RELIANCE HOME FINANCE

June 4, 2020

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
NSE Scrip Symbol: RHFL

Kind Attn.: Mr. Priyesh Jain

Dear Sir,

Ref.: NSE e-mail dated May 29, 2020

We refer to your e-mail seeking clarification from the Company on the Financials Results for the quarter and year ended March 31, 2020.

In this regard, we hereby submit that due to technical glitch, the digital signatures on the results are not visible. The same has been rectified and the results are enclosed.

We hope this clarifies the matter.

Thanking you.

Yours faithfully,
For **Reliance Home Finance Limited**

Vijesh B Thota
Chief Financial Officer

Encl.: As Above.

DHIRAJ & DHEERAJ
CHARTERED ACCOUNTANTS

Independent Auditor's Report on Annual Statement of Ind As Financial Results of Reliance Home Finance Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors of
Reliance Home Finance Limited

Qualified Opinion

We have audited the accompanying Statement containing the Annual audited Ind AS financial results of **Reliance Home Finance Limited** ("The Company") for the year ended on March 31, 2020 ('the statement'), attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereafter referred to as "the regulation').

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report the aforesaid Ind AS financial statements are presented in accordance with the requirements of Regulation 33 of the regulation in this regard and give a true and fair view in conformity with the applicable Indian Accounting Standards and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, its cash flows and other financial information for the year ended on that date.

Basis for Qualified Opinion

We draw attention to note 8 of the Statement with regards to the loan advanced under the 'General-Purpose Corporate Loan' product with significant deviations to certain bodies corporate including group companies and outstanding as at March 31, 2020 aggregating to Rs. 7,965.24 crores (including Rs. 216 crores sanctioned during the FY 2019-20) and secured by charge on current assets of borrowers. As stated in the said note, majority of Company's borrowers have undertaken onward lending transaction and end use of the borrowings from the Company included borrowings by or for repayment of financial obligation to some of the group companies. There has been overdue of Rs. 7,815.24 crores (including NPA of Rs. 4,778.13 crores) of these loans as on March 31, 2020. In view of substantial overdues, we are unable to substantiate the management assertion on the recoverability of principal and interest including time frame of recovery of aforesaid loans outstanding as on March 31, 2020. The Company's exposure to the borrowers are secured against charge on current assets and is dependent on the recovery of onward lending of the borrowers which depends on external factors not wholly within control of the Company/borrower. Further we draw attention to note 3 of the Statement on the material shift in primary business of the Company from Housing Finance to Non-Housing Finance which comprise more than 50% of total loan portfolio raising concern about Company continuing as a Housing Finance Company.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Ind AS financial statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical

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requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Ind AS financial statements.

Emphasis of Matters

Going concern

i) We draw attention to note 5 to the Statement which states that the Company has engaged with its lenders to enter into an Inter Creditor Agreement (ICA) for the resolution of its debt in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India for prudential framework for resolution of stressed assets. ICA has been executed on July 6, 2019 with the majority of lenders and some of lenders/debenture holders have joined the ICA subsequently through deed of Accession. Bank of Baroda has been appointed as the lead lender for the resolution process and the lenders have made the appointment of professional viz resolution plan advisors, forensic auditor, legal counsel, cash flow monitoring agency and valuation agencies for the resolution process. The timeline of 180 days as envisaged in the RBI Circular expired on January 3, 2020. However as informed the lenders have agreed to extend the ICA till March 31, 2020 and further extended to June 30, 2020 and have communicated with RBI for the same. The Company expects implementation of its resolution plan within the said extended period. There is substantial reduction in the lending business during the year. The Company has defaulted in payment of borrowings obligations amounting to Rs. 5,521.20 crores as on March 31, 2020 and the asset cover has also fallen below hundred percent of outstanding debentures amounting to Rs. 5,966.67 crores. The Company's ability to meet its obligation dependent on material uncertain events including restructuring of loan portfolio, implementation of Resolution Plan by Inter Creditor Agreement for the resolution of its debt as stated above and revival of housing finance business.

In view of steps taken by the company and the expected implementation of its resolution plan in extended period, the statement of Ind AS financial results of the Company have been prepared by the management on a going concern basis. Our opinion is not modified in respect of this matter.

ii) We draw attention to note 9 to the statement which describes that the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain.

