

**Reliance Retail Finance Limited  
Financial Statements  
2021-2022**

## **INDEPENDENT AUDITOR'S REPORT**

**To  
The Members of Reliance Retail Finance Limited**

**Report on the Audit of the Financial Statements**

### **Opinion**

We have audited the Financial Statements of Reliance Retail Finance Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss, Statement of changes in equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

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 Companies Act, 2013 ("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, 2022, and its Profits including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity 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.

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.

In preparing the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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 Financial Statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, 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.
- 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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**

The comparative figures for previous year ended 31st March 2021 included in financial statements, are based on financial statements for the year ended 31st March 2021, which were audited by predecessor auditors who have expressed unmodified opinion vide their report dated 29th April, 2021.

Our opinion on financial statements is not modified in respect of above matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 including Other Comprehensive Income, the Statement of Changes in Equity 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 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. (a) The Management has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented to us that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that cause us to believe that the representation given by the Management under paragraph (3) (g) (iv) (a) and (b) above contain any material misstatement.
  - v. The Company has not declared or paid any dividend during the current year.
3. In our opinion and according to the information and explanations given to us, managerial remuneration has not been paid or provided. Hence, provision of section 197 read with schedule V to the Companies Act, 2013 are not applicable

**For Rajendra & Co**

Chartered Accountants

Firm's Registration No. 108355W

**K. K. Desai**

Partner

Membership No. 100805

UDIN: 22100805AGXXJF1305

Place: Mumbai

Date: 12<sup>th</sup> April, 2022

**"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE RETAIL FINANCE LIMITED.**

**(Referred to in Paragraph 1 under the heading of "Report on other legal and regulatory requirements" of our report of even date)**

- (i) (a) The Company did not hold any property plant and equipment's and Intangible assets during the year and hence provisions of clause (i) of paragraph 3 of the Order is not applicable to the Company.
- (ii) (a) The Company did not hold any inventories during the year and hence provision of clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and no quarterly returns or statements were required to filed by the Company with such banks or financial institutions. Hence, reporting under clause ii (b) of paragraph 3 of the Order is not applicable.
- (iii)
  - a) Since the principal business of the Company is to give loans, this sub-clause (a) of clause (iii) of paragraph of 3 of the Order is not applicable to the Company.
  - b) In our opinion and according to the information and explanation given to us, the Company has not provided any guarantee and given any security. The investments made and terms and conditions of loans granted during the year are not prejudicial to the interest of the Company.
  - c) In respect of loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest has been stipulated by the Company and the repayments or receipts are as per the repayment schedule.
  - d) As examined by us, there are no amounts overdue for more than ninety days. Therefore, the sub-clause (d) of clause (iii) of paragraph of 3 of the Order is not applicable to the Company.
  - e) Since the principal business of the Company is to give loans, this sub-clause (e) of clause (iii) of paragraph of 3 of the Order is not applicable to the Company.
  - f) The Company has not granted any loans or advances in the nature of loans which are either repayable on demand or without specifying any terms or period of repayment, this sub-clause (f) of clause (iii) of paragraph of 3 of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not directly or indirectly advanced any loan to the person or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act and hence clause (iv) of paragraph 3 of the Order is not applicable to the Company. The Company has complied with the provisions of section 186 of the Act, in respect of investments and loans given as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

- (vi) In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Central Government has not specified the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- (vii) In respect of Statutory dues:
- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Goods and Service Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at 31<sup>st</sup> March, 2022 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 disputed dues on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax that have not been deposited.
- (viii) In our opinion, to the best of our knowledge and according to the information and explanations given to us, there are no such transactions which were not recorded in the books of account previously and have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961), which have been previously unrecorded income. Therefore, the clause (viii) of paragraph 3 of the Order is not applicable to the Company.
- (ix) In our opinion and according to the information given to us, the Company has not raised loans from financial institutions or banks or government and other lenders and hence clause (ix) of Paragraph 3 of the order is not applicable to the Company.
- (x) a. According to the information and explanations provided to us and on an overall examination of the Balance Sheet, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under review and hence, reporting requirements under clause (x) (a) of paragraph 3 of the Order are not applicable to the Company and, not commented upon.
- b. According to the information and explanations provided to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under review and hence, reporting requirements under clause (x) (b) of paragraph 3 of the Order are not applicable to the Company and, not commented upon.
- (xi) a. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. As explained to us by the management ,no whistle-blower complaints received by the Company.
- b. No report under sub-section (12) of Section 143 of the Act has been filed by us as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
- (xii) In our opinion Company is not a Nidhi Company. Therefore, the clause (xii) of paragraph 3 of the Order is not applicable to the Company.
- (xiii) According to the information and explanations provided by the management, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.

- (xiv) a. According to the information and explanations provided by the management, the Company has an internal audit system commensurate with the size and nature of its business.
- b. The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.
- (xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transaction with the directors or persons connected with him and hence reporting under clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- (xvi) a. In our opinion, to the best of our knowledge and according to the information and explanations given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the company has obtained registration for the same.
- b. In our opinion, to the best of our knowledge and according to the information and explanations given to us, the company has not conducted any Non -Banking Financial or Housing Finance without valid certificate of registration from Reserve Bank of India under Reserve Bank of India Act,1934 during the year under review and hence, reporting requirements under clause (xvi) (b)of paragraph 3 of the Order are not applicable to the Company and, not commented upon.
- c. In our opinion, to the best of our knowledge and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India and hence, reporting requirements under clause (xvi) (c) of paragraph 3 of the Order are not applicable to the Company and, not commented upon.
- d. As represented by the management which we have relied upon, the Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016, hence reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) According to the information and explanations provided to us and on an overall examination of the Balance Sheet, the Company has not incurred cash losses in financial year and in the immediately preceding financial year.
- (xviii) There is no resignation by the statutory auditor of the Company during the year. However, the previous statutory auditors were rotated in line with the RBI guidelines.
- (xix) According to the information and explanations provided to us and on an overall examination of the Balance Sheet and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, the our knowledge of the Board of Directors and management plans, in our opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) According to the information and explanations given to us, there are no unspent amounts in compliance with provisions of Section 135 of the Act; hence provisions of this clause are not applicable to the Company.
- (xxi) According to the information and explanations provided to us, provisions of the Act regarding preparation of consolidated financial statement is not applicable to the Company as there is no investment in the subsidiary, associate company and joint venture company and hence, reporting requirements under clause (xxi) of paragraph 3 of the Order are not applicable to the Company and not commented upon.



**For Rajendra & Co**

Chartered Accountants

Firm's Registration No. 108355W

**K. K. Desai**

Partner

Membership No. 100805

UDIN: 22100805AGXXJF1305

Place: Mumbai

Date: 12<sup>th</sup> April, 2022.

## **ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF RELIANCE RETAIL FINANCE LIMITED**

**(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

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

We have audited the Internal Financial Control over financial reporting of **RELIANCE RETAIL FINANCE LIMITED** ("the Company") as of 31<sup>st</sup> March, 2022 in conjunction with our audit of the Financial Statements of the Company for the year then ended.

#### **Management Responsibility for the Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("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.

