

May 20, 2019

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001  
BSE Scrip Code: [947888]

**Sub: Outcome of the Board Meeting of Religare Finvest Limited ("RFL" / "the Company")**

Dear Sir / Madam,

This is to inform you that the Board of Directors of the Company at its meeting held on May 20, 2019 have *inter-alia* considered and approved the Audited Financial Statements of the Company for the financial year ended March 31, 2019. Further, in accordance with Clause 52(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations"), please find enclosed the following documents for your records:

- i. Approved Audited Standalone Financial Statements for the financial year ended March 31, 2019, in the format prescribed under the Listing Regulations as **Annexure I**.

These statements also contain the disclosures for the line items relating to the Company as required under the Regulation 52(4) of the Listing Regulations.

- ii. Annual Audit Report for the Audited Standalone Financial Results for the financial year ended March 31, 2019 as **Annexure II**, pursuant to Regulation 52(3) of the Listing Regulations.
- iii. Statement on Impact of Audit Qualification (for the Audit Report with *modified opinion*) is being submitted along with Audited Standalone Financial Results for the financial year ended March 31, 2019 as **Annexure III**.
- iv. A certificate from Axis Trustee Services Limited (Debenture Trustee for the privately placed debentures of RFL listed on BSE Limited) as **Annexure IV**, pursuant to the Regulation 52(5) of the Listing Regulations.

You are kindly requested to take the same on record. The meeting commenced at 4:30 P.M. on May 20, 2019 and concluded at 9:50 P.M.

Thanking you.

Yours faithfully,

**For Religare Finvest Limited**



**Punit Arora**  
Company Secretary



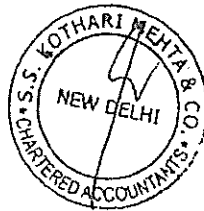
**Encls: As above**



Religare Finvest Limited  
Regd. Office: 2nd Floor, Rajlok Building, 24, Nehru Place, New Delhi - 110019

Statement of Standalone Audited Financial Results for the Year Ended March 31, 2019

Sr. No.	Particulars	(INR in Lacs)			
		Six Months Ended		Year Ended	
		31-Mar-19 (Unaudited)	31-Mar-18 (Unaudited)	31-Mar-19 Audited	31-Mar-18 Audited
1	Revenue				
	a. Revenue from Operations	28,520.94	41,394.93	69,371.63	129,155.61
	b. Other Income	3,325.00	5,604.41	10,194.31	15,607.78
	<b>Total Income (a+b)</b>	<b>31,845.94</b>	<b>46,999.34</b>	<b>79,565.99</b>	<b>144,863.39</b>
2	Expenses:				
	(a) Finance costs	33,267.29	50,702.51	74,178.27	111,997.06
	(b) Employee benefits expense	4,568.46	5,148.79	8,663.00	12,671.72
	(c) Depreciation and amortization expense	158.27	226.18	347.41	508.04
	(d) Other expenses	70,586.23	123,216.97	151,233.55	137,968.22
	<b>Total expenses (a to d)</b>	<b>108,586.25</b>	<b>179,294.45</b>	<b>234,427.23</b>	<b>263,145.04</b>
3	<b>Profit / (Loss) Before Exceptional Items and Tax (1-2)</b>	<b>(76,734.31)</b>	<b>(132,295.11)</b>	<b>(154,861.24)</b>	<b>(118,181.65)</b>
4	Exceptional Items	-	-	-	-
5	<b>Profit/ (Loss) Before Tax and extraordinary Items (3-4)</b>	<b>(76,734.31)</b>	<b>(132,295.11)</b>	<b>(154,861.24)</b>	<b>(118,181.65)</b>
6	Tax Expense				
	Deferred tax expense (credit)	-	(23,636.30)	-	(22,863.08)
	Tax for earlier years	(55.15)	(833.22)	(55.15)	-
	<b>Total tax expense</b>	<b>(55.15)</b>	<b>(24,529.52)</b>	<b>(55.15)</b>	<b>(22,863.08)</b>
7	<b>Net Profit/ (Loss) after tax (5-6)</b>	<b>(76,679.16)</b>	<b>(107,765.59)</b>	<b>(154,806.09)</b>	<b>(95,318.57)</b>
8	Extraordinary Items (Net of Tax)	-	-	-	-
9	<b>Net Profit/ (Loss) for the periods (7-8)</b>	<b>(76,679.16)</b>	<b>(107,765.59)</b>	<b>(154,806.09)</b>	<b>(95,318.57)</b>
10	Other Comprehensive Income				
	(i) Items that will not be reclassified to profit or loss	59.10	94.71	59.88	94.71
	<b>Total Other Comprehensive Income / (loss) (net of tax)</b>	<b>59.10</b>	<b>94.71</b>	<b>59.88</b>	<b>94.71</b>
11	<b>Total Comprehensive Income / (loss) (after tax) (9+10)</b>	<b>(76,620.06)</b>	<b>(107,670.88)</b>	<b>(154,747.21)</b>	<b>(95,223.86)</b>
12	Paid-up Equity Share Capital (Face Value of equity share Rs.10 each)	26,209.53	26,209.53	26,209.53	26,209.53
13	Earnings Per Share ("EPS") before and after extraordinary items of Rs.10 each fully paid up (not annualised)				
	a) Basic EPS (Rs.)	(29.26)	(41.12)	(59.06)	(36.37)
	b) Diluted EPS (Rs.)	(29.25)	(41.12)	(59.06)	(36.37)



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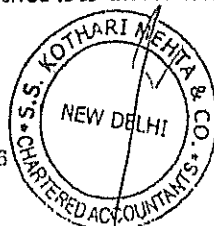
Disclosure of standalone assets and liabilities as per Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as at March 31, 2019:

