Reliance Capital Limited
Reliance Centre,
North Wing, 6th Floor,
Off Western Express Highway,
Santacruz (East), Mumbai - 400055
CIN : L65910MH1986PLC165645

Tel : +91 22 3303 1000
Fax: +91 22 3303 6664
www.reliancecapital.co.in

August 12, 2016

BSE Limited
PhirozeJeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 500111

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (East), Mumbai 400 051
NSE Scrip Symbol: RELCAPITAL

Dear Sir(s),

Sub.: Court Convened Meeting on September 10, 2016

In continuation to our letter dated February 25, 2016, we wish to inform you that a Court Convened Meeting of the Shareholders of the Company is scheduled to be held on Saturday, September 10, 2016 at Reliance Energy Management Institute, Jogeshwari- Vikhroli Link Road, Opposite SEEPZ North Gate No. 3, Aarey Colony, Aarey Colony Road, Mumbai – 400 065, for consideration of the proposed Scheme of Arrangement for Demerger of Commercial Finance Division of the Company into its wholly owned subsidiary Reliance Commercial Finance Limited (formerly Reliance Gilts Limited).

Further, the Company has provided e-voting facility to the members of the Company. The e-voting will commence from 9.00 a.m. on September 7, 2016 and end at 5.00 p.m. on September 9, 2016.

We are enclosing herewith the Notice of the Court Convened Meeting and voting through e-voting instruction slip for your reference and records.

We request you to inform your members accordingly.

Thanking you.

Yours faithfully,
For **Reliance Capital Limited**

V. R. Mohan
President & Company Secretary

Encl. As above.

RELIANCE
Capital

Reliance Capital Limited

CIN: L65910MH1986PLC165645

Registered Office:- H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710.
Tel.: 022 3303 1000, Fax: 022 3303 6664, Website: www.reliancecapital.co.in
E-mail: rcl.investor@relianceada.com

NOTICE OF COURT CONVENED MEETING OF THE EQUITY SHAREHOLDERS

Day	:	Saturday
Date	:	September 10, 2016
Time	:	10:00 A.M.
Venue	:	Reliance Energy Management Institute, Jogeshwari - Vikhroli Link Road, Opposite SEEPZ North Gate No. 3, Aarey Colony, Aarey Colony Road, Mumbai 400 065

E-voting	
Commencing on	9:00 A.M. on September 7, 2016
Ending on	5:00 P.M. on September 9, 2016

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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 657 OF 2016

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement

BETWEEN

Reliance Capital Limited ("the Transferor Company" or "RCap")

AND

Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL")

AND

Their respective shareholders and creditors

RELIANCE CAPITAL LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710.) ..... Applicant Company

NOTICE CONVENING THE MEETING OF EQUITY SHAREHOLDERS OF RELIANCE CAPITAL LIMITED

To,

The Equity Shareholder(s) of Reliance Capital Limited ("the Transferor Company" or "the Applicant Company")

TAKE NOTICE that by an Order made on August 5, 2016, in the above mentioned Company Summons for Direction, the Hon'ble High Court of Judicature at Bombay has directed that a meeting of the Equity Shareholders of the Applicant Company, be convened and held at Reliance Energy Management Institute, Jogeshwari - Vikhroli Link Road, Opposite SEEPZ North Gate No. 3, Aarey Colony, Aarey Colony Road, Mumbai 400 065 on Saturday, September 10, 2016 at 10:00 A.M., to transact the following Special Business:

To consider and, if thought fit, approve with or without modification(s), the following Resolution under Sections 391 to 394 of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) for approval of the proposed Scheme of Arrangement between Reliance Capital Limited ("the Transferor Company" or "RCap") and Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL") and their respective shareholders and creditors (**"Scheme"** or **"the Scheme"**):

"RESOLVED THAT pursuant to the provisions of Sections 391 to 394 and other applicable provisions, if any, of the Companies Act, 1956, the rules and regulations made thereunder (including any statutory modification(s) / amendment(s) and re-enactment(s) thereof) and all other applicable provisions, if any, of the Companies Act, 2013, the rules and regulations made thereunder and in accordance with the provisions of the Memorandum of Association and Articles of Association of the Company and subject to necessary approvals / consents / sanctions and permissions of the shareholders and / or creditors of the Company, sanction of the Hon'ble High Court of Judicature at Bombay or the National Company Law Tribunal constituted under the provisions of the Companies Act, 2013, as the case may be or such other competent authority, as may be applicable, High Court, the Securities and Exchange Board of India (SEBI) and concerned Stock Exchange(s) or such other competent authority as may be applicable, and such other approvals / permissions / exemptions, as may be required under applicable laws, regulations, listing regulations and guidelines issued by the regulatory authorities, which may be agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board to exercise its powers including the powers conferred by this Resolution), in the matter of Scheme of Arrangement between Reliance Capital Limited ("the Transferor Company" or "RCap") and Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL") and their respective shareholders and creditors ("Scheme" or "the Scheme"), inter-alia, providing for transfer and vesting of the Transferred Undertaking (as defined in Clause 1.13 of the Scheme) of the Transferor Company to the Transferee Company on a going concern basis. Since the Transferee Company is a wholly owned subsidiary of the

Transferor Company, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or its shareholders.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things, as may be considered requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangements embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble High Court of Judicature at Bombay while sanctioning the Arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE THAT in pursuance of the said Order, a meeting of the equity shareholders of the Transferor Company will be held at **Reliance Energy Management Institute, Jogeshwari - Vikhroli Link Road, Opposite SEEPZ North Gate No. 3, Aarey Colony, Aarey Colony Road, Mumbai 400 065 on Saturday, September 10, 2016 at 10:00 A.M.** at which place, day, date and time you are requested to attend.

TAKE FURTHER NOTICE THAT you may attend and vote at the said meeting in person or by proxy, provided that a proxy in the prescribed form, duly signed by you or your authorised signatory, is deposited at the registered office of the Transferor Company at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710, not later than 48 hours before the scheduled time of the commencement of the said meeting.

The Hon'ble High Court of Judicature at Bombay has appointed Dr. Bidhubhusan Samal, Director of the Applicant Company and failing him, Smt. Chhaya Virani, Director of the Applicant Company to be the Chairman of the said meeting.

A copy of the Scheme, the explanatory statement under Section 393 of the Companies Act, 1956, Complaints Report, Observation Letters issued by National Stock Exchange of India Limited and BSE Limited, Fairness Opinion, Proxy Form and the Attendance Slip are enclosed herewith.

Sd/-
Dr. Bidhubhusan Samal
Chairman appointed for the meeting

Place : Mumbai
Date : August 5, 2016

Registered Office:
Reliance Capital Limited
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
CIN: L65910MH1986PLC165645

Notes :

(1) All alterations made in the form of proxy should be initialed.

(2) Only registered equity shareholders of the Transferor Company may attend and vote (either in person or by proxy or by authorised representative under Section 112 and 113 of the Companies Act, 2013) at the equity shareholders' meeting. The authorised representative of a body corporate which is a registered equity shareholder of the Transferor Company may attend and vote at the equity shareholders' meeting, provided a certified true copy of the resolution of the board of directors or other governing body of the body corporate is deposited at the registered office of the Transferor Company not later than 48 hours before the scheduled time of the commencement of the meeting authorising such representative to attend and vote at the equity shareholders' meeting.

(3) Foreign Institutional Investors (FIIs) who are registered Equity Shareholder(s) of the Transferor Company would be required to deposit certified copies of Custodial resolutions/Power of Attorney, as the case may be, authorizing the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Registered Office of the Transferor Company not later than 48 hours before the meeting.

(4) Registered equity shareholders are informed that in case of joint holders attending the meeting, only such joint holder whose name stands first in the Register of Members of the Transferor Company in respect of such joint holding will be entitled to vote.

(5) A registered equity shareholder of the Transferor Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of herself / himself and such proxy need not be a member of the Transferor Company. The Proxy Form duly completed should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A person can act as proxy on behalf of shareholders not exceeding fifty (50) in number and/ or holding in aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by shareholder(s) holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

(6) Shareholders are requested to handover the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Shareholders who hold shares in dematerialized form are requested to bring in their Client ID and DP ID numbers for identification.

(7) The notice is being sent to all Shareholders, whose name appeared in the Register of Members as on July 22, 2016. This notice of the court convened meeting of the Shareholders of the Company is also displayed/ posted on the website of the Company.

(8) In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**), the Transferor Company has provided the facility to Members to exercise their votes on resolution through e-voting facility arranged by M/s. Karvy Computershare Private Limited (Karvy) and the business contained in the notice may be transacted through such voting. Instructions for e-voting are given in the e-voting instruction slip.

Notes for e-voting:

(9) The e-voting period commences on September 7, 2016 from 9:00 A.M. and ends on September 9, 2016 till 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which shall be September 3, 2016 may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter.

(10) For the purpose of dispatch of this Notice, Shareholders of the Company holding shares either in physical form or in dematerialised form as on July 22, 2016, have been considered.

(11) Members who have acquired shares after the dispatch of this Notice and before the cut-off date i.e. September 3, 2016 may approach the Company/Karvy for issuance of the User ID and Password exercising their right to vote by electronic means.

(12) Voting rights of each member shall be reckoned as on the cut-off date which is September 3, 2016 and any recipient of this notice who has no voting rights as on the aforesaid date should treat the same as intimation only.

(13) The voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Transferor Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through ballot paper. Any person who acquires shares of the Transferor Company and becomes the member of the Transferor Company after the cut-off date i.e. September 3, 2016, shall not be eligible to vote either through e-voting or at Court Convened Meeting.

(14) Members can opt for only one mode of voting, i.e. either through ballot papers at Court Convened Meeting or e-voting. In case members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through ballot papers at Court Convened Meeting shall be treated as invalid.

(15) Members who have cast their vote by remote e-voting prior to the Court Convened Meeting may also attend the meeting but shall not be entitled to cast their vote again.

(16) Shri Anil Lohia, Partner or in his absence Shri Rinkit Kiran Uchat, Partner of M/s. Dayal and Lohia, Chartered Accountants has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

(17) The Scrutinizer shall, immediately after the conclusion of voting at the meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than two days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him / her in writing, who shall countersign the same.