#### **Auditor's 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 issued by ICAI and the Standards on auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 judgment, 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, to the best of our information and according to the explanations given to us, 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 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

### **For Rajendra & Co**

Chartered Accountants  
Firm's Registration No. 108355W

### **K. K. Desai**

Partner  
Membership No. 100805  
UDIN: 22100805AGXXJF1305  
Place: Mumbai  
Date: 12<sup>th</sup> April, 2022

**Reliance Retail Finance Limited**  
**Balance Sheet as at 31st March, 2022**

(₹in Lakhs)

	Notes	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and Cash Equivalents	1	2.17	13.50
Loans	2	11,230.57	3,58,073.64
Investments	3	3,54,353.91	4,418.23
Others Financial Assets	4	0.11	-
<b>Total Financial Assets</b>		<b>3,65,586.76</b>	<b>3,62,505.37</b>
<b>Non-Financial Assets</b>			
Other Current Assets	5	325.08	720.49
Current tax assets (Net)	6	736.98	756.33
<b>Total Non-Financial Assets</b>		<b>1,062.06</b>	<b>1,476.82</b>
<b>Total Assets</b>		<b>3,66,648.82</b>	<b>3,63,982.19</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
Trade Payables Due to:	7		
Micro and Small Enterprises		-	-
Other than Micro and Small Enterprises		4.38	7.15
<b>Total Financial Liabilities</b>		<b>4.38</b>	<b>7.15</b>
<b>Non- Financial Liabilities</b>			
Other Current Liabilities	8	0.41	43.75
Deferred tax Liabilities	9	26.32	9.30
<b>Total Non- Financial Liabilities</b>		<b>26.73</b>	<b>53.05</b>
<b>Total Liabilities</b>		<b>31.11</b>	<b>60.20</b>
<b>EQUITY</b>			
Equity Share Capital	10	6,812.00	6,812.00
Other Equity	11	3,59,805.71	3,57,109.99
<b>Total Equity</b>		<b>3,66,617.71</b>	<b>3,63,921.99</b>
<b>Total Liabilities and Equity</b>		<b>3,66,648.82</b>	<b>3,63,982.19</b>

Significant Accounting Policies

See accompanying Notes to Financial Statements 1 to 26

As per our Report of even date

**For Rajendra & Co**  
Chartered Accountants  
Registration No. 108355W

**K.K. Desai**  
Partner  
Membership No. 100805

Dated : April 12, 2022

For and on behalf of the Board

**Rohit C. Shah**  
Chairman

**M.N. Bajpai**  
Director

**Jayashri Rajesh**  
Director

**B. Chandrasekaran**  
Independent Director

**Vishal Kumar**  
Chief Financial Officer

**Bhavika Shah**  
Company Secretary

**Reliance Retail Finance Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2022**

(₹in Lakhs)

	<u>Notes</u>	<u>2021-22</u>	<u>2020-21</u>
<b>INCOME</b>			
Revenue from Operations	12		
Interest income		1,791.70	1,01,772.62
Net gain on fair value changes		208.99	275.86
		<u>2,000.69</u>	<u>1,02,048.48</u>
Other Income	13	1,747.93	4,158.06
<b>Total Income</b>		<u><b>3,748.62</b></u>	<u><b>1,06,206.54</b></u>
<b>EXPENSES</b>			
Finance Cost	14	-	56,266.09
Other Expenses	15	661.72	20,776.02
<b>Total Expenses</b>		<u><b>661.72</b></u>	<u><b>77,042.11</b></u>
Profit Before Tax		<b>3,086.90</b>	<b>29,164.43</b>
<b>Tax Expenses</b>			
Current Tax	16	374.16	6,390.00
Deferred Tax	16	17.02	(92.85)
<b>Profit for the year</b>		<u><b>2,695.72</b></u>	<u><b>22,867.28</b></u>
<b>Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the year</b>		<u><b>2,695.72</b></u>	<u><b>22,867.28</b></u>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic (in ₹)	17	3.96	33.57
Diluted (in ₹)	17	3.96	33.57

## Significant Accounting Policies

See accompanying Notes to Financial Statements 1 to 26

As per our Report of even date

For and on behalf of the Board

**For Rajendra & Co**  
Chartered Accountants  
Registration No. 108355W

**Rohit C. Shah**  
Chairman

**M.N. Bajpai**  
Director

**K.K. Desai**  
Partner  
Membership No. 100805

**Jayashri Rajesh**  
Director

**B. Chandrasekaran**  
Independent Director

**Vishal Kumar**  
Chief Financial Officer

**Bhavika Shah**  
Company Secretary

Dated : April 12, 2022

**Reliance Retail Finance Limited**  
**Statement of changes in Equity for the year ended 31st March, 2022**

**A. Equity Share Capital**

(₹in Lakhs)

Current reporting period			Previous reporting period		
Balance at the beginning of the reporting period i.e. 1st April 2021	Changes in equity share capital during the year 2021-22	Balance at the end of the reporting period i.e.31st March, 2022	Balance at the beginning of the reporting period i.e.1st April, 2020	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e. 31st March, 2021
6,812.00	-	6,812.00	6,812.00	-	6,812.00

**B. Other Equity**

(₹in Lakhs)

	Reserves and Surplus			Other Comprehensive Income	Total
	Statutory Reserve Fund *	Securities Premium	Retained Earnings		
<b>Current reporting period As on 31st March, 2022</b>					
Balance at beginning of reporting period i.e. 1st April, 2021	6,641.60	3,23,890.00	26,578.39	-	3,57,109.99
Total Comprehensive Income for the year	-	-	2,695.72	-	2,695.72
Transfer from Retained Earnings	550.00	-	(550.00)	-	-
Balance at the end of the reporting period i.e. 31st March, 2022	<b>7,191.60</b>	<b>3,23,890.00</b>	<b>28,724.11</b>	-	<b>3,59,805.71</b>
<b>Previous reporting period As at 31st March, 2021</b>					
Balance at beginning of reporting period i.e. 1st April, 2020	2,061.60	3,23,890.00	8,291.11	-	3,34,242.71
Total Comprehensive Income for the year	-	-	22,867.28	-	22,867.28
Transfer from Retained Earnings	4,580.00	-	(4,580.00)	-	-
Balance at the end of the reporting period i.e. 31st March, 2021	<b>6,641.60</b>	<b>3,23,890.00</b>	<b>26,578.39</b>	-	<b>3,57,109.99</b>
* Created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934					