		(INR in Lacs)	
Particulars		As at 31/03/2019 (Audited)	As at 31/03/2018 (Audited)
<b>A</b>	<b>Assets</b>		
<b>1</b>	<b>Financial assets</b>		
	(a) Cash and cash equivalents	4,134.84	34,630.41
	(b) Other Bank balances	79,163.12	85,139.12
	(c) Receivables		
	(d) Loans	452,667.19	856,696.98
	(e) Investments	44,051.35	64,242.02
	(f) Other financial assets	7,274.92	7,507.71
	<b>Sub-total- Financial assets</b>	<b>597,291.42</b>	<b>1,048,216.24</b>
<b>2</b>	<b>Non-financial assets</b>		
	(a) Current Tax assets (Net)	25,991.24	20,996.92
	(b) Deferred tax assets (net)	49,315.69	49,315.69
	(c) Property, plant and equipment	281.13	550.52
	(d) Capital work-in-progress	67.50	-
	(e) Intangible assets under development	35.00	355.27
	(f) Other Intangible assets	636.39	406.40
	(g) Other Non Financial Assets	22,487.41	29,897.14
	<b>Sub-total- Non-financial assets</b>	<b>98,814.35</b>	<b>101,521.94</b>
	<b>Total Assets</b>	<b>696,105.78</b>	<b>1,149,738.18</b>
<b>B</b>	<b>Liabilities and equity</b>		
	<b>Liabilities</b>		
<b>1</b>	<b>Financial liabilities</b>		
	(a) Trade payables		
	Total outstanding dues to micro enterprises and small enterprises	30.29	-
	Total outstanding dues to creditors other than micro enterprises and small enterprises	755.45	73.49
	(b) Debt Securities		24,093.44
	(c) Borrowings (Other than debt securities)	527,777.80	791,701.25
	(d) Subordinated Liabilities	56,794.41	56,700.47
	(e) Other financial liabilities	12,945.58	17,612.03
	<b>Sub-total- Financial liabilities</b>	<b>598,303.53</b>	<b>890,180.68</b>
<b>2</b>	<b>Non-financial liabilities</b>		
	(a) Provisions	243.93	292.23
	(b) Other non-financial liabilities	2,872.92	9,832.66
	<b>Sub-total- Non Financial liabilities</b>	<b>3,116.85</b>	<b>10,124.89</b>
<b>3</b>	<b>Equity</b>		
	(a) Equity Share Capital	26,209.53	26,209.53
	(b) Other equity	68,475.87	223,223.08
	<b>Sub-total- Equity</b>	<b>94,685.40</b>	<b>249,432.61</b>
	<b>Total Liabilities and Equity</b>	<b>696,105.78</b>	<b>1,149,738.18</b>

**Notes:**

- Religare Finvest Limited ("the Company" or RFL) is holding Certificate of Registration ("CoR"), as Category B Non-Deposit taking Non-Banking Financial Company (NBFC), issued by the Reserve Bank of India (RBI).
- The Company has adopted Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended till date, from April 1, 2018 and the effective date of such transition is April 1, 2017. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued there under and guidelines issued by the Reserve Bank of India ("RBI") (collectively referred to as 'the Previous GAAP').

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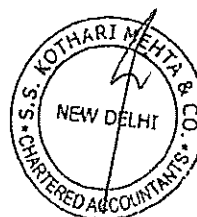
- 3) Pursuant to Clause 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Audited standalone results for the year ended March 31, 2019 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors ('the Board') at its meetings held on May 20, 2019.
- 4) During the Year, the Company has redeemed Privately Placed Secured Redeemable Non-Convertible Debentures aggregating face value of Rs. 20,400 Lacs and Publically Placed Secured Redeemable Non-Convertible Debenture aggregating Face Value of Rs. 3,693.44 Lacs on due dates of redemption.
- 5) Figures for the half year ended March 31, 2019 and March 31, 2018 are the balancing figures between audited figures for the full financial year and the figures published for the half-year ended September 30, 2018 and September 30, 2017 respectively.
- 6) Earnings Per Equity Share for the half year ended March 31, 2019 and March 31, 2018 have been calculated for the six months and not annualised.
- 7) In accordance with Ind AS 101, 'First time adoption of Ind AS' reconciliation between standalone financial results, as previously reported under Previous GAAP and Ind AS for the year ended on March 31, 2018 is as under:

Particulars	(INR in Lacs)	
	Half Year Ended 31/03/2018	Year Ended 31/03/2018
Profit / (loss) after tax as reported under Previous GAAP	(111,993.03)	(110,275.46)
Adjustments resulting in increase/(decrease) in profit after tax as reported under Previous GAAP:		
Effective Interest Rate on Financial Assets & Interest on Credit impaired Loss Assets	(1,499.75)	5,443.36
Assignment & Securitisation (EIS, ECL & Prmeium)	(1,997.30)	(4,255.60)
Impact on application of Expected Credit Loss method	6,536.98	13,413.01
Fair valuation of security deposits	(3.78)	(5.52)
Gain/(Loss) on fair valuation of Investments	428.24	459.60
Lease Equalisation	(1.75)	(3.25)
Actuarial gain on employee defined benefit plan recognised in 'Other comprehensive income	(58.43)	(94.71)
Profit / (loss) after tax as reported under Ind AS	(108,598.82)	(95,318.57)
Other Comprehensive Income / (loss) (net of tax)	68.43	94.71
Total Comprehensive Income / (loss) (after tax) as reported under Ind AS	(108,530.39)	(95,223.86)

The reconciliation of equity reported in accordance with Indian GAAP to equity in accordance with Ind AS is given below:

Particulars	Year Ended	
	31/03/2018	31/03/2017
Equity Reconciliation as reported under Previous GAAP	193,819.57	304,095.03
INDAS Adjustments		
Effective Interest Rate on Financial Assets & Interest on Credit impaired Loss	(2,305.72)	(7,750.08)
Assignment & Securitisation (EIS, ECL & Prmeium)	3,242.19	7,497.79
Impact on application of Expected Credit Loss method	27,835.95	14,422.94
Fair valuation of security deposits	(16.01)	(10.49)
Gain/(Loss) on fair valuation of Investments	26,864.41	26,404.81
Lease Equalisation	(6.78)	(3.53)
Shareholder's equity as per Ind AS	249,432.61	344,656.47

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- 8) The Capital to risk weighted assets ratio (CFAR) of the company as on March 31, 2019 is below the prescribed limit. The Company has an exposure of Rs 203,670.00 Lacs as per financials as at March 31, 2019 towards the Corporate Loan Book. RBI has raised concerns in the past about the credit worthiness of the borrowers, credit appraisal and loan sanctioning mechanism followed by the company in respect of this book. The management has reviewed the portfolio and the financial reports of the borrowers to determine the recoverability of the said loans. Based on the maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, the Company had, on a prudent basis, made full provision of Rs. 203,670 Lacs as at March 31, 2019 against this portfolio.

A law firm of repute was appointed to undertake a detailed diligence on this loan book and the said diligence has been completed. Insolvency proceedings have been initiated before the NCLT Delhi and Kolkata against the Borrowers forming a part of the Corporate Loan Book. The Insolvency Petitions filed before the NCLT New Delhi were listed on March 27, 2019 for addressing arguments for the admission of petitions. Arguments were heard at length on the said date and the Hon'ble NCLT was pleased to reserve its order and requested the counsels for all the parties to file their written submissions. Order Reserved for admission but the Proceedings are stayed by Supreme Court vide order 05.04.2019. Based on the due diligence report and the replies filed by the borrowers before the NCLT, RFL had also filed a criminal complaint before the EOW, Delhi, on which a F.I.R. no. 50/2019 has been registered and is under investigation.

Whereas, the insolvency petition titled as "Religare Finvest Limited vs. Bharat Road Network Limited" filed before the NCLT, Kolkata was listed for admission hearing on March 29, 2019. The corporate debtor / borrower was granted last opportunity to file its reply within 3 days and rejoinder to be filed by RFL within 7 days thereafter. The matter got listed on May 17, 2019 but due to strike the matter was not heard and re-notified for July 18, 2019.

During the year ended March 31, 2019, there is no movement in this portfolio.

- 9) (i) During the year ended March 31, 2016, there were certain assignment of loans by the Company to Strategic Credit Capital Private Limited ("SCCPL") and during the year ended March 31, 2017, the amounts recoverable from SCCPL and Perpetual Credit Services Private Limited ("Perpetual") aggregating to Rs. 79,367.20 lakhs were written off by the Company and various legal proceedings were initiated by the parties against each other. During the year ended March 31, 2018 the Company entered into a settlement agreement with the counterparties pursuant to which the various cases against each other at various courts and tribunals were withdrawn on consent terms, however the Company retained its right to recover the amounts due from SCCPL and Perpetual. Despite the settlement agreement SCCPL has filed suits against the Company at various forums. SCCPL and its associate companies have filed a suit before the Hon'ble District Court Saket seeking various reliefs including specific performance of part of the Settlement Agreement entered into between RFL and the Petitioners in July 2017, and also seeking discharge of their obligations under the Settlement Agreement. The petitioners are seeking discharge of their obligations under the Agreement. RFL has filed applications seeking following:

- a. Rejection of plaint
- b. Extension of time for filing written statement.
- c. For examination of documents and seeking responses to questions.

(ii) Strategic Credit Capital Private Ltd. (SCCPL) & Participation Finance & Holdings (India) Pvt. Ltd. (PFH) have filed a commercial civil suit before Hon'ble Delhi High Court against Lakshmi Vilas Bank (LVB), wherein they have arrayed RFL and other entities as party. SCCPL and PFH are seeking various reliefs in the petition against LVB and amongst other relief, a direction against RFL's fixed deposits placed with LVB. RFL has filed its written statement in the matter. No orders have been passed in this matter with regard to the fixed deposits. An interim order dated February 22, 2018 passed to maintain status quo regarding the trademark as described in the Schedule of the Deed of Assignment. RFL has filed application for rejection of plaint under order-VII Rule-11 and application u/s 340 Cr.p.c against SCCPL for filing fabricated indemnification cum release agreement. Loancore Servicing Solutions Pvt. Ltd. has filed an application seeking substitution in place of Plaintiffs. Next date of hearing is July 16, 2019 for addressing arguments on all pending applications.

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10) (i) RFL had filed a suit for recovery of amounts misappropriated by the Lakshmi Vilas Bank ("LVB") placed as Fixed Deposits with it on May 31, 2018 before the Hon'ble Delhi High Court. The Hon'ble High Court was pleased to pass interim Orders directing that status quo be maintained in respect of RFL's current account maintained with LVB

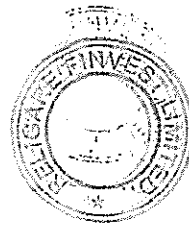
(ii) It is pertinent to mention here that LVB has sought to delay the adjudication of the interim reliefs and the suit for recovery sought by RFL by filing multiple applications, all of which have been kept in abeyance by the Hon'ble Court till such time RFL's applications for interim reliefs are disposed of. The pleadings in the matter are now complete, in as much as LVB has filed a reply to RFL's suit and RFL has filed its rejoinder to the same. LVB has further filed a sur rejoinder to the rejoinder filed by RFL. Strategic Credit Capital Private Limited and Participation Finance have filed applications to be impleaded in the matter, which are yet to be adjudicated on by the Hon'ble Court. The case has been fixed for arguments on interim applications filed by RFL for various dates since July 19, 2018 till March 11, 2019. On March 11, 2019 arguments were addressed at length by the counsel of Plaintiff. The Hon'ble Court was pleased to reserve order on the interim application on April 12, 2019. No further date has been given by the Court.

