

MEDIA RELEASE

**CONSOLIDATED TOTAL INCOME OF RS. 1,300 CRORE (US\$ 280 MILLION)
CONSOLIDATED NET PROFIT OF RS. 112 CRORE (US\$ 24 MILLION)**

**DECREASE OF 11% IN TOTAL INCOME AND 28% IN NET PROFIT
MAINLY OWING TO LOWER CAPITAL GAINS AND LOSS IN GENERAL INSURANCE**

**CORE BUSINESSES CONTRIBUTED NEARLY 90% TO PROFITS
FROM 41% IN CORRESPONDING PREVIOUS PERIOD**

**PROFITS FROM MAJOR OPERATING BUSINESSES AT RS. 139 CRORE
(US\$ 30 MILLION) – UP 51%**

**LOSS IN GENERAL INSURANCE REDUCED TO RS. 28 CRORE (US\$ 6 MILLION)
– 27% DECREASE FROM PREVIOUS QUARTER**

TOTAL ASSETS OF RS. 30,094 CRORE (US\$ 7 BILLION) – UP 18%

**NET WORTH OF RS. 7,963 CRORE (US\$ 2 BILLION)
RANKS AMONG TOP 4 INDIAN PRIVATE SECTOR FINANCIAL SERVICES GROUPS**

**RCAM MANAGED RS. 1,50,796 CRORE (US\$ 34 BILLION), ACROSS MUTUAL FUNDS,
PENSION FUNDS, MANAGED ACCOUNTS AND HEDGE FUNDS – UP 11%**

**RELIANCE LIFE INSURANCE – TOTAL FUNDS UNDER MANAGEMENT
RS. 16,555 CRORE (US\$ 4 BILLION) – UP 61%**

**RELIANCE LIFE INSURANCE – TOTAL PREMIUM
RS. 1,574 CRORE (US\$ 338 MILLION) – UP 25%**

**RELIANCE LIFE INSURANCE – HIGHEST POLICIES SOLD IN PRIVATE SECTOR
OVER 6,16,000 POLICIES SOLD IN THE QUARTER – UP 24%**

**RELIANCE COMMERCIAL FINANCE – ASSETS UNDER MANAGEMENT
RS. 12,001 CRORE (US\$ 3 BILLION) – UP 34%**

RELIANCE COMMERCIAL FINANCE – GROSS NPLs DECLINE BY 52% YOY

Mumbai, November 13, 2010: Reliance Capital Limited (RCL) today announced its un-audited financial results for the quarter ended September 30, 2010. The performance highlights are:

Consolidated – Quarter ended September 30, 2010

- **Total income of Rs. 1,299.8 crore (US\$ 280 million), against Rs. 1,466.4 crore in the corresponding period – a decrease of 11%**

RELIANCE Capital

Anil Dhirubhai Ambani Group

- **Net profit of Rs. 112.0 crore (US\$ 24 million)**, against Rs. 155.8 crore in the corresponding period – a decrease of 28%
- The decrease in total income and net profit was mainly owing to **lower capital gains and loss from general insurance**
- The **earnings from major operating businesses** increased by 51% to **Rs. 138.7 crore (US\$ 30 million)** from Rs. 91.9 crore for the corresponding previous period
- **Nearly 90%** of Reliance Capital's **operating profits were from its core businesses**, as against 41% for the corresponding previous period

Net worth:

As on September 30, 2010, the **net worth of the company stood at Rs. 7,963.3 crore (US\$ 2 billion)** – an increase of 3%.

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

Credit Rating:

The Company has a **net debt equity ratio of 2.1** as on September 30, 2010, and enjoys the highest top-end ratings of 'A1+' and 'F1+' by ICRA and FITCH, respectively.

Operational Review:

As on September 30, 2010, the **total assets of the company stood at Rs. 30,094.3 crore (US\$ 7 billion)** – an increase of 18%

The investment portfolio of listed equities as on September 30, 2010, amounted to **Rs. 1,589.1 crore (US\$ 354 million)**, at cost.

