10%	10,00,000	15.20	26-04-2018	28-03-2024	Secured
INE126D07131	957907	2528	9.10%	10,00,000	15.20	26-04-2018	28-03-2025	Secured
INE126D08014	956926	3652	8.69%	10,00,000	30	20-08-2017	20-08-2027	Unsecured
INE126D08022	957059	3652	8.69%	10,00,000	12	06-10-2017	06-10-2027	Unsecured
INE126D08030	957151	2821	8.70%	10,00,000	5	09-11-2017	31-07-2025	Unsecured
INE126D08048	957152	3651	9.07%	10,00,000	6	09-11-2017	08-11-2027	Unsecured
INE126D08055	957405	3652	9.40%	10,00,000	33	19-01-2018	19-01-2028	Unsecured
INE126D08063	957456	3652	9.40%	10,00,000	5	02-02-2018	02-02-2028	Unsecured
INE540B08101	-	1168	9.50%	10,00,000	200	03-02-2017	15-04-2020	Unsecured

***Security:** First Charge & Mortgage over the Company's Gujarat Immovable Property and first pari-passu charge on all present and future book debts, business receivables, current assets, investments and all other assets of the Company.

Details of Credit Rating:

Particulars	Rating Agency	Rating
Long Term Bank Facilities	CARE Ratings Limited	CARE AA+ (Double A Plus) (Credit watch with developing implications)
Long Term Debt programme	CARE Ratings Limited	CARE AA+ (Double A Plus) (Credit watch with developing implications)
Non-Convertible Debentures	CARE Ratings Limited	CARE AA+ (Double A Plus) (Credit watch with developing implications)
Market Linked Debentures	CARE Ratings Limited	CARE PP-MLD AA+ (Double A Plus) (Credit watch with developing implications)
Subordinated Debt (Tier II)	CARE Ratings Limited	CARE AA+ (Double A Plus) (Credit watch with developing implications)
Secured NCD	Brickwork Ratings India Private Limited	BWR AA+ (Double A Plus) Outlook: Stable
Subordinate Tier II Debt	Brickwork Ratings India Private Limited	BWR AA+ (Double A Plus) Outlook: Stable
Commercial Paper	Brickwork Ratings India Pvt Ltd.	BWR A1+ (A One Plus) Very Strong Degree of Safety
Commercial Paper	ICRA Limited	ICRA A1+
Bank Limits	ICRA Limited	ICRA A1+

Annexure VII
List of Top 10 Debenture Holders as on June 30, 2018:

(in value terms, on cumulative basis for all outstanding debentures issues)

Sr. No.	Name of the Debenture holder(s)	Amount (Rs. in crore)
1.	Reliance Capital Trustee Company Limited	1835.00
2.	Yes Bank Limited	1357.90
3.	Kerala Financial Corporation	60.80
4.	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Medium Term Plan	40.50
5.	The Provident Fund for the Employees of Indian Oil Corporation Limited. (Marketing Division)	38.00
6.	Indian Airlines Employees Provident Fund	27.00
7.	Food Corporation of India CPF Trust	25.00
8.	L & T Mutual Fund Trustee Limited - L&T FMP - SERIES XIV -SCHEME A	25.00
9.	RCF LTD Employees Provident Fund	13.00
10.	Indian Airlines Employees Provident Fund	27.00
	Total	3442.20

Annexure VIII

The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued as on June 30, 2018:

Sr. No	Deal Name	Outstanding (Amount in Rs.)
1.	SLCE- SALUS SBL 2016	65,02,610
2.	PBI-XV	13,25,00,265
3.	PBI-XVI	3,76,73,980
4.	PBI-XVII	6,64,45,313
	Total	24,31,22,168

Annexure IX

Details of Commercial Paper

The total Face Value of Commercial Papers Outstanding as on the latest quarter ended i.e. June 30, 2018:-

Maturity Date	Amount Outstanding (Rs. in Crore)
28-August-18	300.00
Total	300.00

Annexure X

Details of Promoters of the Issuer:-

Details of Promoter holding in the Issuer as on the latest quarter ended i.e. June 30, 2018;

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 Capital Limited	13,53,25,700	13,53,25,694	100.00	-	-

*(Out of the above shares 6 equity shares are in physical form and are jointly held by Reliance Capital Limited and its nominees).

Annexure XI

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 XI- A

Balance Sheet as at March 31, 2018, March 31, 2017 and March 31, 2016.

(Rs. in crore)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
I	Equity And Liabilities			
1)	Shareholders Fund	3,106.84	2,505.72	60.50
2)	Non-current liabilities	6,385.10	5,940.34	0.00
3)	Current liabilities	6,449.58	5,208.30	0.01
	Total	15,941.52	13,654.36	60.51
II	Assets			
1)	Non-current assets	9,001.89	7,932.67	9.17
2)	Current assets	6,939.63	5,721.77	51.34
	Total	15,941.52	13,654.36	60.51

ANNEXURE XI- B

Statement of Profit and Loss for the year ended March 31, 2018, March 31, 2017 and March 31, 2016.

(Rs. in crore)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
1	Total Revenue	2133.61	1,953.34	0.05
2	Total Expenses	1852.54	1,610.66	0.02
	Profit before exceptional items and tax (A-B)	281.07	342.68	0.03
3	Exceptional Items(net)	-	-	-
	Profit before tax (C-D)	281.07	342.68	0.03
4	Tax Expenses (net)	72.70	47.51	0.01
	Profit after tax (E-F)	208.37	295.17	0.02
	Earning per equity share face value of Rs. 10 each fully paid up (basic/diluted)	16.95	46.04	0.01

Annexure XI – C
Cash flow statement for the year ended March 31, 2018, March 31, 2017 and March 31, 2016
(Rs. in Crore)

Sr. No.	Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
A.	Cash Flow From Operating Activities	(1,273.35)	(8,756.72)	(1.05)
B.	Cash Flow from Investing Activities	(190.25)	(153.19)	(49.95)
C.	Cash Flow from Financing Activities	1,738.32	9,472.51	51.00
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	274.32	562.60	0.00
	Cash and cash equivalents at the beginning of the year	368.86	0.05	0.05
	Add: Balance pursuant to the scheme of arrangement		-	-
	Cash and cash equivalents at the end of the year	643.18	562.65	0.05

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

Credit Rating Letter



BWR/NCD/HO/ERC/AP/0407/2018-19

Sep 26, 2018

Mr. Devang Mody,
 Chief Executive Officer,
Reliance Commercial Finance Limited
 Reliance Centre, 6th Floor, North Wing,
 Off Western Express Highway, Santacruz East,
 Mumbai – 400 055.

Dear Sir,

Sub: Rating of the proposed long term secured Principal Protected Market Linked Debentures (PP-MLD) issue of Rs 100 crores (Rupees One Hundred Crores Only) of **Reliance Commercial Finance Limited.**

Thank you for giving us an opportunity to undertake the rating of proposed secured PP-MLD issue of Rs. 100 crores of **Reliance Commercial Finance Limited**

Based on the information and clarification provided by your company, as well as information available in public sources, Brickwork Ratings is pleased to inform you that **Reliance Commercial Finance Limited's** proposed secured PP-MLD issue of Rs 100 crores (Rupees One hundred crores only) has been assigned a rating of **BWR AA+ (Pronounced BWR Double A Plus) (Outlook: Stable).**

We have also reaffirmed the rating of **Reliance Commercial Finance Limited's** existing debt instruments as given below:

Instrument	Amount (Rs Cr)	Tenure	Previous Rating	Present Rating
Commercial Paper	3000	Short Term	BWR A1+ Pronounced as BWR A One Plus	BWR A1+ Pronounced as BWR A One Plus Reaffirmed
Secured NCD	2000	Long Term	BWR AA+ Pronounced as BWR Double A Plus	BWR AA+ Pronounced as BWR Double A Plus Reaffirmed
Subordinated Debt	500	Long Term	BWR AA+ Pronounced as BWR Double A Plus	BWR AA+ Pronounced as BWR Double A Plus Reaffirmed
Total	5500	INR Five Thousand Five Hundred Crores Only		

Brickwork Ratings India Pvt. Ltd.

3rd Floor, Raj Alaka Park, Kalena Agrahara, Bannerghatta Road, Bengaluru - 560 076
 Phone: +91 80 4040 9940 • Fax: +91 80 4040 9941 | info@brickworkratings.com • www.BrickworkRatings.com
 Ahmedabad • Bengaluru • Chandigarh • Chennai • Gurugrah • Hyderabad • Kolkata • Mumbai • New Delhi

CIN: U67190KA2007PFC043591





Reliance Commercial Finance Limited

BWR/NCD/HO/ERC/AP/0407/2018-19

Sep 26, 2018

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

The rating is valid for one year from the date of this letter subject to terms and conditions that were agreed in your mandate, and other correspondence, if any, and Brickwork Ratings standard disclaimer appended at the end of this letter.

Brickwork Ratings would conduct surveillance every year till maturity/redemption of the instruments. Please make available to us relevant information that may affect company's finances/performance without any delay. You are also required to submit the No Default Statement (NDS) at the end of each month

Please let us have your acceptance of the Ratings within 2 days of this letter. Please note that unless acceptance is received by us by the said date, the rating is not valid and should not be used for any purpose whatsoever.

Best Regards,



A P Kamath
General Manager - Ratings

Note: In case of all accepted Ratings, respective Rating Rationale is published on Brickwork Ratings website. Interested persons are well advised to refer to our website www.brickworkratings.com, if they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com

Disclaimer: Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.



Reliance Commercial Finance Limited
Annexure - ISIN Details of rated Debt Instruments

Instrument	ISIN	Issue Date	Maturity	Issue Size
Commercial Paper	INE126D14376	8/28/2018	11/26/2018	300.00
Commercial Paper	INE126D14384	9/19/2018	9/16/2019	640.00
NCD	INE126D07016	5/15/2017	5/14/2027	25.00
NCD	INE126D07024	5/16/2017	5/16/2024	10.00
NCD	INE126D07032	5/18/2017	5/17/2024	6.00
NCD	INE126D07040	5/23/2017	5/21/2027	10.00
NCD	INE126D07057	8/21/2017	8/21/2024	38.00
NCD	INE126D07065	10/13/2017	10/13/2022	400.00
NCD	INE126D07073	10/13/2017	10/13/2027	500.00
NCD	INE126D07123	4/4/2018	4/5/2023	500.00
NCD	INE126D07131	4/25/2018	3/28/2022	15.20
NCD	INE126D07131	4/25/2018	3/28/2023	15.20
NCD	INE126D07131	4/25/2018	3/28/2024	15.20
NCD	INE126D07131	4/25/2018	3/28/2025	15.20
Subordinated Debt	INE126D08014	9/15/2017	9/20/2027	20.00
Subordinated Debt	INE126D08022	10/4/2017	10/6/2027	2.00
Subordinated Debt	INE126D08022	10/6/2017	10/6/2027	2.00
Subordinated Debt	INE126D08022	10/6/2017	10/6/2027	8.00
Subordinated Debt	INE126D08030	11/8/2017	7/31/2025	5.00
Subordinated Debt	INE126D08048	11/8/2017	11/8/2027	6.00
Subordinated Debt	INE126D08055	1/18/2018	1/19/2028	17.00
Subordinated Debt	INE126D08055	1/18/2018	1/19/2028	10.00
Subordinated Debt	INE126D08055	1/18/2018	1/19/2028	4.00
Subordinated Debt	INE126D08055	1/18/2018	1/19/2028	2.00
Subordinated Debt	INE126D08063	2/2/2018	2/2/2028	3.00
Subordinated Debt	INE126D08063	2/2/2018	2/2/2028	2.00



Registered office

VISTRA ITCL

Ref: 585

April 20, 2017

Reliance Commercial Finance Limited (Company)
(formerly Reliance Gilts Limited),
Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway,
Santa Cruz (East), Mumbai 400 055

Issue Details: Proposes to issue and allot rated listed, secured, redeemable, non-convertible debentures ("Debentures / NCDs") of a face value of Rs.10,00,000/- (Rupees Ten Lakh only) of each NCD aggregating to Rs.2000,00,00,000/- (Rupees Two Thousand Crore only) ("Subscription Amount") on private placement basis

Dear Sir,

This is with reference to our discussion regarding appointment of Vistra ITCL (India) Limited (Formerly known as IL&FS Trust Company Limited) for the proposed to issue issue and allot rated listed, secured, redeemable, non-convertible debentures ("Debentures / NCDs") of a face value of Rs.10,00,000/- (Rupees Ten Lakh only) of each NCD aggregating to Rs.2000,00,00,000/- (Rupees Two Thousand Crore only) ("Subscription Amount") on private placement basis, which is proposed to be issued by the Company. In this regards, 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 create securities as mentioned under Debenture Trustee Agreement dated April 20, 2017 and on such terms and conditions which will be agreed upon by the company under transactions documents. The company shall execute necessary documents as disclosed in above mentioned letter.
2. The Company shall pay Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated in appointment letter dated March 10, 2017 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, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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,
Vistra ITCL (India) Limited
(Formerly known as IL&FS Trust Company Limited)

Authorized Signatory

Registered office
The IL&FS Financial Centre
Plot No. C-22, G Block, 7th Floor
Bandra Kurla Complex, Bandra (East)
Mumbai 400055, India

Tel: +91 22 2659 3535
Fax: +91 22 2653 3297
Email: mumbai@vistra.com
www.vistracl.com

Vistra ITCL (India) Limited
(Formerly known as IL&FS Trust Company Limited)
Corporate Identity Number (CIN): U66020MH11999PLC096507

Annexure 3

Certified true copy of the resolution along with the Statement passed at the Annual General Meeting of the Members of Reliance Commercial Finance Limited held on September 8, 2018

Borrowing limits of the Company.

“**RESOLVED THAT** in supersession of the Special Resolution passed by the Shareholders on March 10, 2017, 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 share capital, free reserves (that is to say reserves not set apart for any specific purpose) and securities premium by a sum not exceeding Rs. 25,000 Crore (Rupees twenty five thousand crore Only) 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

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 share capital, its free reserves and Securities Premium 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 Special Resolution at the Extra-Ordinary General Meeting held on March 10, 2017 had, *inter alia*, authorised the Board to borrow by a sum not exceeding Rs. 20,000 Crore (Rupees twenty thousand crore Only).

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 a Special Resolution at the Extra-Ordinary Meeting held on March 10, 2017 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. 6 of the accompanying Notice for the approval of the Members.

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

for **Reliance Commercial Finance Limited**

Sd/-

Ekta Thakurel

Company Secretary & Compliance Officer

Certified true copy of the resolution passed by the Board of Directors of the Company at their Meeting held on April 23, 2018.

Borrowing limits of the Company.

“RESOLVED THAT in supersession of earlier resolution, if any, passed by the Board of Directors and as per the provisions of Section 179(3)(d) of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, and in accordance with the provisions of the Articles of Association of the Company and subject to the approval of shareholders, authority be and is hereby given to the Board of Directors to borrow any sum or sums of money from time to time, in any form including by way of term loans or advances or overdraft from any Financial, Banking, Investment Institution and/or body corporate and/or from any other entity / individuals, with or without security, issue of various money market instruments viz., commercial papers etc., issue of secured and unsecured debentures including the market linked debentures, which may exceed at any time, the aggregate of the paid-up share capital of the Company and its reserves, upto and within the limit of Rs. 25,000 Crore (Rupees Twenty Five Thousand Crore Only), outstanding at any point in time.

RESOLVED FURTHER THAT any of the Director(s) or Key Managerial Personnel (KMP) of the Company be and are hereby severally authorised to borrow funds on behalf of the Company to the extent mentioned above and to take necessary actions as may be required in this connection.

RESOLVED FURTHER THAT the Director(s), Chief Executive Officer and Chief Financial Officer of the Company be and are hereby severally authorised to give authority to the Executives / Officers / Authorised persons of the Company to negotiate, finalise and accept the terms and conditions including period of such borrowings, rate of interest, security to be provided for the borrowings / credit facility and to accept any modifications therein from time to time and to sign and execute on behalf of the Company to avail of such borrowings including by way of term loans, advances, overdraft and / or any other loan facility.

RESOLVED FURTHER THAT the Director(s), Chief Executive Officer and Chief Financial Officer of the Company be and are hereby severally authorised to withdraw such powers and to authorise additional persons, if found necessary, from time to time.

RESOLVED FURTHER THAT the Common Seal of the Company, if required to be affixed on such documents, be affixed in accordance with the Articles of Association of the Company.”

for **Reliance Commercial Finance Limited**

Sd/-

Ekta Thakurel

Company Secretary & Compliance Officer

Annexure 4

Certified true copy of the resolution passed by the Members of the Company at their Meeting held on September 8, 2018.

Issuance of secured / unsecured non-convertible debenture on private placement basis.

“RESOLVED THAT pursuant to the provisions of Sections 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the rules made there under (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (SEBI) (Issue and Listing of Debt Securities) Regulations, 2008, as amended, and other applicable SEBI regulations and guidelines and subject to such other applicable laws, rules and regulations and guidelines, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any duly constituted Committee of the Board) for making offer(s) or invitation(s) to subscribe to Secured / Unsecured / Redeemable / Non - 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 series / 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 be and is hereby severally authorised to determine the terms of issue including the class of investors to whom NCDs are to be issued, time of issue, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium / discount, listing, redemption period, utilization of the issue proceeds 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

As per the provisions of Section 42 of the Companies Act, 2013 (the “Act”) and rules thereunder, a Company offering or making an invitation to subscribe to secured / unsecured / Redeemable / Non-Redeemable Non-convertible debentures (NCDs) on 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 NCDs to be made during the year.

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

It is proposed to obtain an enabling approval of shareholders to offer or invite subscriptions for NCDs 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 or Key Managerial Personnel of the Company to determine the terms and conditions, including the issue price of the NCDs, 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.6 appended to this notice.

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

for Reliance Commercial Finance Limited

Sd/-

Ekta Thakurel

Company Secretary & Compliance Officer

Certified true copy of the resolution passed by the Board of Directors of the Company at their Meeting held on April 23, 2018.

Issuance of secured / unsecured non-convertible debenture on private placement basis.

“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) and provisions of the Memorandum and Articles of Association of the Company, the Securities and Exchange Board of India (SEBI) (Issue and Listing of Debt Securities) Regulations, 2008, as amended, and other applicable SEBI regulations and guidelines and subject to such other applicable laws, rules and regulations and guidelines, approval of the 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 accorded and recommended to the Members of the Company for making offer(s) or invitation(s) to subscribe to Secured / Unsecured Non-Convertible Debentures (NCDs) including but not limited to subordinate Debentures, bond, and/or other debt securities, etc., on a private placement basis, in one or more tranches, of upto an an outstanding amount of Rs. 15,000 Crore (Rupees Fifteen Thousand Crore only) at any point of time including Market Linked Debentures (MLDs) of upto an outstanding amount of Rs. 1,000 Crore (Rupees One Thousand Crore only) at any point of time.

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

RESOLVED THAT the Director(s) and Key Managerial Personnel of the Company be and are hereby severally authorised to sign and execute all deeds / documents / agreements / papers / writings in connection with Private Placement of Non-Convertible Debentures and to do all acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution and deal with all matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT the Director(s) and the Key Managerial Personnel of the Company be and are hereby severally authorised to make the allotment of Non-Convertible Debentures upon such terms and conditions, as may be deemed appropriate from time to time.”

for **Reliance Commercial Finance Limited**

Sd/-

Ekta Thakurel

Company Secretary & Compliance Officer

Annexure 5

The Standalone Financial Statement for the year ended March 31, 2018, March 31, 2017, and March 31, 2016.

Reliance Commercial Finance Limited

Independent Auditors' Report on the Financial Statement

To,
The Members,
Reliance Commercial Finance Limited
(Formerly Reliance Gilts Limited)

Report on the Financial Statements

1. We have audited the accompanying financial statements of Reliance Commercial Finance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies

used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit and its cash flows for the year ended on that date.

Other Matter

9. The financial statements of the Company for the year ended March 31, 2017, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated April 20, 2017, expressed an unmodified opinion on those financial statements.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

10. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), 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 B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief

Independent Auditors' Report on the Financial Statement

and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2018 on its financial position in its financial statements – Refer Note no. 35(ii);
- ii. The Company has made provision as at March 31, 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts – Refer Note no. 42(o)(1). The Company did not have any derivative contracts as at March 31, 2018.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2018.

**For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants**

Firm Registration Number: 304026E / E-300009

**Vivek Prasad
Partner**

Membership Number: 104941

Mumbai
April 23, 2018

Reliance Commercial Finance Limited

Annexure A to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Reliance Commercial Finance Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse & Co Chartered Accountants LLP

Chartered Accountants

Firm Registration Number: 304026E / E-300009

Vivek Prasad

Partner

Membership Number: 104941

Mumbai

April 23, 2018

Annexure "B" to the Independent Auditor's Report of even date on the financial statements

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 12 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax (with effect from July 1, 2017) and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment of fully or partly convertible debentures. During the year the Company has issued equity shares on preferential allotment basis to its holding company as per requirement of Section 42 of the Companies Act, 2013 and the amount raised have been used for the purposes for which the funds were raised.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is required to, and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as an Non-Banking Financial Institution.

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants

Firm Registration Number: 304026E / E-300009

Vivek Prasad
Partner

Membership Number: 104941

Mumbai

April 23, 2018

Reliance Commercial Finance Limited

Balance Sheet as at March 31, 2018

(₹ in crore)

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
I EQUITY AND LIABILITIES:			
(1) Shareholders' funds:			
(a) Share capital	3	535.46	522.83
(b) Share suspense account *₹ 994 [Refer Note (38 (ii))]		*	-
(c) Reserves and surplus	4	2 571.37	1 982.89
(2) Non-current liabilities			
(a) Long-term borrowings	5	6 132.35	5 811.95
(b) Other non-current liabilities	6	118.12	102.33
(c) Long-term provisions	7	134.63	167.13
(3) Current liabilities			
(a) Short-term borrowings	8	1 682.61	1 820.52
(b) Trade payables	9		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1.84	15.13
(c) Other current liabilities	10	4 734.88	3 350.65
(d) Short-term provisions	11	30.26	22.00
TOTAL		15 941.52	13 795.43
II ASSETS			
(1) Non-current assets			
(a) Fixed assets	12		
(i) Tangible assets		166.30	19.08
(ii) Intangible assets		171.55	10.30
(iii) Intangible assets under development		2.53	-
(b) Non current investments	13	466.63	211.83
(c) Deferred tax Asset (Net)	14	21.96	40.16
(d) Long-term loans and advances	15	8 079.71	7 619.09
(e) Other non-current assets	16	93.22	173.20
(2) Current assets			
(a) Trade receivables	17	6.22	-
(b) Cash & bank balance	18	684.97	410.75
(c) Short-term loans and advances	19	5 836.47	5 055.12
(d) Other current assets	20	411.96	255.90
TOTAL		15 941.52	13 795.43

See accompanying notes to the financial statements 1 to 44

As per our report of even date

For and on behalf of the Board

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants

Firm Registration No. : 304026E/E-300009

Directors

Arvind Mayaram
(DIN: 00080262)

Lav Chaturvedi
(DIN: 02859336)

Vivek Prasad
Partner

Membership No.: 104941

Executive Director & CEO

Devang Mody
(DIN: 07794726)

Company Secretary &
Compliance Officer

Ekta Thakurel

Mumbai
April 23, 2018

Mumbai
April 23, 2018

Reliance Commercial Finance Limited

Statement of Profit and Loss for the year ended March 31, 2018

		(₹ in crore)	
Particulars	Note No.	2017-18	2016-17
REVENUE			
I Revenue from operations	21	2 038.90	1 909.74
II Other Income	22	94.71	43.60
III TOTAL REVENUE (I+II)		<u>2 133.61</u>	<u>1 953.34</u>
EXPENSES			
Employee benefits expense	23	129.98	129.90
Finance cost	24	1 114.67	1 039.87
Depreciation and amortisation	12	34.03	11.09
Other expenses	25	573.86	429.80
IV TOTAL EXPENSES		<u>1 852.54</u>	<u>1 610.66</u>
V PROFIT BEFORE TAX (III-IV)		281.07	342.68
VI TAX EXPENSE :			
a) Current Tax		54.50	87.67
(Net of MAT Credit Entitlement ₹ Nil [Previous year ₹ 59.98 crore])			
b) Income tax for Earlier Year (* Previous year ₹ 17,265)		-	*
c) Deferred Tax/ (Credit)		18.20	(40.16)
VII PROFIT AFTER TAX (V-VI)		<u>208.37</u>	<u>295.17</u>
VIII EARNINGS PER EQUITY SHARE (Face value of ₹ 10 each fully paid up)	30		
Basic & Diluted (In Rupees)		16.95	46.04

See accompanying notes to the financial statements 1 to 44

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
Firm Registration No. : 304026E/E-300009

Vivek Prasad
Partner
Membership No.: 104941

Mumbai
April 23, 2018

For and on behalf of the Board

Directors

Executive Director & CEO

Company Secretary &
Compliance Officer

Mumbai
April 23, 2018

Arvind Mayaram
(DIN: 00080262)

Lav Chaturvedi
(DIN: 02859336)

Devang Mody
(DIN: 07794726)

Ekta Thakurel

Reliance Commercial Finance Limited

Cash Flow Statement for the year ended March 31, 2018

(₹ in crore)

	2017-18	2016-17
A. Cash Flow from Operating Activities		
Net Profit Before Tax	281.07	342.68
Adjusted for		
Depreciation and Amortisation	34.03	11.09
Contingent Provision against Standard Assets	11.53	8.73
Provision for NPA & Doubtful Debts	(40.35)	53.08
Provision for Diminution In Value of Investments	3.35	12.65
Investments Written Off	4.29	-
Provision for Gratuity	1.76	2.51
Provision for Leave Encashment	(0.21)	1.22
Excess Provision Written Back (* Previous Year ₹ 1,985)	-	*
Bad Debts Written Off	157.14	114.62
Debit Balance Written Off	8.15	
Amortised DSA Commission	96.22	56.84
Amortised Brokerage Commission	0.92	1.07
Interest on Investments	(4.89)	(4.54)
Loss on Sale of Repossessed Assets	17.43	47.69
(Profit)/Loss on Sale of Investments (Net)	(69.30)	(9.38)
(Profit)/Loss on Sale of Fixed assets	(0.05)	0.06
Discount on Commercial Papers	80.93	31.25
Interest Expenses	1 032.77	1 007.50
	1 333.72	1 334.39
Operating Profit/(Loss) before Working Capital Changes	1 614.79	1 677.07
Adjusted for		
Trade Receivable & Loans and advances	(1 486.76)	(1 091.59)
Other non current and current assets	118.33	(386.67)
Other liabilities and provisions	(526.45)	12.40
Trade Payables	(13.29)	9.13
	(1 908.17)	(1 456.73)
Cash Generated from Operation	(293.38)	220.34
Interest Paid	(971.53)	(1 007.37)
Taxes Paid	(8.84)	(25.31)
	(980.37)	(1 032.68)
Net Cash from / (used in) Operating Activities	(1,273.75)	(812.34)

Cash Flow Statement for the year ended March 31, 2018

(₹ in crore)

	2017-18	2016-17
B. Cash Flow from Investing Activities		
Purchase of Fixed Asset	(29.12)	(28.61)
Sale of Fixed Asset	0.14	-
Purchase of Non-Current Investments	(297.71)	(120.82)
Proceeds from Sale of Non-Current Investments	54.50	9.16
(Purchase)/Sale of Current Investments (Net)	69.30	59.38
Interest on Investments	12.64	-
Net Cash from / (used in) Investing Activities	(190.25)	(80.89)
C. Cash Flow from Financing Activities		
Issue of Equity Share Capital including Securities Premium	400.00	1 750.04
Issue of Preference Share Capital	-	400.00
Proceeds/(Repayment) from issue of Commercial Papers (Net)	(858.96)	955.77
Proceeds/(Repayment) from Short term Borrowing (Net)	721.05	(1 990.50)
Proceeds from Long term Borrowing	5 639.51	2 905.00
Repayments of Long term Borrowings	(4 163.28)	(3 251.28)
Net Cash from / (used in) Financing Activities	1,738.32	769.03
Net increase / (decrease) in Cash and Cash Equivalents (A + B + C)	274.32	(124.20)
Opening Balance of Cash and Cash Equivalents	368.86	0.06
Add : Balance Pursuant to Scheme of Arrangement [Refer note 39(i)]	-	493.00
	368.86	493.06
Closing Balance of Cash and Cash Equivalents	643.18	368.86

Notes:

1. The Previous year's figures have been regrouped and reclassified wherever necessary.
2. The cash flow statement has been prepared in accordance with "Indirect Method" as prescribed in Accounting Standard- 3 (AS-3) on "Cash Flow Statements" notified by the Companies (Accounts) Rules, 2014.

As per our report of even date

For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants

Firm Registration No. : 304026E/E-300009

Vivek Prasad
Partner

Membership No.: 104941

Mumbai
April 23, 2018

For and on behalf of the Board

Directors

Executive Director & CEO

Company Secretary &
Compliance Officer

Mumbai
April 23, 2018

Arvind Mayaram
(DIN: 00080262)

Lav Chaturvedi
(DIN: 02859336)

Devang Mody
(DIN: 07794726)

Ekta Thakurel

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

1 Background

Reliance Commercial Finance Limited ("the Company") formerly known as Reliance Gilts Limited, was incorporated on August 17, 2000 with the Registrar of Companies (RoC), Maharashtra, Mumbai. Subsequently, as on May 21, 2009 the Company was registered as a Non-Banking Financial Company without accepting public deposits, as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is principally engaged in lending activities and provides loans to small and medium enterprises for working capital and growth, loans to commercial vehicles and two wheelers, loans against property, personal loans and financing of various micro enterprises. The Company is a public limited company and its debt securities are listed on the BSE Limited (BSE).

2 Significant Accounting Policies

a Basis of Preparation of Financial Statements

These financial statements have been prepared and presented in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis of accounting, unless stated otherwise and comply in all material aspects with the accounting standards notified under section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and relevant provisions of the Act. These financial statements are presented in Indian rupees rounded off to the nearest crore upto two decimal places except otherwise stated.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Act. Based on the nature of the services and the time between the acquisition of assets for processing 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 master directions issued by the Reserve Bank of India ('RBI') in terms of "Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016" ("RBI Master Direction") vide Reserve Bank of India (RBI) Notification No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 updated on timely basis (the "RBI Directions") 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 recognized in the period in which the results are known/materialised.

c Revenue Recognition

i) Interest Income

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

ii) Loan Processing Fee & Other Operating Income

Loan processing fee income is accounted for upfront as and when it becomes due. Other operating income i.e. Foreclosure & Bounce Charges, Loan Re-schedulement Charges are accounted on cash basis.

iii) 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/ 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 on a monthly basis.

