

October 21, 2020

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400001

Dear Sirs,

**Sub: - Unaudited Financial Results for the financial year ended September 30, 2020 in Compliance with Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.**

The Board of Directors of the Company have approved the unaudited financial results for the half year ended September 30, 2020, at their meeting held on Wednesday, October 21, 2020.

Accordingly, as required under Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are submitting herewith the Unaudited Financial Results for the half year ended September 30, 2020 along with the Limited Review Report by the Statutory Auditors.

You are requested to kindly take the same on your record and do the needful.

Yours faithfully,

**For Reliance Securities Limited**

*V. P. Sarvaiya*

**Company Secretary**

Encl. As above

**RELIANCE SECURITIES LIMITED**

**Statement of Unaudited Financial Results for the Half Year ended September 30, 2020**

(₹ in Lakh except per share data)

S.N.	Particulars	Half year ended		Year to date figures ended	Year ended
		30th September 2020	30th September 2019	30th September 2020	31st March 2020
		Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	11,414	10,383	11,414	20,668
II	Other income	296	8	296	165
III	<b>Total Revenue (I+II)</b>	<b>11,710</b>	<b>10,391</b>	<b>11,710</b>	<b>20,833</b>
IV	Expenses:				
	Finance Costs	1,280	1,094	1,280	1,784
	Fees and commission expense	1,305	930	1,305	1,917
	Employee Benefits Expenses	4,447	6,052	4,447	9,690
	Depreciation, amortization and impairment	301	354	301	697
	Others expenses	3,022	6,568	3,022	10,634
	<b>Total Expenses</b>	<b>10,355</b>	<b>14,998</b>	<b>10,355</b>	<b>24,722</b>
V	<b>Profit before exceptional items and tax (III-IV)</b>	<b>1,355</b>	<b>(4,607)</b>	<b>1,355</b>	<b>(3,889)</b>
VI	Exceptional items	-	-	-	-
VII	<b>Profit before tax (V-VI)</b>	<b>1,355</b>	<b>(4,607)</b>	<b>1,355</b>	<b>(3,889)</b>
VIII	Tax expense:				
	(1) Current Tax	347	-	347	-
	(2) Deferred Tax	(347)	-	(347)	-
	(3) Taxes of earlier years	(78)	-	(78)	(12)
IX	<b>Profit for the period / year (VII-VIII)</b>	<b>1,433</b>	<b>(4,607)</b>	<b>1,433</b>	<b>(3,877)</b>
X	<b>Other Comprehensive Income</b>				
	Items that will not be reclassified to profit or loss :				
	Re-measurement of post retirement benefit obligation	4	(40)	4	(70)
	Income tax relating to this items	-	10	-	17
XI	<b>Total Comprehensive Income for the period / year (IX +X)</b>	<b>1,437</b>	<b>(4,637)</b>	<b>1,437</b>	<b>(3,930)</b>
XII	<b>Equity Share Capital</b>	<b>21,000</b>	<b>21,000</b>	<b>21,000</b>	<b>21,000</b>
XIII	<b>Earning per share on Equity Shares</b>				
	of ₹ 10 each				
	- Basic	0.68	(2.19)	0.68	(1.85)
	- Diluted*	0.68	(2.19)	0.68	(1.85)

\*On account of conversion of potential equity shares, EPS will become anti-dilutive. Accordingly basic EPS is considered as diluted EPS.



**Notes:**

- 1 The above standalone financial results for the half year ended September 30, 2020 are prepared in accordance with the recognition and measurement principles of Ind AS 34 "Interim Financial Reporting" prescribed under the Act, read with the relevant Rules made thereunder.
- 2 The Company has reported segment wise information as per IND AS 108 "Operating Segment", notified under the Companies (Indian Accounting Standards) Rules, 2015. The operations of the Company are conducted within India, there is no separate reportable geographical segment and the Company reported the following business segments:
  - (i) Broking Activities: Broking activities includes Broking services to clients, research and advisory services and distribution of financial product distribution, depository services, etc.
  - (ii) Proprietary trading : Proprietary Trading activities includes the trading in securities by the Company in its own name.
  - (iii) Certain assets and liabilities, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated"