Which further states that in accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company would be granting a moratorium of three months on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. For all such accounts where the moratorium is granted, the asset classification has been remain stand still during the moratorium period (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms).

Our opinion is not modified in respect of this matter.

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

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these Ind AS financial statements that give a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards)

DHIRAJ & DEEPAK MUMBAI CHARTERED ACCOUNTANTS

Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

DHIRAJ & DHEERAJ CHARTERED ACCOUNTANTS MUMBAI

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

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

Other Matters

Attention is drawn to note 2 of the statement regarding the figures for the quarter ended March 31, 2020 and the corresponding quarter ended in the previous year as reported in these financial results are the derived figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the current and previous financial years respectively. Also, the figures up to end of the third quarter of the respective financial years had only been reviewed and not subject to an audit.

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

PRITESH NARENDRA SHAH
Digitally signed by PRITESH NARENDRA SHAH
Date: 2020.05.08 16:26:39 +05'30'

DHIRAJ & DHEERAJ MUMBAI CHARTERED ACCOUNTANTS

Pritesh Shah
Partner
Membership Number: 109573

Place: Mumbai
Date: May 08, 2020

UDIN: 20109573AAAAAA4064

RELIANCE HOME FINANCE

Reliance Home Finance Limited

Statement of Audited Financial Results for the quarter and year ended March 31, 2020

(Rs. in crore except per share data)

Sr. No.	Particulars	Quarter ended			Year ended	
		Mar-20	Dec-19	Mar-19	Mar-20	Mar-19
		Unaudited	Unaudited	Unaudited	Audited	Audited
	Revenue from operations					
(i)	Interest income	271.37	424.22	586.18	1,554.37	1,932.26
(ii)	Fees and commission income	5.48	5.13	7.98	23.48	27.60
(iii)	Other operating income	3.54	4.11	15.25	9.54	26.17
(I)	**Total Revenue from operations**	**280.39**	**433.46**	**609.41**	**1,587.39**	**1,986.03**
(II)	**Other Income**	0.95	8.57	2.32	15.52	16.56
(III)	**Total Income (I+II)**	**281.34**	**442.03**	**611.73**	**1,602.91**	**2,002.59**
	Expenses					
(i)	Finance costs	307.86	331.17	391.23	1,335.86	1,322.23
(ii)	Employee benefits expenses	11.66	18.91	27.07	72.66	125.15
(iii)	Depreciation and amortisation	0.62	1.00	0.98	3.62	3.38
(iv)	Impairment on financial instruments	298.00	168.95	313.57	657.00	335.46
(v)	Other Expenses	23.05	29.00	38.90	101.05	114.77
(IV)	**Total Expenses**	**641.19**	**549.03**	**771.75**	**2,170.19**	**1,900.99**
(V)	Profit before tax (III-IV)	(359.85)	(107.00)	(160.02)	(567.28)	101.60
(VI)	Tax expense					
	- Current Tax	-	(8.35)	(13.01)	(2.35)	1.99
	- Deferred Tax	(121.48)	(25.13)	(36.81)	(189.61)	32.19
(VII)	**Net Profit for the period (V-VI)**	**(238.37)**	**(73.52)**	**(110.20)**	**(375.32)**	**67.42**
(VIII)	**Other comprehensive income**					
	(i) Items that will not be reclassified to profit or loss	0.13	(0.08)	(0.02)	0.11	(0.77)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.05)	0.03	0.01	(0.04)	0.27
	Other comprehensive income ((i)+(ii))	0.08	(0.05)	(0.01)	0.07	(0.50)
(IX)	**Total comprehensive income for the period (VII+VIII)**	**(238.29)**	**(73.57)**	**(110.21)**	**(375.25)**	**66.92**
(X)	**Earnings per equity share face value of Rs.10 each fully paid up (not annualised)**					
	(a) Basic (Rs.) #	(4.91)	(1.50)	(2.27)	(7.74)	1.38
	(b) Diluted (Rs.) #	(4.91)	(1.50)	(2.27)	(7.74)	1.38

Based on weighted average no. of shares

Reliance Home Finance Limited
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Customer Service: T +91 22 3967 1600 / 1800-300-90909 (toll free) / E-mail: customercare@reliancehomefinance.com