As per our Report of even date

For and on behalf of the Board

**For Rajendra & Co**  
Chartered Accountants  
Registration No. 108355W

**Rohit C. Shah**  
Chairman

**M.N. Bajpai**  
Director

**K.K. Desai**  
Partner  
Membership No. 100805

**Jayashri Rajesh**  
Director

**B. Chandrasekaran**  
Independent Director

**Vishal Kumar**  
Chief Financial Officer

**Bhavika Shah**  
Company Secretary

Dated : April 12, 2022

**Reliance Retail Finance Limited**  
**Cash Flow Statement for the year ended 31st March, 2022**

	(₹in Lakhs)	
Particulars	2021-22	2020-21
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Profit Before Tax as per Statement of Profit and Loss</b>	<b>3,086.90</b>	<b>29,164.43</b>
<b>Adjusted for :</b>		
Net gain on Investments	(208.99)	(275.87)
Interest Income	(1,791.70)	(44,666.71)
Finance Costs	-	56,266.09
	<b>(2,000.69)</b>	<b>11,323.51</b>
<b>Operating Profit before Working Capital Changes</b>	<b>1,086.21</b>	<b>40,487.94</b>
<b>Adjusted for :</b>		
Trade and Other Receivables	395.30	4,565.24
Trade and Other Payables	(46.12)	(1,54,988.86)
Movement in loans	3,46,843.07	11,25,302.36
Interest Income	1,791.70	44,666.71
<b>Cash Generated from Operations</b>	<b>3,50,070.16</b>	<b>10,60,033.39</b>
Taxes Paid(Net)	(354.81)	(6,660.52)
<b>Net Cash flow from / (used in) Operating Activities</b>	<b>3,49,715.35</b>	<b>10,53,372.87</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of financial assets(Mutual Fund)	(5,545.00)	(21,628.35)
Proceeds from sale of financial assets(Mutual Fund)	5,818.32	28,676.49
Investments in Fellow Subsidiary	(3,50,000.00)	-
<b>Net Cash flow from / (used in) Investing Activities</b>	<b>(3,49,726.68)</b>	<b>7,048.14</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from / (Refund to) borrowings(Net)	-	(10,04,144.00)
Finance Costs	-	(56,266.09)
<b>Net Cash flow from / (used in) Financing Activities</b>	<b>-</b>	<b>(10,60,410.09)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(11.33)</b>	<b>10.92</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>13.50</b>	<b>2.58</b>
<b>Closing Balance of Cash and Cash Equivalents (Refer Note 1)</b>	<b>2.17</b>	<b>13.50</b>

As per our Report of even date

For and on behalf of the Board

**For Rajendra & Co**  
Chartered Accountants  
Registration No. 108355W

**Rohit C. Shah**  
Chairman

**M.N. Bajpai**  
Director

**K.K. Desai**  
Partner  
Membership No. 100805

**Jayashri Rajesh**  
Director

**B. Chandrasekaran**  
Independent Director

**Vishal Kumar**  
Chief Financial Officer

**Bhavika Shah**  
Company Secretary

Dated : April 12, 2022

**Reliance Retail Finance Limited****Notes to the Financial Statements for the year ended 31st March, 2022****A. CORPORATE INFORMATION**

Reliance Retail Finance Limited ['the Company'] is a limited company incorporated in India and also an NBFC. The registered office of the Company is located at 9th Floor, Maker Chambers IV, 222 Nariman Point, Mumbai 400021. The Company is mainly engaged in the business of Investments in Shares & Securities and lending in India.

**B. SIGNIFICANT ACCOUNTING POLICIES****B.1 Statement of Compliance****B.1 Basis of Preparation and Presentation**

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities are measured at fair value.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013, (as amended from time to time) and Presentation requirements of Division III of Schedule III to the Companies Act, 2013, (Ind AS Compliant Schedule III) as amended from time to time.

The Company's financial statements are presented in Indian Rupees (₹), which is its functional currency and all values are rounded to the nearest lakhs (₹00,000), except when otherwise indicated.

**B.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****(a) Finance Cost**

All borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

**(b) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(c) Tax Expenses**

The tax expense for the period comprises current and deferred tax, same is recognised in Statement of Profit and Loss.

**Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted at the Balance sheet date.

**Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**(d) Revenue recognition****Income from Current and Long-term Investments**



**Reliance Retail Finance Limited****Notes to the Financial Statements for the year ended 31st March, 2022**

Income from dividend on shares of corporate bodies and units of mutual funds is accounted when the Company's right to receive dividend is established. Interest income on bonds and debentures is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Income on Fixed Deposit**

Interest income on deposits is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**Income on lending business**

The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets. The EIR is the rate that exactly discounts estimated future cash payments/receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

**(e) Financial instruments****i) Financial Assets****A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement****a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**b) Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c) Financial assets at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

**C. Investment in Fellow Subsidiaries**

The Company has accounted for its investments in fellow subsidiaries at cost, less impairment loss (if any).

**ii) Financial liabilities****A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in Statement of Profit or Loss as finance cost.

**B. Subsequent measurement**

**Reliance Retail Finance Limited****Notes to the Financial Statements for the year ended 31st March, 2022**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

**(f) Earnings per share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share. Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

**C. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

**a) Recoverability of trade receivable:**

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**b) Provisions:**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

**c) Impairment of financial assets:**

The Company applies the ECL model in accordance with Ind-AS 109 for recognizing impairment loss on financial assets. The expected credit loss is calculated i.e., 12-month expected loss for all facilities in stage 1 and lifetime expected credit loss for all other facilities. The expected credit loss is a product of exposure at default ('EAD'), probability of default ('PD') and loss given default ('LGD'). The Company has devised an internal model to evaluate the PD and LGD based on the parameters set out in Ind-AS 109. Accordingly, the financial assets are classified into one of the three stages (Stage 1, Stage 2 or Stage 3) based on the assessed credit risk of the instrument/facility. There are three stages:

Stage 1 would include all facilities which have not undergone a significant increase in credit risk since initial recognition

**Reliance Retail Finance Limited****Notes to the Financial Statements for the year ended 31st March, 2022**

Stage 2 would include facilities meeting the criteria for Significant Increase in Credit Risk and facilities with DPD 30 or more

Stage 3 will have facilities classified as NPA and facilities with DPD 90 or more and are credit impaired

LGD is an estimate of loss from a transaction given that a default occurs. PD is defined as the probability of whether the borrowers will default on their obligations in the future. Ind AS 109 requires the use of separate PD for a 12-month duration and lifetime duration depending on the stage allocation of the borrower. EAD represents the expected exposure in the event of a default and is the gross carrying amount in case of the financial assets held by the Company.

The measurement of impairment losses across all categories of financial assets requires judgement in determining impairment losses and the assessment of a significant increase in credit risk. The Company's ECL calculations are outputs of complex models with a number of underlying assumptions. The inputs and models used for calculating ECLs may not always capture all factors at the date of the financial statements. Adjustments including reversal of ECL is recognized through statement of profit and loss.

**d) Recognition of Deferred tax assets and liabilities**

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**e) Fair value measurement**

For estimates relating to fair value of financial instruments refer note 23 of financial statements

**f) Standards issued but not effective**

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the company's financial statements.

