



MEDIA RELEASE

RELIANCE CAPITAL COMPLETES TRANSFER OF ITS COMMERCIAL FINANCE DIVISION INTO SEPARATE WHOLLY OWNED SUBSIDIARY

TRANSFER COMPLETED AFTER RECEIVING REQUISITE REGULATORY, HIGH COURT AND SHAREHOLDERS APPROVAL

RELIANCE CAPITAL SHAREHOLDERS APPROVED THE TRANSFER BY AN OVERWHELMING 99.99% VOTES AT THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS

TRANSFER ALIGNS RELIANCE COMMERCIAL FINANCE WITH CORPORATE STRUCTURE WHEREIN ALL OPERATING BUSINESSES ARE EITHER FULLY OR MAJORITY OWNED SUBSIDIARIES OF RELIANCE CAPITAL

RELIANCE COMMERCIAL FINANCE HAS ASSETS UNDER MANAGEMENT OF RS. 16,191 CRORE (US\$ 2.4 BILLION) WITH LEADERSHIP POSITION IN SME SEGMENT

TRANSFER AIMED TO ENHANCE INDEPENDENT MANAGEMENT FOCUS, PROVIDE FLEXIBILITY TO RAISE CAPITAL AND UNLOCK VALUE THROUGH STAKE SALE

RELIANCE LIFE INSURANCE AND ASSET MANAGEMENT BUSINESSES ALREADY HAVE STRATEGIC FOREIGN PARTNERS WITH 49 PERCENT STAKE

TRANSFER TO BE EFFECTIVE FROM APRIL 1, 2016

RELIANCE CAPITAL TO BECOME A CORE INVESTMENT COMPANY POST THIS DEMERGER, SUBJECT TO NECESSARY APPROVALS

March 24, 2017, Mumbai: Reliance Capital, a part of Anil Ambani led Reliance Group, today announced completion of transfer of its commercial finance division – Reliance Commercial Finance Limited (RCFL) - into a separate wholly owned subsidiary.

The Company had announced the transfer of its Commercial Finance division into a separate subsidiary in February 25, 2016, subject to requisite Regulatory, High Court and Reliance Capital shareholders' approvals, which have since been received.

Reliance Capital shareholders had approved the transfer by an overwhelming majority of 99.99 per cent votes in favour of the Scheme of Arrangement at the court-convened equity shareholders meeting held on September 10, 2016.



RCFL is amongst the leading SME lenders in the Indian non-banking finance space with a focus on asset backed lending and productive asset creation. The Commercial Finance division has an aggregate asset under management (including securitized portfolio) portfolio of Rs 16,191 crore (US\$ 2.4 billion) as of December 31, 2016.

"Reliance Commercial Finance now stands as a fully owned subsidiary of Reliance Capital. This completes our restructuring process as Reliance Capital moves to become a Core Investment Company from next fiscal. This transfer will align RCFL with the overall operating structure of Reliance Capital wherein all operating businesses are held either as wholly owned or majority owned subsidiaries. The proposal will enhance management focus and provide flexibility to the Company to unlock value through stake sale," said Mr Anmol Ambani, ED, Reliance Capital.

Reliance Nippon Life Insurance and Reliance Nippon Life Asset Management, both subsidiaries of Reliance Capital, already have a strategic partner – Nippon Life Insurance - with 49 per cent stake in each business.

The transfer will also enhance employee engagement and retention through ability to grant ESOPs in the business. The transfer, pursuant to the Scheme of Arrangement, will be effective from April 1, 2016.

Reliance Capital would be applying to the RBI for registering itself as a Core Investment Company (CIC) and expects to become a CIC soon, subject to necessary approvals.

About Reliance Capital

www.reliancecapital.co.in

Reliance Capital, a part of the Reliance Group, is one of India's leading private sector financial services companies. It ranks amongst the top private sector financial services and banking groups, in terms of net worth. The Company is a constituent of CNX Midcap 50 and MSCI Global Small Cap Index.

Reliance Group is amongst India's leading business houses with over 250 million customers. The Group has a strong presence across a wide array of high growth consumer-facing businesses of financial services, telecom, energy, power, infrastructure, and Defence.

Reliance Capital has interests in asset management and mutual funds; life and general insurance; commercial and home finance; stock broking; wealth management services; distribution of financial products; asset reconstruction; proprietary investments and other activities in financial services.

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Media Queries:

Sharad Goel

sharad.goel@relianceada.com

+91-9324984296