CIN: L67190MH2008PLC183216

RELIANCE HOME FINANCE

Reliance Home Finance Limited
Statement of Audited Assets and Liabilities as at March 31, 2020

(Rs. in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
	Audited	Audited
ASSETS		
Financial assets		
(a) Cash and cash equivalents	83.61	105.84
(b) Bank balance other than (a) above	426.89	487.07
(c) Derivative financial instruments	-	-
(d) Receivables		
(I) Trade Receivables	-	-
(II) Other Receivables	0.65	-
(e) Loans	13,240.11	16,251.09
(f) Investments	950.74	93.46
(g) Other Financial Assets	199.38	586.65
Sub-total - Financial Assets	**14,901.38**	**17,524.11**
Non-financial assets		
(a) Current tax assets ((Net)	51.49	52.25
(b) Deferred tax assets (Net)	345.61	155.56
(c)Investment property	4.37	4.45
(d) Property, plant and equipment	44.84	47.52
(e) Intangible assets under development	0.53	0.16
(f) Goodwill	209.96	209.96
(g) Other intangible assets	2.62	3.86
(h) Other non-financial assets	168.39	127.57
Sub-total - Non-Financial Assets	**827.81**	**601.34**
Total assets	**15,729.19**	**18,125.44**
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
(a) Derivative financial instruments	10.73	0.63
(b) Payables		
(I) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(II) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	6.32
(c) Debt Securities	5,918.49	6,084.78
(d) Borrowings (Other than Debt Securities)	6,521.40	8,819.67
(f) Subordinated Liabilities	795.34	794.48
(g) Other financial liabilities	969.35	479.55
Sub-total - Financial Liabilities	**14,215.31**	**16,185.42**
Non-financial liabilities		
(a)Provisions	24.45	24.52
(b) Other non-financial liabilites	22.68	73.50
Sub-total - Non-Financial Liabilities	**47.13**	**98.02**
Total Liabilities	**14,262.44**	**16,283.44**
EQUITY		
(a) Equity Share Capital	485.06	485.06
(b) Other Equity	981.69	1,356.94
Equity attributable to owners of the Company	**1,466.75**	**1,842.00**
Total equity	**1,466.75**	**1,842.00**
Total liabilities and equity	**15,729.19**	**18,125.44**

RELIANCE HOME FINANCE

Reliance Home Finance Limited
Statement of cash flows for the year ended March 31, 2020

(Rs. in crore)