Reliance Retail Finance Limited  
Notes to the Financial Statements for the year ended 31st March, 2022

	As at 31st March, 2022	(₹ in Lakhs) As at 31st March, 2021
<b>1. CASH AND CASH EQUIVALENTS</b>		
Balances with bank		
In current accounts	2.17	13.50
<b>Cash and Cash Equivalents as per Balance Sheet</b>	<u>2.17</u>	<u>13.50</u>
<b>Cash and Cash Equivalents as per Cash Flow Statement</b>	<u>2.17</u>	<u>13.50</u>

	As at 31st March, 2022	(₹ in Lakhs) As at 31st March, 2021
<b>2. LOANS</b>		
(Unsecured and considered good)		
<b>At Amortised Cost</b>		
Loan to Related parties (Refer note no. 19)	11,287.00	3,59,873.00
Loan to others*	-	-
	<u>11,287.00</u>	<u>3,59,873.00</u>
Less:		
ECL & Contingent provision on standard asset **	56.43	1,799.36
<b>Total</b>	<u>11,230.57</u>	<u>3,58,073.64</u>

\*\* Includes provision created pursuant to Section 45JA of the Reserve Bank of India Act, 1934 and Para 14 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016

Loans in India :		
Public Sector	-	-
Others	11,287.00	3,59,873.00
Loans outside India	-	-
	<u>11,287.00</u>	<u>3,59,873.00</u>

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

## 2.1 Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification and analysis of changes in the Impairment loss allowance in relation to Loans :

(₹in Lakhs)

Particulars	As at 31st March, 2022							
	Stage 1		Stage 2		Stage 3		Total	
	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance
As at 1st April, 2021	3,59,873.00	1,799.36	-	-	-	-	3,59,873.00	1,799.36
Add: Changes in credit Exposure (Additional disbursement net of repayment)	(3,48,586.00)	(1,742.93)	-	-	-	-	(3,48,586.00)	(1,742.93)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Closing Balance	11,287.00	56.43	-	-	-	-	11,287.00	56.43

(₹in Lakhs)

Particulars	As at 31st March, 2021							
	Stage 1		Stage 2		Stage 3		Total	
	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance	Gross Carrying Amount	Impairment Loss Allowance
As at 1st April, 2020	14,89,333.33	5,957.33	-	-	-	-	14,89,333.33	5,957.33
Add: Changes in credit Exposure (Additional disbursement net of repayment)	(11,29,460.33)	(4,157.97)	-	-	-	-	(11,29,460.33)	(4,157.97)
Transfer to Stage 1	-	-	-	-	-	-	-	-
Transfer to Stage 2	-	-	-	-	-	-	-	-
Transfer to Stage 3	-	-	-	-	-	-	-	-
Closing Balance	3,59,873.00	1,799.36	-	-	-	-	3,59,873.00	1,799.36

Reliance Retail Finance Limited  
Notes to the Financial Statements for the year ended 31st March, 2022

3. INVESTMENTS	As at 31st March, 2022			As at 31st March, 2021		
	Cost	At fair value through Profit or Loss	Total	Cost	At fair value through Profit or Loss	Total
	(₹ in Lakhs)					
Unquoted Debentures						
Fellow Subsidiary	3,50,000.00	-	3,50,000.00	-	-	-
Unquoted Mutual Fund	-	4,353.91	4,353.91	-	4,418.23	4,418.23
<b>Total (A)</b>	<b>3,50,000.00</b>	<b>4,353.91</b>	<b>3,54,353.91</b>	<b>-</b>	<b>4,418.23</b>	<b>4,418.23</b>
Investments outside India	-	-	-	-	-	-
Investments in India	3,50,000.00	4,353.91	3,54,353.91	-	4,418.23	4,418.23
<b>Total (B)</b>	<b>3,50,000.00</b>	<b>4,353.91</b>	<b>3,54,353.91</b>	<b>-</b>	<b>4,418.23</b>	<b>4,418.23</b>
Less :						
<b>Allowance for impairment Loss (C)</b>	-	-	-	-	-	-
<b>Total (A-C)</b>	<b>3,50,000.00</b>	<b>4,353.91</b>	<b>3,54,353.91</b>	<b>-</b>	<b>4,418.23</b>	<b>4,418.23</b>

The Company has accounted for its investments in Fellow Subsidiary company at cost less impairment loss (if any)

A) NON-CURRENT INVESTMENTS	As at 31st March, 2022		As at 31st March, 2021	
	Units (nos)	Amount	Units	Amount
	(₹ in Lakhs)			
<b>Investments measured at Cost</b>				
<b>In Debentures of Fellow Subsidiary Company</b>				
<b>Unquoted, fully paid up</b>				
Zero Coupon Optionally Fully Convertible Debentures of Reliance Projects and Property Management Services Limited of ₹ 35 each	100,00,00,000	3,50,000.00	-	-
<b>TOTAL (A)</b>		<b>3,50,000.00</b>		<b>-</b>
Investments outside India		-		-
Investments in India		<b>3,50,000.00</b>		<b>-</b>
		<b>3,50,000.00</b>		<b>-</b>
Aggregate amount of Quoted Investments		-		-
Market Value of Quoted Investments		-		-
Aggregate amount of Unquoted Investments		3,50,000.00		-
Aggregate provision for impairment in value of Investments		-		-
<b>Category-wise Long term Investment</b>				
Financial assets measured at Cost		3,50,000.00		-
Financial assets carried at amortised cost		-		-
Financial assets measured at Fair value through other comprehensive		-		-
Financial assets measured at Fair value through Profit and Loss		-		-
<b>B) CURRENT INVESTMENTS</b>				
<b>Investments measured at Fair Value through Profit &amp; Loss</b>				
<b>In Mutual Fund - Unquoted</b>				
HDFC Low Duration Fund_Direct Plan_Growth of ₹10 each	-	-	51,56,747	2,453.32
HDFC Floating rate Debt Fund_Direct Plan_Growth of ₹10 each	1,08,58,941	4,353.91	51,31,546	1,964.91
<b>TOTAL (B)</b>		<b>4,353.91</b>		<b>4,418.23</b>
Investments outside India		-		-
Investments in India		4,353.91		4,418.23
		<b>4,353.91</b>		<b>4,418.23</b>
Aggregate amount of Quoted Investments		-		-
Market Value of Quoted Investments		-		-
Aggregate amount of Unquoted Investments		4,353.91		4,418.23
<b>Category-wise Current Investments</b>				
Financial assets carried at amortised cost		-		-
Financial assets measured at Fair value through other comprehensive		-		-
Financial assets measured at Fair value through Profit and Loss		4,353.91		4,418.23

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

<b>4. OTHER FINANCIAL ASSETS</b>	<b>As at 31st March, 2022</b>	<b>(₹in Lakhs) As at 31st March, 2021</b>
Interest accrued on Loan	0.11	-
<b>Total</b>	<b>0.11</b>	<b>-</b>

<b>5. OTHER CURRENT ASSETS (Unsecured and Considered Good)</b>	<b>As at 31st March, 2022</b>	<b>(₹in Lakhs) As at 31st March, 2021</b>
Balance with GST Authorities	324.81	720.07
Others*	0.27	0.42
<b>Total</b>	<b>325.08</b>	<b>720.49</b>
*Advance to vendor		

<b>6. CURRENT TAX ASSETS (NET)</b>	<b>As at 31st March, 2022</b>	<b>(₹in Lakhs) As at 31st March, 2021</b>
Advance Income Tax (net of provisions)	736.98	756.33
	<b>736.98</b>	<b>756.33</b>
<b>Advance Income Tax (net of provisions)</b>		
At start of year	756.33	485.81
Charge for the year	(374.16)	(6,390.00)
Tax paid during the year	354.81	6,660.52
At end of year	<b>736.98</b>	<b>756.33</b>

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

7. TRADE PAYABLES DUE TO	(₹in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Micro and Small Enterprise	-	-
Other than Micro and Small Enterprise	4.38	7.15
<b>Total</b>	<b>4.38</b>	<b>7.15</b>

## 7.1 Trade Payable Ageing as at 31st March,2022:

(₹in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 year	
(i) MSME	-	-	-	-	-
(ii) Others	4.38	-	-	-	4.38
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>4.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.38</b>

## 7.2 Trade Payable Ageing as at 31st March,2021:

(₹in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 year	1-2 years	2-3 years	> 3 year	
(i) MSME	-	-	-	-	-
(ii) Others	7.15	-	-	-	7.15
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
<b>Total</b>	<b>7.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.15</b>

7.3 There are no overdue amounts to Micro, Small and Medium Enterprises as at March 31, 2022 for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable.