Servicing fees received is accounted for based on the underlying deal structure of the transaction as per the agreement.

iv) Income from investments

Profit / (Loss) earned from sale of investments is recognised on trade date basis net off expenses incurred on sale. The cost of investment is computed based on weighted average basis.

v) Dividend Income

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

vi) Rent Income

Rent income is recognised in the Statement of Profit and Loss on accrual basis.

vii) Brokerage Income

Brokerage income is recognized when there is no significant uncertainty as to determination and realization and as per agreement.

d Tangible Assets & Depreciation

Tangible assets are stated at cost of acquisition less accumulated depreciation and Impairment loss, if any, except in case of land which is carried at cost. The Company has used the cost model as measurement bases for determining the gross carrying amount. Cost includes all expenses incidental to the acquisition of the fixed assets

Notes to the Financial Statements for the year ended March 31, 2018

An item of tangible assets is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

Depreciation on tangible assets is provided in accordance with the provisions of Schedule II of the Act. Tangible assets are depreciated on straight line basis over the useful life of assets, as prescribed in Part C of Schedule II of the Act.

The estimated useful lives for the different types of assets are :

- (i) Furniture and Fixtures - 10 years
- (ii) Office equipments - 5 years
- (iii) Computers - 3 years
- (iv) Vehicles - 8 years

e Intangible Assets & amortization

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 and accumulated impairment losses, if any.

Intangible assets comprise, computer software are amortised on straight line basis over the useful life of the software up to a maximum of five years commencing from the month in which such software is first installed. Goodwill acquired pursuant to scheme of arrangement will be amortised on straight line basis over a period of 10 years.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

f Investments

Investments are classified into current investments and long-term investments. Current investments are carried at lower of cost and fair value and long term investments are carried at cost. However, provision is made to recognize decline other than temporary in the carrying amount of long term investments. Unquoted investments in the units of Mutual Funds in nature of current investment are valued at lower of cost or Net Asset Value declared by Mutual Funds in respect of each particular scheme.

g Repossessed assets

Assets repossessed against the settlement of loans are considered as Non Performing Assets (NPA) and carried in the balance sheet at outstanding loan amount. These assets are disclosed as doubtful loans & advances and provision thereon as Provision for Non Performing Assets (NPA) & Doubtful Debts which is calculated as per prudential norms based on the underlying Days Past Due (DPD) of these loans.

h Contingent Provision against standard assets, Provision for Non Performing Assets (NPA) & Doubtful Debts

Loans and advances, receivables are identified as bad/ doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. Contingent Provision against standard assets, Provision for Non Performing Assets (NPA) & Doubtful Debts are made based on the management's assessment of the degree of impairment and the level of provisioning which meets the NBFC prudential norms prescribed by Reserve Bank of India.

i Securitised Assets

Derecognition of Securitised assets in the books of the Company, recognition of gain or loss arising on Securitisation and accounting for credit enhancement provided by the Company is based on RBI Directions.

j Security of loans given

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 Cash & Cash Equivalents

In the cashflow statements, cash and cash equivalents includes cash in hand, balance in banks, fixed deposits with banks (without lien) and other short-term highly liquid investments with original maturities of three months or less

l 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.

m Employees Benefits

i) Provident fund

Contribution towards recognized provident fund is made to the regulatory authorities, are charged to the Statement of Profit and Loss where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

ii) Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

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 for 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.

iv) Phantom Shares Stock Option

As a long term incentive plan to employees, the Company has initiated Phantom Stock Option plan which are cash settlement rights where the employees are entitled to get cash compensation based on formula linked to fair market value of shares upon exercise of phantom stock option over notional or hypothetical shares, whereby instead of becoming entitled to buy the actual shares on vesting, they become entitled to cash payment equivalent to appreciation in the value over defined base price of share. The present value of the obligation under such plan is determined based on actuarial valuation at the year end and any actuarial gains/ losses are charged to statement of profit and loss as applicable.

n Borrowing costs

Borrowing costs include interest, other costs incurred in connection with borrowing, which are directly attributable to the acquisition / construction of qualified 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. All direct cost i.e. Brokerage, Processing fee incurred for the loan origination are expensed over the tenure of the loan borrowed by the Company.

o Discount on Commercial Papers

The difference between the acquisition cost and the redemption value of commercial papers is recognized as discount expense and amortised over the tenure of commercial paper. The liability as at the Balance Sheet date in respect of such commercial paper is recognised at face value net of unamortised discount.

p 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. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / (loss) per share are included.

q Provision for Current Tax and Deferred Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). 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.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized 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.

r 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.

Notes to the Financial Statements for the year ended March 31, 2018

s Provisions, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation.

Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised nor disclosed in the financial statements.

		(₹ in crore)	
		As at	As at
		March 31, 2018	March 31, 2017
3	Share capital		
	a) Authorised (Refer note below)		
	60,00,00,000 Equity Shares of ₹ 10 each (March 31, 2017 : 20,00,00,000)	600.00	200.00
	40,00,00,000 Preference Shares of ₹ 10 each (March 31, 2017 : 40,00,00,000)	400.00	400.00
	20,00,000 Preference Shares of ₹ 1 each (March 31, 2017: Nil)	0.20	-
		<u>1 000.20</u>	<u>600.00</u>
	b) Issued, subscribed & Fully paid up		
	13,53,25,700 Equity Shares of ₹ 10 each (March 31, 2017: 12,28,25,700)	135.33	122.83
	40,00,00,000 0% Non-Convertible Redeemable Preference Shares of ₹ 10 each (March 31, 2017: 40,00,00,000)	400.00	400.00
	13,79,857 10% Non-Convertible Non-Cumulative Redeemable preference Shares of ₹ 1 each (March 31, 2017: Nil)	0.14	-
		<u>535.46</u>	<u>522.83</u>

Notes :

In terms of the approval of the shareholders obtained at the Extra Ordinary General Meeting of the Company held on October 31, 2017 the Company has increased its Authorised Share Capital from ₹ 600 crore (20,00,00,000 Equity Shares of ₹ 10 each and 40,00,00,000 Preference Shares of ₹ 10 each) to 600.20 crore (20,00,00,000 Equity Shares of ₹ 10 each, 40,00,00,000 Preference Shares of ₹ 10 each and 20,00,000 Preference Shares of ₹ 1 each).

In terms of the approval of the shareholders obtained at the Extra Ordinary General Meeting of the Company held on March 27, 2018 the Company has further increased its Authorised Share Capital from ₹ 600.20 crore (20,00,00,000 Equity Shares of ₹ 10 each, 40,00,00,000 Preference Shares of ₹ 10 each and 20,00,000 Preference Shares of ₹ 1 each) to 1,000.20 crore (60,00,00,000 Equity Shares of ₹ 10 each, 40,00,00,000 Preference Shares of ₹ 10 each and 20,00,000 Preference Shares of ₹ 1 each).

(c) Reconciliation of Issued, Subscribed and Fully Paid-up Share Capital

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Equity Shares				
Opening Balance	122 825 700	122.82	63 300 700	63.30
Addition during the year (Refer note d(ii))	12 500 000	12.50	59 525 000	59.53
Reduction during the year	-	-	-	-
Closing Balance	<u>135 325 700</u>	<u>135.32</u>	<u>122 825 700</u>	<u>122.83</u>

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
0% Non-Cumulative, Non-Participating and Non-Convertible Redeemable Preference Shares of ₹ 10 each				
Opening Balance	400 000 000	400.00	-	-
Addition during the year (Refer note d(iii))	-	-	400 000 000	400.00
Reduction during the year	-	-	-	-
Closing Balance	<u>400 000 000</u>	<u>400.00</u>	<u>400 000 000</u>	<u>400.00</u>
10% p.a. Non-Convertible Non-Cumulative Redeemable preference Shares of ₹ 1 each				
Opening Balance	-	-	-	-
Addition during the year (Refer note d(iv))	1 379 857	0.14	-	-
Reduction during the year	-	-	-	-
Closing Balance	<u>1 379 857</u>	<u>0.14</u>	<u>-</u>	<u>-</u>

d) Rights, Preferences and Restrictions attached to shares:

Voting Rights:

i) In case of equity Shares

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 holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

ii) In the Extra - Ordinary General Meeting held on March 27, 2018, the Members of the Company have duly approved Preferential allotment of 1,25,00,000 equity share of ₹ 10 each at a premium of ₹ 310 per share aggregating to ₹ 400 crore to its Holding Company ie. Reliance Capital Limited which were allotted on March 28, 2018.

iii) In case of 0% Non-Convertible Redeemable Preference Shares of ₹ 10 each

40,00,00,000, 0% Non-Convertible Redeemable Preference Shares (NCRPS) shall be redeemed at any time on or before 5 years from the date of allotment i.e. March 29, 2017. These NCRPS shall be redeemed at a premium to an amount calculated to yield a return of 12% per annum with effect from date of allotment up to the date of redemption.

iv) In case of 10% Non-Convertible Non-Cumulative Redeemable preference Shares of ₹ 1 each

13,79,857, 10% Non-Convertible Non-Cumulative Redeemable preference Shares of ₹ 1 each (NCRPS) shall be redeemed at any time on or before 18 months from the date of allotment i.e. December 18, 2017. These NCRPS shall be redeemed at the issue price i.e. ₹ 1 each.

v) For the year ended March 31, 2018, the amount of per share dividend recognised as distributable to the equity shareholders is ₹ 0.50 (March 31, 2017 ₹ 0.50). The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

e) Shares held by holding company i.e. Reliance Capital Limited including jointly Held

Equity Shares	As at March 31, 2018			As at March 31, 2017		
	%	No. of Shares	Amount (₹ in crore)	%	No. of Shares	Amount (₹ in crore)
Reliance Capital Limited	100%	135 325 694	135.32	100%	122 825 694	122.83
Reliance Capital Limited and its nominees * ₹ 60 (Previous year ₹ 60)	0%	6	*	0%	6	*
Total	100%	135 325 700	135.32	100%	122 825 700	122.83

(₹ in crore)

	As at March 31, 2018	As at March 31, 2017
4 Reserves and Surplus		
a) Securities Premium Account		
As per Last Balance sheet	1 690.12	-
Add: On Equity Shares Issued during the year	387.50	1 690.51
Less: Transferred to Earmarked for Preference Share Redemption Reserve	(48.00)	(0.39)
	2 029.62	1 690.12

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

	As at March 31, 2018	As at March 31, 2017
b) Earmarked for Preference Share Redemption Reserve (Refer note 1 below)		
As per Last Balance sheet	0.39	-
Add: Transfer from Securities Premium Account	<u>48.00</u>	<u>0.39</u>
	48.39	0.39
c) Statutory Reserve Fund (Refer note 2 below)		
As per Last Balance sheet	59.19	0.16
Add: Transfer from Surplus in Statement of Profit & Loss	<u>41.67</u>	<u>59.03</u>
	100.86	59.19
d) Surplus in Statement of Profit & Loss		
Balance at the beginning of the year	233.19	(2.95)
Add: Transfer from Statement of Profit & Loss	208.37	295.17
Less : Dividend paid to equity shareholders	(6.14)	-
Less : Tax on dividend	(1.25)	-
Less : Transfer to Statutory Fund	<u>(41.67)</u>	<u>(59.03)</u>
	392.50	233.19
	<u>2 571.37</u>	<u>1 982.89</u>

Notes :

- Earmarked for Preference Share Redemption Reserve created pursuant to the terms of allotment of Non-Cumulative, Non-Participating and Non-Convertible redeemable preference shares as effective yield of 12% repayable at the maturity.
- Statutory Reserve Fund created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934.

5 Long-term borrowings

Secured (Refer note 32 & 33)

(a) Non Convertible Debentures	1 524.00	-
(b) Term Loan from Banks / Financial Institutions	4 327.35	5 811.95

Unsecured (Refer note 32b)

(a) Subordinated, Redeemable, Non-Convertible Tier II Debentures	81.00	-
(b) Non Convertible Debentures	<u>200.00</u>	<u>-</u>
	6 132.35	5 811.95

6 Other non-current liabilities

Collateral deposit from customers	118.12	102.33
	<u>118.12</u>	<u>102.33</u>

7 Long-Term Provisions

a) Provision for Employees Benefits (Refer note 26)		
- Leave Encashment	0.55	1.18
b) Contingent provision against standard assets	27.38	24.88
c) Provision for NPA & Doubtful Debts	87.84	128.42
d) Provision for Diminution in the value of Investments	16.00	12.65
e) Provision for Doubtful Deposits	<u>2.86</u>	<u>-</u>
	134.63	167.13

8 Short-term borrowings

(a) From Banks / Financial Institutions

- Term Loans - Unsecured	150.00	310.00
- Cash Credit facilities - Secured (Refer Note 1 below)	1 404.55	523.50

(b) From Others

Commercial Papers - Unsecured (Refer Note 2 below)	128.06	987.02
	<u>1 682.61</u>	<u>1 820.52</u>

Notes:

- Cash credit referred above are secured by pari passu first charge on all present and future book debts (performing assets), receivable, bills, claims and loan assets of the Company.
- In respect of Commercial Papers referred above, maximum face value amount outstanding during the year was ₹ 2,462.31 crore (Previous year ₹ 987.02 crore).

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

	As at March 31, 2018	(₹ in crore) As at March 31, 2017
9 Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		
- Due to Related Party	-	0.13
- Others	1.84	15.00
	1.84	15.13
Note:		
The management has identified enterprises which has provided goods and services to the Company and which qualify under the definition of Medium, Micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. At any point of time during the year there is no liability due for payment to such micro, small and medium enterprises.		
10 Other Current Liabilities		
a) Current maturities of long term debts		
Secured - (Refer Note No. 32 & 33)		
(a) Non Convertible Debentures	1 300.00	-
(b) Term Loans from Banks / Financial Institutions	2 986.59	2 930.77
b) Interest accrued but not due on borrowings		
(a) Secured	57.76	0.13
(b) Unsecured	3.61	-
	61.37	0.13
c) Advance from Customers	67.47	60.58
d) Payable under Securitisation / Assignment (Net)	215.54	293.82
e) Book Overdraft	11.03	3.86
f) Collateral deposit from customers	18.94	11.28
g) Statutory dues including provident fund and tax deducted at source	8.04	4.21
h) Other liabilities	65.90	46.00
	4 734.88	3 350.65
11 Short Term Provisions		
a) Provision for Employees Benefits (Refer note 26)		
- Leave Encashment	0.03	0.05
- Gratuity	1.76	2.51
b) Contingent provision against standard assets	28.47	19.44
	30.26	22.00

Notes to the Financial Statement for the year ended 31, 2018

12 Fixed Assets

(₹ in crore)

Description	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	As at April 1, 2017	Pursuant to Scheme of Arrangement (Refer Note No. 38 & 39)	Deduction	As at March 31, 2018	As at April 1, 2017	Depreciation	Deduction	As at March 31, 2018	As at March 31, 2017
i) Tangible Assets									
Land	-	84.42	-	84.42	-	-	-	84.42	-
Building	-	63.99	0.12	64.11	-	3.31	-	60.80	-
Furniture and Fixtures	12.24	0.49	0.13	12.77	3.71	1.53	0.03	7.56	8.53
Office equipments	9.82	0.00	0.16	9.81	5.74	1.44	0.15	2.78	4.08
Computers	30.50	-	1.67	32.77	24.31	4.23	1.56	5.79	6.19
Plant & machinery	-	4.52	-	4.52	-	0.98	-	3.54	-
Vehicles	1.10	-	0.04	2.39	0.82	0.19	0.03	1.41	0.28
Total	53.66	153.42	1.96	210.79	34.58	11.68	1.77	166.30	19.08
Previous Year	-	46.80	1.08	53.66	28.51	7.09	1.02	34.58	-
ii) Intangible Assets									
Computer Software	35.37	-	23.45	58.82	25.07	6.33	-	27.42	10.30
Goodwill on Demerger	-	160.14	-	160.14	-	16.01	-	144.13	-
Total	35.37	160.14	23.45	218.96	25.07	22.34	-	171.55	10.30
Previous Year	-	31.27	4.10	35.37	21.07	4.00	-	10.30	-
iii) Intangible Assets under development									
Computer Software	-	-	2.53	2.53	-	-	-	2.53	-
Total	-	-	2.53	2.53	-	-	-	2.53	-
Previous Year	-	-	-	-	-	-	-	-	-

Note:

- 1 In respect of Intangible Assets :
 - a) It is other than internally generated.
 - b) In case of addition, balance useful life of 4 years.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

	Face Value / Issue Price	Quantity		Value	
		As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
13. Non current investments					
Non-Trade investments					
(a) Equity Shares valued at cost unless stated otherwise					
Quoted, fully paid-up					
3i Infotech Ltd	10	75 88 632	2 46 80 693	7.59	24.68
				7.59	24.68
Unquoted, fully paid-up					
Adone Hotels & Hospitality Limited* ₹ 10	10	-	1	-	*
GVR Infra Project Ltd	10	3 19 617	-	2.15	-
Share Microfin Limited (Refer note 4 below)	10	67 526	-	0.43	-
SWAWS Credit Corporation India Private Limited (Refer note 6 below)	10	17 20 668	17 20 668	#	#
				2.58	-
(b) Preference Shares valued at cost unless stated otherwise					
Unquoted, fully paid-up					
0.001% Cumulative, Compulsory, Redeemable Non Convertible Preference share of Adone Hotels & Hospitality Limited	10	-	2 00 00 000	-	20.00
0.10% Cumulative, Non Convertible, Redeemable Preference share of 3i Infotech Ltd	5	4 18 39 000	4 18 39 000	20.92	20.92
0.001% Optionally Convertible Cumulative Redeemable Preference share of Asmitha Microfin Limited (Refer note 4 below)	10	2 19 00 238	62 54 000	21.90	6.25
0.001% Optionally Convertible Cumulative Redeemable Preference share of Share Microfin Limited (Refer note 4 below) * ₹ 22,290	10	2 229	88 05 750	*	8.81
				42.82	55.98
(c) Debentures & Bonds valued at cost unless stated otherwise					
Unquoted, fully paid-up					
SWAWS Credit Corporation India Private Limited -OCD-18-March -2018 (Refer note 6 below)	100	57 355	57 355	#	#
BKS Galaxy Realtors Private Limited-NCD-SR-II 30-Sep-2020	8 000	-	2 500	-	2.00
Shah Group Builders Limited -NCD-SR-II 30-Sep-2016 (Refer note 6 below)	43	15 00 000	15 00 000	#	4.29
GVR Infra Project Ltd 10% OCD	1	6 46 83 384	-	6.47	-
				6.47	6.29
(d) Security Receipts valued at cost unless stated otherwise					
Unquoted, fully paid-up					
Suraksha ARC Trust 002-22 Dec. 2016	856	1 98 900	1 98 900	17.03	19.89
Suraksha ARC Trust 003 -22 Dec. 2016	1,000	26 350	26 350	2.64	2.64
Suraksha ARC Trust 018 -29 Sep. 2017	778	5 61 000	-	43.62	-
Suraksha ARC Trust 021 -29 Dec. 2017	1,000	13 43 000	-	134.30	-
Suraksha ARC Trust 029 -31 Mar. 2018	1,000	2 20 273	-	22.03	-
Reliance ARC Trust 026 -30 Dec. 2016	964	6 71 834	8 15 924	64.79	77.35
Reliance ARC Trust 048 -28 Mar. 2018	1,000	9 77 585	-	97.76	-
				382.17	99.88
(e) Others -Unit of AIF valued at cost unless stated otherwise					
Quoted *, fully paid-up					
IFMR Impact Long Term Multi Asset Class Fund	1 00 000	2 490	2 490	25.00	25.00
				25.00	25.00
Total [a+b+c+d+e]				466.63	211.83

Notes to the Financial Statements for the year ended March 31, 2018

Notes:

(₹ in crore)

	As at March 31, 2018		As at March 31, 2017	
	Book Value	Market value	Book Value	Market value
1 The aggregate value of Investments : (Net of provision for diminution in the value of Investments:)				
Quoted	28.83	30.24	37.46	38.72
Unquoted	421.80	-	161.72	-
Total	<u>450.63</u>	<u>30.24</u>	<u>199.18</u>	<u>38.72</u>

(₹ in crore)

	As at March 31, 2018	As at March 31, 2017
2 The aggregate Provision for diminution in the value of Investments:		
Quoted	3.76	12.22
Unquoted	12.24	0.43
Total	<u>16.00</u>	<u>12.65</u>

3 Basis of Valuation **at cost less provision for diminution in the value of Investments** at cost less provision for diminution in the value of Investments

4 Pursuant to Scheme of Arrangement between the Share Microfin Limited and Asmitha Microfin Limited

a) the Company has been allotted 67,526 equity shares of ₹ 10 each and 2,229, 0.001% Optionally Convertible Cumulative Redeemable Preference share of Share Microfin Limited

b) the Company has been allotted 74,20,000 0.001% Optionally Convertible Cumulative Redeemable Preference share of Asmitha Microfin Limited against the 88,05,750 0.001% Optionally Convertible Cumulative Redeemable Preference share of Share Microfin Limited

5 * for units of Fund net assets value (NAV) is taken as Market Value

6 # Investments written off.

(₹ in crore)

	As at March 31, 2018	As at March 31, 2017
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14 Deferred Tax Assets

Deferred Tax Asset disclosed in the Balance Sheet comprises the following:

a) Deferred Tax Liability

(i) Related to Fixed Assets	21.16	2.32
(ii) Unamortised Expenditure	14.23	11.88
Total	<u>35.39</u>	<u>14.20</u>

b) Deferred Tax Asset

(i) Disallowance under the Income Tax Act, 1961	(1.11)	(1.28)
(ii) Provision for NPA & Doubtful Debts and Provision for diminution in the value of Investments	(56.24)	(53.08)

Total (57.35) (54.36)

Net Deferred Tax Liabilities/(Asset) (a) - (b) (21.96) (40.16)

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

	(₹ in crore)	
	As at March 31, 2018	As at March 31, 2017
15 Long Term Loans and Advances		
a) Capital Advances – Unsecured, considered good	-	16.57
b) Security Deposits – Unsecured, considered good	13.64	13.62
c) Loans		
(i) Secured		
– Considered Good		
Private Company in which director is a – member/Director	-	0.92
Others	7 015.50	6 006.53
	7 015.50	6 007.45
– Considered Doubtful	274.25	425.10
	7 289.75	6 432.55
(ii) Unsecured		
– Considered Good	546.24	840.14
– Considered Doubtful	5.44	51.59
	551.68	891.73
d) Installments Due		
– Considered Doubtful	142.13	232.99
	142.13	232.99
Unsecured, considered good		
– Balance with Service Tax Authorities	-	0.08
– Balance with GST Authorities	2.71	-
– Taxes paid	79.80	31.55
(Net of Income Tax Provision ₹ 142.17 crore [Previous Year ₹ 87.68 crore])		
	8 079.71	7 619.09
16 Other Non Current Assets		
Secured, considered good unless stated otherwise		
a) Fixed Deposits with banks (Maturity > 3 Months)		
i) Credit enhancement towards Securitisation/Direct Assignment	53.65	128.44
ii) Others (Refer note 1 below)	3.29	2.00
	56.94	130.44
b) Unamortised Expenditures – Unsecured		
(i) Unamortised DSA Commission		
As per Last Balance sheet	50.79	-
Add: Pursuant to Scheme of Arrangement	-	64.43
Add: Incurred during the Year	84.52	43.20
Less: Amortised during the year	96.22	56.84
	39.09	50.79
Less: to be amortised over the next one year (Refer Note 20 (b))	12.52	16.19
	26.57	34.60
(ii) Unamortised Brokerage on Borrowing		
As per Last Balance sheet	1.82	-
Add: Pursuant to Scheme of Arrangement	-	1.99
Add: Incurred during the Year	1.13	0.90
Less: Amortised during the year	0.92	1.07
	2.03	1.82
Less: to be amortised over the next one year (Refer Note 20 (b))	1.50	0.94
	0.53	0.88
c) Prepaid Expenses – unsecured	9.18	7.27
	93.22	173.19

Note:

- In respect of Fixed Deposit with banks – Others includes ₹ 2 crore (Previous Year ₹ 2 crore) is lien marked against borrowing taken from banks & Financial Institutions, ₹ 0.27 crore (Previous year ₹ Nil) is kept as deposit with bank for issuing of Bank Guarantee for third party.

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

	As at March 31, 2018	As at March 31, 2017
17 Trade receivables		
Unsecured, considered good unless stated otherwise		
a) Debts outstanding for a period exceeding six months	-	-
b) Other debts	<u>6.22</u>	<u>-</u>
	<u>6.22</u>	<u>-</u>
18 Cash & Bank Balance		
a) Cash & Cash equivalents		
Balance with Banks		
- in Current Accounts	642.56	363.34
- in Fixed Deposits	0.05	5.00
Cash on hand	<u>0.57</u>	<u>0.52</u>
	<u>643.18</u>	<u>368.86</u>
b) Other Bank Balances		
Fixed Deposits with banks	41.79	41.89
(Credit enhancement towards Securitisation/Direct Assignment)		
	<u>684.97</u>	<u>410.75</u>
19 Short-term loans and advances		
Secured, considered good unless stated otherwise		
a) Loans repayments within next 12 months		
i) Secured		
Private Company in which director is a member/Director	-	9.68
Others	<u>5 627.97</u>	<u>4 497.51</u>
	<u>5 627.97</u>	<u>4 507.19</u>
ii) Unsecured	<u>8.36</u>	<u>403.58</u>
	<u>5 636.33</u>	<u>4 910.77</u>
b) Installments Due (Considered Good)		
- Secured	138.13	141.67
c) Sundry Advances (Unsecured, Considered Good)		
- Others	44.25	2.68
d) Receivable against sale of fixed assets		
- Related Party	0.06	-
e) Prepaid expenses	<u>17.70</u>	<u>-</u>
	<u>5 836.47</u>	<u>5 055.12</u>
20 Other Current Assets		
a) Interest Accrued on		
- Fixed Deposits	1.36	1.12
- Other Investments	1.49	9.48
- Loans and advances #	<u>395.09</u>	<u>228.17</u>
	<u>397.94</u>	<u>238.77</u>
b) Unamortised Expenditure		
- DSA Commission	12.52	16.19
- Brokerage on Borrowing	<u>1.50</u>	<u>0.94</u>
	<u>14.02</u>	<u>17.13</u>
	<u>411.96</u>	<u>255.90</u>

Interest Accrued on loans & advances includes ₹ Nil (Previous year ₹ 0.13 crore) due by Private Company in which one director is a member & Director.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

	2017 - 18	2016 - 17
21 Revenue from operations		
a) Interest income		
Interest on Loans	1 848.77	1 681.20
b) Other Financial income		
Processing Fee income	154.93	122.00
Servicing Fee income	20.27	51.75
Foreclosure & Other Operating Charges	45.79	40.10
	<u>220.99</u>	<u>213.85</u>
Less : GST/Service Tax Recovered	<u>33.71</u>	<u>27.89</u>
	187.28	185.96
c) Other operating income		
Bad Debts Recovered	2.85	20.74
Profit on Loans sold to Asset-Reconstruction Company	-	21.84
	<u>2.85</u>	<u>42.58</u>
	<u>2 038.90</u>	<u>1 909.74</u>
22 Other Income		
a) Profit/(Loss) on Sale of Investments (Net)		
- Current	69.30	9.38
- Long Term	<u>(8.28)</u>	-
b) Interest on	61.02	9.38
- Fixed Deposits	13.80	13.48
- Investments	4.89	4.54
- Income Tax Refund (* Previous year ₹ 1,159)	-	*
	<u>18.69</u>	18.02
c) Brokerage & Commission	10.35	14.09
Less : GST Recovered	<u>1.58</u>	<u>1.84</u>
	8.77	12.25
d) Rent Income	5.97	-
e) Infrastructure Cost Recovery	-	3.91
f) Credit Balance / Excess Provision Written Back (* Previous year ₹ 1,985)	-	*
g) Profit on Sale of Fixed Assets	0.05	-
h) Miscellaneous Income	<u>0.21</u>	<u>0.04</u>
	<u>94.71</u>	<u>43.60</u>
23 Employee Benefits Expense		
Payments to and Provision for Employees		
- Salary, allowances & bonus etc	117.87	116.22
- Contribution to Provident fund and other Funds	5.96	6.60
- Staff Welfare & other amenities	6.15	7.08
	<u>129.98</u>	<u>129.90</u>
24 Finance Cost		
a) Interest Expense		
- Loan from Banks & Financial Institutions	884.32	862.04
- Non Convertible Debentures	97.92	54.82
- Body Corporates	<u>50.53</u>	<u>90.64</u>
	1 032.77	1 007.50
b) Other Borrowing Cost		
- Amortised Brokerage (Refer Note 16 (b)(ii))	0.92	1.07
- Discount on Commercial Papers	80.93	31.25
- Processing Charges	<u>0.05</u>	<u>0.05</u>
	81.90	32.37
	<u>1 114.67</u>	<u>1 039.87</u>

Notes to the Financial Statements for the year ended March 31, 2018

	(₹ in crore)	
	2017-18	2016-17
25 Other Expenses		
Auditor's Remuneration (Refer note 29)	0.12	0.08
Bank Charges	1.47	1.37
Corporate Social Responsibility Expenditures (Refer Note No. 40)	2.56	0.15
Directors' Sitting Fees	0.25	0.13
Interest on Income Tax (*Previous year ₹ 348)	-	*
Legal & Professional Fees	45.24	31.06
Loss on Assets Discarded	-	0.06
Management Expenses	6.52	3.00
Miscellaneous Expenses	3.77	4.79
Postage, Telegram & Telephone	2.17	3.86
Printing and Stationary	3.14	3.10
Rent	17.96	15.72
Rates and Taxes	2.93	0.34
Repairs & Maintenance - Others	26.51	21.47
Travel & Conveyance	7.39	9.63
Amortised DSA Commission (Refer Note 16 (b)(i))	96.22	56.84
Marketing Expenses	12.50	13.76
Credit Cost	0.81	4.74
Collection Cost	20.04	22.93
Bad Debts Written Off	157.14	114.62
Debit Balance Written Off	8.15	-
Investments Written Off	4.29	-
Loss on Loans sold to Asset Reconstruction Company	162.72	-
Loss on Sale of Repossessed Assets	17.43	47.69
Provision/(Reversal) for NPA & Doubtful Debts	(40.35)	53.08
Provision for Diminution in the Value of Investments	3.35	12.65
Contingent provision against standard assets	11.53	8.73
	573.86	429.80

26 Employee benefits

a) Defined contribution plan

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

	(₹ in crore)	
Particulars	2017-18	2016-17
Employer's contribution to provident fund	2.96	2.91
Employer's contribution to superannuation fund	0.04	0.10
Employer's contribution to pension scheme	1.20	1.26
Employer's contribution to Gratuity Fund	1.76	2.33
	5.96	6.60

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

b) Defined Benefit plans

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of Profit and Loss, the fund status and amount recognised in the balance sheet for the gratuity benefit plan and leave encashment plan.