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

Group Companies:

Reliance Capital Asset Management (RCAM)

Reliance Mutual Fund (RMF)

- Reliance Capital Asset Management managed **Rs. 1,50,796 crore (US\$ 34 billion)** as on September 30, 2010, across mutual funds, pension funds, managed accounts and hedge funds, as against **Rs. 1,35,660 crore** as on September 30, 2009 – **an increase of 11%**
- **Reliance Mutual Fund (RMF)** continues to be the market leader and is ranked as **India's No. 1 Mutual Fund** in terms of AUM, with **market share of over 15%**
- The assets under management (AUM) of RMF, stood at **Rs. 1,08,689 crore (US\$ 24 billion)** for September 30, 2010 from **Rs 1,01,575 crore** for September 30, 2009 – **an increase of 7%**

- The focus continues to be on the untapped retail opportunity across all asset classes
 - The number of **Systematic Investment Plan (SIP) folios** have grown 40% YoY to **13.4 lakhs** as on September 30, 2010. RMF added an average of **1 lakh SIPs** every month during the quarter
 - The number of **investors folios** at the end of September 30, 2010 were **72 lakhs**, amongst the highest in the private sector mutual funds with a **market share of over 15%**
 - The **long term debt assets** increased to **15.5% of AUM** as on September 30, 2010 as against **2.6%** at the end of September 2009
- RCAM's **income from its operations** was **Rs. 177 crore (US\$ 38 million)** for the quarter ended September 30, 2010, as against **Rs. 156 crore** for the corresponding previous period – **an increase of 14%**
- The **profit before tax of RCAM** was **Rs. 70 crore (US\$ 15 million)** for the quarter ended September 30, 2010, as against **Rs. 65 crore** for the corresponding previous period – **an increase of 8%**
- RMF had a wide distribution network across 270 cities and 75,000 touch points in the country, as on September 30, 2010

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 8.5%** of the private sector
- This quarter as well, RLI sold the highest number of policies in the private sector life insurance industry. The **number of policies sold** during the quarter were **6,16,022** as against **4,95,560** for the corresponding previous period – **an increase of 24%**
- The **Total Premium** was **Rs. 1,574 crore (US\$ 338 million)** for the quarter as against **Rs. 1,261 crore** in the corresponding previous period, **an increase of 25%**
- **Renewal Premium** was at **Rs. 779 crore (US\$ 168 million)** for the quarter ended September 30, 2010 as against **Rs. 523 crore** in the corresponding previous period, **an increase of 49%**
- The **New Business Premium** was **Rs. 806 crore (US\$ 173 million)** for the quarter as against **Rs. 744 crore** in the corresponding previous period, **an increase of 8%**
- The **total funds under management** as on September 30, 2010 **increased to Rs. 16,555 crore (US\$ 4 billion)** as against **Rs. 10,283 crore** for the corresponding previous period – **an increase of 61%**
- During the quarter, capital infusion **decreased by 23% to Rs. 50 crore (US\$ 11 million)** as against **Rs. 65 crore** for the corresponding previous period. The **capital invested till date** in this business, is **Rs. 3,094 crore (US\$ 689 million)**

- **The distribution network** increased to **1,248 branches** at the end of September 30, 2010 against **1,174 branches** at the end of September 30, 2009
- **The number of agents** at the end of September 30, 2010 was as **2,13,504** as against **1,85,703 agents** at the end of September 30, 2009, **an increase of 15%**

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 and loans for Construction equipment
- 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, 2010, **93% of the loan book was secured**, a significant improvement from **78%** as on September 30, 2009
- **The disbursements** for the quarter ended September 30, 2010 **were Rs. 1,951 crore (US\$ 420 million)** as against Rs. **1,368 crore** for corresponding previous period, **an increase of 43%**
- As on September 30, 2010, the assets under management (including securitized portfolio) was Rs. **12,001 crore (US\$ 3 billion)** as against Rs. **8,966 crore** as on September 30, 2009 – **increase of 34%**
- The outstanding **loan book** as on September 30, 2010 was at **Rs. 9,997 crore (US\$ 2 billion)**, against Rs. **8,290 crore** as on September 30, 2009, **an increase of 21%**. This loan book is spread **across 1,19,304 customers** from top 16 Indian metros
- RCF **securitized loans of Rs. 439 crore (US\$ 94 million)** during the quarter ended September 30, 2010
- The provisions decreased significantly to **Rs. 41 crore (US\$ 9 million)** for the quarter ended September 30, 2010 from Rs. **72 crore** for the corresponding previous period, a **decrease of 43%** as the **gross NPLs declined 52% YoY**
- The Net Interest Income for the quarter ended September 30, 2010 was **Rs. 132 crore (US\$ 28 million)** as against **Rs. 103 crore** for the corresponding previous period, **an increase of 28%**
- RCF achieved a **profit before tax of Rs. 61 crore (US\$ 13 million)** for the quarter, as against Rs **23 crore** for the corresponding previous period **an increase of 168%**