8. OTHER CURRENT LIABILITIES	(₹in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Statutory Payables	0.33	43.67
Other Current Liabilities	0.08	0.08
<b>Total</b>	<b>0.41</b>	<b>43.75</b>



**Reliance Retail Finance Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2022**

<b>9. DEFERRED TAX LIABILITIES</b>	<b>As at 31st March, 2022</b>	<b>(₹in Lakhs) As at 31st March, 2021</b>
The movement on the deferred tax account is as follows:		
At the start of the year	9.30	102.15
Charge/(credit) to Statement of Profit and Loss (Refer Note 16)	17.02	(92.85)
<b>At end of year</b>	<b>26.32</b>	<b>9.30</b>

**Component of Deferred Tax Liabilities :**

	<b>As at 31st March, 2021</b>	<b>Charge/(Credit) to Statement of Profit and Loss</b>	<b>Others</b>	<b>As at 31st March, 2022</b>
<b>Deferred Tax Liabilities in relation to:</b>				
Financial Assets	9.30	17.02	-	26.32
<b>Total</b>	<b>9.30</b>	<b>17.02</b>	<b>-</b>	<b>26.32</b>

Reliance Retail Finance Limited  
Notes to the Financial Statements for the year ended 31st March, 2022

10. SHARE CAPITAL	(₹ in Lakhs)			
	As at 31st March, 2022		As at 31st March, 2021	
	Units	Amount	Units	Amount
<b>AUTHORISED SHARE CAPITAL</b>				
Equity Shares of ₹ 10 each	10,00,00,000	10,000.00	10,00,00,000	10,000.00
		<b>10,000.00</b>		<b>10,000.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>				
Equity Shares of ₹ 10 each fully paid up	6,81,20,000	6,812.00	6,81,20,000	6,812.00
<b>Total</b>		<b>6,812.00</b>		<b>6,812.00</b>

**10.1 THE DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES:**

Name of the Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	Nos. of Shares	% held	Nos. of Shares	% held
<b>Holding Company :</b>				
Reliance Industrial Investments and Holdings Limited *	6,81,20,000	100.00	6,81,20,000	100.00

All the above 6,81,20,000 (Previous Year 6,81,20,000) equity shares of ₹ 10 each fully paid-up are held by Reliance Industrial Investments and Holdings Limited, the holding company along with its nominees.

**10.2 SHAREHOLDING OF PROMOTER**

As at 31st March, 2022			
Promoter name	No of shares	% of total shares	% change during the year
Reliance Industrial Investments and Holdings Limited	6,81,20,000	100.00	NIL
As at 31st March, 2021			
Promoter name	No of shares	% of total shares	% change during the year
Reliance Industrial Investments and Holdings Limited	6,81,20,000	100.00	NIL

**10.3 RECONCILIATION OF EQUITY SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR**

Particulars	As at 31st March, 2022	As at 31st March, 2021
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	6,81,20,000	6,81,20,000
Add : Shares issued during the year	-	-
<b>Equity Shares at the end of the year</b>	<b>6,81,20,000</b>	<b>6,81,20,000</b>

**10.4 RIGHTS, PREFERENCES AND RESTRICTIONS ATTACHED TO SHARES:**

The company has only one class of equity shares having par value of ₹10 each and the holder of the equity share is entitled to one vote per share. The dividend proposed, if any, by board of directors is subject to approval of the shareholders in the ensuing annual general meeting, except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company after distribution of all preferential amount, in proportion to the number of equity shares held.

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

	As at 31st March, 2022		As at 31st March, 2021	
	(₹in Lakhs)			
<b>11. OTHER EQUITY</b>				
<b><u>Reserve and Surplus</u></b>				
<b>Statutory Reserve Fund *</b>				
As per last Balance Sheet	6,641.60		2,061.60	
Add: Transferred from Retained Earnings	550.00		4,580.00	
	<u>7,191.60</u>		<u>6,641.60</u>	
<b>Securities Premium</b>				
As per last Balance Sheet	3,23,890.00		3,23,890.00	
Add: Issued during the year	-		-	
	<u>3,23,890.00</u>		<u>3,23,890.00</u>	
<b>Retained Earnings</b>				
As per last Balance Sheet	26,578.39		8,291.11	
Profit for the year	2,695.72		22,867.28	
Less : Appropriation to Statutory Reserve Fund	550.00		4,580.00	
	<u>28,724.11</u>		<u>26,578.39</u>	
<b>Total</b>		<u><b>3,59,805.71</b></u>		<u><b>3,57,109.99</b></u>

\* Created pursuant to Section 45-IC of the Reserve Bank of India Act, 1934

**Reliance Retail Finance Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2022**

	(₹in Lakhs)	
	2021-22	2020-21
<b>12. REVENUE FROM OPERATIONS</b>		
<b>Interest income</b>		
<b>On Financial Assets measured at Amortised cost</b>		
Subvention Income	-	57,105.91
Interest Income on loans	1,791.70	44,666.71
	<u>1,791.70</u>	<u>1,01,772.62</u>
<b>Net gain on fair value changes</b>		
On Investments (Refer note 12.1)	208.99	275.86
<b>Total</b>	<u><b>2,000.69</b></u>	<u><b>1,02,048.48</b></u>

**12.1 Net gain on fair value changes - Investments**

Net Gain on Financial instrument at fair value through profit and loss		
On Investments	208.99	275.86
<b>Total net gain on fair value changes</b>	<u><b>208.99</b></u>	<u><b>275.86</b></u>
Fair Value changes		
Realised	114.46	238.73
Unrealised	94.53	37.13
<b>Total net gain on fair value changes</b>	<u><b>208.99</b></u>	<u><b>275.86</b></u>

	(₹in Lakhs)	
	2021-22	2020-21
<b>13. OTHER INCOME</b>		
Reversal of ECL & Contingent provision on Standard Assets	1,742.93	4,157.97
Interest on Income Tax refunds	-	0.09
Miscellaneous Income - Others	5.00	-
<b>Total</b>	<u><b>1,747.93</b></u>	<u><b>4,158.06</b></u>

	(₹in Lakhs)	
	2021-22	2020-21
<b>14. FINANCE COST</b>		
<b>Interest on Borrowings (measured at amortised cost)</b>		
Related Party	-	40,089.05
Other	-	16,177.04
<b>Total</b>	<u><b>-</b></u>	<u><b>56,266.09</b></u>

	(₹in Lakhs)	
	2021-22	2020-21
<b>15. OTHER EXPENSES</b>		
Exchange Difference (Net)	-	7.57
Rates and Taxes	0.55	1.13
Professional Fees	34.59	18,044.69
Payment to Auditors	9.15	3.90
General Expenses	403.33	2,701.02
Directors Sitting Fees	4.10	3.55
Charity and Donations	210.00	14.16
<b>Total</b>	<u><b>661.72</b></u>	<u><b>20,776.02</b></u>

