



MEDIA RELEASE

CONSOLIDATED TOTAL INCOME OF RS. 1,546 CRORE (US\$ 338 MILLION) – INCREASE OF 19%

**CONSOLIDATED NET PROFIT OF RS. 33 CRORE (US\$ 7 MILLION) AS AGAINST RS 112 CRORE
- MAINLY ON ACCOUNT OF HIGHER INTEREST RATE ENVIRONMENT**

TOTAL ASSETS OF RS 33,356 CRORE (US\$ 7 BILLION) – INCREASE OF 11%

**NET WORTH OF RS. 7,844 CRORE (US\$ 2 BILLION) RANKS AMONG TOP 4 INDIAN
PRIVATE SECTOR FINANCIAL SERVICES GROUPS**

**RCAM MANAGED RS. 93,148 CRORE (US\$ 19 BILLION), ACROSS MUTUAL FUNDS,
MANAGED ACCOUNTS AND HEDGE FUNDS**

**RELIANCE LIFE INSURANCE – FOURTH CONSECUTIVE QUARTER OF PROFIT
AND NO CAPITAL INFUSION**

**RELIANCE LIFE INSURANCE – NIPPON LIFE, JAPAN'S LARGEST PRIVATE LIFE INSURER
ACQUIRED 26% STAKE FOR RS. 3,062 CRORE (US\$ 626 MILLION) – LARGEST FDI TRANSACTION
IN INDIAN FINANCIAL SERVICES AND INSURANCE SECTORS**

**RELIANCE LIFE INSURANCE – PROFIT OF RS. 8 CRORE (US\$ 2 MILLION)
AS AGAINST LOSS OF RS. 42 CRORE**

RELIANCE LIFE INSURANCE – RENEWAL PREMIUM AT 860 CRORE (US\$ 188 MILLION) – UP 10%

**RELIANCE LIFE INSURANCE – TOTAL FUNDS UNDER MANAGEMENT AT
RS. 16,747 CRORE (US\$ 3 BILLION) – UP 1%**

**RELIANCE COMMERCIAL FINANCE – ASSETS UNDER MANAGEMENT
AT RS. 15,035 CRORE (US\$ 3 BILLION) – UP 25%**

RELIANCE COMMERCIAL FINANCE – 99% OF LOAN BOOK SECURED

RELIANCE COMMERCIAL FINANCE – PROVISIONING COSTS DECLINE BY 51%

RELIANCE COMMERCIAL FINANCE – GROSS NPLS DECLINE BY 26% YOY

**RELIANCE GENERAL INSURANCE - LOSS AT RS. 29 CRORE (US\$ 6 MILLION)
– QoQ DECLINE OF 4%**

RELIANCE

Mumbai, November 11, 2011: Reliance Capital Limited (RCL) today announced its un-audited financial results for the quarter ended September 30, 2011. The performance highlights are:

Consolidated – Quarter ended September 30, 2011

- **Total income** of Rs **1,546 crore (US\$ 338 million)**, against Rs **1,300** crore in the corresponding period – **an increase of 19%**
- **Net profit** of Rs **33 crore (US\$ 7 million)**, against Rs **112** crore in the corresponding period – mainly on account of higher interest rate environment
- **Earnings per share** of Rs. **1.36 (US\$ 0.03)** against Rs **4.03** in the corresponding period, a decrease of 66%

Net worth:

As on September 30, 2011, the **net worth** of the Company stood at **Rs 7,844 crore (US\$ 2 billion)**.

The company ranks among the **top 4 Indian private sector financial services groups** in terms of net worth.

Credit Rating:

The Company had a **net debt equity ratio of 2.6** as on September 30, 2011. It enjoys the **highest ratings of 'A1+' by ICRA and CRISIL**, for its short term borrowing program and **'CARE AAA'** for its long term borrowing program.

Operational Review:

As on September 30, 2011, the **total assets of the Company** stood at **Rs 33,356 crore (US\$ 7 billion)** – an increase of 11%

The investment portfolio of listed equities as on September 30, 2011, amounted to **Rs. 1,672 crore (US\$ 342 million)**, at cost.

The Company has **not raised any fixed deposits** from the public.

RELIANCE

Group Companies:

Reliance Capital Asset Management Reliance Mutual Fund

- Reliance Capital Asset Management (RCAM) managed **Rs. 93,148 crore (US\$ 19 billion)** as on September 30, 2011, across mutual funds, managed accounts and hedge funds
- **Reliance Mutual Fund (RMF)** is among top two mutual funds in India, in terms of AUM, with **market share of 13%**
- The **average assets under management (AAUM)** of RMF, for the quarter ended September 30, 2011 stood at **Rs. 90,661 crore (US\$ 18.5 billion)**
- During the quarter, the Systematic Investment Plan (**SIP**) and Systematic Transfer Plan (**STP**) investor accounts **increased by 41% to 19 lakhs** – the highest in the industry
- RMF had a wide distribution network with over **250 branches** across India, as on September 30, 2011
- As on September 30, 2011, there were total of **43 schemes** comprising **21** equity oriented schemes, **19** debt oriented schemes, **2** exchange traded funds and **1** Fund of funds
- RCAM's **income from its operations was Rs 163 crore (US\$ 36 million)** for the quarter ended September 30, 2011 , as against Rs **177** crore for the corresponding previous period – **a decrease of 8%** on account of 13% decline in AAUM
- The **profit before tax of RCAM was Rs 66 crore (US\$ 14 million)** for the quarter ended September 30, 2011 , as against Rs. **70** crore for the corresponding previous period
- The focus on retail long term debt and higher yield products has **improved the PBT margins to 40%** for the quarter ended September 30, 2011
- Achievements:
 - The unique retail Gold Savings Fund launched by RMF in February 2011, crossed **Rs. 1,900 crore (US\$ 393 million)** in AAUM for the quarter ended September 30, 2011, **QoQ increase of 69%**
 - The **long term debt to Total debt AAUM** increased to **38%** as against **27%** for the corresponding previous period

RELIANCE

Reliance Life Insurance

- Reliance Life Insurance (RLI) is among the **leading private sector life insurance players in terms of new business premium with a market share of over 5%** of the private sector
- The **Total Premium (net of reinsurance) was Rs. 1,263 crore (US\$ 276 million)** for the quarter as against Rs. 1,575 crore for the corresponding previous period
- **Renewal Premium was at Rs 860 crore (US\$ 188 million)** for the quarter ended September 30, 2011 as against Rs 779 crore for the corresponding previous period, **an increase of 10%**
- RLI achieved a **profit of Rs. 8 crore (US\$ 2 million)** for the quarter ended September 30, 2011 as against a **loss** of Rs. 42 crore for the corresponding previous period. Infact RLI has been making consistent monthly profits since September 2010
- The **operating costs** for the quarter ended September 30, 2011 were **Rs. 310 crore (US\$ 68 million)** as against Rs. 449 crore for the corresponding previous period, **a decrease of 31%**
- The **total funds under management** as on September 30, 2011 **stood at Rs. 16,747 crore (US\$ 3 billion), an increase of 1%**
- For the **fourth consecutive quarter, no fresh capital** was required to be infused into the business. The **capital invested** in this business, is **Rs. 3,094 crore (US\$ 632 million)**
- **The distribution network** increased to **1,252 offices** at the end of September 30, 2011, as against **1,248** offices at the end of September 30, 2010
- **The number of agents** at the end of September 30, 2011 were **1,65,381** as against **2,13,504** agents at the end of September 30, 2010, **a decline of 23%**, in line with the focus on productivity and performance of agents
- Achievements:
 - **Nippon Life**, Japan's largest private life insurer, acquired a **26% stake in Reliance Life Insurance for Rs. 3,062 crore (US\$ 626 million)**
 - The transaction values Reliance Life Insurance at approximately **Rs. 11,500 crore (US\$ 2.4 Billion)**
 - This is the **largest FDI in Indian Financial Services sector** and by far, the largest FDI in **Insurance sector**
 - Nippon Life is a 122 year old life insurance company, 7th largest in the world and largest in Japan. As a strategic partner, Nippon Life will bring vast experience, expertise and global best practices - in areas of product development, underwriting, investment management, distribution, customer relationship management and risk management

RELIANCE

Reliance General Insurance

- Reliance General Insurance (RGI) offers insurance solutions for auto, health, home, property, travel, marine, commercial and other speciality products
- RGI is among the leading private sector general insurance companies in India (in terms of gross written premium). It has a **private sector market share of 8%** of the Indian private sector general insurance industry
- The **Gross Written Premium** for the quarter ended September 30, 2011 was **Rs. 369 crore (US\$ 81 million)** as against Rs. 371 crore for the quarter ended September 30, 2010
- The **Loss for the quarter was brought down to Rs. 29 crore (US\$ 6 million)** as against loss of Rs. 30 crore for the quarter ended June 30, 2010, **decline of 4%**, reflecting successful steps taken towards writing only profitable business
- During the quarter, **Rs. 35 crore (US\$ 7 million)** was infused into the business, as against Rs. 100 crore for the corresponding previous period, a **decrease of 65%**
- The **total capital invested** in the business, is **Rs. 1,284 crore (US\$ 262 million)**
- At the end of September 30, 2011, the **investment book** stood at **Rs. 2,298 crore (US\$ 470 million)**, an **increase of 17%**
- RGI had a **distribution network of 162 branches** and over **5,200 intermediaries**, at the end of September 30, 2011