(₹ in crore)

Particulars	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
I. Table showing change in				
Liability at the beginning of the period	-	10.13	1.22	1.11
Interest Cost	-	0.82	0.07	0.08
Current Service Cost	0.78	1.33	0.46	0.44
Liability Transferred out / Divestments	5.37	(1.44)	-	-
Benefit Paid	(2.62)	(2.72)	(0.43)	(0.15)
Actuarial (gain)/loss on obligations - Due to change in Financial Assumptions	(0.34)	0.83	(0.74)	(0.26)
Actuarial (gain)/loss on obligations -Due to Experience	1.42	2.54	-	-
Liability at the end of the period	4.61	11.49	0.58	1.22
II. Changes in the fair Value of Plan Assets and the reconciliation thereof:				
Fair Value of Plan Assets at the beginning of the period	-	9.28	-	-
Expected return on Plan Assets	-	0.75	-	-
Contributions	-	1.51	0.43	0.15
Liability Transferred out / Divestments	5.37	(1.44)	-	-
Benefit paid	(2.62)	(2.72)	(0.43)	(0.15)
Actuarial gain/(loss) on Plan Assets - Due to Experience	0.10	0.16	-	-
Fair value of Plan Assets at the end of the period	2.85	7.54	-	-
Total Actuarial gain/(loss) to be recognized	(0.98)	(3.20)	0.74	0.26
III. Actual return on Plan Assets				
Expected return on Plan Assets	-	0.75	-	-
Actuarial gain/(loss) on Plan Assets	0.10	0.16	-	(0.26)
Actual return on Plan Assets	0.10	0.91	-	(0.26)
IV. Amount recognised in the Balance Sheet				
Liability at the end of the period	4.61	11.49	0.58	1.22
Fair Value of Plan Assets at the end of the period	2.85	7.54	-	-
Difference Funded status [Surplus/(Deficit)]	(1.76)	(3.95)	(0.58)	(1.22)
Unrecognised Actual Gain / (Loss)	-	-	-	-
Amount recognised in the Balance Sheet (liability)	(1.76)	(3.95)	(0.58)	(1.22)
V. Expenses recognised in the Profit and Loss Account				
Current Service Cost	0.78	1.33	0.46	0.44
Interest Cost	-	0.07	0.07	0.08
Net Actuarial (gain)/loss to be recognized	0.98	3.20	(0.74)	(0.26)
Expense relating to Holding Company	-	2.27	-	-
Expense recognised in Profit and Loss Account	1.76	2.33	(0.21)	0.26
VI. Amount recognised in the Balance Sheet				
Opening Net Liability	-	0.85	1.22	1.11
Expense as above	1.76	4.60	(0.21)	0.26
Employers Contribution paid	-	(1.51)	(0.43)	(0.15)
Liability relating to Holding Company	-	1.43	-	-
Closing Net Liability/(Assets)	1.76	2.51	0.58	1.22

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

Particulars	Gratuity benefit (funded)		Leave Encashment Benefit (Unfunded)	
	2017-18	2016-17	2017-18	2016-17
VII. Experience Adjustment				
Experience adjustment on Plan Assets Gain/(Loss)	0.10	0.16	-	-
Experience adjustment on Plan Liabilities (Gain)/Loss	1.42	2.54	-	-
VIII Assumptions				
Discount Rate	7.86%	7.34%	7.74%	7.45%
Rate of return on Plan Assets	7.86%	7.34%	-	-
Salary Escalation Rate	6.00%	6.00%	6.00%	6.00%

Notes:

- i) The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.
- ii) 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.

Other Employee Benefits – Phantom Stock

I. Details of Option granted, forfeited and exercised

Particulars	2017-18	2016-17
Outstanding as at April 1, (Nos)	1 107 700	-
Granted (Nos)	-	1 107 700
Exercised (Nos)	-	-
Lapses/Forfeited /Surrendered (Nos)	233 746	-
Exercisable as at March 31, (Nos)	873 954	1 107 700

II. Terms and conditions of the scheme

Phantom stock granted under the scheme would vest within not less than 1 year and not more than 5 years from the last date of vesting of such Phantom stock option. Vesting of Phantom stock option would be subject to continued employment with the company and the Phantom stock option would vest on passage of time

Excess of fair market of share on the date of exercise determined in terms of Phantom stock option scheme over the base price.

In case of continuation of employment :

Vested Phantom stock option can be exercised any time upto 3 years from the date of last vesting of Phantom stock options and

In case of cessation of employment :

Different periods depending on kind of cessation as per provision of the Phantom stock option scheme

Within 90 days from the date of exercise by cash

III. Fair value of the Option granted was estimated on the date of grant based on the following assumptions

Discount rate	7.35%
Expected life	4 years

- IV. The Company's liability toward the Phantom stock option is accounted for on the basis of an independent actuarial valuation done at the year end. As per the valuation the liability for the year is ₹ 0.33 crore (Previous year ₹ 0.52 crore) which is debited to Statement of profit and loss account and the liability is shown in the Balance sheet under the head Other current liabilities and clubbed under Other payables.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

27 Segment reporting:

The Company is mainly engaged in the commercial finance business and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment as specified in Accounting Standard (AS-17) on 'Segment Reporting', in terms of Companies (Accounts) Rules, 2014.

28 Related party disclosures

A. List of Related Parties and their relationship:

i) Holding Company

Reliance Capital Limited

ii) Subsidiaries of Holding Company / Fellow Subsidiaries

1	Reliance Nippon Life Asset Management Limited (ceased w.e.f. July 3, 2017)	13	Reliance Health Insurance Limited (w.e.f. May 4, 2017)
2	Reliance Asset Management (Singapore) Pte. Limited (ceased w.e.f. July 3, 2017)	14	Reliance Nippon Life Insurance Company Limited
3	Reliance Asset Management (Mauritius) Limited (ceased w.e.f. July 3, 2017)	15	Reliance Money Precious Metals Private Limited
4	Reliance Capital Pension Fund Limited	16	Reliance Money Solutions Private Limited
5	Reliance AIF Management Company Limited (ceased w.e.f. July 3, 2017)	17	Reliance Securities Limited
6	Reliance Capital AIF Trustee Company Private Limited	18	Reliance Corporate Advisory Services Limited
7	Reliance Capital Trustee Company Limited	19	Reliance Wealth Management Limited
8	Reliance Commodities Limited	20	Quant Capital Private Limited
9	Reliance Exchangenext Limited	21	Quant Broking Private Limited
10	Reliance Financial Limited	22	Quant Securities Private Limited
11	Reliance General Insurance Company Limited	23	Quant Investment Services Private Limited
12	Reliance Home Finance Limited		

iii) Key management personnel

Shri Devang Mody	Chief Executive Officer (w.e.f. April 3, 2017) & Executive Director (w.e.f. April 20, 2017)
Shri Amrish Shah	Chief Financial Officer (up to March 6, 2018)
Smt. Ekta Thakurel	Company Secretary

iv) Parties under common control (Ceased w.e.f. October 3, 2017)

Reliance Communications Limited
Reliance IDC Limited
Reliance Big Entertainment Limited
Reliance Infratel Limited

B. List of related parties with whom transactions have taken place during the year:

Reliance Capital Limited
Reliance Communications Limited
Reliance Infrastructure Limited
Reliance Health Insurance Limited
Reliance Nippon Life Insurance Company Limited
Reliance Securities Limited
Reliance General Insurance Company Limited
Reliance Home Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

C. Transactions during the year with related parties:

(₹ in crore)

Particulars	Holding Company	Fellow Subsidiary	Parties under common control	Key Management Personnel	Total
With Reliance Capital Limited					
Equity Share Capital					
a) Issued during the year	12.50	-	-	-	12.50
	(59.53)	(-)	(-)	(-)	(59.53)
b) Balance as at March 31, 2018	135.32	-	-	-	135.32
	(122.83)	(-)	(-)	(-)	(122.83)
Preference Share Capital					
a) Issued during the year	-	-	-	-	-
	(400.00)	(-)	(-)	(-)	(400.00)
b) Balance as at March 31, 2018	400.00	-	-	-	400.00
	(400.00)	(-)	(-)	(-)	(400.00)
Security Premium Received on Issue of Equity Share					
a) Received on Issued during the year	387.50	-	-	-	387.50
	(1 690.51)	(-)	(-)	(-)	(1 690.51)
b) Balance as at March 31, 2018	2 078.01	-	-	-	2 078.01
	(1 690.51)	(-)	(-)	(-)	(1 690.51)
Dividend					
Dividend Paid	6.14	-	-	-	6.14
	(-)	(-)	(-)	(-)	(-)
Fixed Assets					
Sale of Assets	0.06	-	-	-	0.06
	(-)	(-)	(-)	(-)	(-)
Purchase of Assets (*₹ 1,515)	*	-	-	-	*
	(-)	(-)	(-)	(-)	(-)
Loans Repaid					
Loan Repaid (Received pursuant to RMW demerger)	107.00	-	-	-	107.00
	(-)	(-)	(-)	(-)	(-)
Expenses					
Management Fees	6.00	-	-	-	6.00
	(3.00)	(-)	(-)	(-)	(3.00)
Interest Paid on ICD's	12.70	-	-	-	12.70
	(-)	(-)	(-)	(-)	(-)
Reimbursement of Expenses paid	3.09	-	-	-	3.09
	(0.68)	(-)	(-)	(-)	(0.68)
Income					
Reimbursement of Expenses Received	0.04	-	-	-	0.04
	(-)	(-)	(-)	(-)	(-)
Trade Payable as on March 31, 2018					
Reliance Communications Limited	-	-	-	-	-
	(-)	(-)	(0.05)	(-)	(0.05)
Reliance Infrastructure Limited	-	-	-	-	-
	(-)	(-)	(0.08)	(-)	(0.08)
With Reliance Home Finance Limited					
Income					
Reimbursement of Expenses Received	-	0.01	-	-	0.01
	(-)	(26.23)	(-)	(-)	(26.23)
Expenses					
Reimbursement of Expenses paid	-	-	-	-	-
	(-)	(3.54)	(-)	(-)	(3.54)
Valuation Expenses paid (*₹ 27,600)	-	*	-	-	*
	(-)	(0.22)	(-)	(-)	(0.22)
Brokerage Expenses paid (*₹ 89,956)	-	*	-	-	*

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

Particulars	Holding Company	Fellow Subsidiary	Parties under common control	Key Management Personnel	Total
	(-)	(-)	(-)	(-)	(-)
With Reliance General Insurance Co. Ltd.					
Income					
Reimbursement of Expenses Received	-	1.06	-	-	1.06
	(-)	(0.92)	(-)	(-)	(0.92)
Expenses					
Insurance Premium paid	-	1.92	-	-	1.92
	(-)	(2.20)	(-)	(-)	(2.20)
Rent Expenses	(-)	0.32	-	-	0.32
	(-)	(0.28)	(-)	(-)	(0.28)
With Reliance IDC Limited					
IT & Communication Expenses	(-)	-	0.24	-	0.24
	(-)	(-)	(1.19)	(-)	(1.19)
With Reliance Nippon Life Assets Management Company Limited					
Income					
Reimbursement of Expenses Received	-	-	-	-	-
	(-)	(0.04)	(-)	(-)	(0.04)
With Reliance Nippon Life Insurance Company Limited					
Income					
Reimbursement of Expenses Received	-	0.16	-	-	0.16
	(-)	(0.20)	(-)	(-)	(0.20)
Expenses					
Insurance Expenses	-	0.40	-	-	0.40
	(-)	(0.44)	(-)	(-)	(0.44)
With Reliance Securities Limited					
Income					
Reimbursement of Expenses Received	-	0.16	-	-	0.16
	(-)	(0.13)	(-)	(-)	(0.13)
Expenses					
Brokerage Expenses paid	-	*	-	-	*
* ₹ 15,127 (Previous year ₹ 32,687)	(-)	(*)	(-)	(-)	(*)
With Reliance Communications Limited					
Expenses					
Reimbursement of Expenses paid	-	-	0.01	-	0.01
	(-)	(-)	(-)	(-)	(-)
Electricity Expenses	-	-	-	-	-
	(-)	(-)	(0.03)	(-)	(0.03)
IT & Communication Expenses	-	-	0.47	-	0.47
	(-)	(-)	(1.75)	(-)	(1.75)
Rent Expenses	-	-	0.15	-	0.15
	(-)	(-)	(0.86)	(-)	(0.86)
Income					
Interest on loan	-	-	-	-	-
	(-)	(-)	(58.92)	(-)	(58.92)
Loan given	-	-	-	-	-
	(-)	(-)	(1,565.70)	(-)	(1,565.70)
Loan Repaid	-	-	-	-	-
	(-)	(-)	(1,821.20)	(-)	(1,821.20)

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

Particulars	Holding Company	Fellow Subsidiary	Parties under common control	Key Management Personnel	Total
With Reliance Big Entertainment Private Limited					
Income					
Interest on loan	-	-	-	-	-
	(-)	(-)	(19.16)	(-)	(19.16)
Loan given during the year	-	-	-	-	-
	(-)	(-)	(340.14)	(-)	(340.14)
Loan Repaid during the year	-	-	-	-	-
	(-)	(-)	(280.28)	(-)	(280.28)
Outstanding Loan Balance	-	-	-	-	-
	(-)	(-)	(200.00)	(-)	(200.00)
With Reliance Infratel Limited					
Income					
Interest on loan	-	-	-	-	-
	(-)	(-)	(22.91)	(-)	(22.91)
Loan given during the year	-	-	-	-	-
	(-)	(-)	(876.20)	(-)	(876.20)
Loan Repaid during the year	-	-	-	-	-
	(-)	(-)	(876.20)	(-)	(876.20)
Employee Benefit Expenses					
Mr. Devang Mody	-	-	-	6.95	6.95
	(-)	(-)	(-)	(-)	(-)
Mr. Amrish Shah	-	-	-	0.82	0.82
	(-)	(-)	(-)	(0.03)	(0.03)
Ms. Ekta Thakurel	-	-	-	0.17	0.17
(*Previous year – ₹ 72,898)	(-)	(-)	(-)	(*)	(*)

(₹ in crore)

Particulars	2017-18	2016-17
29 Auditor's Remuneration :		
Statutory Audit Fees	0.12	0.07
Tax Audit Fees	-	0.01
	0.12	0.08

30 Basic and diluted earnings per share:

The computation of earnings per share is set out below

(₹ in crore)

Particulars	2017-18	2016-17
Amounts used as the numerators		
Net Profit after tax	208.37	295.17
Net Profit attributable to equity shareholders	208.37	295.17
Weighted average number of equity shares (Nos.)	12 29 62 686	6 41 16 111
Basic earnings per share of face value ₹ 10 each (In Rupees)	16.95	46.04
Diluted earnings per share of face value ₹ 10 each (In Rupees)	16.95	46.04

31 In the opinion of management, all the Assets other than Non-Current Investments are approximately of the value stated if realised in the ordinary course of business.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

32 Security clause, Maturity profile & Rate of interest in respect of Non convertible Debentures

- a Rated, Listed, Secured, Redeemable, Non-convertible Debentures ("Secured NCDs") amounting to ₹ 2,824 crore (Previous year: Nil) are secured by way of a first charge & mortgage over the Company's Gujarat Immovable Property and first pari-passu charge on all present and future book debts, business receivables, current assets, investments and all other assets of the Company.
- b Maturity profile of Non convertible Debentures are as set out below;

(₹ in crore)

Interest Rate	2019-20	2020-21	2022-23	2024-25	2025-26	2027-28	Total
NCD	-	-	-	-	-	-	
8.52%	-	-	-	54.00	-	-	54.00
8.66%	-	-	-	-	-	35.00	35.00
8.69%	-	-	-	-	-	32.00	32.00
8.70%	-	-	-	-	5.00	-	5.00
9.03%	-	-	400.00	-	-	-	400.00
9.07%	-	-	-	-	-	6.00	6.00
9.15%	535.00	-	-	-	-	-	535.00
9.23%	-	-	-	-	-	500.00	500.00
9.40%	-	-	-	-	-	38.00	38.00
9.50%	-	200.00	-	-	-	-	200.00
Total	535.00	200.00	400.00	54.00	5.00	611.00	1 805.00

33 Security clause & Maturity profile in respect to secured loans from banks / financial institutions

- (a) (i) Term loans from banks / financial institutions includes ₹ 6,813.94 crore (Previous year ₹ 9,052.72 crore) which are secured by pari-passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company.
- (ii) Loan facility of ₹ 500 crore availed from the National Bank for Agriculture and Rural Development (NABARD), is secured by way of first charge on book debts and receivables of the Company to the extent of ₹ 588 Crore.
- (b) Maturity profile of Term loans from banks / financial institutions are as set out below:

(₹ in crore)

	2019-20	2020-21	2021-22	2022- 23	Total
Term Loan from Banks / financial institutions	2 188.68	1 364.99	652.01	121.67	4 327.35

34 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 Regulation 53 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. (As certified by the Management)

(₹ in crore)

Particulars	Outstanding Balance		Maximum Balance outstanding	
	March 31, 2018	March 31, 2017	2017-18	2016-17
i) Loans and advances in the nature of loans to subsidiaries	-	-	-	-
ii) Loans and advances in the nature of loans to associates	-	-	-	-
iii) Loans and advances in nature of loans to firms/companies in which directors are interest	-	-	-	-
iv) Loans and advances in nature of loans to firms / companies in which directors are interested.	-	-	-	-
	Outstanding Balance			
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	No. of shares		Amount ₹ in crore	
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.	-	-	-	-

Notes to the Financial Statements for the year ended March 31, 2018

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

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions on behalf of third parties	70.71	338.47
ii) Claims against the Company not acknowledge as debt	3.94	5.38
Commitments		
iii) Estimated amount of contracts remaining to be executed on capital account (net of advances)	3.56	5.31
iv) Undrawn Committed Credit lines	340.51	554.36

36 Expenditure in foreign currency

(₹ in crore)

Particulars	2017-18	2016-17
i) Legal & Professional Fees	1.19	0.15
ii) Software Maintenance and Others	0.06	0.33
iii) Subscription Fees * ₹ 27 440	-	*
iv) Repairs & Maintenance * ₹ 14 888	0.99	*
	2.24	0.48

37 Details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016

(₹ in crore)

Particulars	Specified Bank Notes	Other Notes	Total
Closing cash in hand as on 08.11.2016	1.20	0.24	1.44
Add : Permitted Receipts	-	6.85	6.85
Less : Permitted Payments	-	-	-
Less : Amount deposited in Bank	1.20	7.03	8.23
Closing cash in hand as on 30.12.2016	-	0.06	0.06

The above disclosure related to Specified Bank Notes (SBN) is not applicable for the year ended March 31, 2018.

38 Scheme of Arrangement between Company and Reliance MediaWorks Limited (RMW)

The Scheme of Arrangement ("the Scheme") under Sections 230 - 232 of the Companies Act, 2013 between the Company and Reliance MediaWorks Limited (RMW) and their respective shareholders and creditors was sanctioned by the National Company Law Tribunal ('NCLT') vide Order dated October 10, 2017. The Scheme became effective on November 16, 2017 on filing with the Registrar of Companies (RoC) with effect from March 31, 2017 i.e. Appointed Date. Pursuant to the Scheme, the Lease Rental Business (LR) of Reliance MediaWorks Limited (RMW) has been transferred to the Company. Hence, in accordance with the Scheme:

- (i) On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 484.97 crore and liabilities aggregating to ₹ 644.97 crore as appearing in the books of RMW related to Lease Rental Business at their respective book value as on Appointed Date. The assets & liabilities taken over include:

Assets / Liabilities Taken Over	(₹ in crore)
Assets	
Property, Plant and Equipment (Net of accumulated Depreciation ₹ 131.14 crore)	153.42
Loans & Advances	312.51
Other Current Assets	19.04
Total Assets	484.97
Liabilities	
Borrowings	642.00
Other current liabilities	2.97
Total Liabilities	644.97

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

- (ii) On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 484.97 crore and liabilities aggregating to ₹ 644.97 crore as appearing in the books of RMW related to Lease Rental Business at their respective book value as on Appointed Date. The difference between value of assets and liabilities of RMW's lease rental business and the value of the shares allotted to the shareholders of RMW's, amounting to ₹ 160.14 crore has been recorded as goodwill.
- The Company has on December 18, 2017 issued and allotted 13,79,857 10% Non-Convertible Non-Cumulative Redeemable Preference Shares of ₹ 1/- each fully paid-up ('Preference Shares') and 994 Preference Shares shall be allotted post receipt of requisite regulatory approvals.
- (iii) There are no inter-company balances and transactions between the Company and RMW on appointed date.
- (iv) Pursuant to the Scheme approved by National Company Law Tribunal, the difference between value of assets and liabilities of RMW's entire lease rental business and the value of the shares allotted to the shareholders of RMW, amounting to ₹ 160.14 crore has been recorded as goodwill.
- (v) As the financial statements for previous year ended March 31, 2017 have been already approved by the shareholders of the Company, the previous year accounts have not been reopened and all the relevant accounting entries with respect to the Scheme have been accounted during the current financial year.

39 Scheme of Arrangement between Company and Reliance Capital Limited (RCL)

The Scheme of Arrangement ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between the Company and Reliance Capital Limited and their respective shareholders and creditors was sanctioned by the Hon'ble High Court of Judicature at Bombay vide Order dated December 9, 2016. The Scheme became effective on March 24, 2017 on filing with the Registrar of Companies (RoC) with effect from April 1, 2016 i.e. Appointed Date.

Pursuant to the Scheme, the Commercial Finance Business (CF) undertaking of Reliance Capital Limited (RCL) has been transferred to the Company. Hence, in accordance with the Scheme:-

- (i) On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 12,473 crore and liabilities aggregating to ₹ 12,473 crore as appearing in the books of RCL related to commercial finance business at their respective book value as on Appointed Date. The net assets taken over include:

Assets / Liabilities Taken Over	(₹ in crore)
Assets	
Fixed Assets	29
Investments	91
Loans & Advances	11 348
Cash on Hand & Bank Balance with Banks	650
Other Current Assets	355
Total Assets	12 473
Liabilities	
Borrowings	11 975
Provisions	38
Trade payables	6
Other current liabilities	454
Total Liabilities	12 473

- (ii) The difference between value of assets and liabilities of the RCL's commercial finance business as recorded by the Company shall be deemed to comprise and be recorded, in case of excess as its capital reserve or in case of deficit as goodwill.
- (iii) With effect from the Appointed Date and upto and including the effective date, RCL shall be deemed to have been carrying on and to be carrying on all business and activities relating to Commercial Finance Business for and on account of and in trust of the Company. All profits accruing to the RCL or losses including tax losses, arising or incurred by the RCL in relation to the Commercial Finance Business for the period commencing from the Appointed Date to the Effective Date shall, for all purposes, be treated as the profits or losses, as the case may be, of the Company.
- (iv) During the period from the Appointed Date to the Effective Date the Company was repaid interest of ₹ 90.64 crore on inter divisional balance, reimbursement of expenses amounting to ₹ 2.50 crore and management fees amounting to ₹ 3 crore to Reliance Capital Limited. Outstanding inter division balance amounting to ₹ 2,874 crore as on March 24, 2017 were paid by the Company subsequently.

Notes to the Financial Statements for the year ended March 31, 2018

40 Corporate Social Responsibility Expenditures

As per Section 135 of the Companies Act, 2013 the Company is under obligation to incur Corporate Social Expenditures (CSR) amounting to ₹ 2.56 crore (Previous year ₹ 6.553), being 2% of the average net profit during the three immediately preceding financial years towards CSR, calculated in the manner as stated in the Act. During the year, the Company has made a contribution of ₹ 2.56 crore (Previous year ₹ Nil) by contributing for health camps and support for education.

41 Disclosure related to Schedule to the balance sheet of the Company, as required by Annex I of the RBI Directions.

Particulars	(₹ in crore)			
	Amount Outstanding		Amount Overdue	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
(1) Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid :				
(a) Debentures				
i) Secured (Inclusive of Interest accrued but not due ₹ 51 crore)	2 875.00	-	-	-
ii) Unsecured (Inclusive of Interest accrued but not due ₹ 3.62 crore) (Other than falling within the meaning of public deposits)	284.61	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans (Inclusive of Interest accrued but not due ₹ 6.76 crore)	7 320.71	8 742.85	-	-
(d) Inter-corporate Loans and Borrowing	-	-	-	-
(e) Commercial Paper	128.06	987.02	-	-
(f) Other Loans -				
- Cash Credit	1 404.55	523.50	-	-
- Unsecured loans	150.00	310.00	-	-

Particulars	Amount Outstanding	
	As at March 31, 2018	As at March 31, 2017
	(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	13 197.98	11 314.40
(b) Unsecured	560.04	1 295.31
Total	13 758.02	12 609.71

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 ₹ 87.83 crore (Previous year ₹ 128.42 crore) is not considered.

(3) Break up of leased assets and stock on hire and other assets counting towards AFC activities:

(i) Lease assets including lease rentals under sundry debtors:		
a) Financial lease	-	-
b) Operating lease	-	-
(ii) Stock on hire including higher charges under sundry debtors		
a) Assets on Hire	-	-
b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
a) Loans where assets have been repossessed	-	-
b) Loans other than (a) above	-	-

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

Particulars	Amount Outstanding	
	As at March 31, 2018	As at March 31, 2017
(4) Break up of investments :		
a) Current investments		
1. Quoted		
(i) Shares		
(a) Equity (stock-in trade)	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of Mutual fund	-	-
(iv) Government securities	-	-
(v) Others	-	-
2. Unquoted		
(i) Shares	-	-
a) Equity	-	-
b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of Mutual fund	-	-
(iv) GOI securities	-	-
(v) Others	-	-
b) Long term investments*		
1. Quoted		
(i) Shares		
(a) Equity	7.59	24.68
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of Mutual fund	-	-
(iv) GOI securities	-	-
(v) Others		
Unit of AIF	25.00	25.00
2. Unquoted		
(i) Shares		
(a) Equity * ₹ 10	2.58	*
(b) Preference	42.82	55.98
(ii) Debentures and bonds	6.47	6.29
(iii) Units of Mutual funds	-	-
(iv) GOI securities	-	-
(v) Others		
Security Receipts	382.17	99.88
	466.63	211.82

*(Gross value without netting off Provision for Diminution in the value of Investments ₹16 crore [Previous Year ₹ 12.65 crore])

Notes to the Financial Statements for the year ended March 31, 2018

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

(₹ in crore)

Particulars	Secured		Unsecured		Total	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
a. Related parties						
(1) Subsidiaries	-	-	-	-	-	-
(2) Companies in the same group	-	-	-	-	-	-
(3) Other related parties	-	-	-	-	-	-
b. Other than related parties	13 197.98	11 314.40	560.04	1 295.31	13 758.02	12 609.71
Total	13 197.98	11 314.40	560.04	1 295.31	13 758.02	12 609.71

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted excluding stock in trade) after netting of provision for diminution in the value of investment ₹ 16 crore (Previous Year ₹ 12.65 crore)

(₹ in crore)

Particulars	Market value / Fair Value or NAV		Book Value (Net of provisions)	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
a. Related parties				
(1) Subsidiaries	-	-	-	-
(2) Companies in the same group	-	-	-	-
(3) Other related parties	-	-	-	-
b. Other than related parties	452.04	200.45	450.63	199.18
Total	452.04	200.45	450.63	199.18

(7) Other

(₹ in crore)

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Gross Non-Performing Assets		
(1) Related Parties	-	-
(2) Other than Related Parties	421.82	616.03
(b) Net Non-Performing Assets		
(1) Related Parties	-	-
(2) Other than Related Parties	333.98	516.24

Notes :

- 1 In case of unquoted investments, in the absence of market value book value has been considered.
- 2 Investments are classified between non-current and current investments (including current portion of long term investments) as required under Schedule III to the Companies Act, 2013.
- 3 Assets Acquired in satisfaction of Debt is other than asset acquired but not transferred to the Company under the Scheme of Arrangement and not included in the Gross Non Performing Assets and Net Non Performing Assets given above.
- 4 Gross Non Performing Assets and Net Non Performing Assets given above includes loans & advances and bonds & debentures.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

42 Disclosures as required by Annex XII of the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 (the "Notification")

Particulars	(₹ in crore)	
	As at March 31, 2018	As at March 31, 2017
a Capital to Risk Assets Ratio (CRAR)		
i) CRAR (%)	19.30	17.19
ii) CRAR – Tier I capital (%)	15.82	14.16
iii) CRAR – Tier II capital (%)	3.48	3.03
iv) Amount of Subordinated Debt raised as Tier II Capital	81.00	-
v) Amount raised by issue of Perpetual Debts Instruments	-	-
b Investments		
1) Value of Investments		
i) Gross Value of Investments		
a) In India	466.63	211.83
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	16.00	12.65
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	450.63	199.19
b) Outside India	-	-
2) Movement of provisions held towards depreciation of investments		
i) Opening Balance	12.65	-
ii) Add: Provisions made during the year	16.00	12.65
iii) Less: Write-off / write-back of excess provisions during the year	12.65	-
iv) Closing balance	16.00	12.65
c Derivatives		
During the year the Company has not entered into any derivative contract and at the year end there is no outstanding derivative contract. Therefore disclosures pertaining to derivatives are not applicable.	-	-

Sr. No.	Particulars	(₹ in crore)	
		2017-18	2016-17
d Disclosures relating to Securitisation			
1	No. of SPVs sponsored by the Company for Securitisation Transactions (Nos.)	3	4
2	Total amount of securitised assets as per books of the SPVs sponsored by the Company	66.56	291.02
3	Total amount of exposures retained by the Company to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	95.45	169.30
	• Others	-	-

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

Sr. No.	Particulars	2017-18	2016-17
4	Amount of exposures to securitisation transactions other than Minimum Retention Requirement (MRR)		
	a) Off-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	45.46	132.48
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
e	Disclosures relating to Assignment		
1	No of Direct Assignments (Nos.)	76	88
2	Total amount of assigned assets as per books of the Assignor (Rupees)	2 869.23	4 394.11
3	Total amount of exposures retained by the Company to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	286.92	438.60
	• Others	-	-
4	Amount of exposures to securitisation transactions other than Minimum Retention Requirement (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	-	-
	• Others	-	-
	ii) Exposure to third party securitisations		
	• First loss	-	-
	• Others	-	-
f	Details of Financial Assets Sold to Securitisation/ Reconstruction Company for Assets Reconstruction		
i)	No. of accounts	3 047	2 743
ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	403.76	96.97
iii)	Aggregate consideration	364.92	122.49
iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
v)	Aggregate gain / loss over net book value	(38.84)	25.52

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

Sr. No.	Particulars	2017-18	2016-17
g	Details of Assignment transactions undertaken by the Company		
i)	No. of accounts	-	-
ii)	Aggregate value (net of provisions) of accounts sold	-	-
iii)	Aggregate consideration	-	-
iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
v)	Aggregate gain / loss over net book value	-	-
h (a)	Details of Non Performing Financial Assets Purchased		
1 (i)	No. of accounts Purchased During the year	-	-
(ii)	Aggregate Outstanding	-	-
2 (i)	Of these, number of accounts restructured during the year	-	-
(ii)	Aggregate outstanding	-	-
(b)	Details of Non Performing Financial Assets Sold		
(i)	No. of accounts Sold During the year	3,047	2,743
(ii)	Aggregate Outstanding (net of provisions)	403.76	96.97
(iii)	Aggregate consideration received	364.92	122.49

i Asset Liabilities Management Maturity pattern of certain items of asset and liabilities (At Book Values) [As certified by Management]

(₹ in crore)

Particulars	Upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities									
Borrowings from Banks & Financial Institutions	1 458.72 (553.50)	25.83 (95.83)	884.00 (880.11)	298.75 (484.03)	1 873.84 (1 750.80)	3 553.66 (4 166.94)	773.69 (1 642.84)	- (2.17)	8 868.49 (9 576.22)
Market Borrowings	- (-)	29.74 (-)	98.31 (987.02)	- (-)	1 300.00 (-)	735.00 (-)	400.00 (-)	670.00 (-)	3 233.06 (987.02)
Assets									
Loans / Advances	777.05 (1 189.91)	279.21 (230.51)	609.28 (235.17)	956.94 (1 336.33)	3 129.98 (2 060.53)	4 112.03 (3 092.34)	1 649.13 (1 831.24)	2 156.59 (2 436.38)	13 670.20 (12 412.40)
Investments	3.83 (12.46)	- (-)	- (-)	- (-)	- (-)	- (2.00)	25.00 (25.00)	421.80 (159.71)	450.63 (199.17)

Notes:

- (a) All unquoted equity shares have been included in 'Over 5 years'. The maturity pattern has been prepared in line with various regulations issued by RBI from time to time, best practices and based upon best estimate of the management with regard to the timing of various cashflows.
- (b) The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of Schedule III to the Companies Act, 2013. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the ALM with regard to the timing of various cash flows, which has been relied upon by the auditors.