(18) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.reliancecapital.co.in and on the website of https://evoting.karvy.com within two days of the passing of the resolution at the Court Convened Meeting (CCM) on September 10, 2016 and communicate to BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), where the shares of the Company are listed.

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 657 OF 2016

In the matter of the Companies Act, 1956 (1 of 1956)

AND

In the matter of Sections 391 to 394 of the Companies Act, 1956;

AND

In the matter of Scheme of Arrangement

BETWEEN

Reliance Capital Limited ("the Transferor Company" or "RCap")

AND

Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL")

AND

Their respective shareholders and creditors

RELIANCE CAPITAL LIMITED, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710.

) ..... Applicant Company

Explanatory statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013 for the court convened meeting of the equity shareholders of Reliance Capital Limited

1. Pursuant to an Order dated 5th day of August, 2016 passed by the Hon'ble High Court of Judicature at Bombay in the Company Summons for Direction No. 657 of 2016 referred to hereinabove, a meeting of the Equity Shareholders of the Applicant Company is being convened and held on Saturday, September 10, 2016 at 10:00 A.M. for the purpose of considering and, if thought fit, approving with or without modification(s), the arrangement embodied in the Scheme of Arrangement between Reliance Capital Limited ("the Transferor Company" or "RCap") and Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL") and their respective shareholders and creditors (**"Scheme"** or **"the Scheme"**).

2. The proposed Scheme provides for demerger and vesting of the Transferred Undertaking (as defined in Clause 1.13 of the Scheme) of RCap into RCFL pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956.

3. In addition to the Court Convened Meeting of the Equity Shareholders of the Transferor Company pursuant to Sections 391 to 394 of the Companies Act, 1956 (including any statutory modification or re-enactment or amendment thereof), approval of the Equity Shareholders of the Transferor Company is also sought by way of e-voting as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI LODR Regulations"**) (erstwhile Clause 35B of the Listing Agreement), SEBI Circulars and the Act.

4. A copy of the Scheme setting out in detail the terms and conditions of the arrangement, has been approved by the Board of Directors of the Transferor Company at its meeting held on February 25, 2016 is attached to this explanatory statement and forms part of this statement.

5. In this Statement, Reliance Capital Limited is hereinafter referred to as "the Company" or "the Applicant Company" or "RCap" or "the Transferor Company" and Reliance Commercial Finance Limited as "RCFL" or "the Transferee Company". The other definitions contained in the Scheme will apply to this Explanatory Statement also.

6. **Background of the Companies:**

6.1 Reliance Capital Limited ("the Company" or "the Applicant Company" or "RCap" or "the Transferor Company")

(a) RCap was incorporated on March 5, 1986 in the State of Gujarat under the provisions of the Companies Act, 1956 under the name "Reliance Capital & Finance Trust Limited". Subsequently, the name of the Company was changed to "Reliance Capital Limited" with effect from January 6, 1995. The Company shifted its registered office from the State of Gujarat to the State of Maharashtra pursuant to the order of the Company Law Board, Western Region Bench, Mumbai dated November 2, 2006 and registered the same with the Registrar of Companies, Maharashtra, Mumbai on November 20, 2006.

(b) The Registered Office of RCap is situated at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710.

(c) The authorised, issued, subscribed and paid-up share capital of RCap as on March 31, 2016 is as under:

(Rs. in crore)

Authorised Share Capital	
30,00,00,000 equity shares of Rs. 10 each	300.00
10,00,00,000 preference shares of Rs. 10 each	100.00
Total	**400.00**
Issued and Subscribed Share Capital	
25,39,77,006 equity shares of Rs. 10 each	253.97
Total	**253.97**
Paid-Up Share Capital	
25,26,32,800 equity shares of Rs. 10 each	252.63
Add: Forfeited shares	0.52
Total	**253.15**

Subsequent to March 31, 2016, there is no change in the authorised, issued, subscribed and paid-up equity share capital of RCap.

(d) The equity shares of RCap are listed on the National Stock Exchange of India Limited and BSE Limited (together called as the "Stock Exchanges"). Global Depository Receipts issued by RCap are listed on the Luxembourg Stock Exchange.

(e) The objects for which RCap has been established are set out in its Memorandum of Association. The main objects of the Company are set out hereunder:

"1 (a) To promote the formation and mobilisation of capital, to manage capital savings and investment, to undertake bills discounting business, to purchase, finance, discount, re-discount, bills of exchange, to act as a discount and acceptance house, to arrange acceptance or co-acceptance of bills, to borrow, to lend, to negotiate loans, to transact business as promoters, financiers, monetary agents, to carry on the business of a company established with the object of financing industrial enterprises within the meaning of section 370 of the Companies Act, 1956 to invest the capital or other funds of the Company in the purchase or acquisition of or rights in movable and immovable property, to use the capital, funds and assets of the Company as security for borrowing and the acquisition of or rights in movable or immovable property, or shares, stocks, debentures, debenture stock, bonds, mortgages, obligations, securities, revolving under-writing facilities and issue, acceptance and registration of all types of instruments, or to finance their acquisition by leasing or hire purchase or in any other manner, to raise or provide venture capital, to promote or finance the promotion of all types of instruments, or to finance their acquisition by leasing or hire purchase or in any other manner, to raise or provide venture capital, to promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in, shares or other securities, to undertake portfolio management, advisory and counseling services, to finance assist industrial and other enterprises in India and abroad, to provide finance and loan syndication, to revolve investments, computer programming and software manufacture and services television and communication software, development of financial-service supermarket, inter-corporate bills and unit broking import/export financing, consultancy assignments, factoring, consumer financing and foreign exchange broking and securities dealing.

(b) to carry on the business of a leasing Company, hire purchase company, finance company, to undertake and / or arrange or syndicate all types of leasing and hire purchase business relating to all kinds of machinery, plant, equipment, ships, vehicles, aircraft, rolling stock, computers, storage tanks, toll roads, communication satellites and communication lines, factories, movable and immovable property, to undertake real estate business, to buy, sell, rent, lease or finance and buying and selling and trading in immovable property, land, buildings, real estate, factories.

2. To render services as brokers, commission agents, importers and exporters, and to act as trustees, executors, administrators, managers, agents or attorney."

(f) RCap is a Systemically Important Non-deposit Taking Non Banking Financial Company ("NBFC-ND-SI") registered with the Reserve Bank of India ("RBI") and 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 the financial services arena.

6.2 **Reliance Commercial Finance Limited ("RCFL" or "the Transferee Company")**

(a) RCFL was incorporated on August 17, 2000 as Reliance Life Insurance Limited in the State of Maharashtra under the provisions of the Companies Act, 1956. Subsequently, the name of the Company was changed to Reliance Life Insurance Company Limited on October 12, 2000. Subsequently, the name of the Company was changed to RLIC Limited on October 24, 2005. Subsequently, the name of the Company was changed to Reliance Gilts Limited with effect from March 3, 2006. Subsequently, the name of the Company was changed to Reliance Commercial Finance Limited with effect from June 7, 2016.

(b) The Registered Office of RCFL is situated at Reliance Centre, 19, Walchand Hirachand Marg, Mumbai 400 001.

(c) The authorised, issued, subscribed and paid-up share capital of RCFL as on March 31, 2016 is as under:

(Rs. in crore)

Authorised Share Capital	
20,00,00,000 equity shares of Rs. 10 each	200.00
TOTAL	**200.00**
Issued, Subscribed and Paid-up Share Capital	
6,33,00,700 equity shares of Rs. 10 each	63.30
Total	**63.30**

Subsequent to March 31, 2016, there is no change in the authorized, issued, subscribed and paid-up share capital of RCFL.

(d) The equity shares of RCFL are not listed on any Stock Exchanges.

(e) The objects for which RCFL has been established are set out in its Memorandum of Association. The main objects of RCFL are set out hereunder:

"1. *To do business of a Non-Banking Financial Company and to undertake and or arrange or syndicate all types of business relating to financing of consumers, individuals, industry or corporates, for all kinds of vehicles, aircrafts, ships, machinery, plants, two-wheelers, tractors and other farm equipments, consumer durables, equipment, renewable energy equipment / infrastructure, construction equipment, housing equipment, capital equipment, office equipment, their spares and components, real estate, infrastructure work or activity, including used / refurbished products, as also services of every kind and description, computers, storage tanks, toll roads, communication satellites, communication lines, factories, rolling stock, movable and immovable property, to engage in all forms of securitisation, installment sale and/or deferred sale relating to goods or materials, to purchase the book debts and receivables of companies and to lend or give credit against the same, to undertake real estate business, to borrow, to transact business as promoters, financiers, monetary agents, to carry out the business of a company established with the object of financing industrial enterprises and to arrange or provide financial and other facilities independently or in association with any person, Government, Financial Institutions, Banks, Industrial Companies or any other agency, in the form of lending or advancing money by way of loan, working capital finance, refinance, project finance or in any other form, whether with or without security, to institutions, bodies corporate, firms, associations, societies, trusts, authorities, industrial enterprises and to arrange or provide facilities for the purposes of infrastructure development work or for providing infrastructure facilities or engaging in infrastructure activities and to raise and provide venture capital and promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in their shares or other securities.*

2. To promote the formation and mobilisation of capital, to manage capital savings and investment, to undertake bills discounting business, to purchase, finance, discount, re-discount, bills of exchange, to act as a discount and acceptance house, to arrange acceptance or co-acceptance of bills, to borrow, to lend, to negotiate loans, to transact business as promoters, financiers, monetary agents, to invest the capital or other funds of the Company in the purchase or acquisition of or rights in movable and immovable property, to use the capital, funds and assets of the Company as security for borrowing and the acquisition of or rights in movable or immovable property, or shares, stocks, debentures, debenture stock, bonds, mortgages, obligations, securities, revolving underwriting facilities and issue, acceptance and registration of all types of instruments, or to finance their acquisition by leasing or hire purchase or in any other manner, to raise or provide venture capital, to promote or finance the promotion of all types of instruments, or to finance their acquisition by leasing or hire purchase or in any other manner, to raise or provide venture capital, to promote or finance the promotion of joint stock companies, to invest in, to underwrite, to manage the issue of, and to trade in, shares or other securities, to undertake portfolio management, advisory and counselling services, to finance assist industrial and other enterprises in India and abroad, to provide finance and loan syndication, to revolve investments, computer programming and software manufacture and services television and communication software, development of

financial-service supermarket, intercorporate bills and unit broking import/export financing, consultancy assignments, factoring, consumer financing and foreign exchange broking and securities dealing.