11) (i) Reserve Bank of India ("RBI") vide its letter dated January 18, 2018 has advised RFL to adhere to corrective action plan ("CAP") given by it. The said CAP, inter alia, prohibits RFL from expansion of credit/investment portfolio other investment in Government Securities and advises RFL not to pay dividend. In this regard, the RFL is taking the necessary corrective measures as advised by RBI and will seek removal of cap in the due course.

(ii) SEBI has passed an ad-interim ex-parte order on October 17, 2018 ("Order") in relation to Fortis Healthcare Limited (FHL) which inter alia includes directions to RFL and other entities covered in the order to repay INR 40,300 Lacs to FHL and not to dispose of or alienate any of the assets or divert any funds except for payment of INR 40,300 Lacs and for meeting business operations without the prior permission of SEBI. RFL has represented to SEBI and denied all the preliminary findings recorded against RFL and further requested SEBI to vacate the directions in the said order till conclusion of the investigation.

Furtherance to above, SEBI further issued a confirmatory order dated March 19, 2019. The said order inter-alia continued the debilitating restraints against RFL which were originally contained in the Ex-parte Order dated October 17, 2018. However, RFL has been allowed to function in compliance with the terms of the CAP as stipulated by the Reserve Bank of India (RBI). RFL has further represented to SEBI and denied findings recorded against RFL and requested SEBI to vacate the directions in the said order qua RFL. Additionally, RFL has filed an appeal to Securities Appellate Tribunal (SAT) on April 23, 2019 against the said order seeking relief from SAT in the matter. The appeal is in the process of being listed in due course.

(iii) SEBI has passed an ad-interim ex-parte order dated March 14, 2019 ("order") in relation of Religare Enterprise Limited (REL) which inter alia includes initiation of steps to recall loans amounting to Rs 2,31,509 Lacs extended directly or indirectly from RFL. The noticee entities have also been directed not to dispose of or alienate any of the assets or divert any funds except for meeting business operations without the prior permission of SEBI. Further, SEBI also directed the erstwhile promoters of REL (Shivinder Mohan Singh and Malvinder Mohan Singh) to not to associate themselves with the affairs of REL and RFL, in any manner whatsoever, till further directions. RFL has submitted a preliminary reply dated April 3, 2019 inter alia requesting SEBI for a personal hearing on the matter. RFL further, wrote another reminder letter dated April 17, 2019 seeking personal hearing in continuation of the earlier letter dated April 3, 2019. RFL was granted personal hearing on May 15, 2019 which was attended to and the matter is still under investigation with SEBI.



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12) Audited Segment Wise Revenue, Results, Assets & Liabilities For the Year Ended March 31, 2019

(INR in Lacs)

S. No.	Particulars	Year Ended	
		31/03/2019	31/03/2018
1	Segment Revenue		
	(a) Investment Activities	5,757.49	11,749.10
	(b) Financing Activities	73,225.16	132,741.26
	(c) Unallocated	589.34	473.03
	Total Segment Revenue	79,565.99	144,963.39
	Income from operations	79,565.99	144,963.39
2	Segment Results		
	(a) Investment Activities	(5,144.23)	(2,042.86)
	(b) Financing Activities	(146,289.34)	(115,500.84)
	(c) Unallocated	(3,427.67)	(547.95)
	Total Segment Results	(154,861.24)	(118,181.65)
	Profit/ (loss) before tax	(154,861.24)	(118,181.65)
3	Segment Assets		
	(a) Investment Activities	128,639.82	151,073.79
	(b) Financing Activities	490,634.75	926,078.41
	(c) Unallocated	76,831.21	72,585.98
	Total Segment Assets	696,105.78	1,149,738.18
4	Segment Liabilities		
	(a) Investment Activities	121,976.17	123,702.54
	(b) Financing Activities	478,995.55	776,278.83
	(c) Unallocated	447.66	324.20
	Total Segment Liabilities	601,420.38	900,305.57

13) Previous year figures have been regrouped wherever necessary to conform to the current year presentation.

For and on behalf of the Board of Directors - Religare Finvest Limited

*Rashmi*  
Dr. Rashmi Saluja  
Director  
Ditt- 01715298

Place: New Delhi  
Date : May 20, 2019



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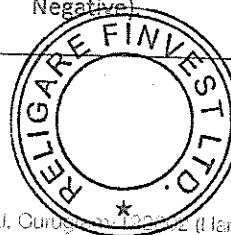
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**Religare Finvest Limited**

**Disclosure pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (Listing Regulations)**

With reference to listing regulations, please find the details of the company basis the audited standalone financials result for the year ended March 31, 2019, as under

S. No.	Particular	Details
a)	Credit Rating and change in Credit Rating (if any)	<p><b>Credit Rating:</b> ICRA BB (Rating Watch with Developing implications), from ICRA; IND B+ (Rating Watch Negative), from India Ratings; CARE rating withdrawn.</p> <p><b>Change in Credit Rating:</b></p> <p>In June 2018, the credit rating of Religare Finvest Limited was revised by CARE as follows:</p> <ul style="list-style-type: none"> <li>a. CARE revised the long term debt rating of RFL to CARE BBB- from CARE BBB (Credit Watch with Developing implications). Thereafter, CARE has withdrawn the outstanding ratings of CARE BBB-</li> </ul> <p>In October 2018, the credit rating of Religare Finvest Limited was revised by ICRA as follows:</p> <ul style="list-style-type: none"> <li>a. ICRA has revised the rating to [ICRA]BBB- (Rating Watch with Developing implications) from [ICRA] BBB (Rating Watch with Developing implications).</li> <li>b. ICRA has revised the rating to [ICRA]BB (Rating Watch with Developing implications) from [ICRA] BBB- (Rating Watch with Developing implications).</li> </ul> <p>In November 2018 and March 2019, the credit rating of Religare Finvest Limited was revised by India Ratings as follows:</p> <ul style="list-style-type: none"> <li>a. In November 2018, India Ratings revised the long term debt rating of RFL to IND BB (Rating Watch Negative) from IND BBB (Rating Watch Negative).</li> </ul>