Reliance Securities

- Reliance Securities is the broking arm of Reliance Capital, providing the retail investor access to equities, equity options, commodities, mutual funds, IPOs, wealth management, and investment banking
- The business generated **revenues of Rs. 36 crore (US\$ 8 million)** for the quarter ended September 30, 2010 as against Rs. **33 crore** for the quarter ended June 30, 2010 – **an increase of 10%**

- Profit before tax was **Rs. 5 crore (US\$ 1 million)** for the quarter ended September 30, 2010, as against Rs. 3.6 crore for the quarter ended June 30, 2010 – **an increase of 45%**

Distribution business

- The third party distribution business of Reliance Capital, branded as 'Reliance Money' is a comprehensive financial services and solutions provider, providing customers with access to insurance products, gold coins, money changing and money transfer
- Reliance Money is amongst the **leading domestic distributor of financial products** with a pan India presence of over **6,100 outlets**
- The business generated **revenues of Rs. 9 crore (US\$ 2 million)** for the quarter ended September 30, 2010 as against Rs. 6 crore for the quarter ended June 30, 2010, **an increase of 36%**
- Profit before tax for the quarter ended September 30, 2010 was **Rs. 3 crore (US\$ 1 million)**

Reliance General Insurance

- Reliance General Insurance (RGI) offers insurance solutions for auto, health, home, property, travel, marine, commercial and other speciality products
- RGI is amongst the leading private sector general insurance companies in India (in terms of gross written premium). It has a **market share of 9.4%** of the Indian private sector general insurance industry
- The focus at RGI is writing profitable business and not just growth. In line with this, the **Gross Written Premium** for the quarter ended September 30, 2010 was **Rs. 371 crore (US\$ 80 million)** as against Rs. 429 crore for the quarter ended June 30, 2010, a **decrease of 14%**
- RGI brought down loss for the quarter to **Rs. 28 crore (US\$ 6 million)** as against loss of Rs. 39 crore for the quarter ended June 30, 2010, **decline of 27%**
- The losses this quarter were on account of high claims from its health portfolio. RGI has re-priced its health products and also significantly reduced its exposure to the unprofitable Group Medclaim. These steps have enabled the Company to reduce its losses in Q2FY11
- During the quarter, **Rs. 47 crore (US\$ 10 million)** was infused into the business. The **total capital invested till date is Rs. 1,149 crore (US\$ 256 million)**
- RGI had a **distribution network of 200 branches** and over **4,200 intermediaries**, at the end of September 30, 2010

Shareholding Pattern as on September 30, 2010

Category	No. of Shares	Shareholding (%)
Reliance Anil Dhirubhai Ambani Group	13,26,82,274	54.0%
Foreign Investors – FIIs, NRIs and others	5,77,95,435	23.5%
Domestic institutions/ Banks/ Mutual Funds	1,21,79,494	5.0%
Indian public	4,29,75,597	17.5%
TOTAL – 1.3 million shareholders	24,56,32,800	100.0%

Background:

Reliance Capital Limited is a part of the Reliance - Anil Dhirubhai Ambani Group and is one of India's leading private sector financial services companies, and ranks among the top 4 private sector financial services and banking groups, in terms of net worth.

As on March 31, 2010, the Reliance Anil Dhirubhai Ambani Group currently has a market capitalization of over Rs. 1,25,000 crore (US\$ 28 billion), total assets of over Rs. 1,80,000 crore (US\$ 39 billion) and net worth in excess of Rs. 83,000 crore (US\$ 19 billion).

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