3. To carry on the business of acting as promoters, developers, catalysts or founders of bourse, securities market, association of dealers in securities or any other market place in order to develop an efficient, orderly and liquid secondary and any other markets for securities and other instruments, and that of lenders, borrowers, brokers, broking houses, arrangers, merchant bankers, issuers or in any other capacity deal in call, notice and term money markets and in securities aforesaid and other instruments."

(f) RCFL is a wholly owned subsidiary of RCap and is a registered NBFC.

7. The Proposed Scheme was placed before the Board of Directors of the Company on February 25, 2016 wherein the Valuation Report issued by M/s. Jignesh & Co., Chartered Accountants, an independent valuer, and Fairness Opinion on the said Valuation Report issued by M/s. Dalmia Securities Private Limited, were also placed before the Board.

8. **Rationale of the Scheme**

All operating businesses of the Transferor Company, except the Commercial Finance business, are held in its wholly or majority owned subsidiaries. Accordingly, to align the overall operating structure, it is proposed to transfer the Transferred Undertaking of the Transferor Company into a Wholly Owned Subsidiary. This will also facilitate the treatment of the Transferor Company as a Core Investment Company ("CIC") in terms of applicable RBI regulations.

9. **Salient features of the Scheme are set out as below**

(a) The Scheme provides for the demerger and vesting of the Transferred Undertaking (as defined in Clause 1.13 of the Scheme) of the Transferor Company into the Transferee Company on a going concern basis pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956. Since the Transferee Company is a wholly owned subsidiary of the Transferor Company, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or its shareholders.

(b) "Appointed Date" for the Scheme is April 1, 2016 or such other date as may be approved by the Hon'ble High Court of Judicature at Bombay.

(c) "Effective Date" means the last of the date on which the certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 to 394 of the Act or corresponding authority as per provisions of the Companies Act, 2013, sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Company and the Transferee Company. References in the Scheme to the words "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective Date.

(d) With effect from the Appointed Date, the whole of the undertaking and properties, debts, liabilities, duties, obligations, contracts, employees, etc of the Transferred Undertaking (as defined in Clause 1.13 of the Scheme) shall, pursuant to the provisions of Sections 391 to 394 and all other applicable provisions, if any, of the Companies Act, 1956 and without any further act, deed, matter or thing shall be demerged and vested in the Transferee Company on a going concern basis so as to vest in the Transferee Company all rights, title and interest pertaining to the Transferred Undertaking.

(e) Upon the coming into effect of the Scheme, all employees of the Transferor Company engaged in or in relation to the Transferred Undertaking of the Transferor Company and who are in such employment as on the Effective Date shall become the employees of the Transferee Company and subject to the provisions of the Scheme, on terms and conditions not less favorable than those on which they are engaged by the Transferor Company and without any interruption of or break in service as a result of the transfer of the Transferred Undertaking.

(f) Since the Transferee Company is a wholly owned subsidiary of the Transferor Company, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company, or its shareholders, based on the valuation as per the valuation report of Jignesh & Co., Chartered Accountants, appointed for the said purpose.

(g) The Scheme is and shall be conditional upon and subject to:

(i) The requisite consents, approvals or permissions of any governmental or regulatory authority, which by law may be necessary for the implementation of the Scheme;

(ii) The Scheme being approved by the requisite majorities in number and value of the members and / or creditors of the Transferor Company and the Transferee Company as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable;

(iii) The Scheme being approved by the BSE Limited and National Stock Exchange of India Limited under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(iv) The sanction of the High Court under Sections 391 to 394 of the Act in favour of the Transferor Company and the Transferee Company under the said provisions and to the necessary Order under Section 394 of the Act being obtained; and

(v) Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Company and the Transferee Company.

You are requested to read the entire text of the Scheme to get fully acquainted with the provisions thereof. The aforesaid are only some of the key provisions of the Scheme.

10. **Board meeting, Valuation Report and Fairness opinion**

In accordance with the provisions of SEBI Circular bearing no. CIR/CFD/CMD/16/2015 dated November 30, 2015 (SEBI Circular)(erstwhile Circulars bearing Nos. CIR/CFD/DIL/5/2013 dated February 4, 2013 read with SEBI Circular No. CIR/CFD/DIL/8/2013 dated May 21, 2013), the Audit Committee of the Company ("Audit Committee") on February 25, 2016, recommended the Scheme to the Board of Directors of the Company, *inter-alia*, taking into account;

(a) the Valuation Report issued by M/s. Jignesh & Co., Chartered Accountants, an independent valuer; and

(b) the Fairness Opinion issued by M/s. Dalmia Securities Private Limited on the fairness of the Valuation Report.

11. **Approvals**

(a) The Company has received, in terms of Regulation 37 of SEBI LODR Regulations (erstwhile Clause 24(f) of the Listing Agreement), Observation Letter dated June 20, 2016 from the National Stock Exchange of India Limited and letter dated June 21, 2016 from BSE Limited. A copy each of the Observation Letters are enclosed as Annexures to this Notice.

(b) As required under the SEBI Circular, the Company has filed the Complaints Report with BSE Limited and the National Stock Exchange of India Limited on April 18, 2016 and April 14, 2016, respectively. After filing of the Complaint Reports, the Company has not received any complaint. A copy of the Complaints Report is enclosed as Annexures to this Notice.

12. The details of the present directors and Key Managerial Personnel (KMP) of the Transferee Company and their respective shareholdings in the Transferor Company and the Transferee Company are as follows:

Sr. No.	Name	Shares held in Transferor Company	Shares held in Transferee Company
	Directors		
1.	Shri P. P. Vora	–	–
2.	Smt. Deena Mehta	–	–
3.	Shri Soumen Ghosh	–	–
4.	Shri Lav Chaturvedi	–	–
5.	Shri V. R. Mohan	–	–
6.	Shri Monish Sheth	–	–
	KMP		
1.	Shri Ravin Tank	–	–
2.	Shri Varun Agarwal	–	–

13. The details of the present directors and Key Managerial Personnel of the Transferor Company and their respective shareholdings in the Transferor Company and the Transferee Company are as follows:

Sr. No.	Name	Shares held in Transferor Company	Shares held in Transferee Company
	Directors		
1.	Shri Anil D. Ambani	2,73,891	–
2.	Shri Amitabh Jhunjhunwala	–	–
3.	Shri Rajendra P. Chitale	–	–
4.	Dr. Bidhubhusan Samal	–	–
5.	Shri V. N. Kaul	–	–
6.	Smt. Chhaya Virani	–	–
7.	Shri Soumen Ghosh	–	–
	KMP		
1.	Shri Amit Bapna	–	–
2.	Shri V. R. Mohan	733	–

14. The directors of the Transferor Company and relatives of the aforementioned persons may be deemed to be concerned and/or interested in the Scheme only to the extent of their shareholding directly in the respective companies that are the subject of the Scheme, or to the extent the said persons are interested or involved in any of the companies that are the subject of the Scheme or any entity that directly holds shares in any of the companies. The effect of the Scheme on interests of the Directors or KMPs or their relatives is not any different from the effect of the Scheme on like interests of other persons.

15. Capital Structure – Pre and Post arrangement capital structure of the Transferor Company and the Transferee Company are / would be as mentioned in paragraph 6.1(c) and 6.2(c) above respectively.

16. The pre and post (expected) Scheme equity shareholding pattern of the Transferor Company as on March 31, 2016 and Pre equity shareholding pattern of the Transferor Company as on March 31, 2016 is as follows:

Sr. No.	Description	Total No. of Equity Shares	Total Shareholding as % of Total No. of equity shares
(A)	**Promoter and promoter group**	**13 13 82 303**	**52.01**
(B)	**Public**	11 90 28 688	47.11
(C)	**Non Promoter – Non Public** (Shares underlying DRs and Shares held by Employee Trusts)	22 21 809	0.88
	GRAND TOTAL (A)+(B)+(C)	**25 26 32 800**	**100.00**

Note: There will be no change in the pre and post Scheme of Arrangement shareholding pattern of the Transferor Company as no shares would be issued pursuant to the Scheme.

17. The pre and post (expected) Scheme equity shareholding pattern of the Transferee Company as on March 31, 2016 is as follows:

(Rs. in crore)

Authorised Share Capital	
20,00,00,000 equity shares of Rs. 10 each	200.00
Total	**200.00**
Issued, Subscribed and Paid-up Share Capital	
6,23,00,700 equity shares of Rs. 10 each	62.30
Total	**62.30**

RCFL is a wholly owned subsidiary of RCap.

Note: There will be no change in the Pre and Post Scheme of Arrangement in the shareholding pattern of the Transferee Company as no shares would be issued pursuant to the Scheme.

18. The rights and interests of the Equity Shareholders, Secured or Unsecured Creditors of the Transferor Company and the Transferee Company will not be prejudicially affected by the Scheme as no sacrifice or waiver is, at all called from them nor their rights sought to be modified in any manner.

19. No investigation proceedings have been instituted or are pending under Sections 235 to 251 of the Companies Act, 1956 and Section 210 of the Companies Act, 2013, against the Transferor Company.

20. In the event of any of the sanctions and approvals referred to in Clause 16 of the Scheme not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2017 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), the Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and / or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

21. This statement may be treated as an Explanatory Statement under Section 393 of the Companies Act, 1956 and Section 102 of the Companies Act, 2013.

22. On the Scheme being approved by the requisite majority of the Shareholders, the Transferor Company shall file a petition with the Hon'ble High Court of Judicature at Bombay for sanction of the Scheme under Sections 391 to 394 and other applicable provisions of the Act.