**15.1 Payment to Auditors as:**

	(₹in Lakhs)	
	2021-22	2020-21
<b>Particulars</b>		
Statutory Audit Fees*	3.60	3.30
Tax Audit Fees*	0.55	0.50
Fees for Other Services #	5.00	0.10
	<u><b>9.15</b></u>	<u><b>3.90</b></u>

\* Exclusive of taxes

# Fees for Other Services includes certification fees paid to auditor.

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

## 15.2 CORPORATE SOCIAL RESPONSIBILITY (CSR)

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the period was ₹208.00 Lakhs (previous year ₹ 14.16 Lakhs)

(b) Expenditure related to CSR is ₹210.00 Lakhs (previous year ₹ 14.16 Lakhs) is spent through Reliance Foundation

	(₹in Lakhs)	
Particulars	2021-22	2020-21
Health (including COVID-19)	210.00	-
Education	-	14.16
<b>Total</b>	<b>210.00</b>	<b>14.16</b>

	(₹in Lakhs)	
16. TAXATION	As at 31st March, 2022	As at 31st March, 2021
<b>Income tax recognised in Statement of Profit and Loss</b>		
Current tax	374.16	6,389.97
In respect of prior year	-	0.03
	<b>374.16</b>	<b>6,390.00</b>
Deferred tax	17.02	(92.85)
<b>Total Income Tax expenses</b>	<b>391.18</b>	<b>6,297.15</b>

The income tax expenses for the year can be reconciled to the accounting profit as follows:

	(₹in Lakhs)	
	As at 31st March, 2022	As at 31st March, 2021
Profit Before Tax	3,086.90	29,164.43
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	777.00	7,340.00
Tax effect of :		
Exempted Income	(438.66)	(1,046.50)
Expenses Disallowed	52.92	3.57
Others	(17.10)	92.93
Current Tax Provision (A)	<b>374.16</b>	<b>6,390.00</b>
Incremental Deferred Tax Liability on account of Financial Assets	17.02	(92.85)
Deferred Tax Provision (B)	17.02	(92.85)
<b>Tax Expenses recognised in Statement of Profit and Loss (A+B)</b>	<b>391.18</b>	<b>6,297.15</b>
Effective Tax Rate	12.67%	21.59%

**Reliance Retail Finance Limited**  
**Notes to the Financial Statements for the year ended 31st March, 2022**

	2021-22	2020-21
<b>17. EARNINGS PER SHARE (EPS)</b>		
<b>Face Value per Equity Share (₹)</b>	10	10
<b>Basic Earnings per share (₹)</b>	<b>3.96</b>	<b>33.57</b>
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	2,695.72	22,867.28
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	6 81 20 000	6 81 20 000
<b>Diluted Earnings per share (₹)</b>	<b>3.96</b>	<b>33.57</b>
Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	2,695.72	22,867.28
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	6 81 20 000	6 81 20 000
<b>Reconciliation of weighted average number of shares outstanding</b>		
Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	6 81 20 000	6 81 20 000
Total Weighted Average Potential Equity Shares	-	-
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	6 81 20 000	6 81 20 000

**18.** Deferred tax assets as at Balance Sheet date consists of the following items. As a matter of prudence, the Company has not recognised deferred tax assets in the books of account

	As at 31st March, 2022	(₹in Lakhs) As at 31st March, 2021
Deferred Tax Assets		
General provision on Standard Asset	14.20	452.86
Carried forward Capital Losses expiring in AY. 2025-2026	1,729.05	2,175.83
	<u>1,743.25</u>	<u>2,628.69</u>

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

## 19. RELATED PARTIES DISCLOSURES

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

## i) List of Related Parties where control exists and relationships:

Sr. No.	Name of the Related Party	Relationship
1	Reliance Industries Limited	Ultimate Holding Company
2	Reliance Industrial Investments and Holdings Limited	Holding Company
3	Reliance Retail Limited	Fellow Subsidiary Companies
4	Reliance Projects and Property Management Services Limited	
5	Jio Platforms Limited	
6	Reliance Strategic Business Ventures Limited	
7	Reliance Retail Insurance Broking Limited	

## ii) Transactions during the year with Related Parties:

(₹in Lakhs)					
Sr. No.	Nature of Transactions (Excluding Reimbursements)	Ultimate Holding Company	Holding Company	Fellow Subsidiary Companies	Total
1	Investment in OFCDs	-	-	3,50,000.00	3,50,000.00
		-	-	-	-
2	Borrowings repayment	-	-	-	-
		-	<i>10,04,144.00</i>	-	<i>10,04,144.00</i>
3	Loans given/ (refund received) (Net)	-	-	(3,48,586.00)	(3,48,586.00)
		-	-	<i>3,59,873.00</i>	<i>3,59,873.00</i>
4	Professional Fees	10.68	-	-	10.68
		<i>2,239.27</i>	-	<i>15,728.48</i>	<i>17,967.75</i>
5	Interest Paid	-	-	-	-
		-	<i>40,089.05</i>	-	<i>40,089.05</i>
6	Interest Income	-	-	1,776.31	1,776.31
		-	-	<i>4,186.68</i>	<i>4,186.68</i>
7	Sub-vention income (refund)	-	-	-	-
		-	-	<i>(82,164.23)</i>	<i>(82,164.23)</i>

*Note : Figures in Italics represents previous year's amount.*

Balances as at					(₹in Lakhs)	
S No	Particulars	Relationship	31st March, 2022	31st March, 2021		
1	<b>Loans given</b>					
	Reliance Strategic Business Ventures Limited	Fellow Subsidiary	10,687.00	3,59,873.00		
	Reliance Retail Insurance Broking Limited	Fellow Subsidiary	600.00	-		
2	<b>Non-Current Investment</b>					
	Reliance Projects and Property Management Services Limited	Fellow Subsidiary	3,50,000.00	-		
3	<b>Interest accrued on Loan</b>					
	Reliance Retail Insurance Broking Limited	Fellow Subsidiary	0.11	-		

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

## iii) Disclosure in Respect of Major Related Party Transactions during the year:

		(₹ in Lakhs)	
Sr.No	Particulars	2021-22	2020-21
<b>1</b>	<b>Investment in OFCDs</b>		
	Reliance Projects and Property Management Services Limited	3,50,000.00	-
<b>2</b>	<b>Borrowings repayment</b>		
	Reliance Industrial Investments and Holdings Limited	-	10,04,144.00
<b>3</b>	<b>Loans given (refund received)</b>		
	Reliance Strategic Business Ventures Limited	(3,49,186.00)	3,59,873.00
	Reliance Retail Insurance Broking Limited	600.00	-
<b>4</b>	<b>Professional Fees</b>		
	Reliance Industries Limited	10.68	2,239.27
	Reliance Retail Limited	-	321.90
	Jio Platforms Limited	-	15,406.58
<b>5</b>	<b>Interest Paid</b>		
	Reliance Industrial Investments and Holdings Limited	-	40,089.05
<b>6</b>	<b>Interest Income</b>		
	Reliance Strategic Business Ventures Limited	1,776.19	4,186.68
	Reliance Retail Insurance Broking Limited	0.12	
<b>7</b>	<b>Sub-vention income (refund)</b>		
	Reliance Projects and Property Management Services Limited	-	(82,164.23)

**20. Segment Reporting**

The Company is engaged in business of finance, future and option, Trading / investments in shares and securities in India only and there are no separate business / geographical segments as per Ind AS 108 "Operating Segment". The Board (the 'Chief Operating Decision Maker' as defined in Ind AS 108 'Operating Segments'), monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

**21.** Income Tax assessment of the Company has been completed up to Assessment Year 2019-20. The Disputed demand outstanding up to said assessment year is NIL.



## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

**22. Capital Management**

The Company manages its capital to ensure that it will continue as going concern while maximising the return to stakeholders. The Company manages its capital structure and make adjustment in light of changes in business condition. The overall strategy remains unchanged as compare to last year.

**23. FINANCIAL INSTRUMENTS****A Fair value measurement hierarchy:**

Particulars	As at 31st March, 2022			As at 31st March, 2021			(₹ in Lakhs)		
	Carrying Amount	Level of Input used in			Carrying Amount	Level of Input used in			
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
<b>Financial Assets</b>									
<b>At Amortised Cost</b>									
Cash and Cash Equivalents	2.17	-	-	-	13.50	-	-	-	-
Loans	11,230.57	-	-	-	3,58,073.64	-	-	-	-
Others Financial Asset	0.11	-	-	-	-	-	-	-	-
<b>At FVTPL</b>									
Investments*	4,353.91	4,353.91	-	-	4,418.23	4,418.23	-	-	-
<b>Financial Liabilities</b>									
<b>At Amortised Cost</b>									
Trade Payable	4.38	-	-	-	7.15	-	-	-	-

\* Excludes Group Company financial assets measured at cost (Refer note 3)

The financial instruments are categorised into three levels based on the inputs used to arrive at fair value measurements as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs based on unobservable market data.

**Valuation Methodology**

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

The fair value of investment in Mutual Funds is measured at NAV.

**B Financial Risk Management**

Different type of risk the Company is exposed are as under:

**Credit Risk**

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. The Company assesses the credit quality of all financial instruments that are subject to credit risk. The company categorizes financial assets into stages based on the days past due (DPD) status as under:

Stage 1: Low credit risk i.e. 0 to 30 dpd

Stage 2: Significant increase in credit risk i.e. 31 to 90 dpd

Stage 3: Impaired assets i.e. more than 90 dpd

Financial assets where no significant increase in credit risk has been observed are considered to be in 'stage 1' and for which a 12 month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'stage 3'. Lifetime ECL is recognised for stage 2 and stage 3 financial assets

The Company calculates ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD).

**Interest rate risk**

Company's borrowing is only through its holding company viz Reliance Industrial Investments and Holdings Limited and Banks. The said borrowing is repaid during the year. Interest payable against such borrowing is as per agreed terms.

**Liquidity Risk**

Liquidity risk is the risk that arises from the Company's inability to meet its cash flow commitments. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities.

Management monitors rolling forecasts of the company's cash flow position and ensures that the Company is able to meet its financial obligations at all times including contingencies.

**24. Other Statutory Information**

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.
- (ii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including ) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (iii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iv) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

**25. APPROVAL OF FINANCIAL STATEMENTS**

The Financial Statements were approved for issue by the Board of Directors on April 12, 2022.

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the year ended 31st March, 2022

## 26. NBFC Disclosures

Disclosures of details as required by Paragraph 17, 19 and 73 of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, are given to the extent applicable.

## 26.1 Liabilities side

		(₹ in Lakhs)			
		As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2021
		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
I	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid				
a)	Inter-corporate loans and borrowing	-	-	-	-
<b>Assets side</b>					
		(₹ in Lakhs)			
		As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2021
II	Break-up of Loans and Advances including bills receivables				
a)	Secured	-	-	-	-
b)	Unsecured	11,287.00	-	3,59,873.00	-
III	Break up of Leased Assets and Stock on hire and other assets counting towards AFC activities	-	-	-	-
IV	Break-up of Investments				
Current Investments (Including Stock-in-trade)					
1	Quoted	-	-	-	-
2	Unquoted	-	-	-	-
i)	Units of Mutual Funds	4,353.91	-	4,418.23	-
Long Term Investments					
1	Quoted				
i)	Shares : Equity	-	-	-	-
2	Unquoted				
i)	Shares	-	-	-	-
ii)	Debentures	3,50,000.00	-	-	-
V	Borrower group-wise classification of assets financed as in (II) and (III) above :	<b>Secured (net of provision)</b>	<b>Unsecured (net of provision)</b>	<b>Secured (net of provision)</b>	<b>Unsecured (net of provision)</b>
Category					
1	Related parties				
i)	Subsidiaries	-	-	-	-
ii)	Companies in same group	-	-	-	-
iii)	Other related parties	-	11,287.00	-	3,59,873.00
2	Other than related parties	-	-	-	-
	Total	-	<b>11,287.00</b>	-	<b>3,59,873.00</b>
VI	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)	<b>Market value/ Break up or fair value or NAV</b>	<b>Book value (net of provision)</b>	<b>Market value/ Break up or fair value or</b>	<b>Book value (net of provision)</b>
Category					
1	Related Parties				
i)	Subsidiaries	-	-	-	-
ii)	Companies in same group	-	-	-	-
iii)	Other related parties	3,50,000.00	3,50,000.00	-	-
2	Other than related parties	4,353.91	4,353.91	4,418.23	4,418.23
	Total	<b>3,54,353.91</b>	<b>3,54,353.91</b>	<b>4,418.23</b>	<b>4,418.23</b>
VII	Other information		<b>Amount</b>		<b>Amount</b>
Particulars					
1	Gross Non-Performing Assets		-		-
2	Net Non-Performing Assets		-		-
3	Assets acquired in satisfaction of debt		-		-

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the Year ended 31st March, 2022

## 26. NBFC Disclosures (Contd...)

26.2	As at 31st March, 2022 (%)	As at 31st March, 2021 (%)									
1 Capital to Risk Assets Ratio (CRAR)											
i) CRAR	101.71	101.71									
ii) CRAR - Tier I Capital	101.58	97.38									
iii) CRAR - Tier II Capital	0.14	4.33									
		(₹ in Lakhs)									
2 Exposure to Real Estate Sector	As at 31st March, 2022	As at 31st March, 2021									
Category											
a) Direct exposure											
i) Residential Mortgages	-	-									
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)											
ii) Commercial Real Estate	-	-									
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential building, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;											
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures											
- Residential	-	-									
- Commercial Real Estate	-	-									
b) Indirect Exposure											
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	-	-									
3 Asset Liability Management - maturity pattern of certain items of assets and liabilities as on 31st March, 2022		(₹ in Lakhs)									
	1 day to 7 days	8 days to 14 days	15 days to 30 days	Over one 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
<b>Liabilities</b>											
Borrowings from Banks	-	-	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-	-	-
Loan from Holding Company	-	-	-	-	-	-	-	-	-	-	-
<b>Assets</b>											
Advances	-	-	600.00	-	-	-	-	10,687.00	-	-	11,287.00
Investments	-	-	-	-	-	-	4,353.91	-	3,50,000.00	-	3,54,353.91
26.3	The frauds detected and reported for the period amounted to ₹ Nil (Previous year ₹ Nil).										