		<p>b. In March 2019, India Ratings revised the long term debt rating of RFL to IND B+ (Rating Watch Negative) from IND BB (Rating Watch Negative).</p> <p>Subsequent to 31st March 2019, ICRA and India Ratings and Research have revised the ratings, details of which are given as per Annexure – 1.</p>
b)	Asset cover available, in case of non-convertible debt securities	Not Applicable
c)	Debt-equity ratio as on March 31, 2019	6.17 (times) Formula for Debt/Equity ratio is Total Debt/ Total Shareholders fund.
d)	Previous due date for the payment of interest / repayment of principal of Non-Convertible debt securities and whether the same has been paid or not	Refer Annexure – 2
e)	Next due date for the payment of interest and repayment of principal of Non-Convertible debt securities	Refer Annexure – 3
f)	Debt service coverage ratio	Not Applicable
g)	Interest service coverage ratio	Not Applicable
h)	Outstanding redeemable preference shares (quantity and value)	Nil
i)	Debenture Redemption Reserve as on March 31, 2019	NIL
j)	Net worth as on March 31, 2019	Rs. 93,407.95 Lakhs
k)	Net profit / (loss) after tax i) for the year ended March 31, 2019 ii) for the six months ended March 31, 2019	i) Rs. (154,806.09) Lakhs ii) Rs. (76,679.16) Lakhs
l)	Earnings per share - Basic and Diluted i) for the year ended March 31, 2019 ii) for the six months ended March 31, 2019	i) Rs. (59.06) ii) Rs. (29.26)

For Religare Finvest Limited

*Rashmi*  
Dr. Rashmi Saluja  
Director  
DIN- 01715298



Place: New Delhi  
Date: May 20, 2019

*Rashmi*

Annexure – 1

Subsequent to 31<sup>st</sup> March 2019, ICRA and India Ratings and Research have revised the ratings of the instruments, details of which are given below:

a. ICRA has revised the ratings of the various instruments of Company as per the details given below:

S.No.	Instruments	Current Rated Amount (In Rs. Crore)	Rating Action
1.	Long-Term Debt programme	220	Rating revised from [ICRA]BB@ to [ICRA] D and removed from watch
2.	Bank Limits	9,000 (Outstanding Rs. 3,413.30 crore)	Rating revised from [ICRA]BB@ to [ICRA] D and removed from watch / [ICRA] A4@ to [ICRA] D and removed from watch

@ rating watch with negative implications

b. India Ratings and Research has revised the ratings of the various instruments of Company as per details given below:

S.No.	Instruments	Current Rated Amount (In INR billion)	Rating Action
1	Lower Tier 2 sub-debt	4	Rating revised from IND B+/RWN to IND C
2.	Long-term bank loans	150	Rating revised from IND B+/RWN to IND D
3.	Commercial paper	INR30	Rating revised from IND A4/RWN to WD*
4.	Short-term bank loans	30	Rating revised from IND A4/RWN to WD*

\*withdrawn (the company did not proceed with the instrument as envisaged)

The rating revision follows the recent delays in debt servicing by the Company. While the company had sufficient cash balances of ~Rs. 130 crore as on April 30, 2019 as compared with the principal repayments due of Rs. 63.68 crore for the month, it did not repay the principal due for the month even though their proposed resolution plan is yet to be approved and implemented by the lenders.

Given the mismatches in the ALM, Company had earlier proposed to implement a debt resolution plan with its lenders and the same was discussed at the Joint Lenders Meeting (JLM) on March 7, 2019, wherein April 1, 2019 was decided to be the Reference Date for Holding On operations. As a part of the resolution plan, the Company had proposed to service only the interest on its borrowings and not the Principal due.

*Ganraj*



Annexure – 2

Details of previous due date (October 01, 2018 to March 31, 2019) for the payment of interest and repayment of principal of non-convertible debt securities are as under:-

S.No.	ISIN	Type (Principal/Interest)	Date	Whether paid or not
1	INE958G07841	Principal and Interest	9-Oct-18	Paid
2	INE958G08955	Interest	12-Oct-18	Paid
3	INE958G08963	Interest	21-Jan-19	Paid
4	INE958G08989	Interest	25-Feb-19	Paid
5	INE958G08997	Interest	28-Mar-19	Paid

Annexure - 3

Details of next due date (April 1, 2019 to September 30, 2019) for the payment of interest and repayment of principal of non-convertible debt securities are as under:-

S.No.	ISIN	Type (Principal/Interest)	Date
1	INE958G08AA3	Interest	30-Sep-19

*Ganesh*



**SS KOTHARI MEHIA  
& COMPANY**  
CHARTERED ACCOUNTANTS

**Independent Auditors' Report on the Financial Results of Religare Finvest Limited pursuant to Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
Board of Directors of  
**Religare Finvest Limited**