23. The following documents will be open for inspection by the equity shareholders of the Transferor Company up to 1 (one) day prior to the date of the meeting at its registered office between 11:00 A.M. and 2:00 P.M. on all working days, except Saturdays, Sundays and Public Holidays:

    (i) Copy of the Order dated August 5, 2016 of the Hon'ble High Court of Judicature at Bombay passed in Company Summons for Direction No. 657 of 2016 directing the convening of the meeting of the Equity Shareholders of the Transferor Company;

    (ii) Copy of the Company Summons for Directions No. 657 of 2016;

    (iii) Scheme of Arrangement;

    (iv) Memorandum and Articles of Association of the Transferor Company and the Transferee Company;

    (v) Statement of Audited Financial Results of the Transferor Company for the financial year ended March 31, 2016;

    (vi) Annual Report of the Transferee Company for the financial year ended March 31, 2016;

    (vii) Copy of the Valuation Report dated February 25, 2016 issued by M/s. Jignesh & Co., Chartered Accountants, an independent valuer;

    (viii) Copy of the Fairness Opinion dated February 25, 2016 issued by M/s. Dalmia Securities Private Limited;

    (ix) Copy of the Complaints Report submitted to National Stock Exchange of India Limited on April 14, 2016 and BSE Limited on April 18, 2016 and also uploaded on the Transferor Company's website;

    (x) Copy of Observation letters dated June 20, 2016 received from National Stock Exchange of India Limited and letter dated June 21, 2016 from BSE Limited;

    (xi) Register of Director's Shareholdings of the Transferor Company.

24. A copy of the Scheme, Explanatory Statement and Proxy Form may be obtained from the Registered Office of the Transferor Company or/ and at the office of the advocate situated at M/s. Rajesh Shah & Co., 16, Oriental Building, 30, Nagindas Master Road, Flora Fountain, Mumbai 400 001.

Sd/-
Dr. Bidhubhusan Samal
Chairman appointed for the meeting

Place : Mumbai
Date : August 5, 2016

Registered Office:
Reliance Capital Limited
H Block, 1st Floor
Dhirubhai Ambani Knowledge City
Navi Mumbai 400 710
CIN: L65910MH1986PLC165645

SCHEME OF ARRANGEMENT

UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956

BETWEEN

RELIANCE CAPITAL LIMITED

AND

RELIANCE COMMERCIAL FINANCE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

A. Purpose of the Scheme

This Scheme provides for demerger and vesting of the Transferred Undertaking (as defined hereinafter)of Reliance Capital Limited ("RCap" or "the Transferor Company") into Reliance Commercial Finance Limited ("RCFL" or "the Transferee Company") pursuant to the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956 as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof), for the time being in force.

B. Background of the Companies

1. RCap is a Systemically Important Non-deposit Taking Non Banking Financial Company ("NBFC-ND-SI") registered with the Reserve Bank of India ("RBI"). It is listed on both the BSE Limited and the National Stock Exchange of India Limited. RCap 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. The registered office of RCap is situated at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710.

2. RCFL is a wholly owned subsidiary of RCap. RCFL is a Non Banking Financial Company ("NBFC") registered with RBI. The registered office of RCFL is situated at Reliance Centre, 19, Walchand Hirachand Marg, Mumbai 400 001.

C. Rationale for the Scheme

All operating businesses of the Transferor Company, except the Commercial Finance business, are held in its wholly or majority owned subsidiaries. Accordingly, to align the overall operating structure, it is proposed to transfer the Transferred Undertaking of the Transferor Company into a Wholly Owned Subsidiary. This will also facilitate the treatment of the Transferor Company as a Core Investment Company ("CIC") in terms of applicable RBI regulations.

This Scheme also makes provision for various other matters consequential or related thereto and otherwise integrally connected therewith.

D. Parts of the Scheme

This Scheme is divided into the following parts:

(i) **Part I** deals with the definitions of terms used in this Scheme and share capital of the Transferor Company and Transferee Company;

(ii) **Part II** deals with demerger and vesting of the Transferred Undertaking; and

(iii) **Part III** deals with the other general terms and conditions.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

1.1 **"Act" or "the Act"** means the Companies Act, 1956 as amended and the corresponding provisions of the Companies Act, 2013 upon their notification (including any statutory modifications(s) or re-enactment(s) thereof), for the time being in force;

1.2 **"Appointed Date"** means April 1, 2016 or such other date as may be approved by the Hon'ble High Court of Judicature at Bombay;

1.3 **"Board of Directors"** means the Board of Directors of the Transferor Company or the Transferee Company or both as the context may require and includes a committee duly constituted by the Board of Directors and authorised thereby for the purpose on matters pertaining to the Scheme and/or any other consequential or incidental matter in relation thereto;

1.4 **"Capital Reserve"** means a reserve arising in the books of the Transferee Company pursuant to the Scheme and will not constitute a reserve created by the Transferee Company and will be a free reserve available for all the purposes including issue of bonus shares;

1.5 **"CF Business Liabilities"** means all present and future liabilities (including contingent liabilities), etc. relatable to the Transferred Undertaking and includes debts, liabilities or obligations incurred by the Transferor Company which directly or indirectly are attributable to, or utilised for, or relatable to, the Transferred Undertaking determined on the basis as if all financial assets and other assets of the Transferred Undertaking were directly or indirectly funded out of, or funded by utilising, funds borrowed by the Transferor Company;

1.6 **"Court" or "High Court"** means the High Court of Judicature at Bombay and/ or the National Company Law Tribunal, as the case may be, under the relevant provisions of the Act at the relevant point in time;

1.7 **"Effective Date"** means the last of the date on which the certified copies of the Orders of High Court of Judicature at Bombay under Sections 391 to 394 of the Act or corresponding authority as per provisions of the Companies Act, 2013, sanctioning the Scheme is filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Company and the Transferee Company. References in this Scheme to the words **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** shall mean the Effective Date;

1.8 **"RCap" or "the Transferor Company"** means Reliance Capital Limited a public listed company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number L65910MH1986PLC165645, and registered with the RBI as a NBFC-ND-SI and whose registered office is situated at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai 400 710;

1.9 **"RCFL" or "the Transferee Company"** means Reliance Commercial Finance Limited, a public company incorporated under the provisions of the Companies Act, 1956 under the corporate identity number U66010MH2000PLC128301, and registered as a NBFC with the RBI and whose registered office is situated at Reliance Centre, 19, Walchand Hirachand Marg, Mumbai 400 001;

1.10 **"Remaining Business"** means all the businesses, divisions, assets including immovable properties and assets given on lease, owned by the Transferor Company and liabilities of RCap other than the Transferred Undertaking as defined in Clause 1.13 of this Scheme;

1.11 **"Scheme" or "Scheme of Arrangement"** means this Scheme of Arrangement in its present form including any modification(s) or amendment(s) hereto;

1.12 **"Stock Exchanges"** shall mean the BSE Limited and the National Stock Exchange of India Limited where the equity shares of RCap are listed;

1.13 **"Transferred Undertaking" or "CF Business"** means the Commercial Finance Business undertaking of the Transferor Company on a going concern basis, comprising, inter alia, of all the properties, assets, liabilities, permits, licences, registrations, approvals, contracts, and employees which are relatable to the Transferred Undertaking which shall include:

(a) All the assets and movable properties wherever situated whether tangible or intangible, absolute, accrued, fixed or otherwise including property, loans, securities, post dated cheques, ECS mandate, direct debit mandate, collection / escrow mechanism or other such payment mechanism, accounts and notes receivable, plant and machinery, equipment, stocks and inventory, machinery, vehicles, offices, investments, interest, capital, work-in-progress, furniture, fixtures, office equipment, appliances, computers (software as well as hardware), accessories, licenses, approvals, registrations, right to use all branches along with all the assets used therein, incentives (if any), rights as licensee or lessee, municipal permissions, regulatory permissions, consents, or powers of every kind, nature and description whatsoever in connection with operating or relatable to the CF Business and all other permissions, rights (including rights under any contracts, memoranda of understanding, etc.), entitlements, copyrights, patents, trademarks, trade names, domain names and other industrial designs, trade secrets, or intellectual property rights of any nature and all other interest exclusively relating to the services being dealt with by the Transferred Undertaking, and all deposits, advances and or moneys paid or received by the Transferred Undertaking, all statutory licenses and/ or permissions to carry on the operations of the Transferred Undertaking and any financial assets, benefits of any corporate guarantees issued by the Transferor Company in relation to

and for the benefit of the Transferred Undertaking and the benefits of any bank guarantees issued in relation to and for the benefit of the Transferred Undertaking, deferred tax benefits, privileges, exemptions, and approvals of whatsoever nature (including but not limited to benefits of tax relief including under the Income-tax Act, 1961 such as credit for advance tax, taxes deducted at source, minimum alternate tax credit, benefits under the value added tax, benefits of any unutilised CENVAT/service tax credits, etc.) all other claims, rights and benefits, power and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections, email connection, other communication facilities connections and installations, utilities, electricity and other services, provisions, funds, benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferred Undertaking together with CF Business Liabilities. Provided however, the assets shall not include the immovable properties owned by the Transferor Company;

(b) All rights and obligations of the Transferor Company under the customer contracts, loan agreements, the receivables and non-performing assets, along with the unamortized subventions received, and unamortized cost of acquisition relating to the receivables and non-performing assets, under the customer contracts and the rights and interest of the Transferee Company to the security and / or collateral provided in relation to the customer contracts. It is clarified that for the purpose of determining the tenure of customer contracts / receivables, the original date of the contract will be the relevant date for the purposes of all relevant regulations;

(c) All the rights and obligations under the contracts/ agreements including but not limited to service provider contracts, preferred financing contracts, connector agreements, revenue sharing agreements, leave and license agreements, direct selling agent agreements, non disclosure agreements, memorandum of understandings, expression of interest letters, vendor agreements, master service agreements, mandate agreements, agreements executed with legal and technical vendors/ valuers, framework agreements, collaboration agreements, lease agreements, master license agreements, annual maintenance contracts, supply agreements, retainership agreements, purchase orders, work orders, rate contracts, business centre agreements, license usage agreements, digital marketing agreements, project marketing agreements, total cost of service agreements, software licensing agreements, introduction agreements, mutual confidential disclosure agreements, sourcing agreements, master lease agreements, escrow agreements, trust retention account agreements, operating lease agreements/contracts, agreement to provide the facility attendants, collection agency agreements, stock yard contracts, online auction agreements, relationship referral agreements, repossession agreements all the rights and obligations with respect to credit enhancement obligations together with corresponding collateral and interest and surplus received or receivable to meet credit enhancement obligations and all the rights and obligations with respect to collection and payout obligations;