Particulars	Half Year ended		Year ended
	30th September 2020	30th September 2019	31st March 2020
	Unaudited	Unaudited	Audited
<b>Segment Revenue</b>			
a. Broking activity	8,417	9,537	18,882
b. Proprietary trading	2,997	845	1,786
c. Unallocated	296	8	165
<b>Total</b>	<b>11,710</b>	<b>10,391</b>	<b>20,833</b>
<b>Segment Results</b>			
a. Broking activity	(1,434)	(4,785)	(4,732)
b. Proprietary trading	2,538	222	782
c. Unallocated	251	(44)	61
<b>Total</b>	<b>1,355</b>	<b>(4,607)</b>	<b>(3,889)</b>
<b>Segment Assets</b>			
a. Broking activity	56,537	49,772	50,816
b. Proprietary trading	2,162	3,034	171
c. Unallocated	1,841	2,019	2,122
<b>Total</b>	<b>60,540</b>	<b>54,825</b>	<b>53,109</b>
<b>Segment Liabilities</b>			
a. Broking activity	49,537	45,090	42,781
b. Proprietary trading	296	1,169	1,059
c. Unallocated	-	-	-
<b>Total</b>	<b>49,833</b>	<b>46,259</b>	<b>43,840</b>





**RELIANCE****SECURITIES**

- 3 The Listed Secured Non-Convertible Debentures (Market Linked Debenture) of the Company aggregating to Rs.5,539 Lakh as on September 30, 2020 are secured by way of first ranking mortgage over the Company's Immovable property and second charge on the present and future book debts and receivables hypothecated in favour to Banks towards Working Capital facility of the Company as specifically mentioned in the Trust deed and the asset cover thereof exceeds hundred per cent of the principal amount of the said debentures.
- 4 Covid-19 outbreak declared as a global pandemic by World Health organisation has continued to spread rapidly leading to extension of nationwide lockdown with minor exemptions and quarantine measures stalling economic activity. Our Company, being classified as an essential services has been in operation consistently with minimal permitted staff. Given the digital business model and considering that the company has not faced any material adversity of its financial position as at September 30, 2020 and considering other relevant facts and circumstances existing as of that date, the Company does not anticipated any material uncertainty which affects its liquidity position and also ability to continue as going concern. However, the impact of the global health pandemic may differ from the estimated as at the date of approval of the results and the company will continue to closely monitor any material changes to the future economic condition.
- 5 The Board of Directors of the Company have given consent at their Meeting held on March 19, 2018, to acquire the business undertaking of the Reliance Commodities Limited pertaining to Commodities broking business including all related assets and properties, employees, investments, contracts, debts and liabilities on slump sales basis. Accordingly, the Company has entered into Business Transfer Agreement dated August 24, 2018 with the Reliance Commodities Limited to acquire Commodities broking business for a consideration of Rs. 253 lakhs .


Accordingly the MCX & NCDEX (" the exchanges") vide their letter dated August 5, 2020 & August 20, 2020 respectively have approved the transaction. The accounting impact of the same has been given in the books of the Company w.e.f September 1, 2020. Assets amounting to Rs. 2,988 lakhs and corresponding liabilities amounting to Rs. 2,743 lakhs has been transferred pertaining to Commodity Business. Goodwill of Rs. 8 lakhs has been recognised in Financial Statements.

- 6 The Company got an extension on the Inter-Corporate Loans from Reliance Capital Limited (Holding Company) for the period of 1year to repay principle and interest thereon, which was falling due on September 7, 2020 to September 7, 2021 amounting to Rs. 4,243 lakhs.
- 7 The Company has been unable to obtain Bank Confirmation for the half year ended 30-September-2020 for certain Fixed Deposit Receipts (FDRs) amounting to Rs. 754 lakhs from a Scheduled Commercial Bank (Bank), which includes "Client Margin" FDRs amounting to Rs. 570 lakhs. The Bank has adjusted said FDRs against amounts due and payable by the parent company (Reliance Capital Limited) to the Bank. The Company has obtained legal advise / opinion from a reputed law firm confirming that the action of the Bank to adjust "Client Margin" FDRs can be challenged as being illegal and untenable in law. The regulatory provisions from SEBI also support this position. The Company has initiated necessary actions against the Bank for said adjustments for Client Margin FDRs. Hence, the Company is confident that the said Client Margin FDRs of Rs. 570 lakhs will be recovered from the Bank over a period of time and no adjustments are required to be made in the carrying value of the FDRs. Balance amount of FDRs of Rs. 184 lakhs have been provided for in the books of account of the Company. This matter has been referred by the Auditor in their audit report as matter of emphasis.
- 8 The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the company at its meeting held on October 21, 2020. The statutory auditors have carried out a limited review and issued an unmodified audit opinion on the financial result.
- 9 Disclosures under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are given in Annexure A.
- 10 Figures of previous period/year are regrouped and reclassified wherever necessary to correspond to figures of the current period/year.