1. We have audited the accompanying statement of Standalone Financial Results of **Religare Finvest Limited** (the "Company"), for the year ended March 31, 2019 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016 (the "Regulation"). Attention is drawn to note 5 to the statement which states that the figures for the half year ended March 31, 2019 as reported in these statement are the balancing figures between audited figures in respect of the full financial year and the published year to date figures for the half year ended September 30, 2018. Also, the figures for the half year ended September 30, 2018 had only been reviewed and not subjected to audit. These Statement, are based on the financial statements for the year ended March 31, 2019 prepared in accordance with the accounting principal generally accepted in India including Indian Accounting Standards (IND AS) specified under Sec 133 of the Companies Act 2013(the 'Act') and published year to date figures for the half year ended September 30, 2018 prepared in accordance with the recognition and measurement principals laid down in Ind AS 34 'Interim Financial Reporting' specified under Section 133 of the Act, and SEBI Circular CIR/IMD/DF1/69/2016 dated August 10, 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on the statement based on our audit of the financial statements for the year ended March 31, 2019 and our review of financial result for the half year ended September 30, 2018.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

**Basis for Qualified Opinion**

3. We refer to -
  - (i) Our modified audit report dated May 30, 2018 (first audit carried out by us) on accounts for the financial year ended March 31, 2018 and;
  - (ii) Our subsequent report to Ministry of Company Affairs under section 143(12) (wherein



S S KOTHARI MEHTA  
& COMPANY  
CHARTERED ACCOUNTANTS

we also stated that we do not have access to the intermediate borrowing companies) and;

- (iii) The subsequent forensic report summarized in SEBI order dated March 14, 2019:

and the in the above context, we state as under:

- (a) Adjustment of fixed deposits of Rs. 79,145 lakhs (excluding Rs. 2,703.39 lakhs interest accrued & due till the date of original maturity i.e. July 20, 2018) with and by the Lakshmi Villas Bank (LVB) against the loans given to promoter group companies in the previous year continued to be under litigation at Hon'ble High Court for declaration and recovery. Pending disposal of the case, we are unable to comment on the status of recoverability and classification of the reported balance. Refer Note no.10 of the Statement.

- (b) (i) Loans given to certain companies appearing in Corporate Loan Book (CLB portfolio) aggregating to Rs. 203,670 lakhs as on March 31, 2019 (substantially these loans were given upto the period March 31, 2017, when we were not the auditors. Loans, so provided including given in financial year ending March 31, 2018 have been reported by us under section 143(12) of the Companies Act, 2013 as referred in point 3(ii) above) {expected credit loss (ECL) fully provided for; no further loans have been given during the financial year ended on March 31, 2019} and proceedings launched by the company against these companies continued to be under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Delhi. Most of these proceedings are stayed by the Hon'ble Supreme Court in its order dated April 5, 2019 in case of M/s Daiichi Sankyo Company Limited Versus Oscar Investments Limited & Ors. Refer Note no. 8 of the Statement.

(ii) Further, the company has subscribed to Non-Convertible Debentures of a corporate entity of Rs. 20,000 lakhs in December 2016 (Impairment of Rs. 13,004.70 lakhs considered till March 31, 2019) and extended loan of Rs 5,000 lakhs (ECL fully provided) to one of the corporate. Due to default in making repayment of NCD/loan to the Company, it has filed the cases against both the parties under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Kolkata.

Considering the pending decision of Hon'ble Supreme Court of India and Hon'ble NCLT Delhi in para 3 (b)(i) above and Hon'ble NCLT, Kolkata in para 3(b)(ii) above, we are unable to comment on adequacy of provision, any additional financial and legal implications on the financial statements of the company.

4. During the year, some of the lenders have increased interest rates mainly due to downgrade in External Credit rating (ECR) of the Company. The Company has protested for such increase in the interest rate and has not serviced increased interest rate. Further, Company has not made the provision of increased amount of Interest amounting to Rs. 2,898.47 lakhs, but the Company shown the same as contingent liability in the financial statement. As informed, company is in the process of getting approval from respective banks for restoring the original interest rates. Had the provision of the same is made in the books of accounts than losses for the year would have increased by Rs. 2,898.47 lakhs.



SS KOTHARI MEHTA  
& COMPANY  
CHARTERED ACCOUNTANTS

Emphasis of Matter

5. We refer to our modified audit report dated May 30, 2018 on audited annual accounts for the financial year ending on March 31, 2018, Company is still pursuing appropriate legal remedies to recover the amounts due from Strategic Credit Capital Private Limited ('SCCPL') and Perpetual Credit Services Private Limited ('Perpetual') aggregating to Rs. 79,367.20 Lakhs (fully provided for in the financial year ending March 31, 2017) and expect that there will not be any obligation on the Company out of these cases. Refer Note no. 9 of the Statement.
6. Loan of Rs. 12,500 Lakhs is outstanding as at March 31, 2019 from Religare Comtrade Limited (RCTL) and considered provision for ECL of Rs. 1,250 Lakhs against this loan. Although, RCTL have accumulated losses and its net worth is fully eroded as at 31st March' 2019 but management has assessed that no further ECL is required on such loan as holding company of RCTL "Religare Enterprise Limited", which is also holding company of the Company has provided letter of comfort to RCTL and in turn RCTL has provided assurance to the Company that all amount due would be repaid. We have relied on management's contention.
7. Company continued to carry Deferred Tax Assets amounting to Rs. 49,315.69 Lakh as at March 31, 2019 considering the availability of future taxable profit against which the deductible temporary differences and unused tax losses can be utilized. We have relied on the management's assessment.

Our report is not qualified on these matters.


Qualified Opinion

8. Based on our audit, *except for the effects of the qualifications described in paragraph 3 and 4*, in our opinion and to the best of our information and according to the explanations given to us, this statement:
  - (i) is presented in accordance with the requirements of the Regulation; and
  - (ii) gives a true and fair view in conformity with the aforesaid Ind AS and other accounting principles generally accepted in India of the net loss (including other comprehensive income) and other financial information of the Company for the year ended March 31, 2019.