Particulars	As at March 31, 2020	As at March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before tax:	(567.28)	101.60
Adjustments :		
Depreciation and amortisation	3.62	3.38
Expected credit loss	442.35	48.62
Other comprehensive income	(0.11)	(0.78)
Provision on repossesed asset	18.62	13.48
Bad debts written off	214.64	254.86
Investments written off	-	31.98
Discount on commercial papers	54.26	81.66
Amortised brokerage on borrowings	6.45	3.06
Provision for leave encashment	(0.23)	(0.35)
Provision for gratuity	(0.75)	0.39
Provision on other expenses	(1.89)	(0.01)
Interest on preference shares capital	2.48	2.48
Interest income deferred	(208.13)	(146.89)
Ineterst on PTC borrowings	230.54	138.46
Employee Stock option expenses	-	9.65
Interest on investment	(11.55)	(7.64)
Finance cost	1,048.60	1,096.58
Legal and Professional fees	-	3.63
Profit on sale of investments	(5.94)	(13.49)
Interest on income tax refund	6.58	(0.62)
Loss on closure of securatisation account	(0.05)	-
Profit on sale of fixed assets	(0.64)	-
Operating profit before working capital changes	1,231.57	1,620.05
Adjustments for (increase)/ decrease in operating assets:		
Fixed deposits with banks	12.17	(421.06)
Loans	3,010.98	(2,501.50)
Other financial assets	535.16	(52.24)
Other Non financial assets	(40.81)	59.15
Adjustments for increase/ (decrease) in operating liabilities	-	-
Trade payables	(6.97)	2.06
Other Non Financial Liabilities	(50.82)	(59.15)
Provisions	(0.07)	(23.76)
Other financial liabilities	40.81	217.47
Cash generated from operations	4,732.02	(1,158.98)
Less : Income taxes paid (net of refunds)	18.97	30.05
Net cash inflow / (outflow) from operating activities	4,713.05	(1,189.02)
CASH FLOW FROM INVESTING ACTIVITIES :		
Interest received on investments	1.62	7.64
Sales proceeds from disposal of property, plant and equipments	1.69	-
Sale of property, plant and equipments	-	-
Purchase of investment measured at FVTPL	(903.22)	(23.79)
Purchase of investment measured at FVOCI	(5.76)	(48.36)
Sale of investment measured at FVOCI	50.00	14.26
Purchase of property, plant and equipments	(0.41)	(4.75)
Net cash inflow / (outflow) from investing activities	(856.08)	(55.01)
CASH FLOW FROM FINANCING ACTIVITIES :		
MLD Hedge position	10.10	6.05
Debt securities issued	-	318.73
Debt securities repaid	(123.95)	(479.23)
Proceeds from borrowings other than debt securities	245.66	8,319.35
Repayment from borrowings other than debt securities	(2,760.71)	(5,656.60)
Fair valuation changes in Market linked debentures	(66.71)	(16.66)
Proceeds / (Repayments) from subordinated liabilities	-	(5.00)
Dividend paid (including dividend distribution tax)	-	(58.81)
Interest on preference shares paid	-	(1.60)
Interest and processing fees paid on borrowings	(1,285.16)	(1,216.98)
Discount on commercial papers	53.57	81.66
Net cash inflow / (outflow) from financing activities	(3,927.20)	1,290.91
NET INCREASE/(DECREASE) IN CASH AND BANK BALANCES	(70.23)	46.87
Add : Cash and cash equivalents at beginning of the year	105.84	58.95
Cash and cash equivalents at end of the year	35.61	105.84

Notes:
1. The previous year figures have been regrouped and reclassified whereever necessory.
2. Cash and cash equivalents includes only cash and bank balance.

Notes:

1. The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (Ind AS) 34 – "Interim Financial Reporting", notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, from time to time, and other accounting principles generally accepted in India. Any guidance / clarifications / directions issued by NHB or other regulators are adopted / implemented as and when issued / applicable.

2. Figures for quarter ended March 31, 2020 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2020 and the published year to date figures up to the third quarter of the current financial year. The previous year / period figures have been regrouped / rearranged wherever necessary to confirm to current quarter and twelve months ended presentation.

3. The Company is mainly engaged in the housing finance business and all other activities revolve around the main business of the Company. Further, all activities are conducted within India and as such there is no separate reportable segment, as per the Ind AS 108 - "Operating Segments" specified under Section 133 of the Act. The proportion of non-housing loan is more than the proportion of housing loan. The Company is in the process of increasing the housing loan portfolio and is confident of the achieving the same in due course.

4. The Company has cash on hand of approx. Rs. 700 Crore in the form of investment in liquid mutual fund. However, the delay in debt servicing is due to prohibition on the Company to dispose off, alienate, encumber either directly or indirectly or otherwise part with the possession of any assets, pursuant to Order dated November 20, 2019 passed by the Hon'ble Delhi High Court in the matter of OMP(I) COMM. 420/2019.

5. The Company has engaged with all its lenders for arriving at the debt resolution plan. In this regard, the lenders have entered into an Inter-Creditor Agreement (ICA) in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India (RBI) on Prudential Framework for Resolution of Stressed Assets. Majority of our lenders have already executed the ICA dated July 6, 2019 with Bank of Baroda acting as the lead lender. The lenders had appointed the resolution advisors, cashflow monitoring agency, forensic auditor, valuers and legal counsel. The period of 180 days as

envisaged in the Circular expired on January 3, 2020 and the lenders have further agreed to extend the ICA till June 30, 2020 and have communicated with RBI for the same. The Company is confident of implementing its Resolution Plan and in view of the steps taken by the Company, the accounts of the Company have been prepared on Going Concern Basis.