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

Category	As at March 31, 2018	As at March 31, 2017
j Exposures		
(a) Exposure to Real Estate		
a) Direct Exposure		
i) Residential Mortgage		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	3.76	3.01
ii) Commercial Real Estate	1 436.15	2 022.05
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits		
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	-	16.87
b) Commercial Real Estate	-	78.63
Total Exposure to Real Estate Sector	1 439.91	2 120.55
(b) Exposure to Capital Market		
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; (Net of Provision)	22.54	27.52
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	-	-
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii) Bridge loans to companies against expected equity flows / issues;	-	-
viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	22.54	27.52

Notes :

- i) For the exposure to real estate only loans secured by way of mortgage/hypothecation of housing properties, commercial properties and land are considered.
- ii) In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

(₹ in crore)

	2017-18	2016-17
k Details of Financing of the Parent Company Product		
There are no parent Company products which are financed by the Company during the year.	-	-

(₹ in crore)

	As at March 31, 2018			As at March 31, 2017		
	Exposure	Limit	Excess	Exposure	Limit	Excess
l Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company						
Sistema Shyam Teleservices Limited	-	-	-	390.00	293.81	96.19

Note : The Commercial Finance division has demerged from Reliance Capital Limited and merged with the Company w.e.f. March 24, 2017. Hence all the sanctions were benchmarked with the net worth of Reliance Capital Limited. Post demerger, the Company is in the process of downsizing the sanction limits to ensure compliance with the Prudential norms of RBI.

(₹ in crore)

	As at March 31, 2018	As at March 31, 2017
m Unsecured Advances		
Advances against Securities of Intangible Assets	-	-
Total Advances against Securities of Intangible Assets	-	-

n Miscellaneous Disclosures

1. Registration obtained from other financial sector regulators

Items	Type	Number reference
a) Reserve Bank of India	Registration No.	N-13.01933

2. Disclosure of Penalties imposed by RBI and other regulators

During the year there is no penalties were levied by Reserve Bank of India or any other regulator upon the Company.

3. Related Party Transactions

- Details of all material transactions with related parties has been given in Notes No 28 of the financial statements.
- Policy on dealing with Related Party Transactions.

4. Ratings assigned by rating agencies and migration of ratings during the year

Rating agency	Borrowings type	Rating	Dated
i) ICRA Limited	Short Term Debt [CP] of ₹ 3,000 Crore	[ICRA] A1+	March 26, 2018
ii) Brickwork Ratings India Pvt Ltd	Short Term Debt [CP] of ₹ 3,000 Crore	[BWR] A1+	March 05, 2018
iii) ICRA Limited	Short Term Debt [TL] of ₹ 1,000 Crore	[ICRA] A1+	January 29, 2018
iv) Credit Analysis & Research Limited (CARE)	Long Term Bank Borrowings of ₹ 12,500 Crore	CARE AA+	December 19, 2017
v) Credit Analysis & Research Limited (CARE)	Long Tem Debt of ₹ 1,000 Crore	CARE AA+	January 17, 2018
vi) Credit Analysis & Research Limited (CARE)	Non-Convertible Debentures of ₹ 2,500 Crore	CARE AA+	March 09, 2018
vii) Brickwork Ratings India Pvt Ltd	Long Term NCD of ₹ 1,500 Crore	BWR AA+	March 22, 2018
viii) Credit Analysis & Research Limited (CARE)	Subordinate Debt - Tier II Unsecured Debt of ₹ 500 Crore	CARE AA+	March 09, 2018
ix) Brickwork Ratings India Pvt Ltd	Subordinate Debt - Tier II Unsecured Debt of ₹ 500 Crore	BWR AA+	March 09, 2018
x) Credit Analysis & Research Limited (CARE)	Market Linked Debentures of ₹ 200 Crore	CARE PP - MLD AA+	March 09, 2018

Note : The above credit ratings are based on the Credit Ratings obtained from Credit Rating Agencies upto March 31, 2018.

Notes to the Financial Statements for the year ended March 31, 2018

5. Remuneration of Directors

		(₹ in crore)	
Particulars	2017-18	2016-17	
Transactions with the Non-Executive Directors			
Director Sitting Fees Non-Executive Directors	0.25	0.13	
Total	0.25	0.13	

6. During the year there is no changes in the accounting policies and no prior period items

o Additional Disclosures

		(₹ in crore)	
Particulars	As at March 31, 2018	As at March 31, 2017	
1. Provisions and Contingencies			
a) Provision for depreciation on Investments	16.00	12.65	
b) Provision for NPA & Doubtful Debts	87.84	128.42	
c) Provision made towards Income tax	54.50	87.67	
d) Other Provisions and Contingencies (with details)			
e) Contingent provision against standard assets	55.85	44.33	
2. Concentration of Advances			
Total Advances to twenty largest borrowers	4 977.98	3 558.00	
Percentage of Advances to twenty largest borrowers to Total Advances of the Company	36.18%	28.44%	
3. Concentration of Exposures			
Total Exposure to twenty largest borrowers	4 977.98	3 558.00	
Percentage of Exposures to twenty largest borrowers to Total Exposure of the Company	35.00%	27.96%	
4. Concentration of NPAs			
Total Exposure to top four NPA accounts	128.67	131.15	
Particulars	Percentage of NPAs to total advances in that sector		
	2017-18	2016-17	
5. Sector-wise NPAs			
Agriculture & allied activities	2.51	3.51	
MSME	1.96	3.42	
Corporate borrowers	7.41	9.83	
Services	4.11	4.02	
Unsecured personal loans	-	-	
Auto loans	0.71	7.55	
Other personal loans	-	7.86	
6. Movement of NPAs			
Net NPAs to Net Advances (%)	2.44%	4.94%	
Movement of NPAs (Gross)			
(a) Opening Balance	709.69	-	
(b) Additions during the year/ Pursuant to Scheme of Arrangement	204.77	1 045.38	
(c) Reductions during the year	(492.64)	(335.69)	
(d) Closing balance	421.82	709.69	

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

Particulars	Percentage of NPAs to total advances in that sector	
	2017-18	2016-17
Movement of Net NPAs		
(a) Opening Balance	581.26	-
(b) Additions during the year/ Pursuant to Scheme of Arrangement	179.26	874.63
(c) Reductions during the year	(426.55)	(293.37)
(d) Closing balance	333.97	581.26
Movement of provisions for NPAs		
(a) Opening Balance	128.42	-
(b) Additions during the year/ Pursuant to Scheme of Arrangement	25.51	170.75
(c) Write-off	(66.09)	(42.33)
(d) Closing balance	87.84	128.42

Gross Non Performing Assets and Net Non Performing Assets given above excluding bonds & debentures.

(₹ in crore)

Particulars	As at	As at
	March 31, 2018	March 31, 2017
7. Overseas Assets (for those with joint Ventures and Subsidiaries abroad)		
There are no Overseas Assets.		
8. Off- balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)		
There are no Off-balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.		
9. Customer Complaints (as certified by the management)		
(a) No. of complaints pending at the beginning of the year	21	-
(b) No. of complaints received during the year/ Pursuant to Scheme of Arrangement	500	961
(c) No. of complaints redressed during the year	518	940
(d) No. of complaints pending at the end of the year	3	21

(₹ in crore)

Particulars	As at	As at
	March 31, 2018	March 31, 2017
10. Other information		
Area, country of operation	India	India
Joint venture partners with regard to Joint ventures and Overseas subsidiaries	None	None

Notes to the Financial Statements for the year ended March 31, 2018

43 Disclosures of Restructured Accounts as required by Annex IV of the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India (“RBI”) vide their Notification No. RBI/ DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 (the “Notification”)

₹ in crore

Sr. No.	Type of Restructuring Asset Classification	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total					
		Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Total	
1	Restructured Accounts as on April 1 of the FY 2017-18																		
	No. of borrowers	1	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
	Amount outstanding	14.03	74.82	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	88.85
	Provision thereon	0.02	14.51	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14.53
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
	Amount outstanding	-	16.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16.95
	Provision thereon	-	2.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.96
3	Upgradations to restructured standard category																		
	No. of borrowers	2	-2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	74.82	(74.82)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	14.51	(14.51)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0)
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	23.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23.07
	Provision thereon	(0.23)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.23)
6	Write-offs of restructured accounts during the FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2018-19																		
	No. of borrowers	3	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4
	Amount outstanding	65.78	16.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	82.73
	Provision thereon	14.77	2.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17.73

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2018

44 Previous year figures has been regrouped /reclassified wherever necessary.

The figures for current year includes figures of Lease Rental Business of Reliance MediaWorks Limited (RMW) which is demerged with the Company with effect from March 31, 2017 i.e. the Appointed Date and therefore to that extent not strictly comparable to that of previous year's figures.

As per our report of even date

**For Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants**

Firm Registration No. : 304026E/E-300009

**Vivek Prasad
Partner**

Membership No.: 104941

Mumbai
April 23, 2018

For and on behalf of the Board

Directors

Executive Director & CEO

Company Secretary &
Compliance Officer

Mumbai
April 23, 2018

**Arvind Mayaram
(DIN: 00080262)**

**Lav Chaturvedi
(DIN: 02859336)**

**Devang Mody
(DIN: 07794726)**

Ekta Thakurel

Independent Auditor Report

To,
The Members,
Reliance Commercial Finance Limited
(Formerly Reliance Gilts Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Commercial Finance Limited** (Formerly Reliance Gilts Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss and 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the

accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comments in the Annexure A, and as required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations as at March 31, 2017 on its financial position in its financial statements - Refer Note No. 36 (ii) of the financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note No. 38 of the financial statements.

For Chaturvedi & Shah
Chartered Accountants

Firm's Registration No.:101720W

Vijay Napawaliya
Partner

Membership No.: 109859

Mumbai
Dated : April 20, 2017

Reliance Commercial Finance Limited

Annexure A to the Independent Auditor's Report

(Referred to in our report of even date)

- (i) In respect of its fixed assets :
- The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.
 - The Company has a regular 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.
 - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable properties, thus, paragraph 3 (i) (c) of the Order is not applicable to the Company.
- (ii) According to the information and explanations given to us, the Company is a Systemically Important Non-deposit taking Non-Banking Financial Company which is primarily engaged in lending activities. Accordingly, Company's business does not involve inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loan secured/unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses (iii) (a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable.
- (iv) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, during the year under audit, the Company has not given any loan, guarantee or security to parties covered under Section 185 of the Act. As the Company is registered as a non banking financial Company with the Reserve Bank of India, thus the provision of Section 186 except sub-section (1) of the Act is not applicable to the Company. In our opinion and according to the information and explanations given to us, during the year, the Company has not made any investments through more than two layers of Investment Company as mentioned in sub-section (1) of Section 186 of the Act.
- (v) According to the information and explanations given to us, the Company is a Systemically Important Non-deposit taking Non-Banking Financial Company therefore, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified for maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 in respect of activities carried on by the Company. Hence the provisions of clause 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable except in case of professional tax in which there were few delays in payment of the said dues. Further, there are no undisputed amounts payable outstanding as at March 31, 2017 for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, and based on our audit procedures, we are of the opinion that the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government, or dues to debenture holders as at March 31, 2017.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). The Company has raised moneys through term loans during the year. Fund raised through term loans by the Company have been applied for the purpose for which they were raised except in case where term loans amounting to ₹ 300 crore have been taken which were lying in bank accounts at the year end, and were subsequently utilized for the purpose for which loans have been taken.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandate by the provisions of Section 197 read with Schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, all transactions with related parties are in accordance with the provisions of Section 177 and Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
- (xiv) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not made any preferential allotment of fully or partly convertible debentures. During the year the Company has issued equity shares on preferential allotment basis to its holding company as per requirement of Section 42 of the Companies Act, 2013 and the amount raised have been used for the purposes for which the funds were raised.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered any non-cash transactions with directors and persons connected with him. Hence the provisions of clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company has been registered as required under Section 45-IA of the Reserve Bank of India Act, 1934.

For Chaturvedi & Shah
Chartered Accountants
Firm's Registration No.:101720W

Vijay Napawaliya
Partner
Membership No.: 109859

Mumbai
Dated : April 20, 2017

Annexure "B" to the Independent Auditor's Report of even date on the financial statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Reliance Commercial Finance Limited (Formerly Reliance Gilts Limited) ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Shah**
Chartered Accountants
Firm's Registration No.:101720W

Vijay Napawaliya
Partner
Membership No.: 109859

Mumbai
Dated : April 20, 2017

Reliance Commercial Finance Limited

Balance Sheet as at March 31, 2017

(₹ in crore)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
I EQUITY AND LIABILITIES:			
(1) Shareholders' funds:			
(a) Share capital	3	522.83	63.30
(b) Reserves and Surplus	4	1,982.89	(2.78)
(2) Non-current liabilities			
(a) Long-term borrowings	5	5,811.95	-
(b) Other non-current liabilities	6	102.33	-
(c) Long-term provisions	7	26.06	-
(3) Current liabilities			
(a) Short-term borrowings	8	1,820.52	-
(b) Trade payables	9		
- Micro, small and medium enterprises		-	-
- Others		15.13	-
(c) Other current liabilities *Previous Year ₹ 42,938	10	3,350.65	*
(d) Short-term provisions *Previous Year ₹ 38,550	11	22.00	*
TOTAL		13,654.36	60.52
II ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	12		
(i) Tangible assets		19.08	-
(ii) Intangible assets		10.30	-
(b) Non-current investments	13	199.18	9.16
(c) Deferred tax Asset (Net)	14	40.16	-
(d) Long-term loans and advances *Previous Year ₹ 48,471	15	7,421.79	*
(e) Other non-current assets	16	242.08	-
(2) Current assets			
(a) Current investments	17	-	50.00
(b) Cash & bank balances	18	410.75	0.06
(c) Short-term loans and advances	19	5,055.12	1.30
(d) Other current assets	20	255.90	-
TOTAL		13,654.36	60.52

See accompanying notes to the financial statement '1-45'

As per our report of even date

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

Vijay Napawaliya
Partner
Membership No.: 109859
Mumbai
Dated: April 20, 2017

For and on behalf of the Board

Directors

Executive Director & CEO
Chief Financial Officer
Company Secretary
Mumbai
Dated: April 20, 2017

{ **Padmanabh Vora (DIN: 00003192)**
Deena Mehta (DIN: 00168992)
Lav Chaturvedi (DIN: 02859336)

Devang Mody (DIN: 07794726)
Amrish Shah
Ekta Thakurel

Reliance Commercial Finance Limited

Statement of Profit and Loss for the year ended March 31, 2017

		(₹ in crore)	
Particulars	Note No.	2016-17	2015-16
REVENUE			
I Revenue from operation	21	1,927.76	0.05
II Other income	22	25.58	*
* Previous Year ₹ 5,618			
III TOTAL REVENUE (I+II)		1,953.34	0.05
EXPENSES			
Employee Benefits expense	23	129.90	-
Finance Cost	24	1,039.87	-
Depreciation and Amortisation	12	11.09	-
Other Expenses	25	429.80	0.01
IV TOTAL EXPENSES		1,610.66	0.01
V PROFIT BEFORE TAX (III-IV)		342.68	0.04
VI TAX EXPENSE			
Current Tax		87.67	0.01
[Net of MAT Credit Entitlement of ₹ 59.98 crore (Previous year ₹ Nil)] (Refer Note No. 43)			
Income tax for Earlier Year		*	*
*₹ 17,265 (Previous year reversal of ₹ 49,265)			
Deferred Tax/ (Credit)		(40.16)	-
VII PROFIT AFTER TAX (V-VI)		295.17	0.03
VIII EARNINGS PER EQUITY SHARE (Face value of ₹ 10 each fully paid up)			
Basic & Diluted (In ₹)	35	46.04	0.01

See accompanying notes to the financial statements '1-45'

As per our report of even date

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

Vijay Napawaliya
Partner
Membership No.: 109859
Mumbai
Dated: April 20, 2017

For and on behalf of the Board

Directors

Executive Director & CEO
Chief Financial Officer
Company Secretary
Mumbai
Dated: April 20, 2017

{ **Padmanabh Vora (DIN: 00003192)**
Deena Mehta (DIN: 00168992)
Lav Chaturvedi (DIN: 02859336)

Devang Mody (DIN: 07794726)
Amrish Shah
Ekta Thakurel

Reliance Commercial Finance Limited

Cash Flow Statement for the year ended March 31, 2017

(₹ in crore)

	2016-17	2015-16
A. Cash flow from operating activities		
Net Profit Before Tax	342.68	0.03
Adjusted for		
Depreciation and Amortisation	11.09	-
Bad Debts Recovered	(20.74)	
Contingent Provision against Standard Assets *(Previous year ₹ 31,800)	8.73	*
Provision for NPA & Doubtful Debts	46.61	-
Provision for Repossessed Assets	6.47	-
Loss on Sale of Repossessed Assets	47.69	
Provision for Diminution in Value of Investments	12.65	
Provision for Gratuity	2.51	-
Provision for Leave Encashment	1.22	-
Excess Provision Written Back *₹ 1,985 (Previous Year ₹ 5,618)	*	*
Bad Debts Written Off	114.62	-
Loss on Assets Discarded	0.06	
Amortised DSA Commission	56.84	-
Interest on Fixed deposits / investments	(18.02)	(0.05)
(Profit)/Loss on Sale of Current Investments (Net)	(9.38)	-
Amortised Brokerage Commission	1.07	-
Discount on Commercial Papers	31.25	-
Interest Expenses	1,007.50	
	<u>1,300.17</u>	<u>(0.05)</u>
Operating Profit/(Loss) before Working Capital Changes	1,642.85	(0.02)
Adjusted for		
Proceeds from issue of Commercial Papers (Net)	955.77	-
Proceeds from Short term Borrowing (Net)	(1,990.50)	-
Proceeds from Long term Borrowing	2,905.00	-
Repayments of Long term Borrowings	(3,251.28)	-
Trade Receivable & Loans and advances	(1,070.85)	(1.00)
Other non current and current assets	(385.62)	-
Other liabilities and provisions	12.41	(0.02)
Trade Payables	9.13	-
	<u>(2,815.94)</u>	<u>(1.02)</u>
Cash generated from Operation	(1,173.09)	(1.04)
Interest Paid	(1,007.37)	
Taxes Paid	(25.31)	(0.01)
Net cash from / (used in) operating activities	<u>(2,205.77)</u>	<u>(1.05)</u>

Standalone Cash Flow Statement for the year ended March 31, 2017

(₹ in crore)

	2016-17	2015-16
B. Cash flows from investing activities		
Purchase of Fixed Asset	(28.61)	-
Purchase of Non-Current Investments	(120.82)	(50.00)
Sale of Non-Current Investments	9.16	-
(Purchase)/Sale of Current Investments (Net)	59.38	-
Interest on Fixed deposits / investments	7.42	0.05
Net Cash from / (used in) Investing Activities	(73.47)	(49.95)
C. Cash flows from financing activities		
Issue of Equity Share Capital including Securities Premium	1,750.04	51.00
Issue of Preference Share Capital	400.00	-
Net Cash from / (used in) Financing Activities	2,150.04	51.00
Net increase / (decrease) in Cash and Cash Equivalents (A + B + C)	(129.20)	(0.00)
Opening Balance of Cash and Cash Equivalents	0.06	0.06
Add : Balance pursuant to Scheme of Arrangement (Refer Note No. 40)	493.00	-
	493.06	0.06
Closing Balance of Cash and Cash Equivalents	363.86	0.06

Notes:

1. The Previous year's figures have been regrouped and reclassified wherever necessary. The figures for current year includes figures of Commercial Finance Business of Reliance Capital Limited (RCL) which is demerged with the Company with effect from April 1, 2016 i.e. the Appointed Date and therefore to that extent not strictly comparable to that of previous year's figures.
2. The cash flow statement has been prepared in accordance with "Indirect Method" as prescribed in Accounting Standard- 3 (AS-3) on "Cash Flow Statements" notified by the Companies (Accounting Standards) Rules, 2006.

As per our report of even date

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

Vijay Napawaliya
Partner
Membership No.: 109859
Mumbai
Dated: April 20, 2017

For and on behalf of the Board

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{ **Padmanabh Vora (DIN: 00003192)**
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Lav Chaturvedi (DIN: 02859336)

Devang Mody (DIN: 07794726)
Amrish Shah
Ekta Thakurel

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

1 Background

Reliance Commercial Finance Limited ("the Company") formerly known as Reliance Gilts Limited, was incorporated on August 17, 2000 with the Registrar of Companies (RoC), Maharashtra, Mumbai. Subsequently, as on May 21, 2009 the Company was registered as a Non-Banking Financial Company without accepting public deposits, as defined under Section 45-IA of the Reserve Bank of India Act, 1934. The Company is principally engaged in lending activities.

2 Significant Accounting Policies

a Basis of Preparation of Financial Statements

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting unless otherwise stated. They are in conformity with the accounting principles generally accepted in India ("GAAP"), and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 as amended by the Companies (Accounting Standards) Amendment Rules, 2016 specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These financial statements are presented in Indian rupees rounded in crores upto two decimal, except otherwise stated.

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

The Company complies in all material respects, with the prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the directions issued by the Reserve Bank of India ("RBI") in terms of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016, 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 recognized 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) Loan Processing Fee Income

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

iv) 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.

v) Brokerage and Other Income

In other cases, income is recognized when there is no significant uncertainty as to determination and realization.

vi) Income from Investments

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

vii) Servicing Fee Income

Servicing fees received is accounted for based on the underlying deal structure of the transaction as per the agreement.

viii) Foreclosure & Other Operating Charges

Foreclosure & Other Operating Charges i.e. Bounce Charges, Loan Reschedulement Charges are accounted as and when received.

ix) Infrastructure Cost Recovery

Infrastructure Cost Recovery income towards support services is accounted as and when it becomes due on contractual terms with the parties.

d Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and Impairment loss, if any. The Company has used the cost model as measurement bases for determining the gross carrying amount. Cost includes acquisition cost which is directly attributable to bring the asset to its working condition for its intended use.

Notes to the Financial Statements for the year ended March 31, 2017

e 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.

f Depreciation/Amortisation

Depreciation on Property, Plant and Equipment is provided in accordance with the provisions of Schedule II of the Companies Act, 2013. Tangible assets are depreciated on straight line basis method over the useful life of assets, as prescribed in Part C of Schedule II of the Companies Act, 2013.

The estimated useful lives for the different types of assets are :

- (i) Furniture and Fixtures - 10 years
- (ii) Office equipments - 5 years
- (iii) Computers - 3 years
- (iv) Vehicles - 8 years

Intangible assets comprise, computer software are amortised on straight line basis over the useful life of the software up to a maximum of five years commencing from the month in which such software is first installed.

g Loan Origination / Acquisition cost

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

h Discount on Commercial Papers

The difference between the acquisition cost and the redemption value of commercial papers is apportioned on time basis and recognized as discount expense.

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 carrying cost less diminution in value which is other than temporary, determined separately for each individual investment. Unquoted investments in the units of Mutual Funds in nature of current investment are valued at lower of cost or Net Asset Value declared by Mutual Funds in respect of each particular scheme.

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) of these loans.

k Contingent Provision against Standard Assets, Provision for Non Performing Assets (NPA) & Doubtful Debts

Loans and advances, receivables are identified as bad/ doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. Contingent Provision against standard assets, Provision for Non-Performing Assets (NPA) & Doubtful Debts are made based on the management's assessment of the degree of impairment and the level of provisioning which meets the NBFC prudential norms prescribed by Reserve Bank of India.

l Securitised Assets

Derecognition of Securitised assets in the books of the Company, recognition of gain or loss arising on Securitisation and accounting for credit enhancement provided by the Company is based on the Guidance Note on Accounting for Securitisation issued by the Institute of Chartered Accountants of India.

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 Cash & Cash Equivalents

In the cashflow statements, cash and cash equivalents includes cash in hand, balance in banks and fixed deposits without lien with original maturities of three months or less.

o Employee Benefits

i) Provident fund

Contributions payable to the recognized 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 the 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 on 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 for 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.

iv) Phantom Shares Stock Option

As a long term incentive plan to employees, the Company has initiated Phantom Stock Option plan which are cash settlement rights where the employees are entitled to get cash compensation based on formula linked to fair market value of shares upon exercise of phantom stock option over notional or hypothetical shares, whereby instead of becoming entitled to buy the actual shares on vesting, they become entitled to cash payment equivalent to appreciation in the value over defined base price of share. The present value of the obligation under such plan is determined based on actuarial valuation at the year end and any actuarial gains/ losses are charged to statement of profit and loss as applicable.

p 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.

q 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.

r 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. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving earnings per share, and also the number of equity shares, which could have been issued on the conversion of all dilutive potential shares. In computing dilutive earnings per share, only potential equity shares that are dilutive and that reduce profit / (loss) per share are included.

s Provision for Current Tax and Deferred 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.

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.

t 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.

u Provisions, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Contingent assets are not recognised nor disclosed in the financial statements.

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

	As at March 31, 2017	As at March 31, 2016
3 Share capital		
(a) Authorised:		
20,00,00,000 Equity Shares of ₹ 10 each (March 31, 2016: 20,00,00,000 Equity Shares of ₹ 10 each)	200.00	200.00
40,00,00,000 Preference Shares of ₹ 10 each (March 31, 2016: Nil)	400.00	-
	<u>600.00</u>	<u>200.00</u>

Note :

In terms of the approval of the shareholders obtained at the Extra Ordinary General Meeting of the Company held on March 10, 2017 the Company has increased its Authorised Share Capital from ₹ 2,00,00,00,000 (20,00,00,000 Equity Shares of ₹ 10 each) to 6,00,00,00,000 (20,00,00,000 Equity Shares of ₹ 10 each and 40,00,00,000 Preference Shares of ₹ 10 each).

(₹ in crore)

	As at March 31, 2017	As at March 31, 2016
(b) Issued, Subscribed & Fully Paid-up		
12,28,25,700 Equity Shares of ₹ 10 each (March 31, 2016: 6,33,00,700 Equity Shares of ₹ 10 each)	122.83	63.30
40,00,00,000 0% Non-Cumulative, Non-Participating and Non-Convertible Redeemable Preference Shares of ₹ 10 each (March 31, 2016: Nil)	400.00	-
	<u>522.83</u>	<u>63.30</u>

Note :

In terms of the approval of the shareholders obtained at the Extra Ordinary General Meeting of the Company held on March 10, 2017, the members of the Company have duly approved Preferential allotment of 5,95,25,000 equity share of ₹ 10 each at a premium of ₹ 284 per share aggregating to ₹ 1,750 crore to its Holding Company ie. Reliance Capital Limited, which has been allotted on March 27, 2017.

(c) Par Value per Share	Amount in ₹	Amount in ₹
Equity	10	10
Preference Shares	10	10

(d) Reconciliation of Issued, Subscribed and Fully Paid-up Share Capital

	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Equity Shares				
Opening Balance	6,33,00,700	63.30	1,23,00,700	12.30
Addition during the year	5,95,25,000	59.53	5,10,00,000	51.00
Reduction during the year	-	-	-	-
Closing Balance	<u>12,28,25,700</u>	<u>122.83</u>	<u>6,33,00,700</u>	<u>63.30</u>

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017		As at March 31, 2016	
	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
0% Non-Cumulative, Non-Participating and Non-Convertible Redeemable Preference Shares				
Opening Balance	-	-	-	-
Addition during the year	40,00,00,000	400.00	-	-
Reduction during the year	-	-	-	-
Closing Balance	40,00,00,000	400.00	-	-

(e) Rights, Preferences and Restrictions:

1 Voting Rights :

In case of equity Shares

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 holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

For the year ended March 31, 2017, the dividend proposed by the Board of Directors is ₹ 0.50 (March 31, 2016 ₹ Nil), which is subject to the approval of the shareholders in the ensuing Annual General Meeting. (Refer Note No. 44)

In case of 0% Non-Cumulative, Non-Participating and Non-Convertible Redeemable Preference Shares of ₹ 10 each 40,00,00,000. 0% Non-Convertible Redeemable Preference Shares (NCRPS) shall be redeemed at any time on or before 5 years from the date of allotment i.e. March 29, 2017. These NCRPS shall be redeemed at a premium to an amount calculated to yield a return of 12% per annum with effect from date of allotment up to the date of redemption.

(f) Shares held by holding company i.e. Reliance Capital Limited including jointly held

Equity Shares	As at March 31, 2017			As at March 31, 2016	
	%	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Reliance Capital Limited	100%	12,28,25,694	122.83	6,33,00,694	63.30
Reliance Capital Ltd. and its nominees * ₹ 60 (Previous year ₹ 60)	0%	6	*	6	*
Total	100%	12,28,25,700	122.83	6,33,00,700	63.30

Preference Shares	As at March 31, 2017			As at March 31, 2016	
	%	No. of Shares	Amount (₹ in crore)	No. of Shares	Amount (₹ in crore)
Reliance Capital Limited	100%	40,00,00,000	400.00	-	-
Total	100%	40,00,00,000	400.00	-	-

(₹ in crore)

	As at March 31, 2017	As at March 31, 2016
4 Reserves and surplus		
a) Securities Premium Account		
As per Last Balance sheet	-	-
Add: On Equity Shares Issued during the year	1,690.51	-
Less: Transferred to Earmarked for Preference Share Redemption Reserve [#]	0.39	-
	1,690.12	-
b) Earmarked for Preference Share Redemption Reserve[#]		
As per Last Balance sheet	-	-
Add: Transfer from Securities Premium Account	0.39	-
	0.39	-

Notes to the Financial Statements for the year ended March 31, 2017

	(₹ in crore)	
	As at March 31, 2017	As at March 31, 2016
c) Statutory Reserve Fund*		
As per Last Balance sheet	0.16	0.15
Add: Transfer from Surplus in Statement of Profit & Loss	<u>59.03</u>	<u>0.01</u>
	59.19	0.16
d) Surplus in Statement of Profit & Loss		
As Per Last Balance Sheet	(2.95)	(2.97)
Add: Transfer from Statement of Profit & Loss	295.17	0.03
Less: Transfer to Special Reserve Fund	<u>59.03</u>	<u>0.01</u>
	233.19	(2.94)
	<u>1,982.89</u>	<u>(2.78)</u>
#	Created pursuant to the terms of allotment of 0% Non-Cumulative, Non-Participating and Non-Convertible Redeemable Preference Shares of ₹ 10 each as effective yield of 12% repayable on maturity.	
*	Created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934.	

