

Reliance Capital Limited  
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April 26, 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 action by ICRA on short term debt ratings - outstanding amount  
Rs. 950 Crore - Completely unjustified and inappropriate**

**There has not been any adverse change in the Company's operational parameters from  
the time of the last rating action, just 4 weeks ago**

We inform you that ICRA Limited (ICRA) has revised its rating to A4 (On rating watch with negative implications) for the short-term debt programme of the Company for which outstanding is Rs. 950 Crore. ICRA has stated this action is primarily due to slow pace of monetization of the non-core investments and liquidity position in Reliance Commercial Finance Limited (RCF) and Reliance Home Finance Limited (RHF).

**The Company considers the above rating action completely unjustified and inappropriate. There has not been any adverse change in the Company's operational parameters from the time of the last rating action, just 4 weeks ago.**

The Company states that RCL's rating has to be considered on a standalone basis, delinked from the debt and ratings of RCF and RHF. RCL is a CIC and is not dependent in any manner for funding on RCF and RHF.

This rating action is limited to the commercial paper outstanding of Rs. 950 Crore, which would be fully repaid by September 30, 2019.

The Company has been working diligently to ensure timely debt repayments and the Company's asset monetization plan is on track.

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 premium 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 monetisation of several of its non-core investments.

**Based on the above, the Company expects to realise minimum proceeds of ~ over Rs.10,000 crore, and sharply cut its overall debt by more than 50% including the total amount covered by this rating action.**

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

The Company requested an opportunity to personally present our case and discuss the same with the Rating Review committee. 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.

Kindly inform your members accordingly.

Thanking you.

Yours faithfully,

**For Reliance Capital Limited**



**Atul Tandon**

**Company Secretary & Compliance Officer**