6. The Listed Secured Redeemable Non-Convertible Debentures of the Company aggregating to Rs. 5,967 crore as on March 31, 2020 are secured by way of first pari-passu legal mortgage and charge on the Company's immovable property and additional pari-passu charge by way of hypothecation on present and future book debts / receivables, outstanding money (loan book), receivable claims of the Company with other secured lenders, except those book debts and receivables charged / to be charged in favour of National Housing Bank for refinance availed / to be availed from them. The asset cover has fallen below hundred percent of outstanding debentures and adequate steps are being taken by the Company as explained in point no.5 above.

7. Disclosure under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as certified by the management, is given in Annexure A.

8. The Company had advanced loans under the 'General Purpose Corporate Loan' product to certain bodies corporate including some of the group companies. All the lending transactions undertaken by the Company are in the ordinary course of business, the terms of which are at arms' length basis and the same do not constitute transactions with related parties. However, the Company's borrowers in some cases have undertaken onward lending transactions and it is noticed that the end use of the borrowings from the Company included borrowings by or repayment of financial obligations to some of the group companies.

9. The SARS-CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 19 days across the country to contain the spread of the virus. The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its

spread or mitigate its impact whether government-mandated or elected by the Company. In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company would be granting a moratorium of three months on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers classified as Standard, even if overdue, as on February 29, 2020. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning norms).

10. In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, the Company hereby declares that the auditors have issued audit report with modified opinion on annual audited financial results for the year ended March 31, 2020.

11. Previous period figures have been regrouped / rearranged wherever necessary.

12. The above results were reviewed by the Audit Committee. The Board of Directors at its meeting held on May 8, 2020 approved the above results and its release.

For **Reliance Home Finance Limited**

Amit Bapna
Director

Dated: May 8, 2020

RELIANCE HOME FINANCE

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2020 [*See* Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]				
i.	**Sl. No.**	**Particulars**	**Audited Figures (Rs. in crore) (as reported before adjusting for qualifications)**	**Adjusted Figures (Rs. in crore) (audited figures after adjusting for qualifications)**
	1.	Turnover / Total income	1,602.91	1,602.91
	2.	Total Expenditure	2,170.19	2,170.19
	3.	Net Profit/(Loss)	(375.25)	(375.25)
	4.	Earnings Per Share	(7.74)	(7.74)
	5.	Total Assets	15,729.19	15,729.19
	6.	Total Liabilities	14,262.44	14,262.44
	7.	Net Worth	1,444.58	1,444.58
	8.	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

ii. **Audit Qualification (each audit qualification separately):**

a. **Details of Audit Qualification:**

Attention is drawn to note 8 of the Statement with regards to the loan advanced under the 'General-Purpose Corporate Loan' product with significant deviations to certain bodies corporate including group companies and outstanding as at March 31, 2020 aggregating to Rs. 7,965.24 crores (including Rs. 216 crores sanctioned during the FY 2019-20) and secured by charge on current assets of borrowers. As stated in the said note, majority of Company's borrowers have undertaken onward lending transaction and end use of the borrowings from the Company included borrowings by or for repayment of financial obligation to some of the group companies. There has been overdue of Rs. 7,815.24 crores (including NPA of Rs. 4,778.13 crores) of these loans as on March 31, 2020. In view of substantial overdues, we are unable to substantiate the management assertion on the recoverability of principal and interest including time frame of recovery of aforesaid loans outstanding as on March 31, 2020. The Company's exposure to the borrowers

	are secured against charge on current assets and is dependent on the recovery of onward lending of the borrowers which depends on external factors not wholly within control of the Company/borrower. Further we draw attention to note 3 of the Statement on the material shift in primary business of the Company from Housing Finance to Non-Housing Finance which comprise more than 50% of total loan portfolio raising concern about Company continuing as a Housing Finance Company.

b.	**Type of Audit Qualification**	Qualified Opinion
c.	**Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing	Since March 2019

d.	**Audit Qualification(s) where the impact is quantified by the auditor, Management's Views** Not quantified

e.	**For Audit Qualification(s) where the impact is not quantified by the auditor:**		
	(i)	**Management's estimation on the impact of audit qualification:**	Not estimated
	(ii)	**If management is unable to estimate the impact, reasons for the same** As stated by the statutory auditor, the Company's exposure to the borrowers are secured against charge on current assets and is dependent on the recovery of onward lending of the borrowers which further depends on external factors not wholly within control of the Company/borrower.	
	(iii)	**Auditors comments on (i) or (ii) above** The Company's exposure to the borrowers are secured against charge on current assets and is dependent on the recovery of onward lending	

			of the borrowers which further depends on external factors not wholly within control of the Company/borrower. Hence, we agree with the Management's estimation in (i) above that the impact of our audit qualification is not quantifiable for the reasons stated in (ii) above.