For S. S. Kothari Mehta & Company

Chartered Accountants

Firm's Registration No. 000756N

  
Naveen Aggarwal

Partner

Membership No.: 094380

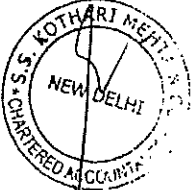



Place: New Delhi

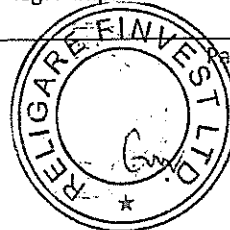
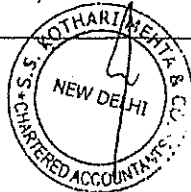
Dated: May 20, 2019

**RELIGARE FINVEST LIMITED**  
Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2019

(Amount in Rs.)

I	S. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	NA	NA
	2	Total Expenditure	NA	NA
	3	Net Profit/(Loss)	NA	NA
	4	Earnings Per Share	NA	NA
	5	Total Assets	NA	NA
	6	Total Liabilities	NA	NA
	7	Net Worth	NA	NA
	8	Any other financial item(s) (as felt appropriate by the management)	NA	NA
<b>II(a)</b>	<p><b><u>Audit Qualification (each audit qualification separately):</u></b></p> <p>a. Details of Audit Qualification:</p> <p>Adjustment of fixed deposits of Rs. 79,145 lakhs (excluding Rs. 2,703.39 lakhs interest accrued &amp; due till the date of original maturity i.e. July 20, 2018) with and by the Lakshmi Villas Bank (LVB) against the loans given to promoter group companies in the previous year continued to be under litigation at Hon'ble High Court for declaration and recovery. Pending disposal of the case, we are unable to comment on the status of recoverability and classification of the reported balance. Refer Note no.10 of the Statement.</p> <p>b. Type of Audit Qualification : Qualified Opinion</p> <p>c. Frequency of qualification: Repetitive - Continue since March'18</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Auditors have not quantified the impact of the Qualified Opinion</p> <div style="display: flex; justify-content: space-around; align-items: center;">   </div>			

	<p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>(i) RFL had filed a suit for recovery of amounts misappropriated by the Lakshmi Vilas Bank ("LVB") placed as Fixed Deposits with it on May 31, 2018 before the Hon'ble Delhi High Court. The Hon'ble High Court was pleased to pass interim Orders directing that status quo be maintained in respect of RFL's current account maintained with LVB.</p> <p>(ii) It is pertinent to mention here that LVB has sought to delay the adjudication of the interim reliefs and the suit for recovery sought by RFL by filing multiple applications, all of which have been kept in abeyance by the Hon'ble Court till such time RFL's applications for interim reliefs are disposed of. The pleadings in the matter are now complete, in as much as LVB has filed a reply to RFL's suit and RFL has filed its rejoinder to the same. LVB has further filed a sur rejoinder to the rejoinder filed by RFL. Strategic Credit Capital Private Limited and Participation Finance have filed applications to be impleaded in the matter, which are yet to be adjudicated on by the Hon'ble Court. The case has been fixed for arguments on interim applications filed by RFL for various dates since July 19, 2018 till March 11, 2019. On March 11, 2019 arguments were addressed at length by the counsel of Plaintiff. The Hon'ble Court was pleased to reserve order on the interim application on April 12, 2019. No further date has been given by the Court.</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p> <p>(iii) Auditors' Comments on (i) or (ii) above: The Auditors are of the view that pending disposal of the case, we are unable to comment on the status and classification.</p>
<p>II(b)</p>	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p>a. Details of Audit Qualification:</p> <p>(i) Loans given to certain companies appearing in Corporate Loan Book (CLB portfolio) aggregating to Rs. 203,670 lakhs as on March 31, 2019 (substantially these loans were given upto the period March 31, 2017, when we were not the auditors. Loans, so provided including given in financial year ending March 31, 2018 have been reported by us under section 143(12) of the Companies Act, 2013 as referred in point 3(ii) above) (expected credit loss (ECL) fully provided for; no further loans have been given during the financial year ended on March 31, 2019) and proceedings launched by the company against these companies continued to be under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Delhi. Most of these proceedings are stayed by the Hon'ble Supreme Court in its order dated April 5, 2019 in case of M/s Daiichi Sankyo Company Limited Versus Oscar Investments Limited &amp; Ors. Refer Note no. 8 of the Statement.</p> <p>(ii) Further, the company has subscribed to Non-Convertible Debentures of a corporate entity of Rs. 20,000 lakhs in December 2016 (impairment of Rs. 13,004.70 lakhs considered till March 31, 2019) and extended loan of Rs 5,000 lakhs (ECL fully provided) to one of the corporate. Due to default in making repayment of NCD/loan to the Company, it has filed the cases against both the parties under Insolvency and Bankruptcy Code (IBC) before the Hon'ble NCLT Kolkata.</p> <p>Considering the pending decision of Hon'ble Supreme Court of India and Hon'ble NCLT Delhi in para 3 (b)(i) above and Hon'ble NCLT, Kolkata in para 3(b)(ii) above, we are unable to comment on adequacy of provision, any additional financial and legal implications on the financial statements of the company.</p>





b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Repetitive - Continue since March'17

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:  
The Auditors have not quantified the impact of the Qualified Opinion

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

The Company has an exposure of Rs 203,670.00 Lacs as per financials as at March 31, 2019 towards the Corporate Loan Book. RBI has raised concerns in the past about the credit worthiness of the borrowers, credit appraisal and loan sanctioning mechanism followed by the company in respect of this book. The management has reviewed the portfolio and the financial reports of the borrowers to determine the recoverability of the said loans. Based on the maturity dates of the loans, recovery steps instituted and the financial reports of the borrowers, the Company had, on a prudent basis, made full provision of Rs. 203,670 Lacs as at March 31, 2019 against this portfolio.