(d) Without prejudice to the generality of the clause (a) above, the Transferred Undertaking shall also include all CF Business Liabilities;

(e) All deposits and balances with government, semi-government, local and other authorities and bodies, customers and other persons, all entitlements to tax and other credits, set offs, carry forward balances including, in particular, entitlement to credit pertaining to taxes paid u/s. 115JB of the Income tax Act. investments (if any) pertaining to the Transferred Undertaking, including securitised assets, earnest moneys and/ or security deposits paid or received by the Transferor Company directly or indirectly in connection with or relating to the CF Business and where the amount of any entitlement, credit set off or carry forward balance relating directly or indirectly to the CF Business cannot be separately identified, the same shall be deemed to be the proportion of such entitlement, credit, set off or carry forward balance as the proportion of the book value of the assets of the Transferred Undertaking to the total assets of the Transferor Company at the close of the day preceding the Appointed Date;

(f) All necessary records, files, papers, technical and process information, all product and service pricing, costing, commercial and business related information, computer program, drawings and designs, procedure and other manuals, training materials, prospect lists, data, catalogues, quotations, sales and advertising materials, financing and serving related forms, lists and all details of present and former customers and suppliers, customer credit information, customer pricing information and other records whether in physical or electronic form in connection with or relating to the Transferred Undertaking;

(g) Extension of insurance covers and/or benefits under the existing insurance policies providing insurance cover pertaining to the Transferred Undertaking;

(h) All permanent and/ or temporary employees, workmen, staff, contract staff or labourers of the Transferor Company engaged in directly or exclusively for the CF Business and those permanent and/ or temporary employees that are determined by the board of directors of the Transferor Company to be engaged in or relatable to the CF Business.

It is clarified that the Transferred Undertaking does not include the assets (including the immovable properties owned by the Transferor Company), liabilities and obligations forming part of the Remaining Business. In case, if any assets or liabilities or contracts or any other instrument of the Transferred Undertaking cannot be transferred to the Transferee Company for any reasons whatsoever, the Transferor Company shall continue to hold those assets or liabilities or contracts or any other instrument on trust for the benefit of the Transferee Company in so far as it is permissible so to do, till such time as the transfer is effected.

Any question that may arise as to whether a specific asset or liability pertains or does not pertain to the Transferred Undertaking or whether it arises out of the activities or operations of the Transferred Undertaking shall be decided by mutual agreement between the Board of Directors of the Transferor Company and the Transferee Company or committee(s) thereof authorized by the respective Board of Directors.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, including any statutory modification(s) or re-enactment(s) thereof from time to time.

2. SHARE CAPITAL

2.1 The share capital structure of the Transferor Company as on December 31, 2015 is as follows:

Authorised Capital	**Amount in INR (crore)**
30,00,00,000 equity shares of Rs. 10 each	300.00
10,00,00,000 preference shares of Rs. 10 each	100.00
Total	**400.00**
Issued and Subscribed	
25,39,77,006 equity shares of Rs. 10 each	253.97
Total	**253.97**
Paid-Up Capital	
25,26,32,800 equity shares of Rs. 10 each	252.63
Add: Forfeited shares	0.52
Total	**253.15**

The equity shares of the Transferor Company are listed on the Stock Exchanges. Subsequent to December 31, 2015, there is no change in authorized, issued, subscribed and paid-up equity share capital of the Transferor Company.

2.2 The share capital structure of the Transferee Company as on December 31, 2015 is as follows:

Authorised Capital	**Amount in INR (crore)**
20,00,00,000 equity shares of Rs. 10 each	200.00
Total	**200.00**
Issued, Subscribed and Paid-up Capital	
1,23,00,700 equity shares of Rs. 10 each	12.30
Total	**12.30**

The equity shares of the Transferee Company are not listed. Subsequent to December 31, 2015, the issued, subscribed and paid-up equity share capital of the Transferee Company has changed pursuant to issue of additional shares. The revised capital structure is as under:

Authorised Capital	**Amount in INR (crore)**
20,00,00,000 equity shares of Rs. 10 each	200.00
Total	**200.00**
Issued, Subscribed and Paid-up Capital	
6,23,00,700 equity shares of Rs. 10 each	62.30
Total	**62.30**

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

This Scheme set out herein along with the modification(s) proposed, if any, by the High Court / appropriate authority, shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II

4. DEMERGER AND VESTING OF THE TRANSFERRED UNDERTAKING

4.1 Upon the coming into effect of this Scheme and with effect from the opening hours of the Appointed Date and subject to the provisions of this Scheme, the Transferred Undertaking shall, pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and other relevant provisions of the Act, without any further act, instrument or deed, be transferred to and vest in, or be deemed to be transferred to and vested in the Transferee Company, as a going concern, so as to vest in the Transferee Company all the rights, liabilities, properties, title and interest of the Transferee Company therein subject to all subsisting charges, liens, pledges, mortgages, if any, then affecting the same or part thereof.

4.2 In so far as the assets of the Transferred Undertaking are concerned, the security, existing charges, mortgages and encumbrances in respect of any of the assets or any part thereof, in relation to any loans or borrowings of the Remaining Business of the Transferor Company shall, without any further act, instrument or deed, be released and stand discharged from the same.

4.3 In so far as the assets of the Remaining Business of the Transferor Company are concerned, the security over such assets, to the extent they relate to the Transferred Undertaking shall, without any further act, instrument or deed be released and discharged from such security that relate to the Transferred Undertaking. Without prejudice to the foregoing and with effect from the Effective Date, the Transferor Company and the Transferee Company shall execute any instruments or documents and do all the acts and deeds as may be required, including the filing of necessary particulars and/ or modification(s) of charge, with the Registrar of Companies, Mumbai, to give formal effect to these provisions, if required.

4.4 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, in accordance with the provisions of relevant laws and the Act, all the consents, permissions, licenses, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same shall, insofar as they relate to the Transferred Undertaking and all quality certifications and approvals, trademarks, patents and domain names, copyrights, industrial designs, trade secrets, product registrations and other intellectual property and all other interests relating to the goods, services or any other assets being directly and exclusively dealt with by the Transferred Undertaking, be transferred to and vested in the Transferee Company. In respect of all the movable assets of the Transferor Company and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, including cash on hand, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date. Such delivery and transfer shall be made on a date mutually agreed upon between the respective Board of Directors of the Transferor Company and the Transferee Company. In respect of any intangible moveable assets of the Transferor Company other than those mentioned in hereinabove, including actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Company shall if so required by the Transferee Company, and the Transferee Company may, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the High Court having sanctioned this Scheme between the Transferor Company and the Transferee Company under Section 394 of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the right of the Transferor Company to recover or realize the same stands transferred to the Transferee Company and that appropriate entries shall be passed in their respective books to record the aforesaid changes.

4.5 Upon the coming into effect of this Scheme and with effect from the Appointed Date, all the various incentives, service tax benefits, subsidies (including applications for subsidies), grants, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority or by any other person, or availed of by the Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Transferred Undertaking, vest with and be available to the Transferee Company on the same terms and conditions.

4.6 All the CF Liabilities of the Transferor Company as on the Appointed Date shall also stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company on a going concern basis, without any further act or deed pursuant to Section 394 (2) of the Act, so as to become the liabilities, debts, duties and obligations, dues, loans and responsibilities of the Transferee Company on the same terms and conditions as was applicable to the Transferor Company.

4.7 It is hereby clarified that the rest of the assets (including the immovable properties owned by the Transferor Company) and liabilities (other than those forming part of the Transferred Undertaking or otherwise specified in this Scheme) of the Transferor Company shall continue in the Transferor Company.

4.8 All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company pertaining to the Transferred Undertaking after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company. Similarly, the banker of the Transferee Company shall honour all cheques issued by the Transferor Company pertaining to the Transferred Undertaking for payment after the Effective Date. If required, the Transferor Company shall allow maintaining of bank accounts in its name by the Transferee Company for such time as may be determined to be necessary by the Transferor Company and the Transferee Company for presentation and deposition of

cheques and pay orders that have been issued in the name of the Transferor Company in connection with the business of Transferred Undertaking.

4.9 It is clarified that if any assets, (claims, rights, title, interest in, or authorities relating to such assets) or liabilities or any contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever in relation to Transferred Undertaking which the Transferor Company owns or to which the Transferor Company is a party and which cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such assets or contract, deeds, bonds, liabilities, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the Transferee Company to which the Transferred Undertaking is being transferred in terms of this Scheme, in so far as it is permissible so to do, till such time as the transfer is effected. It is further clarified that, with respect to such assets, liabilities or agreements of whatsoever in relation to the Transferred Undertaking, the Transferor Company shall carry on and deemed to have carried on its business and activities and shall stand possessed of such assets, liabilities or agreements in trust for the Transferee Company and shall account for the same to the Transferee Company. All income and expenditure accruing on account of the above after the Appointed Date will be for and on account of the Transferee Company.

5. CONSIDERATION

The Transferee Company is a wholly owned subsidiary of the Transferor Company. The Scheme is intended to transfer the Transferred Undertaking to the wholly owned subsidiary and does not involve any movement of assets or liabilities to any company outside the group. Hence, the Transferee Company is not required to pay or provide for any consideration and therefore Transferee Company is not issuing any shares or paying any consideration, directly or indirectly, to either the Transferor Company or to its shareholders.

6. ACCOUNTING TREATMENT

6.1 Accounting treatment in the books of the Transferor Company:

6.1.1 The Transferor Company shall, upon the Scheme becoming effective, reduce the assets and liabilities of the Transferred Undertaking vested in the Transferee Company pursuant to this Scheme at their respective book values as appearing on the close of business day immediately preceding the Appointed Date.