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the Year ended 31st March, 2022

## 26. NBFC Disclosures (Contd...)

	As at 31st March, 2022	As at 31st March, 2021
<b>26.4 a) Capital</b>		
i) CRAR (%)	101.71	101.71
ii) CRAR – Tier I Capital (%)	101.58	97.38
iii) CRAR – Tier II Capital (%)	0.14	4.33
iv) Amount of subordinated debt raised as Tier-II capital (₹)	-	-
v) Amount raised by issue of Perpetual Debt instruments (₹)	-	-
		(₹ in Lakhs)
<b>b) Investments</b>	<b>As at</b>	<b>As at</b>
	<b>31st March, 2022</b>	<b>31st March, 2021</b>
i) Value of Investments		
(a) Gross Value of Investments		
i) In India	3,54,353.91	4,418.23
ii) Outside India	-	-
(b) Provision for Depreciation		
i) In India	-	-
ii) Outside India	-	-
(c) Net Value of Investments		
i) In India	3,54,353.91	4,418.23
ii) Outside India	-	-
ii) Movement of provisions held towards depreciation on investments	-	-
		(₹ in Lakhs)
<b>c) Derivatives</b>	<b>As at</b>	<b>As at</b>
	<b>31st March, 2022</b>	<b>31st March, 2021</b>
i) Forward Rate Agreement / Interest Rate Swap	-	-
ii) Exchange Traded Interest Rate (IR) Derivatives	-	-
iii) Disclosures on Risk Exposure in Derivatives		
i) Qualitative Disclosure	-	-
ii) Quantitative Disclosures	-	-
		(₹ in Lakhs)
<b>d) Securitisation</b>	<b>As at</b>	<b>As at</b>
	<b>31st March, 2022</b>	<b>31st March, 2021</b>
i) Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction	-	-
ii) Assignment transactions	-	-
iii) Non-Performing Financial Assets Purchased	-	-
iv) Non-Performing Financial Assets Sold	-	-
<b>e) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities - Refer note : 26(2)(3)</b>		
		(₹ in Lakhs)
<b>f) Exposures</b>	<b>As at</b>	<b>As at</b>
	<b>31st March, 2022</b>	<b>31st March, 2021</b>
i) Exposure to Real Estate Sector	-	-
ii) Exposure to Capital Market		
i) Investment in Mutual fund	4,353.91	4,418.23
	<u>4,353.91</u>	<u>4,418.23</u>

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the Year ended 31st March, 2022

	As at 31st March, 2022	As at 31st March, 2021
(₹ in Lakhs)		
<b>26.4 NBFC Disclosures (Contd...)</b>		
g) Details of financing of parent company products	-	-
h) Details of Single Borrower Limit / Group Borrower Limit exceeded	-	-
i) Unsecured Advances	-	-
Total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral	-	-
j) Registration obtained from other financial sector regulators	-	-
k) Penalties imposed by RBI and other regulators	-	-
l) Related party transaction - Refer note no. 19	-	-
m) Ratings assigned by credit rating agencies and migration of ratings during the period	-	CARE A1+
n) Remuneration of Directors and Transactions with non executive directors (Directors sitting fees)	4.10	3.55
o) Impact of prior period items on current year's profit and loss	-	-
p) Revenue recognition has been postponed:	-	-
q) Indian Accounting Standard 110 - Consolidated Financial Statements (CFS)	NA	NA
r) Provisions and Contingencies - Refer note : 2	56.43	1,799.36
s) Draw Down from Reserves	-	-
t) Country of Operation is whole of India and there are no joint venture partners and Overseas Subsidiaries of the Companies		
u) Concentration of Deposits, Advances, Exposures and NPAs		
i) Concentration of Deposits	-	-
ii) Concentration of Advances		
Total Advances to twenty largest borrowers	11,287.00	3,59,873.00
Percentage of Advances to twenty largest borrowers to total advances	100.00	100.00
iii) Concentration of Exposure		
Total exposure to twenty largest borrowers / customers	11,287.00	3,59,873.00
Percentage of exposures to twenty largest borrowers / customers to total exposure	100.00	100.00
iv) Concentration of NPAs	-	-
v) Sector-wise NPAs	-	-
vi) Movement of NPAs	-	-
v) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)	-	-
w) Off-balance Sheet SPVs sponsored	-	-
x) Customer Complaints	-	-
	As at 31st March, 2022	As at 31st March, 2021
<b>26.5 Additional Ratios</b>		
a) Short – term liability to Total Assets	0.01	0.02
b) Short Term liability to long term assets	0.01	0.02
c) Commercial papers to total assets	NA	NA
d) Non Convertible Debentures to Total Assets	NA	NA
e) Short Term Liabilities to Total liabilities	100.00	100.00
f) Long term Assets to Total Assets	99.84	100.00
g) Liquidity Coverage Ratio : High Quality Liquid Assets / Total Net Cash Outflow over next 30 days	52.63	738.01

## Reliance Retail Finance Limited

## Notes to the Financial Statements for the Year ended 31st March, 2022

## 26 NBFC Disclosures (Contd...)

## 26.5 h) Assets Classification as per RBI Norms as at 31st March, 2022

Assets Classification as per RBI Norms	Assets Classification as per INDAS 109	Gross carrying amount as per INDAS	Loss allowances (provisions) as required under INDAS	Net Carrying amount	Provisions required as per IRACP norms	Difference between INDAS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5=3-4)	(6)	(7=4-6)
Performing Assets						
Standard	Stage 1	11,287.00	56.43	11,230.57	45.15	11.28
	Stage 2	-	-	-	-	-
Sub total		11,287.00	56.43	11,230.57	45.15	11.28
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss						
Subtotal for NPA	Stage 3	-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		-	-	-	-	-
Total	Stage 1	11,287.00	56.43	11,230.57	45.15	11.28
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	11,287.00	56.43	11,230.57	45.15	11.28

## h) Assets Classification as per RBI Norms as at 31st March, 2021

Assets Classification as per RBI Norms	Assets Classification as per INDAS 109	Gross carrying amount as per INDAS	Loss allowances (provisions) as required under INDAS	Net Carrying amount	Provisions required as per IRACP norms	Difference between INDAS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5=3-4)	(6)	(7=4-6)
Performing Assets						
Standard	Stage 1	3,59,873.00	1,799.36	3,58,073.64	1,439.49	359.87
	Stage 2	-	-	-	-	-
Sub total		3,59,873.00	1,799.36	3,58,073.64	1,439.49	359.87
Non Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss						
Subtotal for NPA	Stage 3	-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Sub total		-	-	-	-	-
Total	Stage 1	3,59,873.00	1,799.36	3,58,073.64	1,439.49	359.87
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	3,59,873.00	1,799.36	3,58,073.64	1,439.49	359.87

**Reliance Retail Finance Limited**

As per our Report of even date

For and on behalf of the Board

**For Rajendra & Co**

Chartered Accountants  
Registration No. 108355W

**Rohit C. Shah**  
Chairman

**M.N. Bajpai**  
Director

**Jayashri Rajesh**  
Director

**B. Chandrasekaran**  
Independent Director

**K.K. Desai**

Partner  
Membership No. 100805

**Vishal Kumar**

Chief Financial Officer

**Bhavika Shah**

Company Secretary

Dated : April 12, 2022