iii	Signatories: **Ravindra Sudhalkar** Chief Executive Officer **Pinkesh R. Shah** Chief Financial Officer *Sd/- **Chhaya Virani** Audit Committee Chairperson **<u>Statutory Auditor</u>** **For Dhiraj & Dheeraj** Chartered Accountants Firm Registration No. 102454W PRITESH NARENDRA SHAH Digitally signed by PRITESH NARENDRA SHAH Date: 2020.05.08 16:28:08 +05'30' **Pritesh Shah** Partner Membership Number: 109573 Place: Mumbai Date: May 8, 2020

* Presence in the meeting through audio visual means.

RELIANCE HOME FINANCE

Annexure A

Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the six months ended March 31, 2020

1. Credit Rating

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

2. Debt Equity Ratio

Debt Equity Ratio of the Company as on March 31, 2020 is 7.74 as per Audited Financial Results of the Company.

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

Sr. No.	ISIN	Series Id	From (01-10-2019 to 31-03-2020)	
			Interest	Principal
1.	INE217K08057	948592	04-Oct-19	-
2.	INE217K07927	955109	04-Oct-19	-
3.	INE217K08065	948593	10-Oct-19	-
4.	INE217K07737	953844	11-Oct-19	-
5.	INE217K07AW2*	957092	14-Oct-19	-
6.	INE217K07AX0*	957091	14-Oct-19	-

RELIANCE HOME FINANCE

Sr. No.	ISIN	Series Id	From (01-10-2019 to 31-03-2020)	
			Interest	Principal
7.	INE217K08073	948594	18-Oct-19	-
8.	INE217K07752**	953902	26-Oct-19	-
9.	INE217K07950**	955172	26-Oct-19	-
10.	INE217K07968**	955206	27-Oct-19	-
11.	INE217K07497**	953003	28-Oct-19	-
12.	INE217K07117**	949171	27-Oct-19	-
13.	INE217K07778**	953968	06-Nov-19	-
14.	INE217K07AR2**	956290	08-Nov-19	-
15.	INE217K07257**	950261	15-Nov-19	-
16.	INE217K08248**	955335	23-Nov-19	-
17.	INE217K08255**	955336	25-Nov-19	-
18.	INE217K08081**	948595	26-Nov-19	-
19.	INE217K08263**	955432	07-Dec-19	-
20.	INE217K07034**	948637	11-Dec-19	-
21.	INE217K07521**	953149	15-Dec-19	-
22.	INE217K07828**	954288	24-Dec-19	-
23.	INE217K07836**	954289	24-Dec-19	-
24.	INE217K07AD2**	935906	03-Jan-20	-
25.	INE217K07AE0**	935908	03-Jan-20	-
26.	INE217K07AF7**	935910	03-Jan-20	-
27.	INE217K07AG5**	935912	03-Jan-20	-
28.	INE217K08271**	935914	03-Jan-20	-
29.	INE217K08289**	935916	03-Jan-20	-
30.	INE217K07208**	949370	05-Jan-20	-
31.	INE217K07BA6**	957389	10-Jan-20	-
32.	INE217K08230**	953471	10-Feb-20	-
33.	INE217K08222**	953287	21-Jan-20	-
34.	INE217K07216**	949402	26-Jan-20	-
35.	INE217K08107**	948850	07-Feb-20	-
36.	INE217K07646**	953636	08-Mar-20	-
37.	INE217K07BE8**	957706	09-Mar-20	-
38.	INE217K07661**	953689	16-Mar-20	-
39.	INE217K07430**	952864	22-Mar-20	-
40.	INE217K07240**	950105	28-Mar-20	-
41.	INE217K07323**	951929	27-Mar-20	-
42.	INE217K07919#	955107	03-Oct-19	03-Oct-19
43.	INE217K07729#	953826	N.A.	07-Oct-19
44.	INE217K07281#	951118	16-Oct-19	16-Oct-19
45.	INE217K07943#	955122	17-Oct-19	17-Oct-19
46.	INE217K07BI9**	957821	31-Oct-19	31-Oct-19