Reliance Commercial Finance

- Reliance Commercial Finance (RCF) offers a wide range of products which include Home loans, Loans against property, SME loans, Commercial Vehicle loans, Loans for Construction equipment, Loans against securities and Infrastructure financing
- RCF is amongst the leading lenders in the Indian non banking finance space. The focus in this business continues to be on asset backed lending and de-emphasise unsecured loans. As on September 30, 2011, **99% of the loan book was secured**, as against **93%** as on September 30, 2010
- The **disbursements** for the quarter ended September 30, 2011 were **Rs 2,344 crore (US\$ 512 million)** as against Rs 1,951 crore for corresponding previous period, an **increase of 20%**
- As on September 30, 2011, the assets under management (including securitized portfolio) was **Rs. 15,035 crore (US\$ 3 billion)** as against Rs. 12,001 crore as on September 30, 2010 – **increase of 25%**
- The outstanding **loan book** as on September 30, 2011 was at **Rs 13,927 crore (US\$ 2.8 billion)**, against Rs 9,997 crore as on September 30, 2010, an **increase of 39%**. This loan book is spread **across 1,01,700 customers** from top **18 Indian metros**

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- During the quarter ended September 30, 2011, RCF **securitised loans of Rs. 101 crore (US\$ 22 million)**
- The total income for the quarter ended September 30, 2011 was **Rs. 471 crore (US\$ 103 million)** as against **Rs. 312 crore** for the corresponding previous period, **an increase of 51%**
- The provisions decreased significantly to **Rs. 20 crore (US\$ 4 million)** for the quarter ended September 30, 2010 from **Rs. 41 crore** for the corresponding previous period, **a decrease of 51%**, despite additional one time provisioning made on housing loans of **Rs. 11 crore (US\$ 2 million)** in line with the new provisioning norms mandated by The National Housing Bank
- **The gross NPLs declined 26% YoY to Rs. 184 crore (US\$ 38 million)**
- RCF achieved a **profit before tax of Rs. 55 crore (US\$ 12 million)** for the quarter, as against **Rs 61 crore** for the corresponding previous period, **a decrease of 10%**, on account of **increase in interest costs by 110%**

Broking businesses

- Reliance Securities (RSec) is the equity broking arm of Reliance Capital, is one of the leading retail broking houses in India, providing customers access to equities, equity options, wealth management, mutual funds, IPOs and investment banking
- The key focus is on the business verticals of broking, wealth management and investment banking
- In **equity broking**, at the end of September 30, 2011, RSec had **over 6,70,000 retail broking accounts** with an **average daily equities turnover of Rs. 1,200 crore (US\$ 265 million)**
- In **commodity broking**, at the end of September 30, 2011, the **commodity broking accounts** increased to **36,885**, **an increase of 11%**, with an **average daily commodities turnover at Rs. 760 crore (US\$ 166 million)**, **an increase of 210%**
- In **wealth management**, the **AUM** as on September 30, 2011 increased to **Rs. 217 crore (US\$ 44 million)**, a **YoY increase of 84%**
- The business maintained **revenues of Rs 34 crore (US\$ 8 million)** for the quarter ended September 30, 2011 as against **Rs. 33 crore** for the quarter ended June 30, 2011, **an increase of 5%**
- **Profit before tax** stood at **Rs. 2 crore (US\$ 0.5 million)** for the quarter ended September 30, 2011

Distribution business

- The distribution business of Reliance Capital, branded as **'Reliance Money'** is a comprehensive financial services and solutions provider, providing customers with access to mutual funds, insurance products, gold coins, money transfer and currency exchange

RELIANCE

- Reliance Money is amongst the **leading domestic distributors of financial products** with a pan India presence with over **6,100 outlets**
- In the **gold coin business**, through its pan India presence, Reliance Money has sold **over 240 kilos of gold** in Q2 FY12, an increase of **13%**
- Reliance Money, **largest private sector partner for Western Union Money Transfer** handled **over 5.5 lakh money transfer transactions** during the quarter, an increase of **10%**
- The business generated **revenues of Rs 22 crore (US\$ 5 million)** for the quarter ended September 30, 2011, as against Rs. 9 crore for the corresponding previous period, an increase of **150%**
- **Profit before tax** achieved for the quarter ended September 30, 2011 was **Rs. 2 crore (US\$ 0.5 million)**

Shareholding Pattern as on September 30, 2011 :

Category	No. of Shares	Shareholding (%)
Promoters	13,29,82,272	54.1
Foreign Investors – FIIs, NRIs and others	5,21,67,119	21.2
Domestic institutions/ Banks/ Mutual Funds	1,20,00,799	4.9
Indian public	4,84,82,610	19.7
TOTAL – 12.7 million shareholders	24,56,32,800	100.0

Background:

Reliance Capital, the largest non banking finance company in India, is a part of the Reliance Group and is a constituent of S&P CNX Nifty Junior and MSCI India.

Reliance Group is amongst India's leading business houses with over 230 million customers. It has a strong presence across a wide array of high growth consumer-facing businesses of financial services, telecom, energy, power, infrastructure and media and entertainment.

Reliance Capital has interests in asset management and mutual funds, portfolio management services, pension funds, life and general insurance, private equity and proprietary investments, stock broking and depository services, investment banking, wealth management, home and commercial finance, financial products distribution, venture capital, exchanges, asset reconstruction and other activities in financial services.