	(₹ in crore)	
	As at March 31, 2017	As at March 31, 2016
5 Long-term borrowings		
From Banks / Financial Institutions		
- Term Loans - Secured (Refer Note No. 31)	5,811.95	-
	<u>5,811.95</u>	<u>-</u>
6 Other non-current Liabilities		
Collateral deposit from customers	102.33	-
	<u>102.33</u>	<u>-</u>
7 Long-Term Provisions		
a) Provision for Employees Benefits (Refer Note No. 32)		
- Leave encashment	1.18	-
b) Contingent provision against standard assets	24.88	-
	<u>26.06</u>	<u>-</u>
8 Short-term borrowings		
a) From Banks / Financial Institutions		
- Loans - Unsecured	310.00	-
- Cash Credit facilities - Secured (Refer Note 1 below)	523.50	-
b) From Others		
Commercial Papers - Unsecured (Refer Note 2 below)	987.02	-
	<u>1,820.52</u>	<u>-</u>

Notes:

- Cash credit referred above are secured by pari-passu first charge on all present and future book debts (performing assets), receivable, bills, claims and loan assets of the Company.
- In respect of Commercial Papers referred above, maximum face value amount outstanding during the year was ₹ 987.02 crore (Previous year ₹ Nil).

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	As at March 31, 2016	(₹ in crore)
9 Trade payables			
Due to Micro, Medium & Small Enterprises	-	-	
Due to Others	15.00	-	
Due to Related Party (Refer Note No. 34)	0.13	-	
	<u>15.13</u>	<u>-</u>	
Note:			
Disclosure of amounts payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.			
10 Other current liabilities			
a) Current maturities of long term debts			
- Term Loans from Banks/ Financial Institutions			
(a) Secured (Refer Note No. 31)	2,930.77	-	
(b) Unsecured	<u>-</u>	<u>-</u>	
	2,930.77	-	
b) Interest accrued and not due on borrowings			
(a) Secured	0.13	-	
(b) Unsecured	<u>-</u>	<u>-</u>	
	0.13	-	
b) Advance from Customers	60.58	-	
c) Payable under Securitisation / Assignment (Net)	293.82	-	
d) Temporary Book Overdraft	3.86	-	
e) Collateral deposit from customers	11.28	-	
f) Other Payables #	50.21	*	
* Previous year ₹ 42,938	<u>3,350.65</u>	<u>-</u>	
Note :			
# Other Payables includes TDS, statutory payments and other liabilities.			
11 Short-term provisions			
a) Provision for Employees Benefits (Refer Note No. 32)			
Leave encashment	0.05	-	
Gratuity	2.51	-	
b) Contingent provision against standard assets	19.44	*	
*Previous Year ₹ 38,550	<u>22.00</u>	<u>-</u>	

Notes to the Financial Statement for the year ended 31, 2017

12 Property, Plant & Equipment

Description	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount				
	As at April 1 2016	Pursuant to Scheme of Arrangement (Refer Note No. 40)	Addition	Deduction	As at March 31, 2017	As at April 1 2016	Pursuant to Scheme of Arrangement (Refer Note No. 40)	Deduction	Upto March 31, 2017	As at March 31, 2017	As at March 31, 2016
i) Tangible Assets											
1 Furniture and Fixtures	-	10.86	1.60	0.22	12.24	-	2.56	1.35	3.71	8.53	-
2 Office Equipments	-	9.19	0.71	0.08	9.82	-	4.47	1.30	5.74	4.08	-
3 Computers	-	25.65	5.63	0.78	30.50	-	20.80	4.30	24.31	6.19	-
4 Vehicles	-	1.10	-	-	1.10	-	0.68	0.14	0.82	0.28	-
Total	-	46.80	7.94	1.08	53.66	-	28.51	7.09	34.58	19.08	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-
ii) Intangible Assets											
1 Computer Software	-	31.27	4.10	-	35.37	-	21.07	4.00	25.07	10.30	-
Total	-	31.27	4.10	-	35.37	-	21.07	4.00	25.07	10.30	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-

Note:

1. In respect of Intangible Assets :
 - (a) It is other than internally generated.
 - (b) In case of addition, balance useful life of 4 years (Previous year Nil).

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

	Face Value / Issue Price	Quantity		Value	
		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
13. Non-current investments					
Trade Investments					
(a) Equity Shares valued at cost unless stated otherwise					
Quoted, fully paid-up					
3I Infotech Ltd	10	2,46,80,693	-	24.68	-
				24.68	-
Less : Provision for Diminution In Value of Investments				12.22	-
				12.46	-
Unquoted, fully paid-up					
Adone Hotels & Hospitality Limited * ₹ 10 (Previous Year ₹ Nil)	10	1	-	*	-
SWAWS Credit Corporation India Private Limited	10	17,20,668	-	#	-
Unquoted, fully paid-up					
Reliance Capital Pension Fund Limited	10	-	87,50,000	-	9.16
# written off				-	9.16
(b) Preference Shares valued at cost unless stated otherwise					
Unquoted, fully paid-up					
0.001% Cumulative, Compulsory, Redeemable Non-Convertible Preference share of Adone Hotels & Hospitality Limited	10	2,00,00,000	-	20.00	-
0.10% Cumulative, Non Convertible, Redeemable Preference share of 3I Infotech Ltd	10	4,18,39,000	-	20.92	-
0.001% Optionally Convertible Cumulative Redeemable Preference share of Asmitha Microfin Limited	10	62,54,000	-	6.25	-
0.001% Optionally Convertible Cumulative Redeemable Preference share of Share Microfin Microfin Limited	10	88,05,750	-	8.81	-
				55.98	-
Less : Provision for Diminution In Value of Investments				-	-
(c) Debentures & Bonds valued at cost unless stated otherwise					
Unquoted, fully paid-up					
SWAWS Credit Corporation India Private Limited -OCD-18-March -2018	100	57,355	-	#	-
BKS Galaxy Realtors Private Limited-NCD-SR-II 30-Sep-2020	8,000	2,500	-	2.00	-
Shah Group Builders Limited -NCD-SR-II 30-Sep-2016	43	15,00,000	-	4.29	-
				6.29	-
Less : Provision for Diminution In Value of Investments				0.43	-
				5.86	-
# written off					
(d) Security Receipts valued at cost unless stated otherwise					
Unquoted, fully paid-up					
Suraksha ARC Trust 002-22 Dec.2016	1,000	1,98,900	-	19.89	-
Suraksha ARC Trust 003 -22 Dec.2016	1,000	26,350	-	2.64	-
Reliance ARC Trust 026 -30 Dec.2016	948	8,15,924	-	77.35	-
				99.88	-
(e) Others -Unit of AIF valued at cost unless stated otherwise					
Quoted *, fully paid-up					
IFMR Impact Long Term Multi Asset Class Fund	1,00,000	2,490	-	25.00	-
				25.00	-
Total [a+b+c+d+e]				199.18	9.16

Notes to the Financial Statements for the year ended March 31, 2017

Notes:

	As at March 31, 2017		As at March 31, 2016	
	Book Value	Market value	Book Value	Market value
1. The aggregate value of investments:				
Quoted	37.46	38.72	-	-
Unquoted	161.72	-	9.16	-
Total	199.18	38.72	9.16	-
2. The aggregate Provision for diminution in the value of investments:				
Quoted		12.22		-
Unquoted		0.43		-
Total		12.65		-
3. Basis of Valuation	at cost less provision for diminution in the value of Investments		at cost	
4. * for units of Fund net assets value (NAV) is taken as Market Value.				

(₹ in crore)

	As at March 31, 2017	As at March 31, 2016
14 Deferred Tax Assets		
Deferred tax Asset disclosed in the Balance Sheet comprises the following :		
a) Deferred Tax Asset		
Disallowance under the Income Tax Act, 1961	1.28	-
Provision for NPA/diminution in the value of Assets	53.08	-
Total	54.36	-
b) Deferred Tax Liability		
Related to Fixed Assets	2.32	-
Unamortised Expenditure	11.88	-
Total	14.20	-
Net Deferred Tax Asset (a) - (b)	40.16	-
15 Long-term loans and advances		
(a) Capital advances (Unsecured, Considered Good)	16.57	-
(b) Security deposits (Unsecured, Considered Good)	13.62	-
(c) Loans		
i) Secured, Considered Good		
Related Party	-	-
Private Company in which director is a - member/Director	0.92	-
Others	6,006.53	-
	6,007.45	-
(ii) Unsecured, Considered Good	840.14	-
(iii) Secured, Considered Doubtful	327.16	-
Less: Provision for NPA & Doubtful Debts	40.02	-
	287.14	-
(iv) Unsecured, Considered Doubtful	51.60	-
Less: Provision for NPA & Doubtful Debts	21.91	-
	29.69	-
(d) Installments Due (Secured, Considered Doubtful)		
Principal Overdue	232.99	-
Less: Provision for NPA & Doubtful Debts	37.44	-
	195.55	-
(e) Service Tax Credit available	0.08	-
(f) Taxes Paid	31.55	*
(Net of Income Tax Provision ₹ 87.68 crore) * Previous Year ₹ 48,471 (Net of Income Tax Provision ₹ 193,000)		
Total (a+b+c+d+e+f)	7,421.79	-

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

	As at March 31, 2017	As at March 31, 2016
16 Other non-current assets		
(a) Fixed Deposits with banks (Maturity > 3 Months)		
i) Credit enhancement towards Securitisation/ Direct Assignment	128.44	-
ii) Others	2.00	-
	130.44	-
(b) Unamortised expenditures		
i) Unamortised DSA commission		
As per Last Balance sheet	-	-
Add: Pursuant to Scheme of Arrangement	64.43	-
Add: Incurred during the Year	43.20	-
Less: Amortised during the year	56.84	-
	50.79	-
Less: to be amortised over the next one year (Refer Note No. 20 (b))	16.19	-
	34.60	-
ii) Unamortised Brokerage on Borrowing		
As per Last Balance sheet	-	-
Add: Pursuant to Scheme of Arrangement	1.99	-
Add: Incurred during the Year	0.90	-
Less: Amortised during the year	1.07	-
	1.82	-
Less: to be amortised over the next one year (Refer Note No. 20 (b))	0.94	-
	0.88	-
(c) Prepaid Expenses	7.27	-
(d) Repossessed Asset	97.94	-
Less : Provision for Repossessed Asset	29.05	-
Total (a+b+c+d)	242.08	-

(₹ in crore)

	Face Value/ Issue Price	Quantity		Value	
		As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
17 Current investments					
Other investments - Unquoted, fully paid-up					
Reliance Liquid Fund - Treasury Plan-Direct Plan Growth Plan - Growth Options	1,000	-	1,35,909	-	50.00
				-	50.00

(₹ in crore)

	As at March 31, 2017		As at March 31, 2016	
	Book Value	Market Value	Book Value	Market Value
Notes:				
1 The aggregate value of investments:				
Quoted	-	-	-	-
Unquoted	-	-	50.00	50.22
	-	-	50.00	50.22
2 The aggregate Provision for diminution in the value of investments:				
As at March 31, 2017				
As at March 31, 2016				
Quoted		-		-
Unquoted		-		-
		-		-

Notes to the Financial Statements for the year ended March 31, 2017

	As at March 31, 2017	As at March 31, 2016
3 Basis of Valuation	at cost or fair value, whichever is lower	at cost or fair value, whichever is lower
4 The market value mentioned above is based on the NAV provided by the respective mutual funds		(₹ in crore)
	As at March 31, 2017	As at March 31, 2016
18 Cash & bank balances		
a) Cash & Cash equivalents		
Balance with Banks in Current Accounts	363.34	0.06
Cash on hand	0.52	-
Total (a)	<u>363.86</u>	<u>0.06</u>
b) Other Bank Balances		
Fixed Deposits with banks (Maturity < 3 Months)		
i) Credit enhancement towards Securitisation/Direct Assignment	41.89	-
ii) Others	5.00	-
Total (b)	<u>46.89</u>	<u>-</u>
Total (a)+(b)	<u>410.75</u>	<u>0.06</u>
Note :		
In respect of balances with Scheduled Banks in Fixed Deposit accounts ₹ 41.89 crore (Previous Year ₹ Nil) is kept as credit enhancement towards securitisation / assignment transaction.		
19 Short-term loans and advances		
(a) Loans repayments within next 12 months (Considered Good)		
i) Secured		
Loan to Director	-	-
Private Company in which director is a - member/Director	9.68	-
Related Party	-	-
Others	<u>4,497.51</u>	<u>-</u>
ii) Unsecured	4,507.19	-
	403.58	1.30
(b) Installments Due (Considered Good)		
-Secured	141.67	-
-Unsecured	-	-
(c) Sundry Advances (Unsecured, Considered Good)	2.68	-
	<u>5,055.12</u>	<u>1.30</u>
20 Other current assets		
(a) Interest Accrued on		
Fixed Deposits	1.12	-
Other Investments	9.48	-
Loans and advances #	<u>228.17</u>	<u>-</u>
	238.77	-
(b) Unamortised Expenditure		
DSA Commission	16.19	-
Brokerage on Borrowing	<u>0.94</u>	<u>-</u>
	17.13	-
	<u>255.90</u>	<u>-</u>

Interest Accrued on loans & advances includes ₹ 0.13 crore (Previous year ₹ Nil) due by Private Company in which one director is a member & Director.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

	2016 - 2017	2015 - 2016
21 Revenue from operations		
a) Interest income		
Interest on:		
- Loans	1,681.20	0.05
- Fixed Deposit	13.48	-
- Long term investments	4.54	-
	<u>1,699.22</u>	<u>0.05</u>
b) Other Financial income		
Processing Fee	122.00	-
Servicing Fee on Securitisation/ Assignment	51.75	-
Foreclosure & Other Operating Income	40.10	-
	<u>213.85</u>	<u>-</u>
Less : Service Tax Recovered	27.89	-
	<u>185.96</u>	<u>-</u>
c) Bad Debts Recovered	20.74	-
d) Profit on Loans sold to Asset Reconstruction Company	21.84	-
	<u>1,927.76</u>	<u>0.05</u>
22 Other income		
a) Profit on Sale of Investments (Net)		
- Current	9.38	-
- Long Term	-	-
b) Interest on income tax refund * ₹ 1,159	*	-
c) Brokerage & Commission	14.09	-
Less : Service Tax Recovered	1.84	-
	<u>12.25</u>	<u>-</u>
d) Miscellaneous Income	0.04	-
e) Infrastructure Cost Recovery (Net)	3.91	-
f) Credit Balance / Excess Provision Written Back	*	*
* ₹ 1,985 (Previous Year ₹ 5,618)		
	<u>25.58</u>	<u>-</u>
23 Employee benefit expense		
Payments to and Provision for Employees		
- Salary & Bonus etc.	116.22	-
- Contribution to Provident fund and other Funds	6.60	-
- Staff Welfare & other amenities	7.08	-
	<u>129.90</u>	<u>-</u>
24 Finance cost		
a) Interest expense		
Term Loan From Banks	827.66	-
Cash Credit From Banks	34.38	-
Non Convertible Debentures	54.82	-
Body Corporates	90.64	-
	<u>1,007.50</u>	<u>-</u>
b) Other borrowing costs		
Amortised Brokerage (Refer Note No.16(b)(ii))	1.07	-
Discount on Commercial Papers	31.25	-
Processing Charges	0.05	-
	<u>32.37</u>	<u>-</u>
	<u>1,039.87</u>	<u>-</u>

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

	2016 - 2017	2015 - 2016
25 Other expenses		
Auditor's Remuneration (Refer Note 27)	0.08	*
* Previous Year ₹ 26,137		
Bank Charges	1.37	*
* Previous Year ₹ 5,606		
Rent	15.72	-
Repairs & Maintenance-Others	21.47	-
Rates and Taxes	0.34	*
* Previous Year ₹ 49,725		
Professional Tax ##	*	*
* ₹ 2,500 (Previous Year ₹ 25,000)		
Interest on Professional Tax	-	*
* Previous Year ₹ 27,925		
Interest on Income Tax	*	*
* ₹ 348 (Previous Year ₹ 5,560)		
Corporate Social Responsibility Expenditures (Refer Note 41)	0.15	-
Directors' Sitting Fees	0.13	-
Legal & Professional Fees	31.06	*
* Previous Year ₹ 17,175		
Loss on Assets Discarded	0.06	-
Amortised DSA Commission (Refer Note No. 16 (b)(i))	56.84	-
Marketing Expenses	13.76	-
Management Expenses	3.00	-
Credit Cost	4.74	-
Collection Cost	22.93	-
Miscellaneous Expenses	4.79	0.01
Printing and Stationary	3.10	-
Postage, Telegram & Telephone	3.86	*
* Previous Year ₹ 31,800		
Travel & Conveyance	9.63	-
Contingent provision against standard assets	8.73	-
Provision for NPA & Doubtful Debts	46.61	-
Bad Debts Written Off	114.62	-
Provision for Repossessed Assets	6.47	-
Loss on Sale of Repossessed Assets	47.69	-
Provision for Diminution In Value of Investments	12.65	-
	<u>429.80</u>	<u>0.01</u>
## Includes Prior Period Expenses ₹ Nil (Previous Year ₹ 22,500)		
26 In the opinion of management, all the Assets other than Non-Current Investments are approximately of the value stated if realised in the ordinary course of business.		
27 Auditor's Remuneration :		
Statutory Audit Fees *previous year ₹ 26,137	0.07	*
Tax Audit Fees	0.01	-
	<u>0.08</u>	<u>-</u>

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

- 28 Disclosure related to Schedule to the balance sheet of the Company, as required by Annex I of the Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 (the "Notification")

(₹ in crore)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Liabilities side:				
(1) Loans and advances availed by the non banking financials company inclusive of interest accrued thereon but not paid :				
(a) Debentures				
i) Secured	-	-	-	-
ii) Unsecured (Other than falling within the meaning of public deposits)	-	-	-	-
(b) Deferred Credits	-	-	-	-
(c) Term Loans (Inclusive of Interest accrued but not due ₹ 0.13 crore)	8,742.85	-	-	-
(d) Inter-corporate Loans and Borrowings	-	-	-	-
(e) Commercial Papers	987.02	-	-	-
(f) Public Deposits	-	-	-	-
(g) Other loans				
- Cash Credit	523.50	-	-	-
- Unsecured loans	310.00	-	-	-
(2) Break up of (1)(f) above (Outstanding Public Deposits inclusive of interest accrued thereon but not paid)				
(a) In the form of unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures	-	-	-	-
(c) Other Public Deposits	-	-	-	-

(₹ in crore)

Particulars	Amount Outstanding	
	As at March 31, 2017	As at March 31, 2016
Assets side:		
(3) Break up of loans and advances including bills receivable other than those included in (4) below (Gross Amount)(Refer Note (b) below)		
(a) Secured	11,216.46	-
(b) Unsecured	1,295.31	1.29
Total	12,511.77	1.29

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 (3) above, Provision for NPA & Doubtful Debts is ₹ 99.37 crore (Previous year ₹ Nil)

(4) Break up of leased assets and stock on hire and other assets counting towards AFC activities:

(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including higher charges under sundry debtors:		
(a) Assets on Hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities:		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

Particulars	Amount Outstanding	
	As at March 31, 2017	As at March 31, 2016
(5) Break up of investments:		
a) Current Investments:		
1. Quoted		
(i) Shares		
(a) Equity (stock-in trade)	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of Mutual fund	-	-
(iv) Government securities	-	-
(v) Others	-	-
2. Unquoted		
(i) Shares	-	-
a) Equity	-	-
b) Preference	-	-
ii) Debentures and bonds	-	-
iii) Units of Mutual fund	-	50.00
iv) GOI securities	-	-
v) Others	-	-
b) Long Term investments		
1. Quoted		
(i) Shares		
(a) Equity	12.46	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of Mutual fund	-	-
(iv) GOI securities	-	-
(v) Others		
Unit of AIF	25.00	-
2. Unquoted		
(i) Shares		
(a) Equity * ₹ 10	*	9.16
(b) Preference	55.98	-
(ii) Debentures and Bonds	5.86	-
(iii) Units of Mutual funds	-	-
(iv) GOI securities	-	-
(v) Others		
Security Receipts	99.88	-
Total Investments [Net of provisions of ₹ 12.65 crore (Previous Year ₹ Nil)]	<u>199.17</u>	<u>59.16</u>

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

(6) Borrower group-wise classification of assets financed as in (3) and (4) above: (Net off Provision)

(₹ in crore)

Particulars	Secured		Unsecured		Total	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
a. Related parties						
(1) Subsidiaries	-	-	-	-	-	-
(2) Companies in the same group	-	-	-	-	-	-
(3) Other related parties	-	-	-	-	-	-
b. Other than related parties	11,216.46	-	1,295.31	1.29	12,511.77	1.29
Total	11,216.46	-	1,295.31	1.29	12,511.77	1.29

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted excluding stock in trade)

(₹ in crore)

Particulars	Market value / Fair Value or NAV		Book Value (Net of provisions)	
	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017	As at March 31, 2016
a. Related parties				
(1) Subsidiaries	-	-	-	-
(2) Companies in the same group	-	-	-	-
(3) Other related parties	-	9.16	-	9.16
b. Other than related parties	200.44	50.22	199.18	50.00
Total	200.44	59.38	199.18	59.16

(8) Other information

(₹ in crore)

Particulars	As at March 31, 2017	As at March 31, 2016
(a) Gross Non-Performing Assets		
(1) Related parties	-	-
(2) Other than related parties	616.03	-
(b) Net Non-Performing Assets		
(1) Related parties	-	-
(2) Other than related parties	516.24	-
(c) Assets Acquired in satisfaction of Debt (Net of Provision of ₹ 29.05 crore) (Refer Note 3 below)	68.89	-

Notes :

- In case of unquoted investments, in the absence of market value book value has been considered.
- Investments are classified between non-current and current investments (including current portion of long term investments) as required under Schedule III to the Companies Act, 2013.
- Assets Acquired in satisfaction of Debt is other than asset acquired but not transferred to the Company under the Scheme of Arrangement and not included in the Gross Non Performing Assets and Net Non Performing Assets given above.
- Related parties as per Accounting Standard of ICAI and Companies in same group means companies under the same management as per Section 370(1B) of the Companies Act, 1956.
- Gross Non-Performing Assets and Net Non-Performing Assets given above includes loans & advances and bonds & debentures.

Notes to the Financial Statements for the year ended March 31, 2017

29 Disclosures as required by Annex XII of the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India ("RBI") vide their Notification No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 (the "Notification")

Particulars	(₹ in crore)	
	As at March 31, 2017	As at March 31, 2016
1 Capital to Risk Assets Ratio (CRAR)		
i) CRAR (%)	17.19	100.10
ii) CRAR – Tier I capital (%)	14.16	100.09
iii) CRAR – Tier II capital (%)	3.03	0.01
iv) Amount of Subordinated Debt raised as Tier II Capital	-	-
v) Amount raised by issue of Perpetual Debts Instruments	-	-
2 Investments		
1) Value of Investments		
i) Gross Value of Investments		
a) In India	211.83	59.16
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	12.65	-
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	199.18	59.16
b) Outside India	-	-
2) Movement of provisions held towards depreciation of investments		
i) Opening Balance	-	-
ii) Add: Provisions made during the year	12.65	-
iii) Less: Write-off / write-back of excess provisions during the year	-	-
iv) Closing balance	12.65	-

3 Derivatives

During the year the Company has not entered into any derivative contract and at the year end there is no outstanding derivative contract.

Sr. No.	Particulars	(₹ in crore)	
		2016-2017	2015-2016
4. Disclosures relating to Securitisation			
1	No. of SPVs sponsored by the Company for Securitisation Transactions	4	-
2	Total amount of securitised assets as per books of the SPVs sponsored by the Company	291.02	-
3	Total amount of exposures retained by the Company to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	169.30	-
	• Others	-	-

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

Sr. No.	Particulars	2016-2017	2015-2016
4	Amount of exposures to securitisation transactions other than Minimum Retention Requirement (MRR)		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations		
	• First loss	-	-
	• Others	132.48	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations		
	• First loss	-	-
	• Others	-	-

(₹ in crore)

Sr. No.	Particulars	2016-2017	2015-2016
5	Disclosures relating to Assignment		
1	No of Direct Assignments	88	-
2	Total amount of assigned assets as per books of the Assignor	4,394.11	-
3	Total amount of exposures retained by the Company to comply with Minimum Retention Requirement (MRR) as on the date of balance sheet		
	a) Off-balance sheet exposures		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	• First loss	438.60	-
	• Others	-	-
4	Amount of exposures to securitisation transactions other than Minimum Retention Requirement (MRR)		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations		
	• First loss	-	-
	• Others	-	-
	b) On-balance sheet exposures		
	i) Exposure to own securitizations		
	• First loss	-	-
	• Others	-	-
	ii) Exposure to third party securitizations		
	• First loss	-	-
	• Others	-	-

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

Sr. No.	Particulars	2016-2017	2015-2016
6	Details of Financial Assets Sold to Securitisation/ Reconstruction Company for Assets Reconstruction		
(i)	No. of accounts	2,743	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	96.97	-
(iii)	Aggregate consideration	122.49	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	25.52	-
7	Details of Assignment transactions undertaken by the Company		
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-
8	(a) Details of Non-Performing Financial Assets Purchased		
1	(i) No. of accounts Purchased During the year	-	-
	(ii) Aggregate Outstanding	-	-
2	(i) Of these, number of accounts restructured during the year (Nos.)	-	-
	(ii) Aggregate outstanding	-	-
	(b) Details of Non-Performing Financial Assets Sold		
(i)	No. of accounts Sold During the year	2,743	-
(ii)	Aggregate Outstanding (net of provisions)	96.97	-
(iii)	Aggregate consideration received	122.49	-
9	Asset Liabilities Management Maturity pattern of certain items of asset and liabilities (At Book Values)		

(₹ in crore)

Particulars	Upto 30/31 days	Over 1 month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year upto 3 years	Over 3 years upto 5 years	Over 5 years	Total
Liabilities									
Borrowings from Banks & Financial Institutions	553.50 (-)	95.83 (-)	880.11 (-)	484.03 (-)	1,750.80 (-)	4,166.94 (-)	1,642.84 (-)	2.17 (-)	9,576.22
Market Borrowings	- (-)	- (-)	987.02 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	987.02 (-)
Assets									
Loans / Advances	1,189.91 (-)	230.51 (-)	235.17 (-)	1,336.33 (-)	2,060.53 (1.29)	3,092.34 (-)	1,831.24 (-)	2,436.38 (-)	12,412.40 (1.29)
Investments	12.46 (50.00)	- (-)	- (-)	- (-)	- (-)	2.00 (-)	25.00 (-)	159.71 (9.16)	199.17 (59.16)

Notes:

- (a) All unquoted equity shares have been included in 'Over 5 years'. The maturity pattern has been prepared in line with various regulations issued by RBI from time to time, best practices and based upon best estimate of the management with regard to the timing of various cashflows.
- (b) The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of Schedule III of the Companies Act, 2013. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the ALM with regard to the timing of various cash flows, which has been relied upon by the auditors.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

Category	As at March 31, 2017	As at March 31, 2016
10 Exposures		
(a) Exposure to Real Estate		
a) Direct Exposure		
i) Residential Mortgage		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	3.01	-
ii) Commercial Real Estate	2,022.05	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure shall also include non-fund based limits		
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a) Residential	16.87	-
b) Commercial Real Estate	78.63	-
Total Exposure to Real Estate Sector	2,120.55	-

Notes :

- i) For the exposure to real estate only loans secured by way of mortgage/hypothecation of housing properties, commercial properties and land are considered.
- ii) In case of investments in Mortgage Backed Securities (MBS), the Security Receipts (SRs) issued are towards a pool of assets. The Mortgage value is arrived at based on the percentage of Mortgage loans outstanding in the Pool.
- iii) In computing the above information, certain estimates, assumptions and adjustments have been made by the Management which have been relied upon by the auditors.

(b) Exposure to Capital Market

- | | | |
|---|--------------|---|
| i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt; | 27.52 | - |
| ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds; | - | - |
| iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security; | - | - |
| iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances; | - | - |
| v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers; | - | - |
| vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources; | - | - |

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

Category	As at March 31, 2017	As at March 31, 2016
vii) Bridge loans to companies against expected equity flows / issues;	-	-
viii) All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	27.52	-

(₹ in crore)

2016-2017 2015-2016

11 Details of Financing of the Parent Company Product

There are no parent Company products which are financed by the Company during the year.

- -

(₹ in crore)

	As at March 31, 2017			As at March 31, 2016		
	Exposure	Limit	Excess	Exposure	Limit	Excess
12 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company						
Sistema Shyam Teleservices Limited	390.00	293.81	96.19	-	-	-

Note : The Commercial Finance division has demerged from Reliance Capital Limited and merged with the Company w.e.f. March 24, 2017. Hence all the sanctions were benchmarked with the net worth of Reliance Capital Limited. Post demerger, the Company is in the process of downsizing the sanction limits and collecting repayments from customers to ensure compliance with the Prudential norms of RBI. As on the date the above exposure has been brought within the exposure limit.

(₹ in crore)

	As at March 31, 2017	As at March 31, 2016
	13 Unsecured Advances	
Advances against Securities of Intangible Assets	-	-
Total Advances against Securities of Intangible Assets	-	-

14 Miscellaneous Disclosures

1. Registration obtained from other financial sector regulators

Items	Type	Number reference
a) Reserve Bank of India	Registration No.	N-13.01933
b) Ministry of Corporate Affairs	Ministry of Corporate Affairs	U66010MH2000PLC128301

2. Disclosure of Penalties imposed by RBI and other regulators

During the year there is no penalties were levied by Reserve Bank of India or any other regulator upon the Company .

3. Related Party Transactions

a) Details of all material transactions with related parties has been given in Notes No 34 of the financial statements.

b) Policy on dealing with Related Party Transactions

The transactions between the Company and related parties shall be entered with prior approval of the Audit Committee of the Board of Directors into, in compliance with the applicable provisions of the Companies Act, 2013 and other applicable laws.