Place : Mumbai  
Date: October 21, 2020



For Reliance Securities Limited

  
Lav Chaturvedi  
Executive Director & CEO  
DIN : 02859336

**RELIANCE SECURITIES LIMITED**

Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 For the half year ended September 30, 2020

**1 Credit Rating**

Instrument	Rating Agency	Rating
Market Linked Debentures	CARE Ratings Limited	CARE PP-MLD BB- (Credit watch with developing implications)

**2 Asset cover available in case of non convertible debt securities.**

<b>A Assets Available</b>	23,597
<b>B Secured Debt</b>	6,949
(a) Long-Term Secured borrowing	6,949
(b) Short-Term Secured borrowing	-
<b>*Security coverage ratio (A/B)</b>	3.40
<b>C Total secured borrowing other than Non Convertible Market Linked Debentures (MLD's)</b>	-
<b>D Total assets available for market linked debenture (A-C)</b>	23,597
<b>E Non Convertible Market Linked Debentures (MLD's)</b>	6,949
<b>**Security coverage ratio for non convertible debenture (D/E)</b>	3.40

**3 Debt-equity ratio as on September 30, 2020:**

1.02

**4 Previous due date for the payment of interest/principal: Principal along with interest has been paid on the due from 1st April 2020 to 30th September 2020;**

ISIN	BSE Scrip code	From 1st April 2020 to 30th September 2020	
		Interest	Principal paid along with interest on
INE923107072	958136	N.A.	24-Jun-20

**5 Next due date for the payment of interest/ principal along with interest:**

ISIN	BSE Scrip code	From 1st October 2020 to 31st March 2021	
		Interest	Principal along with interest
INE923107072	958136	N.A.	02-Dec-20

**6 Debt service coverage ratio;**

a. Earning before interest and tax (EBIT)	2,635
b. Debt outstanding along with interest	11,192
c. Debt service coverage ratio (a/b)	0.24





Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 For the half year ended September 30, 2020

<b>7 Interest service coverage ratio;</b>	
a. Earning before interest and tax (EBIT)	2,635
b. Interest cost	1,280
c. Interest service coverage ratio (a/b)	2.06
<b>8 Outstanding redeemable preference shares</b>	
- No. of Preference Shares outstanding:	Nil
- Amount:	Nil
<b>9 Debenture redemption reserve(DRR):</b>	560
<b>10 Net worth as on September 30, 2020 *:</b>	8,219
<b>11 Net Profit After Tax</b>	1,433
<b>12 Earnings per share:</b>	
Basic EPS	0.68
Diluted EPS **	0.68

\* Networth computed here does not include Capital Reserve of Rs. 2602 lakhs.

\*\*On account of conversion of potential equity shares, EPS will become anti-dilutive. Accordingly basic EPS is considered as diluted EPS.



(₹ in lakh)

S.N.	Particulars	As at September 30, 2020	
		Unaudited	As at March 31, 2020 Audited
	<b>ASSETS</b>		
	<b>1) Financial Assets</b>		
(a)	Cash and cash equivalents		
(b)	Bank balance other than cash and cash equivalents above	3,161	4,291
(c)	Derivative financial instruments	30,292	24,772
(d)	Receivables	26	9
	(i) Trade receivables		
	(ii) Other receivables	2,615	3,773
(e)	Loans	725	659
(f)	Investments	2,409	4,762
(g)	Other Financial assets	10	31
		15,590	10,741
		<b>54,828</b>	<b>49,038</b>
	<b>2) Non-financial Assets</b>		
(a)	Inventories	2,068	61
(b)	Current tax assets (net)	476	1,067
(c)	Deferred tax assets (net)	1,190	844
(d)	Investment property	14	14
(e)	Property, plant and equipment	577	753
(f)	Goodwill	8	-
(g)	Other intangible assets	572	646
(h)	Other non-financial assets	807	687
		<b>5,712</b>	<b>4,072</b>
	<b>Total Assets</b>	<b>60,540</b>	<b>53,110</b>
	<b>LIABILITIES AND EQUITY</b>		
	<b>LIABILITIES</b>		
	<b>3) Financial Liabilities</b>		
(a)	Derivative financial instruments		
(b)	Payables	156	987
	(I) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	30,572	24,529
	(II) Other payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(c)	Debt Securities	6,949	6,204
(d)	Borrowings (Other than Debt Securities)	3,990	5,050
(e)	Subordinated Liabilities	-	-
(f)	Other financial liabilities	1,945	2,226
		<b>43,612</b>	<b>38,996</b>
	<b>4) Non-Financial Liabilities</b>		
(a)	Provisions	274	231
(b)	Other non-financial liabilities	5,947	4,614
		<b>6,221</b>	<b>4,845</b>
	<b>5) EQUITY</b>		
(a)	Equity Share capital	21,000	21,000
(b)	Instruments entirely equity in nature	2,500	2,500
(c)	Other Equity	(12,793)	(14,231)
		<b>10,707</b>	<b>9,269</b>
	<b>Total Liabilities and Equity</b>	<b>60,540</b>	<b>53,110</b>