6.1.2 The difference between book value of assets and the book value of liabilities of the Transferred Undertaking and demerged from the Transferor Company pursuant to this Scheme shall be recognised as profit or loss in the books of the Transferor Company.

6.2 In the books of the Transferee Company:

6.2.1 Upon the coming into effect of this Scheme, the Transferee Company shall record the assets and liabilities of the Transferred Undertaking at their respective book values as on the Appointed Date.

6.2.2 The difference between value of assets and liabilities of the Transferred Undertaking as recorded by the Transferee Company shall be deemed to comprise and be recorded, in case of excess as its Capital Reserve or in case of deficit as Goodwill. Such reserve will be a reserve arising pursuant to the Scheme and will not constitute a reserve created by the Transferee Company.

6.2.3 If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferred Undertaking of the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in its Capital Reserve / General Reserve. It is clarified that the reserves arises pursuant to the Scheme shall for all regulatory and accounting purposes be considered to be part of the owned funds / net worth of the Transferee Company.

7. CARRYING ON THE BUSINESS OF THE TRANSFERRED UNDERTAKING UNTIL THE EFFECTIVE DATE

7.1 With effect from the Appointed Date and up to and including the Effective Date, the Transferor Company shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Transferred Undertaking for and on account of and in trust for the Transferee Company.

7.2 All profits accruing to the Transferor Company or losses including tax losses, arising or incurred by the Transferor Company in relation to the Transferred Undertaking for the period commencing from the Appointed Date to the Effective Date shall, for all purposes, be treated as profit or loss, as the case may be, of the Transferee Company.

7.3 All assets acquired by the Transferor Company after the Appointed Date and prior to the Effective Date for operation of the Transferred Undertaking or pertaining to the Transferred Undertaking shall be deemed to have been acquired in trust for and on behalf of the Transferee Company, and shall also stand transferred to and vested in the Transferee Company upon the coming into effect of this Scheme.

7.4 Where any of the liabilities and obligations of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company, and all loans raised and used and all liabilities and obligations incurred by the Transferor Company for the operations of the Transferred Undertaking after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used or incurred for and on behalf of the Transferee Company, and to the extent they are outstanding on the Effective Date, shall also without any further act or deed be and stand transferred to the Transferee Company and shall

become the liabilities and obligations of the Transferee Company, which shall be liable to meet, discharge and satisfy the same.

7.5 The Transferor Company hereby confirms that it shall continue, from the date of the filing of the Scheme and up to the Effective Date, to preserve and carry on the Transferred Undertaking with due diligence and prudence.

8. LEGAL PROCEEDINGS

8.1 With effect from the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) ("**Proceedings**") by or against the Transferor Company under any statute, whether pending on the Appointed Date, relating to the Transferred Undertaking, shall be continued and enforced by or against the Transferee Company after the Effective Date, to the extent legally permissible. To the extent such Proceedings cannot be taken over by the Transferee Company, the Proceedings shall be pursued by the Transferor Company as per the instructions of and entirely at the costs and expenses of the Transferee Company. In the event that such liability is incurred or such claim or demand is made upon the Transferor Company pertaining to the Transferred Undertaking (or any successor thereof), then the Transferee Company shall reimburse and indemnify the Transferor Company (or any successor thereof) for any payments made in relation to the same.

8.2 Any Proceedings by or against the Transferor Company under any statute, whether pending on the Appointed Date, whether or not in respect of any matter arising before the Effective Date and relating to the Remaining Business (including those relating to any property, right, power, liability, obligation or duties of the Transferor Company in respect of the Remaining Business) shall be continued and enforced by or against the Transferor Company. The Transferee Company shall in no event be responsible or liable for or in relation to any such Proceeding by or against the Transferor Company.

9. CONTRACTS, LICENSES, APPROVALS AND PERMITS

9.1 With effect from the Appointed Date on coming into effect on the Effective Date and subject to the provisions of this Scheme, all licenses, approvals or permits, whether governmental or otherwise, contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature in relation to the Transferred Undertaking to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or having effect immediately before the Effective Date, shall be in full force and effect on or against or in favour of, as the case may be, vest in the Transferee Company, and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto.

9.2 Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the Transferred Undertaking with the Transferee Company occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or tripartite arrangements with any party to any contract or arrangement, to which the Transferor Company is a party, or any writings as may be necessary, to be executed merely in order to give formal effect to the above provisions. The Transferor Company shall, if necessary, also be a party to the above. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

9.3 Any statutory and other licenses, registrations, permissions, approvals or consents to carry on the operations whether issued by statutory and other authorities of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory and other authorities concerned in favour of the Transferee Company upon the Scheme becoming effective. The benefit of all such statutory and regulatory permissions, and consents, shall vest in and become available to the Transferee Company pursuant to this Scheme. Since each of the statutory and other licenses, registrations, permissions, approvals or consents shall stand transferred by the order of the High Court to the Transferee Company, the Transferee Company shall file the relevant intimations for the record of the statutory and other authorities who shall take them on file pursuant to the vesting orders of the High Court.

9.4 It is hereby clarified that if any licenses, approvals, permits, contracts, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in relation to the Transferred Undertaking to which the Transferor Company is a party to, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such contract, deeds, bonds, agreements, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company.

9.5 Any and all transactions between the Transferor Company and the Transferee Company between the Appointed Date and Effective Date which have the effect of being consummated only upon the Scheme coming into effect, shall accrue with effect from the Effective Date and any and all compliances with respect to such transactions shall be applicable from the Effective Date.

10. EMPLOYEES

10.1 All the employees of the Transferor Company who are exclusively part of the Transferred Undertaking shall stand transferred to the Transferee Company on terms and conditions which shall not be less favourable than the terms and conditions of employment offered by the Transferor Company and existing till the Appointed Date (including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity plans,

provident plans, superannuation plans and/ or any other retirement benefits) without any interruption in service as a result of transfer of the Transferred Undertaking of the Transferor Company to the Transferee Company.

10.2 The Transferee Company agrees that the services of all such employees (as mentioned in Clause 10.1 above) with the Transferor Company prior to the transfer, as aforesaid, shall be taken into account for the purposes of all benefits to which the said employees may be eligible, including in relation to the level of remuneration and contractual and statutory benefits, incentive plans, terminal benefits, gratuity fund plans, provident fund plans, superannuation fund plans and any other retirement benefits and accordingly, shall be reckoned therefore from the date of their respective appointment in the Transferor Company who were part of the Transferred Undertaking.

10.3 The existing provident fund, superannuation and gratuity fund, incentives, if any, of which the aforesaid employees of the Transferor Company who are part of the Transferred Undertaking (being transferred under Clause 4 above to the Transferee Company), are members or beneficiaries, along with all accumulated contributions therein till the Effective Date, shall, with the approval of the concerned authorities, be transferred to and continued without any break, to be administered by the Transferee Company for the benefit of such employees on the same terms and conditions. All benefits and schemes being provided to the transferred employees will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes. Accordingly, the provident fund, superannuation fund and gratuity fund dues, if any, of the said employees of the Transferor Company, would be continued to be deposited in the transferred provident fund, superannuation fund and gratuity fund account by the Transferee Company. In case necessary approvals are not received by the Effective Date and there is delay, all such amounts shall continue to be administered by the Transferor Company as a trustee from the Effective Date till the date of actual transfer and on receiving the approvals, all the accumulated amounts till such date, shall be transferred to the respective funds of the Transferee Company in accordance with the approvals that have been obtained.

11. SAVINGS OF CONCLUDED TRANSACTIONS

The demerger and vesting of the assets, liabilities and obligations of the Transferred Undertaking as per this Scheme, and the continuance of the proceedings by or against the Transferee Company under Clause 8 hereof shall not affect any transaction or proceedings already completed by the Transferred Undertaking on or after the Appointed Date but before the Effective Date, to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/ or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

12. DIVIDEND

12.1 The Transferor Company and the Transferee Company shall be entitled to declare and pay dividend, whether interim or final, to their respective shareholders in respect of the accounting period prior to the Effective Date.

12.2 It is clarified that the aforesaid provisions in respect of declaration of dividend are enabling provisions only and shall not be deemed to confer any right on Transferor Company to demand or claim any dividend which, subject to the provisions of the said Act, shall be entirely at the discretion of the Board of the Transferee Company, subject to such approval of the shareholders, as may be required.

13. TREATMENT OF TAXES

13.1 All taxes (including income tax, sales tax, service tax, etc.) paid or payable by the Transferor Company, in respect of the operations and/ or the profits of the Transferred Undertaking before the Appointed Date, shall be on account of the Transferor Company, and insofar as it relates to the tax payment (including, without limitation, sales tax, income tax, service tax etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Transferred Undertaking after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

13.2 Without prejudice to the generality of the foregoing on and from the Appointed Date, if any certificate for tax deducted at source or any other tax credit certificate relating to the Transferred Undertaking is received in the name of the Transferor Company, it shall be deemed to have been received by the Transferee Company which alone shall be entitled to claim credit for such tax deducted or paid.

13.3 Upon the coming into effect of this Scheme, the Transferor Company and the Transferee Company are expressly permitted to revise their respective tax returns and related withholding tax certificates, including withholding tax certificates relating to transactions between the Transferor Company and the Transferee Company, to the extent required and to claim refunds, advance tax and withholding tax credits, and benefit of credit for minimum alternate tax, or any other tax related compliances or filings of forms.

13.4 The service tax paid by the Transferor Company under the Finance Act, 1994 in respect of services provided by the Transferred Undertaking for the period commencing from the Appointed Date shall be deemed to be the service tax paid by the Transferee Company, and credit for such service tax shall be allowed to the Transferee Company notwithstanding that challans for service tax payments are in the name of the Transferor Company and not in the name of the Transferee Company.

PART III

GENERAL TERMS & CONDITIONS

14. APPLICATION TO HIGH COURT

The Transferor Company and the Transferee Company shall as may be required make applications and/or petitions under Sections 391 to 394 of the Act and other applicable provisions of the Act to the High Court of Judicature at Bombay for sanction of this Scheme and all matters ancillary or incidental thereto.