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

4. Ratings assigned by rating agencies and migration of ratings during the year

Rating agency	Borrowings type	Rating	Dated
i) ICRA Limited	Short Term Debt [CP] of ₹ 3,000 Crore	[ICRA] A1+	March 2, 2017
ii) ICRA Limited	Short Term Debt [TL] of ₹ 1,000 Crore	[ICRA] A1+	January 2, 2017
iii) Credit Analysis & Research Limited (CARE)	Long Term Bank Borrowings of ₹ 10,000 Crore	CARE AA+	March 16, 2017
iv) Credit Analysis & Research Limited (CARE)	Non-Convertible Debentures of ₹ 1,000 Crore	CARE AA+	March 31, 2017
v) Credit Analysis & Research Limited (CARE)	Subordinate Debt - Tier II Unsecured Debt of ₹ 500 Crore	CARE AA+	March 31, 2017
vi) Credit Analysis & Research Limited (CARE)	Market Linked Debentures of ₹ 200 Crore	CARE PP - MLD AA+	March 31, 2017

5. Remuneration of Directors

Particulars	(₹ in crore)	
	2016-17	2015-16
Transactions with the Non-Executive Directors		
Director Sitting Fees Non-Executive Directors	0.13	-
Total	0.13	-

6. Net Profit or Loss for the period, prior period items and changes in accounting policies

	(₹ in crore)	
	2016-17	2015-16
During the year there is no changes in the accounting policies and no prior period items	-	-

15 Additional Disclosures

Particulars	(₹ in crore)	
	As at March 31, 2017	As at March 31, 2016
1. Provisions and Contingencies		
a) Provision for depreciation on Investments	12.65	-
b) Provision for NPA & Doubtful Debts	46.61	-
c) Provision made towards Income tax	87.67	*
* Previous Years ₹ 83,735		
d) Other Provisions and Contingencies (with details)		
i) Provision for Repossessed assets	6.47	-
e) Contingent provision against standard assets	8.73	*
* Previous Years ₹ 38,550		
2. Concentration of Advances		
Total Advances to twenty largest borrowers	3,558.00	1.29
Percentage of Advances to twenty largest borrowers to Total Advances of the Company	28.44%	100%
3. Concentration of Exposures		
Total Exposure to twenty largest borrowers	3,558.00	1.29
Percentage of Exposures to twenty largest borrowers to Total Exposure of the Company	27.96%	100%
4. Concentration of NPAs		
Total Exposure to top four NPA accounts	131.15	-

Notes to the Financial Statements for the year ended March 31, 2017

Particulars	Percentage of NPAs to total advances in that sector	
	2016-2017	2015-2016
5. Sector-wise NPAs		
Agriculture & allied activities	3.51	-
MSME	3.42	-
Corporate borrowers	9.83	-
Services	4.02	-
Unsecured personal loans	-	-
Auto loans	7.55	-
Other personal loans	7.86	-

(₹ in crore)

Particulars	As at	As
	March 31, 2017	at March, 2017
6. Movement of NPAs		
Net NPAs to Net Advances (%)	4.13	-
Movement of NPAs (Gross)		
(a) Opening Balance	-	-
(b) Additions during the year/ Pursuant to Scheme of Arrangement	982.94	-
(c) Reductions during the year	371.20	-
(d) Closing balance	611.74	-
Movement of Net NPAs		
(a) Opening Balance	-	-
(b) Additions during the year/ Pursuant to Scheme of Arrangement	825.94	-
(c) Reductions during the year	313.56	-
(d) Closing balance	512.38	-
Movement of provisions for NPAs		
(a) Opening Balance	-	-
(b) Additions during the year/ Pursuant to Scheme of Arrangement	157.01	-
(c) Write-off	57.64	-
(d) Closing balance	99.37	-

Gross Non Performing Assets and Net Non Performing Assets given above excluding bonds & debentures.

7. Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

There are no Overseas Assets.

8. Off- balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

There are no Off-Balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.

Particulars	As at	As at
	March 31, 2017	March 31, 2016
9. Customer Complaints (as certified by the management)		
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year/ Pursuant to Scheme of Arrangement	961	-
(c) No. of complaints redressed during the year	940	-
(d) No. of complaints pending at the end of the year	21	-

(₹ in crore)

Particulars	As at	As at
	March 31, 2017	March 31, 2016
10. Other information		
Area, country of operation	India	India
Joint venture partners with regard to Joint ventures and Overseas subsidiaries	None	None

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

30 Disclosures of Restructured Accounts as required by Annex IV of the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by the Reserve Bank of India (“RBI”) vide their Notification No. RBI/DNBR/2016-17/45 Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 1, 2016 (the “Notification”)

Sr. No.	Type of Restructuring	Under CDR Mechanism				Under SME Debt Restructuring Mechanism				Others				Total					
		Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Standard	Sub-Standard	Doubtful	Loss	Total	
1	Restructured Accounts as on April 1 of the FY 2016-17																		
	No. of borrowers	2	-	-	2	-	-	-	-	1	-	-	-	1	-	-	-	-	3
	Amount outstanding	21.17	-	-	21.17	-	-	-	-	39.94	-	-	-	39.94	-	-	-	-	61.11
	Provision thereon	0.06	-	-	0.06	-	-	-	-	2.00	-	-	-	2.00	-	-	-	-	2.06
2	Fresh restructuring during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	No. of borrowers	-	2	-	2	-	-	-	-	-	-	-	-	-	2	-	-	-	2
	Amount outstanding	-	74.82	-	74.82	-	-	-	-	-	-	-	-	-	74.82	-	-	-	74.82
	Provision thereon	-	14.51	-	14.51	-	-	-	-	-	-	-	-	-	14.51	-	-	-	14.51
3	Upgradations to restructured standard category																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	(1.63)	-	-	(1.63)	-	-	-	-	-	-	-	-	-	(1.63)	-	-	-	(1.63)
	Provision thereon	0.02	-	-	0.02	-	-	-	-	-	-	-	-	-	0.02	-	-	-	0.02
5	Downgradations of restructured accounts during the FY																		
	No. of borrowers	1	-	-	1	-	-	-	-	1	-	-	-	1	-	-	-	-	2
	Amount outstanding	8.77	-	-	8.77	-	-	-	-	39.94	-	-	-	39.94	-	-	-	-	48.71
	Provision thereon	0.03	-	-	0.03	-	-	-	-	2.00	-	-	-	2.00	-	-	-	-	2.02
6	Write-offs of restructured accounts during the FY																		
	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2016-17																		
	No. of borrowers	1	2	-	3	-	-	-	-	-	-	-	-	-	1	2	-	-	3
	Amount outstanding	14.03	74.82	-	88.85	-	-	-	-	14.03	74.82	-	-	14.03	74.82	-	-	-	88.85
	Provision thereon	0.02	14.51	-	14.53	-	-	-	-	0.02	14.51	-	-	0.02	14.51	-	-	-	14.53

Notes to the Financial Statements for the year ended March 31, 2017

31 Security clause in respect to Secured Loans from banks

- (a) Term loans from banks includes ₹ 8,742.72 (Previous year ₹ Nil) which are secured by pari passu first charge on all present and future book debts, receivables, bills, claims and loan assets of the Company.
- (b) **Maturity profile of Term loans from banks are as set out below:**

	2017-18	2018-19	2019-20	2020-21	2021-22	2022- 23	Total
Term Loan from Banks	2,930.77	2,194.91	1,972.03	1,173.33	465.68	6.00	8,742.72

(₹ in crore)

32 Employee benefits

a) Defined contribution plan

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

Particulars	2016-17	2015-16
Employer's contribution to provident fund	2.90	-
Employer's contribution to superannuation fund	0.10	-
Employer's contribution to pension scheme	1.26	-
	4.27	-

(₹ in crore)

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	Gratuity benefit funded		Leave Encashment Benefit Unfunded	
	2016-17	2015-16	2016-17	2015-16
I. Table showing change in				
Liability at the beginning of the period	10.13	-	1.11	-
Interest Cost	0.82	-	0.08	-
Current Service Cost	1.33	-	0.44	-
Liability Transferred out / Divestments	(1.44)	-	-	-
Benefit Paid	(2.72)	-	(0.15)	-
Actuarial (gain)/loss on obligations - Due to change in Financial Assumptions	0.83	-	(0.26)	-
Actuarial (gain)/loss on obligations -Due to Experience	2.54	-	-	-
Liability at the end of the period	11.49	-	1.22	-
II. Changes in the fair Value of Plan Assets and the reconciliation thereof:				
Fair Value of Plan Assets at the beginning of the period	9.28	-	-	-
Expected return on Plan Assets	0.75	-	-	-
Contributions	1.51	-	0.15	-
Liability Transferred out / Divestments	(1.44)	-	-	-
Benefit paid	(2.72)	-	(0.15)	-
Actuarial gain/(loss) on Plan Assets - Due to Experience	0.16	-	-	-
Fair value of Plan Assets at the end of the period	7.54	-	-	-
Total Actuarial gain/(loss) to be recognized	(3.20)	-	0.26	-
III. Actual return on Plan Assets				
Expected return on Plan Assets	0.75	-	-	-
Actuarial gain/(loss) on Plan Assets	0.16	-	(0.26)	-
Actual return on Plan Assets	0.91	-	(0.26)	-
IV. Amount recognised in the Balance Sheet				
Liability at the end of the period	11.49	-	1.22	-
Fair Value of Plan Assets at the end of the period	7.54	-	-	-

(₹ in crore)

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

Particulars	Gratuity benefit funded		Leave Encashment Benefit Unfunded	
	2016-17	2015-16	2016-17	2015-16
Difference Funded status [Surplus/(Deficit)]	(3.95)	-	(1.22)	-
Unrecognised Actual Gain / (Loss)	-	-	-	-
Amount recognised in the Balance Sheet (liability)	(3.95)	-	(1.22)	-
V. Expenses recognised in the Profit and Loss Account				
Current Service Cost	1.33	-	0.44	-
Interest Cost	0.07	-	0.08	-
Net Actuarial (gain)/loss to be recognized	3.20	-	(0.26)	-
Expense relating to Holding Company	2.27	-	-	-
Expense recognised in Profit and Loss Account	2.33	-	0.26	-
VI. Amount recognised in the Balance Sheet				
Opening Net Liability	0.85	-	1.11	-
Expense as above	4.60	-	0.26	-
Employers Contribution paid	(1.51)	-	(0.15)	-
Liability relating to Holding Company	1.43	-	-	-
Closing Net Liability/(Assets)	2.51	-	1.22	-
VII. Experience Adjustment				
Experience adjustment on Plan Assets Gain/(Loss)	0.16	-	-	-
Experience adjustment on Plan Liabilities (Gain)/Loss	2.54	-	-	-
VIII. Assumptions				
Discount Rate	7.34%	-	7.45%	-
Rate of return on Plan Assets	7.34%	-	-	-
Salary Escalation Rate	6.00%	-	6.00%	-

Notes:

- i) Till March 31, 2017, all employees of the Commercial Finance division were on the payrolls of Reliance Capital Limited and the Gratuity for these employees was held in the Gratuity Trust of Reliance Capital Limited. The actuarial valuation of the Gratuity liabilities as on March 31, 2017 has been taken by Reliance Capital Limited on group level and gratuity liabilities and expenses has been allocated between the Company and Reliance Capital Limited on estimated basis.
- 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.

Other Employee Benefits – Phantom Stock

I. Details of Option granted, forfeited and exercised

Particulars	2016-2017	2015-2016
Outstanding as at April 1, 2016	-	-
Granted	11,07,700	-
Exercised	-	-
Lapsed/ Forfeited/ Surrendered	-	-
Outstanding as at March 31, 2017	11,07,700	-
Exercisable as at March 31, 2017	-	-

Notes to the Financial Statements for the year ended March 31, 2017

II. Terms and conditions of the scheme

Date of grant

Details of vesting schedule and condition	Phantom stock granted under the scheme would vest within not less than 1 year and not more than 5 years from the last date of vesting of such Phantom stock option. Vesting of Phantom stock option would be subject to continued employment with the company and the Phantom stock option would vest on passage of time
Appreciation as per Phantom stock option	Excess of fair market of share on the date of exercise determined in terms of Phantom stock option scheme over the base price.
Exercise Period	In case of continuation of employment : Vested Phantom stock option can be exercised any time upto 3 years from the date of last vesting of Phantom stock options and In case of cessation of employment : Different periods depending on kind of cessation as per provision of the Phantom stock option scheme
Settlement of Phantom stock option	Within 90 days from the date of exercise by cash

III. Fair value of the Option granted was estimated on the date of grant based on the following assumptions

Discount rate	6.77%
Expected life	5 years

IV. The Company's liability toward the Phantom stock option is accounted for on the basis of an independent actuarial valuation done at the year end. As per the valuation the liability for the year is ₹ 0.52 crore which is debited to Statement of profit and loss account and the liability is shown in the Balance sheet under the head Other current liabilities and clubbed under Other payables.

33 Segment reporting

The Company is mainly engaged in the commercial finance business, all other activities revolve around the main business of the Company, as such there is no separate reportable segment and Company's all operations are conducted within India, hence there is no separate reportable geographical segment, under Accounting Standard -17 (AS-17), on "Segment Reporting" notified by the Companies (Accounts) Rules, 2014.

34 Related party disclosures

A. List of Related Parties and their relationship:

i) Holding Company

Reliance Capital Limited

ii) Subsidiaries of Holding Company / Fellow Subsidiaries

1	Reliance Nippon Life Asset Management Limited (formerly Reliance Capital Asset Management Limited)	14	Reliance Nippon Life Insurance Company Limited (formerly Reliance Life Insurance Company Limited)
2	Reliance Asset Management (Singapore) Pte. Limited	15	Reliance Money Express Limited (ceased from February 7, 2017)
3	Reliance Asset Management (Mauritius) Limited	16	Reliance Money Precious Metals Private Limited
4	Reliance Capital Asset Management (UK) Limited (ceased from June 14, 2016)	17	Reliance Money Solutions Private Limited
5	Reliance Capital Pension Fund Limited	18	Reliance Securities Limited
6	Reliance AIF Management Company Limited	19	Reliance Corporate Advisory Services Limited (Formerly known as Reliance Spot Exchange Infrastructure Limited)
7	Reliance Capital AIF Trustee Company Private Limited	20	Reliance Wealth Management Limited
8	Reliance Capital Trustee Company Limited	21	Quant Capital Private Limited
9	Reliance Commodities Limited	22	Quant Broking Private Limited
10	Reliance Exchangenext Limited	23	Quant Securities Private Limited
11	Reliance Financial Limited	24	Quant Commodity Broking Private Limited (ceased from August 18, 2016)
12	Reliance General Insurance Company Limited	25	Quant Capital Finance and Investments Private Limited (ceased from July 7, 2016)
13	Reliance Home Finance Limited	26	Quant Investments Services Private Limited

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

iii) Parties under common control

Reliance Communications Limited
Reliance Infrastructure Limited

iv) Key management personnel

Shri Amrish Shah Chief Financial Officer (w.e.f. March 9, 2017)
Shri Varun Agrawal Chief Financial Officer (upto February 9, 2017)
Smt. Ekta Thakurel Company Secretary (w.e.f. March 9, 2017)
Shri Ravin Tank Company Secretary (up to February 9, 2017)

B. List of related parties with whom transactions have taken place during the year:

Reliance Capital Limited
Reliance Communications Limited
Reliance Infrastructure Limited
Reliance General Insurance Company Limited
Reliance Home Finance Limited

C. Transactions during the year with related parties:

(₹ in crore)

Particulars	Holding Company	Fellow Subsidiary	Parties under common control	Key Management Personnel	Total
Equity Share Capital					
a) Issued during the year	59.53	-	-	-	59.53
	(51.00)	(-)	(-)	(-)	(51.00)
b) Matured /Redeemed during the year	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
c) Balance as at March 31, 2017	122.83	-	-	-	122.83
	(63.30)	(-)	(-)	(-)	(63.30)
Preference Share Capital					
a) Issued during the year	400.00	-	-	-	400.00
	(-)	(-)	(-)	(-)	(-)
b) Balance as at March 31, 2017	400.00	-	-	-	400.00
	(-)	(-)	(-)	(-)	(-)
Security Premium Received on Issue of Equity Share					
a) Received on Issued during the year	1,690.51	-	-	-	1,690.51
	(-)	(-)	(-)	(-)	(-)
b) Balance as at March 31, 2017	1,690.51	-	-	-	1,690.51
	(-)	(-)	(-)	(-)	(-)
Reimbursement of Expenses given					
Reimbursement of Expenses paid	0.68	-	-	-	0.68
	(-)	(-)	(-)	(-)	(-)
Trade Payable as on March 31, 2017					
Reliance Communications Limited	-	-	0.05	-	0.05
	(-)	(-)	(-)	(-)	(-)
Reliance Infrastructure Limited	-	-	0.09	-	0.09
	(-)	(-)	(-)	(-)	(-)
With Reliance Home Finance Limited					
Income					
Reimbursement of Expenses Received	-	26.23	-	-	26.23
	(-)	(-)	(-)	(-)	(-)
Expenses					
Reimbursement of Expenses paid	-	3.54	-	-	3.54
	(-)	(-)	(-)	(-)	(-)

Notes to the Financial Statements for the year ended March 31, 2017

(₹ in crore)

Particulars	Holding Company	Fellow Subsidiary	Parties under common control	Key Management Personnel	Total
Valuation Expenses paid	-	0.22	-	-	0.22
	(-)	(-)	(-)	(-)	(-)
With Reliance General Insurance Co. Ltd.					
Income					
Reimbursement of Expenses Received	-	0.92	-	-	0.92
	(-)	(-)	(-)	(-)	(-)
Expenses					
Insurance Premium paid	-	2.20	-	-	2.20
	(-)	(-)	(-)	(-)	(-)
Rent Expenses	-	0.28	-	-	0.28
	(-)	(-)	(-)	(-)	(-)
Reimbursement of Expenses paid	-	1.19	-	-	1.19
	(-)	(-)	(-)	(-)	(-)
With Reliance Nippon Life Asset Management Limited					
Sale of Investments	-	9.16	-	-	9.16
	(-)	(-)	(-)	(-)	(-)
With Reliance Capital Pension Fund Limited					
Investments as on March 31, 2017	-	-	-	-	-
	(-)	(9.16)	(-)	(-)	(9.16)
With Reliance Nippon Life Assets Management Company Limited					
Income					
Reimbursement of Expenses Received	-	0.04	-	-	0.04
	(-)	(-)	(-)	(-)	(-)
With Reliance Nippon Life Insurance Company Limited					
Income					
Reimbursement of Expenses Received	-	0.20	-	-	0.20
	(-)	(-)	(-)	(-)	(-)
Expenses					
Insurance Expenses	-	0.44	-	-	0.44
	(-)	(-)	(-)	(-)	(-)
With Reliance Securities Limited					
Income					
Reimbursement of Expenses Received	-	0.13	-	-	0.13
	(-)	(-)	(-)	(-)	(-)
Expenses					
Brokerage Expenses * ₹ 32687	-	*	-	-	*
	(-)	(-)	(-)	(-)	(-)
With Reliance Communications Limited					
Expenses					
IT & Communication Expenses	-	-	1.75	-	1.75
	(-)	(-)	(-)	(-)	(-)
Rent Expenses	-	-	0.86	-	0.86
	(-)	(-)	(-)	(-)	(-)
Income					
Interest on loan	-	-	58.92	-	58.92
	(-)	(-)	(-)	(-)	(-)
Loan given during the year	-	-	1,565.70	-	1,565.70
	(-)	(-)	(-)	(-)	(-)
Loan Repaid during the year	-	-	1,821.20	-	1,821.20
	(-)	(-)	(-)	(-)	(-)

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

Particulars	(₹ in crore)				
	Holding Company	Fellow Subsidiary	Parties under common control	Key Management Personnel	Total
With Reliance Big Entertainment Private Limited					
Income					
Interest on loan	-	-	19.16	-	19.16
	(-)	(-)	(-)	(-)	(-)
Loan given during the year	-	-	140.14	-	140.14
	(-)	(-)	(-)	(-)	(-)
Loan Repaid during the year	-	-	280.28	-	280.28
	(-)	(-)	(-)	(-)	(-)
With Reliance Infratel Limited					
Income					
Interest on loan	-	-	22.91	-	22.91
	(-)	(-)	(-)	(-)	(-)
Loan given during the year	-	-	876.20	-	876.20
	(-)	(-)	(-)	(-)	(-)
Loan Repaid during the year	-	-	876.20	-	876.20
	(-)	(-)	(-)	(-)	(-)
Employee Benefit Expenses					
Mr. Amrish Shah	-	-	-	0.03	0.03
	(-)	(-)	(-)	(-)	(-)
Ms. Ekta Thakurel * ₹ 72,898	-	-	-	*	-
	(-)	(-)	(-)	(-)	(-)

Notes :

- 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.
- The current year figures are excluding service tax.
- Expenses incurred towards public utilities services such as telephone and electricity charges have not been considered for related party transaction.
- For transactions prior to demerger please refer note 40 (iv) below.

35 Basic and diluted earnings per share

The computation of earnings per share is set out below:

Particulars	(₹ in crore)	
	2016-17	2015-16
Amounts used as the numerators:		
Net Profit after tax	295.17	0.03
Net Profit attributable to equity shareholders	295.17	0.03
Weighted average number of equity shares (Nos.)	6,41,16,111	1,85,93,050
Basic earnings per share of face value ₹ 10 each (In Rupees)	46.04	0.01
Diluted earnings per share of face value ₹ 10 each (In Rupees)	46.04	0.01

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

Particulars	(₹ in crore)	
	As at March 31, 2017	As at March 31, 2016
Contingent Liabilities		
i) Guarantees to Banks and Financial Institutions on behalf of third parties	338.47	-
ii) Claims against the Company not acknowledge as debt	5.38	-
Commitments		
iii) Estimated amount of contracts remaining to be executed on capital account (net of advances)	5.31	-
iv) Undrawn Committed Credit lines	554.36	-

Notes to the Financial Statements for the year ended March 31, 2017

37 Expenditure in foreign currency

(₹ in crore)		
Particulars	2016-17	2015-16
i) Legal & Professional Fees	0.15	-
ii) Software Maintenance and Others	0.33	-
iii) Subscription Fees *₹ 27 440	*	-
iv) Repairs & Maintenance *₹ 14 888	*	-
	0.48	-

38 Details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016

(₹ in crore)			
Particulars	Specified Bank Notes	Other Notes	Total
Closing cash in hand as on 08.11.2016	1.20	0.24	1.44
Add : Permitted Receipts	-	6.85	6.85
Less : Permitted Payments	-	-	-
Less : Amount deposited in Bank	1.20	7.03	8.23
Closing cash in hand as on 30.12.2016	-	0.06	0.06

39 Scheme of Arrangement between Company and Reliance MediaWorks Limited (RMW)

The Board of Directors at its meeting held on March 31, 2017 approved a Scheme of Arrangement for demerger of Lease Rental Business of Reliance MediaWorks Limited (RMW) into the Company pursuant to Section 230 - 232 of the Companies Act, 2013. The Company has filed the Scheme with National Company Law Tribunal ("NCLT") on March 31, 2017. As per the Scheme, leasing business of the demerged company would be transferred to the Company from the Appointed Date. Appointed date for the Scheme is March 31, 2017, subject to requisite approvals, including the sanction of National Company Law Tribunal, Mumbai Bench. For the year ended March 31, 2017 there is no impact on the financial statements of the Company on account of above Scheme.

40 Scheme of Arrangement between Company and Reliance Capital Limited (RCL)

The Scheme of Arrangement ("the Scheme") under Sections 391 to 394 of the Companies Act, 1956 between the Company and Reliance Capital Limited and their respective shareholders and creditors was sanctioned by the Hon'ble High Court of Judicature at Bombay vide Order dated December 9, 2016. The Scheme became effective on March 24, 2017 on filing with the Registrar of Companies (RoC) with effect from April 1, 2016 i.e. Appointed Date.

Persuant to the Scheme, the Commercial Finance Business (CF) undertaking of Reliance Capital Limited (RCL) has been transferred to the Company. Hence, in accordance with the Scheme:-

- i. On Scheme becoming effective with effect from Appointed Date, the Company has recorded all the assets aggregating to ₹ 12,473 crore and liabilities aggregating to ₹ 12,473 crore as appearing in the books of RCL related to commercial finance business at their respective book value as on Appointed Date. The assets & liabilities taken over include:

Assets / Liabilities Taken Over		(₹ in crore)
Assets		
Property, Plant and Equipment (Net of accumulated Depreciation ₹ 49.58 crore)		28.50
Investments		91.00
Loans & Advances		11,351.00
Cash and Cash Equivalents		493.00
Other Bank		156.00
Other Current Assets		353.50
Total Assets		12,473.00
Liabilities		
Bank Borrowings		7,927.00
Provisions		38.00
Trade payables		6.00
Other current liabilities		516.00
Short term borrowings		2,824.00
Current maturities of Non Convertible Debentures		1,162.00
Total		12,473.00

Reliance Commercial Finance Limited

Notes to the Financial Statements for the year ended March 31, 2017

- ii There is no difference between value of assets and liabilities of the RCL's commercial finance business as recorded by the Company, accordingly there is no capital reserve or goodwill.
- iii With effect from the Appointed Date and upto and including the effective date, RCL shall be deemed to have been carrying on and to be carrying on all business and activities relating to Commercial Finance Business for and on account of and in trust of the Company. As per the scheme approved by the Hon'ble High Court of Bombay, all profits accruing to RCL or losses arising or incurred by RCL in relation to the Commercial Finance Business for the period commencing from the Appointed Date to the Effective Date shall, for all purposes, be treated as the profits or losses, as the case may be, of the Company. Accordingly Statement of Profit & Loss has been prepared for the year ended March 31, 2017.
- iv During the period from the Appointed Date to the Effective Date the Company has paid interest amounting to ₹ 90.64 crore on inter divisional balance, reimbursement of expenses amounting to ₹ 2.50 crore and management fees amounting to ₹ 3 crore to Reliance Capital Limited. Outstanding inter division balance amounting to ₹ 2,874 crore as on March 24, 2017 has been paid by the Company subsequently.

41 Corporate Social Responsibility Expenditures

As per Section 135 of the Companies Act, 2013 the Company is under obligation to incur Corporate Social Expenditures (CSR) amounting to ₹ 6,553 (Previous year ₹ Nil), being 2% of the average net profit during the three immediately preceding financial years towards CSR, calculated in the manner as stated in the Act. During the year, the Company has made a contribution of ₹ 0.15 crore (Previous year ₹ Nil) by contributing for health camps and support for education.

42 The Company has taken approval of the shareholders at Annual General Meeting held on May 30, 2016 for changing its name from Reliance Gilts Limited to Reliance Commercial Finance Limited. Consequent to fresh Certificates of Incorporation dated June 7, 2016 received from the Registrar of Companies (RoC), Maharashtra, Mumbai, the name of the Company has been changed from Reliance Gilts Limited to Reliance Commercial Finance Limited.

43 Pursuant to the Scheme of Arrangement between the Company and Reliance Capital Limited, the Company has received MAT Credit Entitlement under Section 115 JAA of the Income Tax Act, 1961. Based on judicial decisions and pursuant to Scheme of Arrangement, the Company has been made income tax provision for the year ended March 31, 2017 based on availability of MAT credit entitlement. Accordingly income tax provision for the year ended March 31, 2017 is under normal tax and the Company has utilized the MAT Credit amounting to ₹ 59.98 crore.

44 The Board of Directors have recommended a dividend of ₹ 0.50 per equity share for the year subject to the approval of the members of the Company at the ensuing Annual General Meeting. In terms of revised Accounting Standard (AS-4) 'Contingencies and Events Occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through Amendments to the Companies (Accounting Standards) Amendment, Rules 2016 dated March 30, 2016, Company has not accounted for proposed dividend as a liabilities as at March 31, 2017. Accordingly the proposed dividend of ₹ 6.14 crore and tax thereon ₹ 1.25 crore are not recognised as liability in the financial statements for the year ended March 31, 2017.

45 Previous year figures has been regrouped /reclassified wherever necessary.

The figures for current year includes figures of Commercial Finance Business of Reliance Capital Limited (RCL) which is demerged with the Company with effect from April 1, 2016 i.e. the Appointed Date and therefore to that extent not strictly comparable to that of previous year's figures.

As per our report of even date

For and on behalf of the Board

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

Directors

Padmanabh Vora (DIN: 00003192)
Deena Mehta (DIN: 00168992)
Lav Chaturvedi (DIN: 02859336)

Vijay Napawaliya
Partner
Membership No.: 109859
Mumbai
Dated: April 20, 2017

Executive Director & CEO
Chief Financial Officer
Company Secretary
Mumbai
Dated: April 20, 2017

Devang Mody (DIN: 07794726)
Amrish Shah
Ekta Thakurel

Independent Auditor's Report

To,
The Members,
Reliance Gilts Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Reliance Gilts Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss and 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 Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the



Independent Auditor's Report (Continued)

Reliance Gilts Limited

financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is



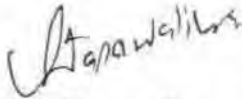
Independent Auditor's Report (Continued)

Reliance Gilts Limited

disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position of the Company.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah
Chartered Accountants
Firm's Registration No:101720W


Vijay Napawaliya
Partner
Membership No: 109859



Mumbai
Dated : April 21, 2016

Reliance Gilts Limited

Annexure A to the Independent Auditor's Report (Continued)

(Referred to in our report of even date)

- (i) In our opinion and according to the information and explanations given to us, the Company does not have any fixed assets during the year, hence clause (i) of Paragraph 3 of the Order is not applicable to the Company.
- (ii) According to the information and explanations given to us, the Company is registered as a non-banking financial Company with the Reserve Bank of India and does not hold any physical inventories. Thus, paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loan secured/unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, provisions of clauses (iii)(a), (iii)(b) and (iii)(c) of paragraph 3 of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, during the year under audit, neither the Company has given any loan nor provides any guarantee or security to its director or any other person, in whom director is interested. As the Company is registered as a non banking financial Company with the Reserve Bank of India, the provision of Section 186 of the Companies Act, 2013 is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company is a Non-deposit taking Non-Banking Financial Company, therefore paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not specified for maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013 in respect of activities carried on by the Company. Hence the provisions of clause 3 (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
 - a) According to the records of the Company, the Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, as applicable. Further, there are no undisputed amounts payable outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.



Reliance Gilts Limited

Annexure A to the Independent Auditor's Report (Continued)

(Referred to in our report of even date)

- (viii) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not borrowed from any financial institutions, banks, Government or debenture holders, accordingly the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loan during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, during the year the Company has neither provided nor paid any managerial remuneration. Hence the provisions of clause 3 (xi) of the Order is not applicable to the Company.
- (xii) The Company is not a Nidhi Company, accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not entered any related parties transactions which are covered under Section 188 of the Act and accordingly Section 177 of the Act is not applicable to the Company. The details of related party transactions have been disclosed in the financial statements as required under Accounting Standard 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
- (xiv) In our opinion and according to the information and explanations given to us, during the year under audit, the Company has not made any preferential allotment of shares and fully or partly convertible debentures. During the year the Company has issued equity shares on private placement basis to its holding company as per requirement of Section 42 of the Companies Act, 2013 and the amount raised have been used for the purposes for which the funds were raised.



Reliance Gilts Limited

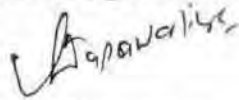
Annexure A to the Independent Auditor's Report (Continued)

(Referred to in our report of even date)

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered any non-cash transactions with directors and persons connected with him. Hence the provisions of clause 3 (xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company has been registered as required under Section 45-IA of the Reserve Bank of India Act, 1934.

