

Reliance Capital Limited  
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March 6, 2019

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai 400 001

**BSE Scrip Code: 500111**

**National Stock Exchange of India Limited**

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra Kurla Complex,  
Bandra (East), Mumbai 400 051

**NSE Scrip Symbol: RELCAPITAL**

Dear Sir(s),

**Sub.: Credit Rating**

We wish to inform you that the CARE Ratings (CARE) has revised its rating to A+ (credit watch with developing implications) for long-term debt programme, market linked debentures and subordinated debt of the Company. CARE has stated this action is primarily due to delay in monetising the non-core investments coupled with lower than envisaged fund inflows and tighter funding environment prevailing for the NBFC sector.

The Company considers the rating action completely unjustified and inappropriate. CARE has, without any rationale or justification, totally disregarded imminent liquidity events that will substantially reduce the overall debt of the Company. The Company also places on record the fact that the rating agency arbitrarily refused to provide the Company an opportunity to meet the external member of the Review Committee and address any concerns. The constitution of the Review Committee is itself totally biased and designed to affirm all proposed rating actions, with the majority being comprised of employees of the rating agency, reporting to a common head, thereby turning the entire review process prescribed by SEBI into a futile, pointless and unfair exercise.

As publicly informed, the Company is in the process of monetising its entire 42.88% stake in Reliance Nippon Life Asset Management Limited, which at current market price is valued at over Rs.5,000 crore. The Company expects to realise a significant premium to market price on this monetisation.

The Company has also announced its plans to monetise 49% stake in Reliance General Insurance Company Limited (which is presently 100% owned), and the DRHP has recently been filed with SEBI.

In addition, the Company is at an advanced stage of monetization of several of its non-core investments.

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Based on the above, the Company expects to realise minimum proceeds of ~ Rs.10,000 - 12,000 crore within the next 3-4 months, and slash its debt by a substantial 50-60%, besides clearing all short term maturities.

The rating agency has not taken any of these material and highly positive factors into consideration, and has instead mechanically revised the rating as above, resulting in an unwarranted rating action.

Kindly inform your members accordingly.

Thanking you.

Yours faithfully,

For Reliance Capital Limited



**Atul Tandon**

**Company Secretary & Compliance Officer**