15. MODIFICATIONS OR AMENDMENTS TO THE SCHEME

15.1 The Transferor Company and the Transferee Company by their respective Board of Directors may assent to any modifications/amendments to the Scheme or to any conditions or limitations that the Court and/or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e. the Board of Directors) subject to the approval of the Hon'ble High Court of Judicature at Bombay or any other authorities under applicable law. The Transferor Company and the Transferee Company by their respective Board of Directors be and are hereby authorized to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and/or any matter concerned or connected therewith.

15.2 In the event any of the conditions that may be imposed by the Court, while sanctioning the Scheme, which the Board of Directors of the Transferor Company and the Transferee Company may find unacceptable for any reason, then the Transferor Company and Transferee Company are at liberty to withdraw from the Scheme.

16. CONDITIONALITY OF THE SCHEME

This Scheme is and shall be conditional upon and subject to:

16.1 The requisite consents, approvals or permissions of any governmental or regulatory authority, which by law may be necessary for the implementation of this Scheme.

16.2 The Scheme being approved by the requisite majorities in number and value of the members and / or creditors of the Transferor Company and the Transferee Company as may be directed by the Hon'ble High Court of Judicature at Bombay or any other competent authority, as may be applicable.

16.3 The Scheme being approved by the Bombay Stock Exchange and National Stock Exchange under Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16.4 The sanction of the High Court under Sections 391 to 394 of the Act in favour of the Transferor Company and the Transferee Company under the said provisions and to the necessary Order under Section 394 of the Act being obtained; and

16.5 Certified copies of the Orders of the High Court of Judicature at Bombay sanctioning the Scheme being filed with the Registrar of Companies, Maharashtra at Mumbai by the Transferor Company and the Transferee Company.

17. EFFECT OF NON-RECEIPT OF APPROVALS

In the event of any of the said sanctions and approvals referred to in the preceding clause not being obtained and/ or the Scheme not being sanctioned by the Bombay High Court or such other competent authority and / or the Order not being passed as aforesaid before March 31, 2017 or within such further period or periods as may be agreed upon between the Transferor Company and the Transferee Company by their Board of Directors (and which the Board of Directors of the companies are hereby empowered and authorised to agree to and extend the Scheme from time to time without any limitation), this Scheme shall stand revoked, cancelled and be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/ or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or as may otherwise arise in law.

18. REPEALS AND SAVINGS

Any matter filed with Registrar of Companies, Regional Director or the Central Government under the Companies Act, 1956, before the notification of the corresponding provisions under the Companies Act, 2013 and not fully addressed at that time shall be concluded by the Registrar of Companies, Regional Director or the Central Government, as the case may be, in terms of the Act. Any direction or order given by the Hon'ble High Court under the provisions of the Act and any act done by the Transferor Company and the Transferee Company, based on such directions or order shall be deemed to be in accordance with and consistent with the provisions of the Companies Act, 2013.

19. COSTS, CHARGES AND EXPENSES

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme and matters incidental thereto, shall be borne by the Transferor Company.

Dalmia Securities Private Limited

STRICTLY PRIVATE & CONFIDENTIAL

Date: February25, 2016

The Board of Directors, **Reliance Capital Limited** H Block, 1stFloor, Dhirubhai Ambani Knowledge City, Navi Mumbai- 400710	**The Board of Directors,** **Reliance Gilts Limited,** Reliance Centre 19 Walchand Hirachand Marg, Mumbai - 400001

Dear Sirs,

Subject: Fairness Opinion for the proposed demerger of Commercial Finance business of Reliance Capital Limited (RCap) to its wholly owned subsidiary Reliance Gilts Limited (RGilts) pursuant to the Scheme of Arrangement in terms of sub-Para 8(b) of Para I(A) of Annexure I ('said Para 8(b)') of the SEBI Circular No CIR/CFD/CMD/16/2015 dated 30 November 2015read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Circular') issued by the Securities and Exchange Board of India ('SEBI').

Please refer to the engagement letter dated February 24, 2016 regarding the Fairness Opinion in terms of the said Para 8(b) of the Circular for the proposed transfer of Commercial Finance business of Reliance Capital Limited ('hereinafter referred to as 'RCap' or 'Transferor Company') to Reliance Gilts Limited (hereinafter referred to as 'RGilts' or 'Transferee Company') pursuant to Scheme of Arrangement in terms of provisions of Section 391 to 394 of the Companies Act 1956 ('the Act') and other applicable provisions of the Act and /or Rules/Regulations made there under. It is hereby clarified and stated that upon the relevant Sections of the Companies Act 2013 pertaining to the Scheme of Compromise, Arrangement, or Amalgamation of companies being notified by the Ministry of Corporate Affairs ('MCA'), this Scheme shall be deemed to have been formulated and presented under Sections 230 to 240 of the Companies Act, 2013 read with applicable Rules made there under.

1. Background

1.1 Reliance Capital Limited ('RCap')

1.1.1 About RCap

RCap was originally incorporated on 5th March 1986 in the State of Gujarat as "Reliance Capital & Finance Trust Limited" under the provisions of the Companies Act, 1956 with CIN of

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L65910MH1986PLC165645. Subsequently the name was changed to Reliance Capital Limited on 6thJanuary 1995. The registered office was shifted from the State of Gujarat to Maharashtra on 2nd November, 2006 and was registered with Registrar of Companies, Maharashtra, Mumbai on 20th November 2006. Its Registered Office is presently located at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai - 400 710. RCap is in the business of Financial services withinterest in asset management, mutual funds, pension funds, life and general insurance and proprietary investments, home and commercial finance, stock broking and depository services, wealth management, asset reconstruction, distribution of financial products and other related activities in financial services. The equity shares of RCap are listed on the BSE Limited and National Stock Exchange of India Limited.

1.1.2 Shareholding pattern of RCap as on December 31, 2015 is as under:

Category	Shareholding of equity shares (%)
Promoters& Promoter Group	52.13
Public (including Custodian shares)	47.23
Shares held by Employee Trusts	0.63
Total	**100.00**

1.1.3 Summary of Financials (standalone) of RCap is as under:

(Rs. Crs)

Year ending March 31,	2015	2014	2013
Total Revenue (including other income)	3,988	3254	3868
Total Expenditure including exceptional items	3144	2790	3164
Profit Before Tax	844	464	704
Profit After Tax	757	409	662
Equity share capital	253	244	246
Net worth	12387	11458	11346

1.2 Reliance Gilts Limited (RGilts)

1.2.1. About RGilts:

RGilts, the Transferee Company is a wholly owned subsidiary of RCap. RGilts was originally incorporated on 17thAugust 2000 as Reliance Life Insurance Limited under the provisions of the Companies Act, 1956. Subsequent to several name changes, the company is registered as Reliance Gilts

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Limited with Registrar of Companies, Maharashtra, and Mumbai with effect from 3rd March 2006. Its Registered Office is located at Reliance Center, 19, Walchand Hirachand Marg, Mumbai- 400 001 with CIN U66010MH2000128301. RGilts is a registered NBFC. The entire paid up share capital of Rs.12.30 crs of RGilts is held by RCap.

1.2.2 Financial Performance:

The financial performance of RGilts for the last three years is as under:

(Rs. Crs)

Year ending March 31,	2015	2014	2013
Total Revenue (including other income)	0.03	0.06	0.20
Total Expenditure including exceptional items	0.01	0.04	0.01
Profit Before Tax	0.02	0.02	0.19
Profit After Tax	0.02	0.02	0.19
Equity share capital	12.30	7.00	7.00
Net worth	9.48	4.16	4.14

The company did not carry out substantial business during last 3 years.

2. Scheme of Arrangement

2.1 We have been informed that it is proposed to demerge the Commercial Finance business of RCap, the Transferor Company into RGilts, the Transferee Company with effect from April 1, 2016, the Appointed Date pursuant to the Draft Scheme under section 391-394 of the Act. The Draft Scheme would need approval from the jurisdictional High Court and other regulatory authorities as applicable.

2.2 The Salient features of the Draft Scheme are as under:

- The Draft Scheme provides for demerger and vesting of the Commercial Finance business of RCap into RGilts, with effect from Appointed date.
- The Proposed Appointed Date for the Scheme will be as per clause 1.2 of Para 1 of Part I of the Scheme.
- All the assets and liabilities of the Commercial Finance Business of RGilts shall be transferred on going concern basis.

Since the Transferee Company is a wholly owned subsidiary of the Transferor Company, the Transferee Company shall not be required to issue any shares or pay any consideration to the

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Transferor Company or its shareholders, based on the valuation as per the valuation report of Jignesh & Co, Chartered Accountants, appointed for the said purpose.

3. Scope of Engagement

For the aforesaid purpose, RCap has appointed us to issue a fairness opinion for the intended Scheme in terms of the said Para 8(b) of the Circular. This report is intended only for the sole use of RCap and RGilts, and in connection with the proposed Scheme including for the purpose of obtaining judicial and regulatory approvals for the Scheme.

4. Sources of Information

We have relied on the following information in issuing this fairness opinion for the purpose of the Scheme:

- Copy of Memorandum of Association and Articles of Association of RCap and RGilts;
- Draft Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956, with regard to the proposed demerger;
- Shareholding pattern of RCap and RGilts as on December 31,2015;
- Audited financial statement of (i) RCap for the year ending March 31, 2013, March 31, 2014 and March 31, 2015 and unaudited financials for the period ended December 31,2015(ii) RGilts for the year ending March 31, 2013, March 31, 2014and March 31, 2015 and unaudited financials for the period ended December 31,2015;
- Valuation report dated 25th February, 2016issued by M/s. Jignesh & Co, Chartered Accountant; and
- Such other information, documents, data, reports, discussions and verbal & written explanations from RCap as well as advisors for Scheme with RCap, public domain websites, as were considered relevant for the purpose of the Fairness Opinion.

5. Key Facts From The Scheme

5.1 Based on information provided by the management of the entities forming part of the Scheme and after analyzing the Scheme, we understand that since the Transferee Company is a wholly owned subsidiary of the Transferor Company, the Transferee Company shall not be required to issue any shares or pay any consideration to the Transferor Company or its shareholders.. The Scheme is intended to transfer the Transferred Undertaking to the wholly owned subsidiary and does not involve any movement of assets or liabilities to any company outside the group.