For Chaturvedi & Shah
Chartered Accountants
Firm's Registration No:101720W



Vijay Napawaliya
Partner
Membership No: 109859



Mumbai
Dated : April 21, 2016

Annexure "B" to the Independent Auditor's Report of even date on the financial statements of Reliance Gilts Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Reliance Gilts Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.



Annexure "B" to the Independent Auditor's Report of even date on the financial statements of Reliance Gilts Limited

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial



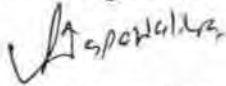
Annexure "B" to the Independent Auditor's Report of even date on the financial statements of Reliance Gilts Limited

reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi & Shah

Chartered Accountants

Firm's Registration No:101720W



Vijay Napawaliya

Partner

Membership No: 109859



Mumbai

Dated : April 21, 2016

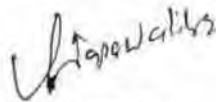
RELIANCE GILTS LIMITED
BALANCESHEET AS AT MARCH 31, 2016

	Note No.	As at March 31, 2016	(Amount in Rupees) As at March 31, 2015
I. EQUITY AND LIABILITIES:			
(1) Shareholders' Funds			
(a) Share Capital	"3"	63 30 07 000	12 30 07 000
(b) Reserves and Surplus	"4"	(2 79 60 023)	(2 82 23 321)
(2) Non Current Liabilities			
Long-term provisions	"5"	-	6 750
(3) Current Liabilities			
(a) Other current liabilities	"6"	42 938	45 802
(b) Short-term provisions	"7"	38 550	78 653
TOTAL		<u><u>60 51 28 465</u></u>	<u><u>9 49 14 884</u></u>
II. ASSETS:			
(1) Non - Current Assets			
(a) Non-current Investments	"8"	9 16 75 000	9 16 75 000
(b) Long Term Loans & Advances	"9"	48 471	27 00 000
(2) Current Assets			
(a) Current Investments	"10"	50 00 00 000	-
(b) Cash & Cash Equivalents	"11"	5 54 994	5 39 884
(c) Short term loans & advances	"12"	1 28 50 000	-
TOTAL		<u><u>60 51 28 465</u></u>	<u><u>9 49 14 884</u></u>

See accompanying notes to the financial statements "1-26"

As per our report of even date

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


Vijay Napawaliya
Partner
Membership No.: 109859



For and on behalf of the Board

Soumen Ghosh
Director

V. R. Mohan
Director

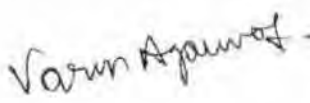

Monish Sheth
Director

Varun Agarwal
Chief Financial Officer

Ravin Tank
Company Secretary & Manager

Mumbai
Dated: April 21, 2016



Mumbai
Dated: April 21, 2016



RELIANCE GILTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Amount in Rupees)			
	Note No.	2015-16	2014-15
Revenue			
i. Revenue from operations	"13"	5 30 343	2 99 353
ii. Other income	"14"	5 618	1 960
III. Total Revenue (i+ii)		5 35 961	3 01 313
IV. Expenses			
Other expenses	"15"	1 88 928	1 02 055
Total Expenses		1 88 928	1 02 055
V. Profit Before Tax		3 47 033	1 99 258
VI. Tax expense:			
(1) Current tax		1 33 000	60 000
(2) Deferred tax		-	-
(3) Taxation for earlier years		(49 265)	(73 913)
VII. Profit For the Year		2 63 298	2 13 171
VIII. Earnings Per Equity Share :			
(Face value of Rs. 10 each fully paid up)	"21"		
Basic & Diluted		0.01	0.03

See accompanying notes to the financial statements "1-26"

As per our report of even date

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

Vijay Napawaliya
Partner
Membership No.: 109859



For and on behalf of the Board

Soumen Ghosh
Director

V. R. Mohan
Director

Monish Sheth
Director

Varun Agarwal
Chief Financial Officer

Ravin Tank
Company Secretary & Manager

Mumbai
Dated: April 21, 2016

Soumen Ghosh

V. R. Mohan

Monish Sheth

Varun Agarwal

Ravin Tank

Mumbai
Dated: April 21, 2016



RELIANCE GILTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	(Amount in Rupees)	
	2015-2016	2014-2015
A Cash Flows from Operating Activities		
Profit/(Loss) Before Tax	3 47 033	1 99 258
Adjustments for:		
Excess Provision Written Back	(5 618)	
Dividend Income	-	(29 908)
Interest Income	(5 30 343)	(2 69 445)
Profit on Sale of Current Investment	-	(1 703)
Contingent Provision against Standard Assets	31 800	6 750
Operating Profit/(Loss) before working Capital Changes	(1 57 128)	(95 049)
Adjustments for:		
(Increase)/Decrease in Loans & Advances	(1 00 85 451)	(27 18 409)
Increase/(Decrease) in Liabilities & Provisions	(1 61 482)	(22 746)
Cash generated from operations	(1 04 04 062)	(28 36 204)
Taxes (Paid) / Refund	(1 11 171)	-
Net cash from/(used in) Operating Activities	(1 05 15 233)	(28 36 204)
B Cash flows from investing activities		
Purchase of Long Term Investments	-	(5 29 00 000)
(Purchase)/Sale of Current Investment (Net)	(50 00 00 000)	29 38 470
Dividend Income	-	29 908
Interest received	5 30 343	2 69 445
Net cash from/(used in) Investing Activities	(49 94 69 657)	(4 96 62 177)
C Cash flows from financing activities		
Proceeds/(Repayment) of Issue of Equity Shares	51 00 00 000	5 30 00 000
Net cash from/(used in) financing activities	51 00 00 000	5 30 00 000
Net increase in cash and cash equivalents (A+B+C)	15 110	5 01 620
Cash and cash equivalents at the beginning of the year	5 39 884	38 264
Cash and cash equivalents at the end of the year	5 54 994	5 39 884

Note:

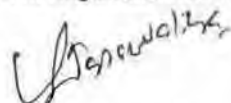
The previous year's figures have been regrouped and reclassified wherever necessary.

As per our report of even date

For and on behalf of the Board

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

Soumen Ghosh
Director


Vijay Napawaliya
Partner
Membership No.: 109859



V. R. Mohan
Director

Monish Sheth
Director

Varun Agarwal
Chief Financial Officer

Ravin Tank
Company Secretary & Manager

Mumbai
Dated: April 21, 2016

Mumbai
Dated: April 21, 2016



1. Background

Reliance Gilts Limited ("the Company") was incorporated on August 17, 2000 with the Registrar of Companies (RoC), Maharashtra, Mumbai. Subsequently, as on May 21, 2009 the Company was registered as a Non-Banking Financial Company without accepting public deposits, as defined under Section 45 IA of the Reserve Bank of India Act, 1934. (Refer Note No. 25)

2. Significant Accounting Policies**a Basis of Preparation of Financial Statements**

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting. They are in conformity with the accounting principles generally accepted in India ('GAAP'), and comply with the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 specified under Section 133 of the Companies Act, 2013 (the "Act") read with Rule 7 of the Companies (Accounts) Rules, 2014.

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 ('RBI') in terms of "Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" vide Reserve Bank of India (RBI) Notification No. DNBR.009/CGM(CDS)-2015 dated March 27, 2015, as applicable to the Company.

Although the Company's assets is less than Rs. 500 crore but its holding company is a Systemically Important Non-deposit taking Non-Banking Financial Companies hence regulations as applicable to its holding company, will also be applicable on it as per Para 7 of the RBI Circular on revised regulatory framework for multiple NBFC vide DNBR (PD)CC. No. 002/03.10.001/2014-15 dated November 10, 2014.

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 recognized in the period in which the results are known/materialised.

c Revenue Recognition**i) Sales & Purchase:**

Sale & Purchase of Government Securities are recognised on the deal date.

ii) Dividend Income:

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

iii) 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.

iv) 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.

d Investments

Investments are classified into Current Investments and Non-Current (Long-term) Investments. Current investments are valued, scrip wise, at cost or fair value, whichever is lower. Non-Current (Long-term) Investments are valued at cost. Provision for diminution is made scrip wise to recognise a decline, other than temporary.

e Inventories

Inventories are valued, scrip wise, at cost on weighted average basis or fair value, whichever is lower.

f Contingent Provision against Standard Assets

Provisions for standard assets are made as per para 10 of the Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

g Provisions for Non Performing Assets (NPA) and doubtful

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



h) 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.

i) Provision for Current Tax and Deferred Tax

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). 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.

j) Provision, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. Contingent liabilities are not recognised but are disclosed in the notes to the financial statements. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Contingent assets are not recognised nor disclosed in the financial statements.

k) Cash & Cash Equivalents

Cash and cash equivalents includes cash in hand, balance in banks and fixed deposits without lien with original maturities of three months or less.



RELIANCE GILTS LIMITED
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

3. Share Capital (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
(a) Authorised: 20 00 00 000 Equity Shares of Rs. 10 each (March 31, 2015 : 20 00 00 000 Equity Shares of Rs. 10 each)	200 00 00 000	200 00 00 000
	<u>200 00 00 000</u>	<u>200 00 00 000</u>
(b) Issued, Subscribed and Fully Paid Up 6 33 00 700 Equity Shares of Rs. 10 each (March 31, 2015 : 1 23 00 700 Equity Shares of Rs. 10 each)	63 30 07 000	12 30 07 000
	<u>63 30 07 000</u>	<u>12 30 07 000</u>
(c) Par Value per Share Equity Share	Amount in Rupees 10	Amount in Rupees 10

	No. of Shares	(Amount in Rupees)	No. of Shares	(Amount in Rupees)
(d) Reconciliation of Issued, Subscribed and Fully Paid Up Share Capital				
Equity Shares				
Opening Balance	1 23 00 700	12 30 07 000	70 00 700	7 00 07 000
Add: Addition during the year	5 10 00 000	51 00 00 000	53 00 000	5 30 00 000
Less: Reduction during the year	-	-	-	-
Closing Balance	<u>6 33 00 700</u>	<u>63 30 07 000</u>	<u>1 23 00 700</u>	<u>12 30 07 000</u>

(e) **Rights, Preferences and Restrictions :**
Each equityshare holder is entitled to one vote per share and carries dividend right. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(f) **Shares held by holding Company:**

	As at March 31, 2016			As at March 31, 2015		
	%	No. of Shares	Amount in Rupees	%	No. of Shares	Amount in Rupees
Equity shares						
Reliance Capital Limited	100	6 33 00 700	63 30 07 000	100	1 23 00 700	12 30 07 000
Total	100	6 33 00 700	63 30 07 000	100	1 23 00 700	12 30 07 000

(Out of the above equity shares, 6 equity shares (Previous year 6 equity shares) are jointly held by Reliance Capital Limited and its nominees)

4. Reserves & Surplus (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
Statutory Reserve Fund*		
As per Last Balance Sheet	14 63 611	1,420,977
Add: Transfer from Statement of Profit & Loss	52 660	42 634
	<u>15 16 271</u>	<u>14 63 611</u>
Deficit in Statement of Profit & Loss		
As per Last Balance Sheet	(2 96 86 932)	(2 98 57 469)
Add: Transfer from Statement of Profit & Loss	2 63 298	2 13 171
Less: Transfer to Statutory Reserve Fund	52 660	42 634
	<u>(2 94 76 294)</u>	<u>(2 96 86 932)</u>
Net Deficit in Statement of Profit & Loss	<u>(2 79 60 023)</u>	<u>(2 82 23 321)</u>

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



RELIANCE GILTS LIMITED
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

5. Long-term provisions (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
Contingent Provision against Standard Assets	-	6 750
	-	6 750

6. Other current liabilities (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
Others Payables #	42 938	45 802
	42 938	45 802

Other payables includes TDS Payables and Other Liabilities

7. Short-term provisions (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
Contingent Provision against Standard Assets	38 550	-
Provision for Income Tax [Net off Advance Tax & TDS Rs. Nil (Previous year Rs.12 21 347)]	-	78 653
	38 550	78 653

8. Non-current Investments (Amount in Rupees)

	Face Value/ Issue Price Rs.	Quantity As at 31.03.2016	Value As at 31.03.2016	Quantity As at 31.03.2015	Value As at 31.03.2015
Other Investments :					
Investment in Equity Shares- Associate Company - Unquoted, Fully Paid Up Reliance Capital Pension Fund Limited [Refer note (d) below]	10	87 50 000	9 16 75 000	87 50 000	9 16 75 000
			9 16 75 000		9 16 75 000

Notes:

a **Aggregate value of Investments:**

	As at March 31, 2016		As at March 31, 2015	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	-	-	-	-
Unquoted Investments	9 16 75 000	-	9 16 75 000	-
	9 16 75 000	-	9 16 75 000	-

b **Aggregate Provision for Diminution in value of Investments:**

	As at March 31, 2016	As at March 31, 2015
Quoted Investments	-	-
Unquoted Investments	-	-
	-	-

c **Basis of Valuation:**

	As at March 31, 2016 at cost	As at March 31, 2015 at cost
	-	-

d As per Share Purchase Agreements and Option Agreements with Reliance Capital Asset Management Limited (RCAM) and with Reliance Capital Pension Fund Limited (RCPFL), fellow subsidiaries of the Company, dated December 21, 2012 and February 18, 2015 with respect to investments in equity shares of Reliance Capital Pension Fund Limited :

- a) As per the Option Agreements, the Company irrevocably grants RCAM the Option to purchase the Option shares at any time by issuing a notice in writing to the Company to exercise the Option.
- b) From the date of receipt of the Option Exercise Notice upto Option Completion, the Company will deal with the Option shares, exercise or refrain from exercising any voting or other consensual rights of the Option shares with RCAM's instruction and hold any distributions in respect of Option shares in trust of RCAM.



RELIANCE GILTS LIMITED
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

9. Long Term Loans & Advances (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Loan to Body Corporate	-	27 00 000
TDS & Advance Income Tax	48 471	-
[Net off Income Tax Provision Rs. 1 93 000 (Previous year Nil)]		
	48 471	27 00 000

10. Current Investments (Amount in Rupees)

	Face Value/ Issue Price Rs.	Quantity As at 31.03.2016	Value As at 31.03.2016	Quantity As at 31.03.2015	Value As at 31.03.2015
Investment in Mutual Fund -Unquoted					
Reliance Liquid Fund - Treasury Plan-Direct Plan Growth Plan - Growth Options	1 000	1 35 909	50 00 00 000	-	-
			50 00 00 000		-

Notes:

	As at March 31, 2016		As at March 31, 2015	
a Aggregate value of Investments:	Book Value	Market Value	Book Value	Market Value
Quoted Investments	-	-	-	-
Unquoted Investments [Refer Note (d) Below]	50 00 00 000	50 21 87 231	-	-
	50 00 00 000	50 21 87 231	-	-

	As at March 31, 2016	As at March 31, 2015
b The aggregate provision for diminution in the value of investments:		
Quoted Investments	-	-
Unquoted Investments	-	-
Total	-	-

	As at March 31, 2016	As at March 31, 2015
c Basis of Valuation :		
	at cost or fair value, whichever is lower	at cost or fair value, whichever is lower

d Market value of unquoted investments is based on Net Asset Value (NAV) declared by the Mutual Fund.

11. Cash & Cash Equivalents (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
Balances with Banks in Current Account	5 54 904	5 39 884
	5 54 994	5 39 884

12. Short term loans & advances (Amount in Rupees)

	As at March 31, 2016	As at March 31, 2015
Unsecured, considered good		
Loan to Body Corporate	1 28 50 000	-
	1 28 50 000	-



RELIANCE GILTS LIMITED
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

13. Revenue from operations	(Amount in Rupees)	
	2015-16	2014-15
Interest Income on Loan to Body Corporate	5 30 343	2 69 445
Dividend Income on Current Investments	-	29 908
	<u>5 30 343</u>	<u>2 99 353</u>

14. Other income	(Amount in Rupees)	
	2015-16	2014-15
Interest on Income Tax Refund	-	257
Profit on Sale of Current Investment	-	1 703
Excess Provision Written Back	5 618	-
	<u>5 618</u>	<u>1 960</u>

15. Other expenses	(Amount in Rupees)	
	2015-16	2014-15
Auditor's Remuneration	26 137	19 663
Bank Charges	5 606	3 371
Contingent Provision against Standard Assets	31 800	6 750
Interest on Income Tax	5 560	2 700
Professional Tax ##	25 000	-
Interest on Professional Tax	27 925	-
Professional Fees #	17 175	47 753
Rates & Taxes	49 725	21 818
	<u>1 88 928</u>	<u>1 02 055</u>

Includes Prior Period Expenses Rs. Nil (Previous year Rs. 16 854)

Includes Prior Period Expenses Rs. 22 500 (Previous year Rs. Nil)

16. The management has identified enterprises which has provided goods and services to the Company and which qualify under the definition of medium, micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. At any point of time during the year there is no liability due for payment to such micro, small and medium enterprises.

17. In the opinion of management, all the Assets other than Non-Current Investments are approximately of the value stated if realised in the ordinary course of business.

18. Auditor's Remuneration :	(Amount in Rupees)	
	2015-16	2014-15
Statutory Audit Fees	26 137	19 663
	<u>26 137</u>	<u>19 663</u>

19. Segment Information :

The Company is registered as a Non-Banking Financial Company ('NBFC'). There are no separate reportable segments under Accounting Standard -17 (AS-17), on "Segment Reporting" notified by the Companies (Accounting Standards) Rules, 2006 as amended by the Companies (Accounting Standards) Amendment Rules, 2016.



RELIANCE GILTS LIMITED
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

20. Related Party Disclosure :

i) List of the Related Parties and their relationship:

A Holding Company :

Reliance Capital Limited

B Associate Company :

Reliance Capital Pension Fund Limited

C Fellow Subsidiaries :

Reliance Capital Asset Management Limited
 Reliance Asset Management (Singapore) Pte Limited
 Reliance Asset Management (Mauritius) Limited
 Reliance Capital Asset Management (UK) Limited (formerly Reliance Capital Asset Management (UK) Plc)
 Reliance Capital Pension Fund Limited
 Reliance AIF Management Company Limited
 Reliance Capital Trustee Co. Limited
 Reliance General Insurance Company Limited
 Reliance Money Express Limited
 Reliance Money Precious Metals Private Limited
 Reliance Home Finance Limited
 Reliance Securities Limited
 Reliance Commodities Limited
 Reliance Financial Limited
 Reliance Wealth Management Limited
 Reliance Money Solutions Private Limited
 Reliance Exchangenext Limited
 Reliance Spot Exchange Infrastructure Limited
 Reliance Capital AIF Trustee Company Private Limited
 Reliance Life Insurance Company Limited (w.e.f. March 30, 2016)
 Quant Capital Private Limited
 Quant Broking Private Limited
 Quant Securities Private Limited
 Quant Commodity Broking Private Limited
 Quant Capital Finance and Investments Private Limited
 Quant Investments Services Private Limited

D Key Managerial Personnel :

Mr. Ravin Tank - Company Secretary & Manager (w.e.f. May 11, 2015)
 Ms. Divisha Jangla - Company Secretary & Manager (w.e.f. May 11, 2015)
 Mr. Varun Agrawal - Chief Financial Officer (w.e.f. May 11, 2015)

ii) Transactions during the year with related parties:

(Amount in Rupees)

Particulars	Holding Company	Fellow Subsidiary	Associate Company
	Reliance Capital Limited	Reliance Capital Pension Fund Limited	Reliance Capital Pension Fund Limited
Share Capital			
Equity Share Capital issued during the year	51 00 00 000 (-)	-	-
Balance of Equity Share Capital as at March 31, 2016	63 30 07 000 (12 30 07 000)	-	-
Investments			
Balance as at March 31, 2016	-	9 16 75 000 (9 16 75 000)	9 16 75 000 (9 16 75 000)

Notes:

- 1) Figures in bracket indicate Previous year figures.
 2) Expenses reimbursed towards Registrar of Companies filing fees (Rates & Taxes) have not been considered for related party transaction.

21. Basic and Diluted Earnings Per Share

For the purpose of calculation of Basic / Diluted Earnings Per Share the following amounts are considered:

(Amount in Rupees)

Particulars	2015-16	2014-15
a) Amounts used as the numerators		
Net Profit After Tax	2 63 298	2 13 171
Net Profit available for equity shareholders	2 63 298	2 13 171
b) Amounts used as the Denominators		
Weighted average number of equity shares (Nos.)	1 85 93 050	76 10 563
c) Basic & Diluted Earnings / (Loss) Per Equity Share of Rs. 10/- each (a/b)	0.01	0.03



22. Disclosure of details as required by Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015

(i) Liability side: (Amount in Rupees)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
(1) Loans and advances availed by NBFC inclusive of interest accrued thereon but not paid:				
a) Debentures				
i) Secured	-	-	-	-
ii) Unsecured	-	-	-	-
(Other than falling within the meaning of public deposits)				
b) Deferred credits	-	-	-	-
c) Term loans	-	-	-	-
d) Inter-corporate loans and borrowing	-	-	-	-
e) Commercial paper	-	-	-	-
f) Other loans	-	-	-	-

(ii) Assets side:

Particulars	Amount Outstanding	
	March 31, 2016	March 31, 2015
(2) Break up of loans and advances including bills receivable other than those included in (4) below (Gross Amount)		
a) Secured	-	-
b) Unsecured	1 28 50 000	27 00 000
Total	1 28 50 000	27 00 000
(3) Break up of leased assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors:		
a) Financial lease	-	-
b) Operating lease	-	-
(ii) Stock on hire including higher charges under sundry debtors		
a) Assets on Hire	-	-
b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
a) Loans where assets have been repossessed	-	-
b) Loans other than (a) above	-	-
(4) Break up of investments:		
a) Current investments		
1) Quoted		
i) Shares		
a) Equity (stock-in trade)	-	-
b) Preference	-	-
ii) Units of Mutual fund	-	-
2) Unquoted		
i) Others	50 00 00 000	-
b) Long term investments		
1) Quoted		
i) Shares		
a) Equity	-	-
b) Preference	-	-
ii) Debentures and bonds	-	-
iii) Government securities	-	-
2) Unquoted		
i) Shares		
a) Equity	9 16 75 000	9 16 75 000
b) Preference	-	-
ii) Debentures and bonds	-	-
iii) Units of Mutual fund	-	-
iv) Government of India securities	-	-
v) Others	-	-
Total	59 16 75 000	9 16 75 000



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

Particulars	Secured		Unsecured		Total	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
	a) Related parties	-	-	-	-	-
1) Subsidiaries	-	-	-	-	-	-
2) Companies in the same group	-	-	-	-	-	-
3) Other related parties	-	-	-	-	-	-
b) Other than related parties	-	-	1 28 50 000	27 00 000	1 28 50 000	27 00 000
Total	-	-	1 28 50 000	27 00 000	1 28 50 000	27 00 000

6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted excluding stock in trade)

Particulars	Market value / Fair Value or NAV		Book Value (Net of provisions)	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
	a) Related parties	-	-	-
1) Subsidiaries	-	-	-	-
2) Companies in the same group	-	-	-	-
3) Other related parties	9 16 75 000	9 16 75 000	9 16 75 000	9 16 75 000
b) Other than related parties	50 21 87 231	-	50 00 00 000	-
Total	59 38 62 231	9 16 75 000	59 16 75 000	9 16 75 000

7) Other information (Amount in Rupees)

Particulars	As at March 31, 2016	As at March 31, 2015
	a) Gross Non Performing Assets	-
1) Related Parties	-	-
2) Other than Related Parties	-	-
b) Net Non Performing Assets	-	-
1) Related Parties	-	-
2) Other than Related Parties	-	-
c) Assets Acquired in satisfaction of Debt [Net of provision Nil (Previous year Nil)]	-	-

Notes :

- a) In case of unquoted investments, in the absence of market value book value has been considered.
b) Investments are classified between non-current and current investments (including current portion of long term investments) as required under Schedule III to the Companies Act, 2013.

23. Disclosure of details as required by para 9.6 of Reserve Bank of India Circular No. RBI /2014-15/299 DNBS (PD) CC. No. 002/03.10.001/2014-15 dated November 10, 2014 to the extent applicable to the Company.

I. Financial sector regulators

Items	Type	Number reference
i) Securities and Exchange Board of India	N.A.	-
ii) Reserve Bank of India	Registration No.	N-13.01933
iii) Ministry of Finance	N.A.	-
iv) Ministry of Corporate Affairs	Ministry of Corporate Affairs	U86010MH2000PLC128301
v) Insurance Regulatory and Development Authority of India	N.A.	-
vi) Pension Fund Regulatory and Development Authority	N.A.	-

II. Ratings assigned by rating agencies:

No Ratings has been assigned to the Company by any Rating agencies during the year.

III. No penalties were levied upon the Company by any of the regulator.

IV. Other information

Items	As at March 31, 2016	As at March 31, 2015
i) Area, country of operation	India	India
ii) Joint venture partners with regard to Joint ventures and Overseas subsidiaries	None	None

V. Capital

Particulars	As at March 31, 2016	As at March 31, 2015
	i) CRAR (%)	100.10
ii) CRAR - Tier I capital (%)	100.09	103.36
iii) CRAR - Tier II capital (%)	0.01	0.06
iv) Amount of Subordinated Debt raised as Tier II Capital	-	-
v) Amount raised by issue of Perpetual Debts Instruments	-	-



VI. Investments	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
1) Value of Investments		
i) Gross Value of Investments		
a) In India	59 16 75 000	9 16 75 000
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	-	-
b) Outside India	-	-
iii) Net Value of Investments		
a) In India	59 16 75 000	9 16 75 000
b) Outside India	-	-
2) Movement of provisions held towards depreciation of investments		
i) Opening Balance	-	-
ii) Add: Provisions made during the year	-	-
iii) Less: Write-off / write-back of excess provisions during the year	-	-
iv) Closing balance	-	-

Vii. a) The Company has not made any securitisation and assignment of loans.

b) Non Performing Financial Assets purchased:	(Amount in Rupees)	
	2015-16	2014-15
Particulars		
i) No. of accounts purchased during the year	-	-
ii) Aggregate outstanding	-	-
(a) Of these, number of accounts restructured during the year	-	-
(b) Aggregate outstanding	-	-
c) Non Performing Financial Assets sold:		
Particulars		
i) No. of accounts sold during the year	-	-
ii) Aggregate outstanding	-	-
iii) Aggregate consideration receive	-	-

VIII. Maturity pattern of asset and liabilities (At Book Values)

Particulars	(Amount in Rupees)								
	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	-	-	-	-	-	-	-	-	-
Market Borrowings	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Assets									
Loans / Advances	-	-	-	-	1 28 50 000	-	-	-	1 28 50 000
Security Deposits	(-)	(-)	(-)	(-)	(-)	(27 00 000)	(-)	(-)	(27 00 000)
Investments	50 00 00 000	-	-	-	-	-	-	9 16 75 000	59 16 75 000
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(9 16 75 000)	(9 16 75 000)

Notes:

- (a) All unquoted equity shares have been included in 'Over 5 years'. The maturity pattern has been prepared in line with various regulations issued by RBI from time to time, best practices and based upon best estimate of the management with regard to the timing of various cashflows.
- (b) The classification of Assets and Liabilities into current and non-current is carried out based on their residual maturity profile as per requirement of Schedule III to the Companies Act, 2013. The above maturity pattern of assets and liabilities has been prepared by the Company after taking into consideration guidelines for assets-liabilities management (ALM) system in non-banking financial companies issued by RBI, best practices and best estimate of the ALM with regard to the timing of various cash flows, which has been relied upon by the auditors.

IX. Exposure to Real Estate	(Amount in Rupees)	
	2015-16	2014-15
Category		
a) Direct Exposure		
i) Residential Mortgage		
Individual Housing Loan upto Rs.15 lakhs	-	-
Individual Housing Loan more than Rs.15 lakhs	-	-
ii) Commercial Real Estate	-	-
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)	-	-

X. Concentration of Advances	(Amount in Rupees)	
	As at March 31, 2016	As at March 31, 2015
Particulars		
Total Advances to twenty largest borrowers	1 28 50 000	27 00 000
Percentage of Advances to twenty largest borrowers to Total Advances of the Company	100%	100%



RELIANCE GILTS LIMITED
NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

		(Amount in Rupees)	
Particulars	As at		
	March 31, 2016	March 31, 2015	
Total Exposure to twenty largest borrowers	1 28 50 000	27 00 000	
Percentage of Exposures to twenty largest borrowers to Total Exposure of the Company	100%	100%	

		(Amount in Rupees)	
Particulars	As at		
	March 31, 2016	March 31, 2015	
Total Exposure to top four NPA accounts	-	-	

XIII. Sector-wise NPAs		Percentage of NPAs to total advances in that sector	
S.No	Particulars	2015-16	2014-15
1	Agriculture & allied activities	-	-
2	MSME	-	-
3	Corporate borrowers	-	-
4	Services	-	-
5	Unsecured personal loans	-	-
6	Auto loans	-	-
7	Other personal loans	-	-

		(Amount in Rupees)	
Particulars	As at		
	March 31, 2016	March 31, 2015	
i) Net NPAs to Net Advances (%)	-	-	
ii) Movement of NPAs (Gross)			
(a) Opening Balance	-	-	
(b) Additions during the year	-	-	
(c) Reductions during the year	-	-	
(d) Closing balance	-	-	
iii) Movement of Net NPAs			
(a) Opening Balance	-	-	
(b) Additions during the year	-	-	
(c) Reductions during the year	-	-	
(d) Closing balance	-	-	
iv) Movement of provisions for NPAs			
(a) Opening Balance	-	-	
(b) Provisions made during the year	-	-	
(c) Write-off / write-back of excess provisions	-	-	
(d) Closing balance	-	-	

XV. Break up of 'Provisions and Contingencies' shown under the head Expenditure in statement of Profit and Loss		(Amount in Rupees)	
Particulars	As at		
	March 31, 2016	March 31, 2015	
a) Provision for Contingencies against Standard Assets	38 550	6 750	
b) Provision made towards Income tax	83 735	(13 913)	

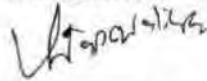
XVI. Customer Complaints		As at	
Particulars	March 31, 2016		March 31, 2015
	(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	-	-	-
(c) No. of complaints redressed during the year	-	-	-
(d) No. of complaints pending at the end of the year	-	-	-



- XVII. Details of financing of parent company products
There are no parent Company products which are financed.
- XVIII. Details of single Borrower limit (SGL) / Group Borrower limit (GBL) exceeded by the NBFC
There are no Single Borrower limit (SGL) / Group Borrower limit (GBL) exceeded by the Company.
- XIX. Unsecured Advances
There are no unsecured advances against intangible assets.
- XX. Policy on dealing with Related Party Transactions
Transactions between the Company and Related Parties shall be entered into in the manner that is compliant with the applicable provision of the Companies Act, 2013 and rules made thereunder.
- XXI. Remuneration of Directors
No remuneration has been paid to the Directors during the year.
- XXII. Overseas Assets (for those with joint Ventures and Subsidiaries abroad)
There are no Overseas Assets.
- XXIII. Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)
There are no Off-balance Sheet SPVs sponsored by the Company which are required to be consolidated as per accounting norms.
24. In the opinion of management, all the assets other than non current investments are approximately of the value stated if realised in the ordinary course of business.
25. The Board of Directors of the Company at its Meeting held on February 25, 2016 had approved the Scheme of Arrangement under Sections 391 to 394 of the Companies Act, 1956 (the 'Scheme') for demerger of Commercial Finance Business of Reliance Capital Limited (the 'holding company') into the Company. The Appointed Date for the Scheme is April 1, 2016. The Scheme is subject to requisite approvals, including sanction of the Hon'ble High Court of Judicature at Bombay.
26. Previous year have been regrouped and reclassified wherever necessary.