A law firm of repute was appointed to undertake a detailed diligence on this loan book and the said diligence has been completed. Insolvency proceedings have been initiated before the NCLT Delhi and Kolkata against the Borrowers forming a part of the Corporate Loan Book. The Insolvency Petitions filed before the NCLT New Delhi were listed on March 27, 2019 for addressing arguments for the admission of petitions.

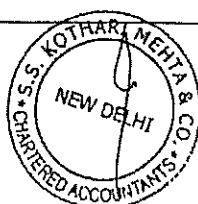
Arguments were heard at length on the said date and the Hon'ble NCLT was pleased to reserve its order and requested the counsels for all the parties to file their written submissions. Order Reserved for admission but the Proceedings are stayed by Supreme Court vide order 05.04.2019. Based on the due diligence report and the replies filed by the borrowers before the NCLT, RFL had also filed a criminal complaint before the EOW, Delhi, on which a F.I.R. no. 50/2019 has been registered and is under investigation.

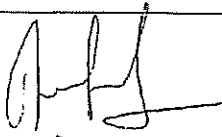
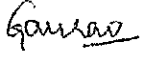
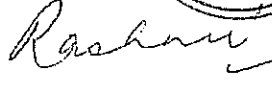
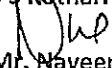


Whereas, the insolvency petition titled as "Religare Finvest Limited vs. Bharat Road Network Limited" filed before the NCLT, Kolkata was listed for admission hearing on March 29, 2019. The corporate debtor / borrower was granted last opportunity to file its reply within 3 days and rejoinder to be filed by RFL within 7 days thereafter. The matter got listed on May 17, 2019 but due to strike the matter was not heard and re-notified for July 18, 2019.

During the year ended March 31, 2019, there is no movement in this portfolio.

(ii) If management is unable to estimate the impact, reasons for the same: NA

(iii) Auditors' Comments on (i) or (ii) above: The Auditors are of the view that considering the pending decision of Hon'ble Supreme Court of India and Hon'ble NCLT Delhi and Kolkata, we are unable to comment on adequacy of provision, any additional financial and legal implications on the financial statements of the company.



II(c)	<p><b>Audit Qualification (each audit qualification separately):</b></p> <p>i. Details of Audit Qualification:</p> <p>During the year, some of the lenders have increased interest rates mainly due to downgrade in External Credit rating (ECR) of the Company. The Company has protested for such increase in the interest rate and has not serviced increased interest rate. Further, Company has not made the provision of increased amount of Interest amounting to Rs. 2,898.47 lakhs, but the company shown the same as contingent liability in the financial statement. As informed, company is in the process of getting approval from respective banks for restoring the original interest rates. Had the provision of the same is made in the books of accounts than losses for the year would have increased by Rs. 2,898.47 Lakhs.</p> <p>ii. Type of Audit Qualification : Qualified Opinion</p> <p>iii. Frequency of qualification: First time</p> <p>iv. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The company has raised the concern and is perusing with the banks for restoring the contractual Rate of Interest.</p> <p>v. For Audit Qualification(s) where the impact is not quantified by the auditor: Not applicable</p> <p>(i) Management's estimation on the impact of audit qualification: NA</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: NA</p> <p>(iii) Auditors' Comments on (i) or (ii) above: NA</p>
III	<p><b>Signatories:</b></p> <ul style="list-style-type: none"> <li>• CEO - Mr. Sanjay D Palve </li> <li>• CFO – Mr. Gaurav Kaushik </li> <li>• Audit Committee Chairman – Dr. Rashmi Saluja </li> <li>• Statutory Auditor of the Company</li> </ul> <p>S S Kothari Mehta &amp; Co., Chartered Accountants    Mr. Naveen Aggarwal  Partner</p> <p>Place :- New Delhi  Date :- May 20, 2019</p>  



ATSL/ DEL/2019-20/242  
May 20, 2019

**Religare Finvest Limited**  
2nd Floor, Rajlok Building,  
24, Nehru Place,  
New Delhi- 110019

**Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015 for the Half- Yearly ended March, 2019**

Dear Sir/Madam,

This has reference to the Privately Placed Secured Redeemable Non- Convertible Debentures issued by Religare Finvest Limited ("Company") and listed on the Bombay Stock Exchange (BSE Limited) ("**Listed Debt Securities**").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (Axis Trustee Services Limited) that the Debenture Trustee has noted the contents furnished by the Company as per Regulation 52(4).

In pursuance thereof, we hereby confirm that we have received the said aforesaid information along with the relevant/necessary supporting and we have noted the contents in respect of the Listed Debt Securities issued by the Company.

Further, please note that we have not independently verified the contents submitted and the aforesaid noting is subject to the following:

1. The Debenture Trustee is relying on the information/ status as submitted by the Company for the purpose of submission to the Stock Exchange; without reconfirming; &
2. Any commitment pertaining to the Interest/ Principal payable on the future due dates are sole commitment on the Company's part and Trustee is not liable in any manner if Company fails to fulfil/does not fulfil its commitment.

Thanking You,

Yours Faithfully  
For **Axis Trustee Services Limited**  
(Debenture Trustee)

(Subhesh Kumar Jha)  
**Assistant General Manager**

**AXIS TRUSTEE SERVICES LTD.**

(A wholly owned subsidiary of Axis Bank)

Corporate Identity Number (CIN): U74999MH2008PLC182264

**REGISTERED OFFICE:** Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.

**CORPORATE OFFICE:** Axis Trustee Services Limited | The Ruby | 2nd Floor | SW | 29 Senapati Bapat Marg | Dadar West | Mumbai- 400 028

Tel. No.: 022 6230 0451 • Website: www.axistrustee.com