Sr. No.	ISIN	Series Id	From (01-10-2019 to 31-03-2020)	
			Interest	Principal
47.	INE217K07984**	955394	N.A.	02-Dec-19
48.	INE217K07AA8**	955414	N.A.	02-Dec-19
49.	INE217K07992**	955394	N.A.	03-Dec-19
50.	INE217K07AB6**	935902	03-Jan-20	03-Jan-20
51.	INE217K07AC4**	935904	03-Jan-20	03-Jan-20
52.	INE217K07901**	954926	N.A.	19-Mar-20
53.	INE217K07315**	951894	26-Mar-20	26-Mar-20

* Partial Payment made.

** The Lenders of the Company (Banks) have entered into an Inter-Creditor Agreement for arriving at the debt resolution plan in accordance with the circular dated June 7, 2019 issued by the Reserve Bank of India on Prudential Framework for Resolution of Stressed Assets. The Company has been directed by the lenders led by the Lead Bank to maintain parity amongst all classes of lenders. The lenders have agreed to extend the ICA till June 30, 2020.

Only interest serviced.

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

Sr. No.	ISIN	Series Id	From (01-04-2020 to 30-09-2020)	
			Interest	Principal
1	INE217K07927	955109	04-Apr-20	-
2	INE217K08065	948593	10-Apr-20	-
3	INE217K07737	953844	11-Apr-20	-
4	INE217K08073	948594	18-Apr-20	-
5	INE217K07752	953902	26-Apr-20	-
6	INE217K07117	949171	27-Apr-20	-
7	INE217K07497	953003	28-Apr-20	-
8	INE217K07778	953968	06-May-20	-
9	INE217K07AR2	956290	08-May-20	-
10	INE217K07257	950261	15-May-20	-
11	INE217K07786	954033	18-May-20	-
12	INE217K08081	948595	26-May-20	-
13	INE217K08123	949246	29-May-20	-
14	INE217K08131	952261	09-Jun-20	-
15	INE217K07034	948637	11-Jun-20	-
16	INE217K08149	952270	12-Jun-20	-
17	INE217K08156	952271	15-Jun-20	-
18	INE217K07836	954289	24-Jun-20	-
19	INE217K07828	954288	24-Jun-20	-
20	INE217K08164	952339	29-Jun-20	-
21	INE217K08172	952338	01-Jul-20	-
22	INE217K08180	952378	03-Jul-20	

Sr. No.	ISIN	Series Id	From (01-04-2020 to 30-09-2020)	
			Interest	Principal
23	INE217K07208	949370	05-Jul-20	-
24	INE217K07877	954497	22-Jul-20	-
25	INE217K07216	949402	26-Jul-20	-
26	INE217K08198	952687	21-Aug-20	-
27	INE217K08206	952740	24-Aug-20	-
28	INE217K07AU6	956829	30-Aug-20	-
29	INE217K08214	952854	15-Sep-20	-
30	INE217K08040	948591	18-Sep-20	-
31	INE217K08016	948588	18-Sep-20	-
32	INE217K08024	948589	21-Sep-20	-
33	INE217K07430	952864	22-Sep-20	-
34	INE217K08032	948590	24-Sep-20	-
35	INE217K07240	950105	28-Sep-20	-
36	INE217K07AS0	956289	08-May-20	08-May-20
37	INE217K07AI1	955943	25-May-20	25-May-20
38	INE217K07AJ9	956029	29-May-20	29-May-20
39	INE217K07AH3	955703	N.A.	03-Aug-20
40	INE217K07AV4	957074	15-Sep-20	15-Sep-20

5. **Outstanding redeemable preference shares:** Rs. 31.04 crore (3,10,35,980 shares of face value of Rs. 10 each)

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

7. **Net Worth as on March 31, 2020:** Rs. 1444.58 crore

8. **Net Profit/(Loss) After Tax for the year ended March 31, 2020:** (Rs. 375.25 crore)

9. **Earnings Per Share as on March 31, 2020:** (Rs. 7.74) per share