As per our report of even date

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



Vijay Napawaliya
Partner
Membership No.: 109859



Mumbai
Dated: April 21, 2016

For and on behalf of the Board

Soumen Ghosh
Director

V. R. Mohan
Director

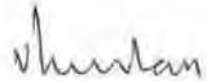
Monish Sheth
Director

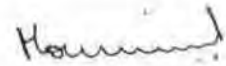
Varun Agarwal
Chief Financial Officer

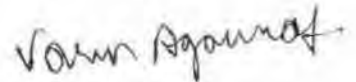
Ravin Tank
Company Secretary & Manager

Mumbai
Dated: April 21, 2016













STREET																				
LOCALITY																				
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 _____

BANK ACCOUNT DETAILS OF APPLICANT

SR. NO.	PARTICULARS	DETAILS
1.	Bank Name	
2.	Branch Address	
3.	Account No.	
4.	Account Name	
5.	IFSC Code	

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 I/we are aware that the Distributor (if any) has been or will be remunerated by the Company as per the arrangement with the Company for the distribution of the Debentures. I/We confirm that I/we are aware that for each Debenture applied for, I/we shall pay to the Issuer the applicable Placement Fee (if any) over and above the Issue Price of the Debentures. I/We confirm that I/we are aware that the Issuer shall pay the Placement Fee to the Distributor (if any).

I/We confirm that unless expressly set out in the Application Form, I/We are applying to the Debentures as Investors and not as distributors.

TO BE FILLED IN ONLY IF THE APPLICANT IS AN INSTITUTION / COMPANY / BODY CORPORATE (INCLUDING SOCIETY)

Name of the Authorised Signatory (ies)	Designation	Signature

Unless otherwise requested, the Debentures will be issued in dematerialised form. Applicant(s) are required to fill up the following particulars for such issuance:

REQUEST FOR SERIES IN 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 Debentures to me/us, my/our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, (ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository Participant, iii) if the names of the Applicant(s) in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to my/our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole option to reject the application.

I/We understand that in case of allotment of Debentures to me/us, the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name in the debenture certificate.

The details mentioned above would be used for all correspondence with the applicants including mailing of Allotment Letters and printing of bank particulars on the refund/interest order (if any). By signing the Application Form, the applicant would have deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue these relevant details. Applicant may note that delivery of Refund Orders/Allotment of Debentures in the Demat Account/Allotment Letters may get delayed if the details provided by the applicant are incorrect. Please note that any such delay shall be at the applicant's sole risk and neither Company nor the Registrars shall be liable to compensate the applicant for any losses caused to the applicant due to any such delay or liable to pay any interest for such delay.

I/We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the principal, returns on and/or the sale value of the Debentures and shall not look directly or indirectly to the Issuer (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. I / We confirm that we are aware that, as returns on the Debentures are structured and linked to one or more equity or debt securities, indices, baskets, formulas or other assets or basis of reference, we

may receive negligible returns, not receive any returns at all or receive negative returns and as a result at any time during the life of the Debentures till the Final Valuation Date the value of the Debentures may be substantially less than its redemption value

I / We understand that the Issuer may communicate to or intimate me / us only by e-mail or facsimile message and I / we undertake to accept the same as a valid communication or intimation as if such communication or intimation had been otherwise hand delivered or delivered by registered post or courier. I / We undertake that upon sale or transfer to subsequent investor or transferee (“**Transferee**”), I / We shall convey all the terms and conditions contained herein and in the Shelf Disclosure Document (including the fact that these Debentures cannot be sold to a Non-Resident Indian and/or an Overseas Corporate Body) to such Transferee. I / We undertake that we shall not sell or transfer the Debentures to a Non-Resident Indian and/or an Overseas Corporate Body. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer (and all such persons acting on its or their behalf) and also hold the Issuer and each of such person harmless in respect of any claim by any Transferee.

I / We undertake that the payment for subscription of securities has been made from the bank account of the person subscribing for the securities.

I / We confirm that there are no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree company during the last three years immediately preceding the year of the circulation of the offer letter.

Sole/First Applicant's

Second Applicant's

Third Applicant's

Signature

Signature

Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

DECLARATION TO BE FILLED IN ONLY IF THE APPLICANT IS INVESTING IN THE DEBENTURES AS A DISCRETIONARY PORTFOLIO MANAGER:

- 1) We, as Portfolio Managers, are fully in compliance with the laws and regulations applicable to us including the Securities and Exchange Board of India (Portfolio Managers) Rules, 1993 and the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, the requirements of Circular dated 20th March 2006 "Guidelines on Anti-Money Laundering Standards" of the Securities and Exchange Board of India and the Guidelines for Issue and Listing of Structured Products/Market Linked Debentures, 2011;
- 2) We are appropriately investing in the Debentures on behalf of our client, ("**Client**"). Client's identity:
 - (i) is not disclosed by us [_____]; or
 - (ii) is disclosed by us [_____],and the investment in the Debentures is within the scope of our authority including pursuant to the agreement entered into by us with the Client, as provided for by Regulation 14 of the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 (the "**Agreement**"), and accordingly binds the Client. Should there be any dispute by the Client as regards the investment in the Debentures including but not limited to the scope of our authority with regard to such investment, the same shall be dealt with entirely by us with the Client, with no reference to Reliance Commercial Finance Limited ("**RCFL**");
- 3) We have conducted suitability and appropriateness checks on our Clients pursuant to the PM Regulations (as applicable) and the Structured Products Guidelines, and we have fully advised each of our Clients of the risks relating to investment in the Debentures and of their rights against us as their principal and we accept responsibility for such advice
- 4) We shall ensure that the Client understands the risks involved in investment in the Debentures and is capable of taking the risks posed by such Debentures and shall satisfy ourselves that the Debentures are suitable to the risk profile of the Client;
- 5) We shall provide our Clients with a copy of the Information Memorandum;
- 6) We shall guide the Clients as to where the valuations (of the Debentures) will be available;
- 7) We shall guide the Clients as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Company or through the secondary market;
- 8) We have strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients;
- 9) We consent to the disclosure or provision by RCFL to any governmental or regulatory authority, or under any requirement of law, any information regarding the Client (to the extent made available to RCFL by us) and the investment in the Debenture, as required of RCFL under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law;
- 10) We further agree to provide to RCFL such additional information that RCFL deems necessary or appropriate in order for RCFL to comply with any such regulations and/or requests or requirements;
- 11) We also further agree (including on the basis of any request made by RCFL in this regard), to provide to any governmental or regulatory authority any information regarding the Client, the investment in the Debenture as required under regulations and/or as requested by any governmental or regulatory or other authority; and

12) We confirm and undertake that we are appropriately investing in these Debentures on behalf of our Clients and our activities have not violated and will not violate the RBI Private Placement Directions. We further confirm and undertake that we have not and shall not use the name of the Issuer or any of its group entities or any of the words in any of our advertisement or any marketing material and that we have not acted and shall not act in a manner that would render this private placement of Debentures, an offer to the public.

Sole/First Applicant's

Second Applicant's

Third Applicant's

Signature

Signature

Signature

DECLARATION TO BE FILLED IN ONLY IF THE APPLICANT IS INVESTING IN THE DEBENTURES AS A NON DISCRETIONARY PORTFOLIO MANAGER:

- 1) We, as Portfolio Managers, are fully in compliance with the laws and regulations applicable to us including the Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 ("Portfolio Manager Regulations"), the Structured Products Guidelines, the Prevention of Money Laundering Act, 2002 ("PML Act"), the Prevention of Money Laundering (Maintenance of Records of the Nature and Value of Transactions, the Procedure and Manner of Maintaining and Time for Furnishing Information and Verification and Maintenance of Records of the Identity of the Clients of the Banking Companies, Financial Institutions and Intermediaries) Rules, 2005 ("PML Rules"), the requirements of Circular dated 20th March 2006 "Guidelines on Anti-Money Laundering Standards" of the SEBI ("AML Guidelines") together with the PML Act and the PML Rules, the "AML Laws & Rules") and all applicable know-your-client norms ("KYC Guidelines") issued by any relevant regulator, as amended, from time to timer;
- 2) We are appropriately selling the Debentures to / investing in the Debentures on behalf of our client, ("**Client**"). The Sale of / investment in the Debentures is within the scope of our authority (including as provided for in the Portfolio Manager Regulations), and accordingly binds the Client. Should there be any dispute by the Client as regards the investment in the Debentures regarding the scope of our authority with regard to such investment, the same shall be dealt with entirely by us with the Client, with no reference to Reliance Commercial Finance Limited ("**RCFL**");
- 3) We have conducted a risk profiling of each Client pursuant to the PM Regulations (as applicable) and the Structured Products Guidelines, and we have satisfied ourselves that the Debentures are suitable to the risk profile of the Client. We have fully advised each of our Clients of the risks relating to investment in the Debentures and of their rights against us as their principal and we accept responsibility for such advice
- 4) We shall ensure that the Client understands the risks involved in investment in the Debentures and is capable of taking the risks posed by such Debentures and shall satisfy ourselves that the Debentures are suitable to the risk profile of the Client;
- 5) We shall provide our Clients with the Information Memorandum;
- 6) We shall guide the Clients as to where the valuations will be available;
- 7) We shall guide the Clients as to the applicable exit loads/exit options/liquidity support, (if any) etc. being provided by the Company or through the secondary market;
- 8) We have strictly complied with all applicable AML Laws & Rules and KYC Guidelines in relation to each of the Clients;
- 9) We consent to the disclosure or provision by RCFL to any governmental or regulatory authority, or under any requirement of law, any information regarding the Client (to the extent made available to RCFL by us) and the investment in the Debentures, as required of RCFL under applicable regulations and/or as requested by any governmental or regulatory authority or under a provision of law;
- 10) We further agree to provide to RCFL such additional information that RCFL deems necessary or appropriate in order for RCFL to comply with any such regulations and/or requests or requirements;
- 11) We also further agree (including on the basis of any request made by RCFL in this regard), to provide to

any governmental or regulatory authority any information regarding the Client, the investment in the Debentures as required under regulations and/or as requested by any governmental or regulatory or other authority; and

- 12) We confirm and undertake that we are appropriately investing in these Debentures on behalf of our Clients and our activities have not violated and will not violate the RBI Private Placement Directions. We further confirm and undertake that we have not and will not use the name of the Issuer or any of its group entities or any of the words in any of our advertisement or any marketing material.

Sole/First Applicant's

Second Applicant's

Third Applicant's

Signature

Signature

Signature

Reliance Commercial Finance Limited
Annexure containing information for Individuals for reporting requirement under section 285BA of the
Income-tax Act, 1961
(To be filled by each accountholder)

Account Number:

Name of the accountholder:

Section 1: Declaration of Tax Residency

For the purposes of taxation, I am a resident in the following countries and my Tax Identification Number (TIN)/functional equivalent in each country is set out below or I have indicated that a TIN/functional equivalent is unavailable (kindly fill details of all countries of tax residence if more than one):

Country/countries of tax residency	Tax Identification Number (TIN)/ Functional equivalent	Country issuing TIN/ Functional equivalent	Documents provided (copy of certificate of residence/copy of TIN)

Documents required: A copy of certificate of residence or a copy of TIN for all the countries listed in the above table.

Section 2: Individual Identification

- (a) Father's Name
- (b) Place of birth
- (c) Country of birth
- (d) Occupation

Section 3 - Terms and Conditions in the Account Opening Form

The Customer/account holder certifies that:

- a) the information provided in the Form is in accordance with section 285BA of the Income Tax Act, 1961 read with Rules 114F to 114H of the Income tax Rules, 1962.
- b) the information provided by me/us in the Form, its supporting Annexures as well as in the documentary evidence provided by me/us are, to the best of our knowledge and belief, true, correct and complete and that I/we have not withheld any material information that may affect the assessment/categorization of the account as a Reportable account or otherwise.
- c) I/We permit/authorise the Company to collect, store, communicate and process information relating to the Account and all transactions therein, by the Company and any of its affiliates wherever situated including sharing, transfer and disclosure between them and to the authorities in and/or outside India of any confidential information for compliance with any law or regulation whether domestic or foreign.
- d) I / We undertake the responsibility to declare and disclose within 30 days from the date of change, any changes that may take place in the information provided in the Form, its supporting Annexures as well as in the documentary evidence provided by us or if any certification becomes incorrect and to provide fresh self certification along with documentary evidence.
- e) I / We also agree that our failure to disclose any material fact known to us, now or in future, may invalidate our application and the Company would be within its right to put restrictions in the operations of my/our account or close it or report to any regulator and/or any authority designated by the Government of India (GOI) /SEBI for the purpose or take any other action as may be deemed appropriate by the Company if the deficiency is not remedied by us within the stipulated period.
- f) I / We hereby accept and acknowledge that the Company shall have the right and authority to carry out investigations from the information available in public domain for confirming the information provided by me / us to the Company.
- g) It shall be my / our responsibilities to educate myself / ourself and to comply at all times with all relevant laws relating to reporting under section 285BA of the Act read with the Rules thereunder.
- h) I/We also agree to furnish such information and/or documents as the Company may require from time to time on account of any change in law either in India or abroad in the subject matter herein.
- i) I/We shall indemnify the Company for any loss that may arise to the Company on account of providing incorrect or incomplete information.

Signature: _____

Name: _____

Date: (dd/mm/yyyy) _____

Place: _____

Section 4: Entity Classification

4.1 If you are a **reporting Financial Institution**, please tick atleast one of the below categories, and provide your FATCA Global Intermediary Identification Number (GIIN):

Depository Institution Custodial Institution
 Investment Entity Specified Insurance Company
 GIIN _____

4.2 If you are a **Financial Institution but are non-reporting financial institution**, please tick one of the below reasons:

- (a) The Entity is a Non-Reporting Financial Institution. Please tick exemption from **Annexure 2**: (a) / (b) / (c) / (d) / (e) / (f) / (g) / (h) / (i) / (j) / (k) / (l) / (m)
- (b) The Entity is a Sponsored Financial Institution and has not yet obtained a GIIN but is sponsored by another entity that has registered as a Sponsoring Entity. Please provide the Sponsoring Entity's name and GIIN.
 Sponsoring Entity's Name: _____
 Sponsoring Entity's GIIN: _____
- (c) The Entity is a Trustee Documented Trust and has not yet obtained a GIIN. Please provide the Trustee's name and the GIIN
 Name of the Trustee of the Trust: _____
 GIIN of the Trustee: _____

4.3 The Entity is an owner documented Financial Institution. Please provide the details of each of the substantial owners of the financial institution in the form for Controlling Persons attached.

4.4 The Entity is a Non-Participating Financial Institution

4.5 If the Entity is not a Financial Institution, please confirm the Entity's status below:

- (i) The Entity is an **Active Non-Financial Entity** (Please tick as per **Annexure 3**) (i) / (ii) / (iii) / (iv) / (v) / (vi) / (vii) / (viii)
- The Entity is a **Passive Non-Financial Entity (NFE)** (Please tick as per **Annexure 3A**): (i) / (ii) / (iii).

If Passive Entity is ticked please fill the Form of all Controlling Persons¹ –

¹ Controlling persons means natural persons who exercise control over an entity who includes a beneficial owner as defined in Explanation to sub-rule (3) of rule 9 Prevention of Money-laundering (Maintenance of Records) Rules, 2005. In determining the beneficial owner the procedure specified in the RBI/SEBI/IRDA circulars shall be applied. In the case of Trust, the controlling persons mean the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries and any other natural person exercising ultimate effective Entity Self certification

Controlling Person Self-Certification AND tick the below:

- Controlling Persons of the Entity are tax resident of India
- Controlling Persons of the Entity are tax resident of USA
- Controlling Persons of the Entity are tax resident of countries other than India and USA.

Kindly specify the countries of which the controlling persons are tax resident of:

_____ (if more than one, list of all countries should be specified.)

- (a) The Entity is Direct reporting NFE.

If ticked, please provide the GIIN of the Direct Reporting NFE -----

Section 5: Declaration and Undertakings

I / We certify that:

- a) the information provided in the Form is in accordance with section 285BA of the Income Tax Act, 1961 read with Rules 114F to 114H of the Income tax Rules, 1962.
- b) the information provided by me/us in the Form, its supporting Annexures as well as in the documentary evidence provided by me/us are, to the best of our knowledge and belief, true, correct and complete and that I/we have not withheld any material information that may affect the assessment/categorization of the account as a Reportable account or otherwise.
- c) I/We permit/authorise the Company to collect, store, communicate and process information relating to the Account and all transactions therein, by the Company and any of its affiliates wherever situated including sharing, transfer and disclosure between them and to the authorities in and/or outside India of any confidential information for compliance with any law or regulation whether domestic or foreign.
- d) I / We undertake the responsibility to declare and disclose within 30 days from the date of change, any changes that may take place in the information provided in the Form, its supporting Annexures as well as in the documentary evidence provided by us or if any certification becomes incorrect and to provide fresh self-certification alongwith documentary evidence.
- e) I / We also agree that our failure to disclose any material fact known to us, now or in future, may invalidate our application and the Company would be within its right to put restrictions in the operations of my/our account or close it or report to any regulator and/or any authority designated by the Government of India (GOI) /RBI for the purpose or take any other action as may be deemed appropriate by the Company if the deficiency is not remedied by us within the stipulated period.

control over the trust, and in the case of a legal arrangement other than a trust, the said expression means the person in equivalent position.

Entity Self certification

- f) I / We hereby accept and acknowledge that the Company shall have the right and authority to carry out investigations from the information available in public domain for confirming the information provided by me / us to the Company.
- g) It shall be my / our responsibilities to educate myself / ourself and to comply at all times with all relevant laws relating to reporting under section 285BA of the Act read with the Rules thereunder.
- h) I/We also agree to furnish such information and/or documents as the Company may require from time to time on account of any change in law either in India or abroad in the subject matter herein.
- i) I/We shall indemnify the Company for any loss that may arise to the Company on account of providing incorrect or incomplete information.
- j) I / We certify that I/we have the capacity to sign for the Entity as per CBDT rules/SEBI guidelines.

Authorised Signature: _____

Name _____

Position/Title: _____

Date: (dd/mm/yyyy) _____

Seal and Stamp of the Entity

Entity Self certification

Form to be filled in by the Controlling Person

1. Controlling Person Type:
 - (a) In case of legal Person:
 Ownership Other means Senior Managing Official
 - (b) In case of legal Arrangement Trust:
 Settlor Trustee Protector beneficiary Others
 - (c) In case of legal Arrangement: others
 Settlor equivalent Trustee equivalent
 Protector equivalent beneficiary equivalent
 Others equivalent
 - (d) Unknown
2. Name of the Controlling Person:
3. Customer ID, if allotted: _____
4. Father's name: _____
5. Gender: Male Female Others
6. PAN: _____
7. Aadhaar No: _____
8. Identification Type (*tick and provide as proof of identity*):
 A-Passport
 B- Election Id Card
 C- PAN Card
 D- ID Card
 E- Driving License
 F -UIDAI letter
 G-NREGA job card
 H- Others
 X- Not categorised
9. Identification Number (*mentioned in identification document*): _____

Entity Self certification

10. Occupation Type:

- S-Service
- B-Business
- O-Others
- X- Not categorised

11. Date of Birth (DD/MM/YYYY): _____

12. Nationality: _____

13. Place of Birth: _____

14. Country of Birth: _____

15. Address Type of Controlling Person:

- 1-Residential or Business
- 2- Residential
- 3- Business
- 4- Registered Office
- 5-Unspecified.

16. Address of Controlling Person: _____

17. Mobile/Telephone Number: _____

18. Please indicate the Country of tax residence (if resident in more than one country please detail all countries and associated tax identification number and TIN issuing country).

Country/countries of tax residency	Tax Identification number (TIN)	TIN Issuing Country

(Kindly attach documentary evidence of country of tax residence and the tax identification number)

Entity Self certification

Section 5: Declaration and Undertakings

I / We certify that:

- k) the information provided in the Form is in accordance with section 285BA of the Income Tax Act, 1961 read with Rules 114F to 114H of the Income tax Rules, 1962.
- l) the information provided by me/us in the Form, its supporting Annexures as well as in the documentary evidence provided by me/us are, to the best of our knowledge and belief, true, correct and complete and that I/we have not withheld any material information that may affect the assessment/categorization of the account as a Reportable account or otherwise.
- m) I/We permit/authorise the Company to collect, store, communicate and process information relating to the Account and all transactions therein, by the Company and any of its affiliates wherever situated including sharing, transfer and disclosure between them and to the authorities in and/or outside India of any confidential information for compliance with any law or regulation whether domestic or foreign.
- n) I / We undertake the responsibility to declare and disclose within 30 days from the date of change, any changes that may take place in the information provided in the Form, its supporting Annexures as well as in the documentary evidence provided by us or if any certification becomes incorrect and to provide fresh self-certification alongwith documentary evidence.
- o) I / We also agree that our failure to disclose any material fact known to us, now or in future, may invalidate our application and the Company would be within its right to put restrictions in the operations of my/our account or close it or report to any regulator and/or any authority designated by the Government of India (GOI) /RBI for the purpose or take any other action as may be deemed appropriate by the Company if the deficiency is not remedied by us within the stipulated period.
- p) I / We hereby accept and acknowledge that the Company shall have the right and authority to carry out investigations from the information available in public domain for confirming the information provided by me / us to the Company.
- q) It shall be my / our responsibilities to educate myself / ourself and to comply at all times with all relevant laws relating to reporting under section 285BA of the Act read with the Rules thereunder.
- r) I/We also agree to furnish such information and/or documents as the Company may require from time to time on account of any change in law either in India or abroad in the subject matter herein.
- s) I/We shall indemnify the Company for any loss that may arise to the Company on account of providing incorrect or incomplete information.
- t) I / We certify that I/we have the capacity to sign for the Entity as per CBDT rules/SEBI guidelines.

Authorised Signature: _____

Entity Self certification

Name: _____

Date: (dd/mm/yyyy) _____

Position/Title: _____

Seal and Stamp of the Entity

Entity Self certification

Annexure 1: Specified US Persons:

1	<p>A Specified US Person is a US Person but not falling within the category mentioned:</p> <p>(i) a corporation the stock of which is regularly traded on one or more established securities markets;</p> <p>(ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i);</p> <p>(iii) the United States or any wholly owned agency or instrumentality thereof</p> <p>(iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing</p> <p>(v) any organization exempt from taxation under section 501(a) of the U.S. Internal Revenue Code or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code;</p> <p>(vi) any bank as defined in section 581 of the U.S. Internal Revenue Code;</p> <p>(vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code</p> <p>(viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the U.S. Securities and Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (ix) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code;</p> <p>(x) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code</p> <p>(xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State;</p> <p>(xii) a broker as defined in section 6045(c) of the U.S. Internal Revenue Code;</p> <p>(xiii) any tax-exempt trust under a plan that is described in section 403(b) or section 457(g) of the U.S. Internal Revenue Code</p>
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Annexure 2: “Non-reporting financial institution”

- (a) a Governmental entity, International Organisation or Central Bank, other than with respect to a payment that is derived from an obligation held in connection with a commercial financial activity of a type engaged in by a specified insurance company, custodial institution, or depository institution;
- (b) a Treaty Qualified Retirement Fund; a Broad Participation Retirement Fund; a Narrow Participation Retirement Fund; or a Pension Fund of a Governmental entity, International Organization or Central Bank;
- (c) a non-public fund of the armed forces, Employees’ State Insurance Fund, a gratuity fund or a provident fund;
- (d) an entity that is an Indian financial institution only because it is an investment entity, provided that each direct holder of an equity interest in the entity is a financial institution referred to in sub-clauses (a) to (c), and each direct holder of a debt interest in such entity is either a depository institution (with respect to a loan made to such entity) or a financial institution referred to in sub-clauses (a) to (c);
- (e) a qualified credit card issuer;
- (f) an investment entity established in India that is a financial institution only because it,-

Entity Self certification

- (I) renders investment advice to, and acts on behalf of; or
- (II) manages portfolios for, and acts on behalf of; or
- (III) executes trades on behalf of,
a customer for the purposes of investing, managing, or administering funds or securities deposited in the name of the customer with a financial institution other than a non-participating financial institution;
- (g) an exempt collective investment vehicle;
- (h) a trust established under any law for the time being in force to the extent that the trustee of the trust is a reporting financial institution and reports all information required to be reported under rule 114G with respect to all reportable accounts of the trust;
- (i) a financial institution with a local client base;
- (j) a local bank;
- (k) a financial institution with only low-value accounts;
- (l) sponsored investment entity and controlled foreign corporation, in case of any U.S. reportable account; or
- (m) sponsored closely held investment vehicle, in case of any U.S. reportable account.

Annexure 3: Active Non-Financial Entity (NFE)

Sr no.	Category of Active NFFE
(i)	Less than 50 per cent of the entity's gross income for the preceding <i>financial year</i> is passive income and less than 50 per cent of the assets held by the entity during the preceding financial year are assets that produce or are held for the production of passive income; or
(ii)	The stock of the entity is regularly traded on an established securities market or the non-financial entity is a related entity of an entity the stock of which is regularly traded on an established securities market; or <i>Explanation.</i> - For the purpose of this sub-clause, an established securities market means an exchange that is officially recognised and supervised by a governmental authority in which the securities market is located and that has a meaningful annual value of shares traded on the exchange.
(iii)	the entity is a Governmental Entity, an International Organization, a Central Bank , or an entity wholly owned by one or more of the foregoing;
(iv)	substantially all of the activities of the entity consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a financial institution, except that an entity does not qualify for this status if it functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
(v)	the entity is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a financial institution, provided that the entity does not qualify for this exception after the date that is 24 months after the date of the initial organization of the entity;

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(vi)	the entity was not a financial institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to continue or recommence operations in a business other than that of a financial Institution;
(vii)	the entity primarily engages in financing and hedging transactions with, or for, related entities that are not financial institutions, and does not provide financing or hedging services to any entity that is not a related entity, provided that the group of any such related entities is primarily engaged in a business other than that of a financial institution;
(viii)	<p>the entity meets all of the following requirements, namely:-</p> <p>(a) It is established and operated in India exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in India and it is a professional organization, business league, chamber of commerce, labour organization, agricultural or horticultural organization, civic league or an organization operated exclusively for the promotion of social welfare;</p> <p>(b) It is exempt from income-tax in India;</p> <p>(c) It has no shareholders or members who have a proprietary or beneficial interest in its income or assets;</p> <p>(d) The applicable laws of the entity's jurisdiction of residence or the entity's formation documents do not permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the entity's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the fair market value of property which the entity has purchased; and</p> <p>(e) The applicable laws of the entity's jurisdiction of residence or the entity's formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to a Governmental Entity or other non-profit organization, or escheat to the government of the entity's jurisdiction of residence or any political subdivision thereof.</p> <p>Explanation.- For the purpose of this sub-clause, the following shall be treated as fulfilling the criteria provided in the said sub-clause, namely:-</p> <p>(I) an Investor Protection Fund referred to in clause (23EA);</p> <p>(II) a Credit Guarantee Fund Trust for Small Industries referred to in clause 23EB; and</p> <p>(III) an Investor Protection Fund referred to in clause (23EC),</p> <p>of section 10 of the Act</p>

Annexure 3A - Passive Non-Financial Entity (NFE)

Sr no.	<u>Category of Passive NFFE</u>
1	Any non-financial entity which is not an active non-financial entity
2	An investment entity described in sub-clause (B) of clause (c) of the Explanation to clause (3)*
3	A withholding foreign partnership or withholding foreign trust

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* Explanation to Rule 114F

(c) “investment entity” means any entity,-

(A) that primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer, namely:-

(i) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading; or

(ii) individual and collective portfolio management; or

(iii) otherwise investing, administering, or managing financial assets or money on behalf of other persons; or

(B) the gross income of which is primarily attributable to investing, reinvesting, or trading in financial assets, if the entity is managed by another entity that is a depository institution, a custodial institution, a specified insurance company, or an investment entity mentioned in sub-clause (A) of this clause.

Annexure 4: Business codes as per income-tax return form ITR 6

Sr. No.	Sector	Sub-sector	Code
1	Manufacturing Industry	Agro-based industries	0101
		Automobile and Auto parts	0102
		Cement	0103
		Diamond cutting	0104
		Drugs and Pharmaceuticals	0105
		Electronics including Computer Hardware	0106
		Engineering goods	0107
		Fertilizers, Chemicals, Paints	0108
		Flour & Rice Mills	0109
		Food Processing units	0110
		Marble & Granite	0111
		Paper	0112
		Petroleum and Petrochemicals	0113
		Power and energy	0114
		Printing & Publishing	0115
		Rubber	0116
		Steel	0117
		Sugar	0118
		Tea, Coffee	0119
		Textiles, handloom, Power looms	0120
	Tobacco	0121	
	Tyre	0122	

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Sr. No.	Sector	Sub-sector	Code
		Vanaspati & Edible Oils	0123
		Others	0124
2	Trading	Chain Stores	0201
		Retailers	0202
		Wholesalers	0203
		Others	0204
3	Commission Agents	General Commission Agents	0301
4	Builders	Builders	0401
		Estate Agents	0402
		Property Developers	0403
		Others	0404
5	Contractors	Civil Contractors	0501
		Excise Contractors	0502
		Forest Contractors	0503
		Mining Contractors	0504
		Others	0505
6	Professionals	Chartered Accountants, Companies Secretaries, etc	0601
		Fashion designers	0602
		Legal professionals	0603
		Medical professionals	0604
		Nursing Homes	0605
		Specialty hospitals	0606
		Others	0607
7	Service Sector	Advertisement agencies	0701
		Beauty Parlours	0702
		Consultancy services	0703
		Courier Agencies	0704
		Computer training/educational and coaching institutes	0705
		Forex Dealers	0706

Entity Self certification

Sr. No.	Sector	Sub-sector	Code
		Hospitality services	0707
		Hotels	0708
		I.T. enabled services, BPO service providers	0709
		Security agencies	0710
		Software development agencies	0711
		Transporters	0712
		Travel agents, tour operators	0713
		Others	0714
8	Financial Service Sector	Banking Companies	0801
		Chit Funds	0802
		Financial Institutions	0803
		Financial service providers	0804
		Leasing Companies	0805
		Money Lenders	0806
		Non-Banking Finance Companies	0807
		Share Brokers, Sub-brokers, etc.	0808
		Others	0809
9	Entertainment Industry	Cable T.V. productions	0901
		Film distribution	0902
		Film laboratories	0903
		Motion Picture Producers	0904
		Television Channels	0905
		Others	0906

Entity Self certification