**Limited Review Report on Unaudited Financial Results of Reliance Securities Limited for the half year ended September 30, 2020 pursuant to Regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To The Board of Directors of Reliance Securities Limited**

1. We have reviewed the accompanying unaudited financial results of Reliance Securities Limited ('the Company') for the half year ended September 30, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with relevant circulars issued by SEBI ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors in their meeting held on October 21, 2020, has been prepared in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standard) Rules 2015 (as amended) under Section 133 of the Companies Act, 2013 ("the Act"), as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 read with Regulation 63(2) of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note no. 7 of the Statement, regarding non receipt of confirmation against certain fixed deposits (FDs) amounting to Rs. 754.02 Lakh by the Company from a Scheduled Commercial Bank as on September 30, 2020 for the reasons stated in the said note. These FDs include "Client Margin" FDRs of Rs.570.00 Lakh. Based on the facts fully described in the aforesaid note, view of the Company and legal opinion obtained by the Company from an independent legal experts, the management of the Company is confident that they will be in a position to recover said Client Margin FDRs from the Bank over a period of time and no adjustments are required in the carrying amount of said "Client Margin" FDRs. Our conclusion on the Statement is not modified in respect of the above matter.





# Pathak H.D. & Associates LLP

Chartered Accountants

6. We draw attention to Note no. 4 of the Statement, which describes the uncertainties relating to the COVID-19 pandemic outbreak and management's evaluation of the impact on the financial result of the Company as at the reporting date. The impact of these uncertainties on the Company's operations is significantly dependent on future developments. Our conclusion on the Statement is not modified in respect of this matter.

For **Pathak H. D. & Associates LLP**  
Chartered Accountants  
Firm's Registration No:107783W/W100593

**Vishal D. Shah**

Partner

Membership No: 119303

UDIN: 20119303AAAAN3381



Date: October 21, 2020

Place: Mumbai

October 21, 2020

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai- 400 001

Dear Sirs,

**Sub: Certificate**

In terms of Regulation 52(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose a certificate from debenture trustee viz. Vistra ITCL (India) Limited (formerly IL&FS Trust Company Limited) for the half year ended September 30, 2020.

You are requested to kindly take the same on your record and do the needful.

Yours faithfully,

**For Reliance Financial Limited**



**Authorised Signatory**

Encl. As above



October 21, 2020

To,  
Mr. Viral Sarvaiya  
In Charge - Company Secretarial  
Reliance Financial Limited  
7<sup>th</sup> Floor, B- Wing, Trade World,  
Kamala Mills Compound, S. B. Marg,  
Lower Parel, Mumbai – 400 013.

Dear Sir,

**Sub: Certificate of Debenture Trustee under Regulation 52(5) of SEBI (LODR) Regulations, 2015 for September 30, 2020.**

In compliance of the requirements of Chapter V, Regulation 52, Sub – Regulation (4) and (5) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 for Non – Convertible Debt Securities, we would like to state as under:

We, Vistra ITCL (India) Limited, are acting as a Debenture Trustee for the debenture programme of 60,000 Secured, Redeemable, Non-Convertible Debenture (NCDs) issue aggregating to Rs.600 Crores ( divided into two debenture trust deed of Rs. 350 Crores and Rs. 250 Crores) of Reliance Financial Limited (**‘Company’**).

With reference to above, we have received the following documents and have noted its contents:

1. Statement of Un-audited Financial Results for the half year ended September 30, 2020.
2. Report on review of statement of unaudited financial results dated October 21, 2020.
3. Disclosure pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 for half year ended September 30, 2020.
4. Credit Rating letter (CARE rating) dated August 27, 2020.

This certificate has been signed and issued by us based on documents (mentioned above) submitted by you.

Thanking You  
Yours sincerely,

**For Vistra ITCL (India) Limited**



**Authorized Signatory**

**Place: Mumbai**