5.2 The rationale for the proposed scheme is as under:

"All operating businesses of RCap, except the Commercial Finance business, are held in its wholly or majority owned subsidiaries. Accordingly, to align the overall operating structure, it is proposed to transfer the Commercial Finance division of RCap into a Wholly Owned Subsidiary.

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This will also facilitate the treatment of RCap as a Core Investment Company (CIC) in terms of applicable RBI regulations."

6. Exclusions and Limitations

6.1 Our report is subject to the scope limitations detailed hereinafter. The report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

6.2 In the course of the present exercise, we were provided with both written and verbal information, including financial data. Our report is based on the information furnished to us being complete and accurate in all material respects. We have relied upon the historical financials and the information and representations furnished to us without carrying out any audit or other tests to verify its accuracy with limited independent appraisal. Also, we have been given to understand by the managements of the companies that they have not omitted any relevant and material factors. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness. We assume no responsibility whatsoever for any errors in the above information furnished by the companies and their impact on the present exercise.

6.3 We have not conducted any independent valuation or appraisal of any of the assets or liabilities of the companies.

6.4 Our work does not constitute an audit, due diligence or verification of historical financials including the working results of the Companies or their business referred to in this report. Accordingly, we are unable to and do not express an opinion on the fairness or accuracy of any financial information referred to in this report.

6.5 We express no opinion whatsoever and make no recommendation at all to the companies underlying decision to effect the proposed Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Companies should vote at their respective meetings held in connection with the proposed Scheme. We do not express and should not be deemed to have expressed any views on any other term of the proposed Scheme. We also express no opinion and accordingly accept no responsibility or as to the prices at which the equity shares of RCap will trade following the announcement of the proposed Scheme or as to the financial performance of RCap following the consummation of the proposed Scheme.

6.6 Our opinion is not, nor should it be construed as our opining or certifying the compliance of the proposed transfer with the provisions of any law including companies, taxation and capital market related laws or as regards any legal implications or issues arising thereon.

6.7 No investigation of the companies claim to the title of assets or property owned by the companies has been made for the purpose of this fairness opinion. With regard to the companies claim we have relied solely on representation, whether verbal or otherwise made, by the management to us for purpose of this report.

Dalmia Securities Private Limited

6.8 Our analysis and results are also specific to the date of this report. An exercise of this nature involves consideration of various factors. This report is issued on the understanding that the companies have drawn our attention to all the matters, which they are aware of concerning the financial position of the Companies, their businesses, and any other matter, which may have an impact on our opinion for the proposed merger, including any significant changes that have taken place or are likely to take place in the financial position of the Companies or their businesses subsequent to the proposed Appointed Date for the proposed Scheme. We have no responsibility to update this report for events and circumstances occurring after the date of this report. We assume no responsibility for updating or revising our opinion based on circumstances or events occurring after the date hereof.

6.9 This report has been issued for the sole purpose to facilitate the Company to comply with the said Para 8(b) of the Circular and it shall not be valid for any other purpose.

7. Opinion & Conclusion

7.1 With reference to above and based on information provided by the management of the entities forming part of the Scheme and after analyzing the Draft Scheme, we understand that the present Scheme has been intended to demerge the Commercial Finance business of the Transferor Company to the Transferee Company. All the assets and liabilities of the Commercial Finance business shall be transferred at book value. There will be no further cash consideration or issuance of shares.. Also, proposed demerger of Commercial Finance business into its wholly owned subsidiary and does not involve any movement of assets or liabilities to any company outside the group.

7.2 Since the Transferee Company is a wholly owned subsidiary of the Transferor company, there is no change in the promoter and public shareholding pattern of the public listed Company i.e., RCap.

7.3 In light of the forgoing and subject to the caveats as detailed hereinbefore, we as a Merchant Banker hereby certify that, in our opinion the proposed demerger of Commercial Finance business of RCap in to RGilts as per the Scheme is fair and reasonable and the interest of shareholders of RCap is not prejudicially affected.

For *Dalmia Securities Private Limited*



Jeyakumar S
COO- Investment Banking

Place: Mumbai
SEBI Registration Number INM000011476

Complaints Report submitted to National Stock Exchange of India Limited (NSE)

Details of complaints, received from March 22, 2016 to April 12, 2016 for the proposed Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 between Reliance Capital Limited and Reliance Gilts Limited and their respective shareholders and creditors

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1	NIL		

Complaints Report submitted to BSE Limited (BSE)

Details of complaints, received from March 28, 2016 to April 17, 2016 for the proposed Scheme of Arrangement under section 391 to 394 of the Companies Act, 1956 between Reliance Capital Limited and Reliance Gilts Limited and their respective shareholders and creditors.

Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	NIL
2.	Number of complaints forwarded by Stock Exchange	NIL
3.	Total Number of complaints/comments received (1+2)	NIL
4.	Number of complaints resolved	NIL
5.	Number of complaints pending	NIL

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved/Pending)
1	NIL		

NATIONAL STOCK EXCHANGE OF INDIA LIMITED

NIFTY 50
Stock of the nation

Ref: NSE/LIST/77092

June 20, 2016

The Vice President,
Reliance Capital Limited
'H' Block, 1st Floor,
Dhirubhai Ambani Knowledge City,
Navi Mumbai 400710

Kind Attn.: Mr. Atul Tandon

Dear Sir,

Sub: Observation letter for draft Scheme of Arrangement between Reliance Capital Limited and Reliance Gilts Limited and their respective shareholders and creditors

This has reference to draft Scheme of Arrangement between Reliance Capital Limited and Reliance Gilts Limited and their respective shareholders and creditors filed by the Company vide its letter dated March 22, 2016.

Based on our letter reference no Ref: NSE/LIST/66601 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CDM/16/2015 dated November 30, 2015, SEBI has vide letter dated May 20, 2016, has given following comments on the draft Scheme of Arrangement:

"a) The Company shall ensure compliance with the undertaking submitted, pertaining to shareholding pattern of Reliance Gilts Limited, is suitably incorporated in the draft scheme.

b) The Company shall duly comply with various provisions of the Circulars."

We hereby convey our 'No-objection' with limited reference to those matters having a bearing on listing/ delisting/ continuous listing requirements within the provisions of the Listing Agreement, so as to enable the Companies to file the Scheme with Hon'ble High Court.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines / Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 20, 2016, within which the Scheme shall be submitted to the Hon'ble High Court. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the Hon'ble High Court, you shall submit to NSE the following:

Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051, India. • Tel: +91 22 26598235/36, 26598346 • Fax: +91 22 26598237/38
E-mail : cmlist@nse.co.in • Web site: www.nseindia.com

a. Copy of Scheme as approved by the High Court;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme
d. Status of compliance with the Observation Letter/s of the stock exchanges
e. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
f. Complaints Report as per SEBI Circular No. CIR/CFD/CDM/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Limited

Kautuk Upadhyay
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm

2.

This Document is Digitally Signed
Signer : Kautuk Rohit Upadhyay
Date: Mon, Jun 20, 2016 19:33:53 GMT+05:30
Location: NSE
NSE

DCS/AMAL/ND/24(f)/426/16-17
June 21, 2016

The Company Secretary,
Reliance Capital Limited
H-Block, 1st Floor,
Dhirubhai Ambani Knowledge City,
Navi Mumbai 400710

Sir/Madam,

Sub: Observation letter regarding the Draft Scheme of Arrangement between Reliance Capital Limited and Reliance Gilts Limited.

We are in receipt of Draft Scheme of Arrangement between Reliance Capital Limited and Reliance Gilts Limited. As required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated June 20, 2016 has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that the undertaking submitted vide letter dated March 31, 2016 to BSE pertaining to the shareholding pattern of Reliance Gilts Limited is suitably incorporated in the draft scheme."
- "Company shall duly comply with various provisions of the Circulars."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble High Court.

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble High Court, the listed company shall submit to the stock exchange the following:

a. Copy of the High Court approved Scheme;
b. Result of voting by shareholders for approving the Scheme;
c. Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
d. Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
e. Status of compliance with the Observation Letter/s of the stock exchanges;
f. The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
g. Complaints Report as per Annexure II of this Circular.
h. Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,

Nitin Pujari
Manager

Reliance Capital Limited

PROXY FORM

CIN: L65910MH1986PLC165645

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
Tel.: 022 3303 1000, Fax: 022 3303 6664, E-mail: rcl.investor@relianceada.com, Website: www.reliancecapital.co.in

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
COMPANY SUMMONS FOR DIRECTION NO. 657 OF 2016

In the matter of the Companies Act, 1956 (1 of 1956)
AND
In the matter of Sections 391 to 394 of the Companies Act, 1956;
AND
In the matter of Scheme of Arrangement
BETWEEN
Reliance Capital Limited ("the Transferor Company" or "RCap")
AND
Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL")
AND
Their respective shareholders and creditors

RELIANCE CAPITAL LIMITED, a Company incorporated under the provisions of the Companies Act, 2013 and having its registered office at H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710 ..... Applicant Company

FORM NO. MGT-11

Name of the member(s) : _____
Registered address : _____
E-mail ID : _____
Folio No. /DP ID & Client ID* : _____ No. of shares held _____

* Applicable in case shares are held in electronic form.

I/We, being the member(s) of [_____] shares of the RELIANCE CAPITAL LIMITED, hereby appoint

(1) Name : _____ E-mail Id : _____
Address : _____
Signature : _____, or failing him
(2) Name : _____ E-mail Id : _____
Address : _____
Signature : _____, or failing him
(3) Name : _____ E-mail Id : _____
Address : _____
Signature : _____,

as my / our proxy, to act for me / us at the Court Convened Meeting of the Equity Shareholders to be held on Saturday, September 10, 2016 at 10:00 A.M. at Reliance Energy Management Institute, Jogeshwari - Vikhroli Link Road, Opposite SEEPZ North Gate No. 3, Aarey Colony, Aarey Colony Road, Mumbai 400 065, for the purpose of considering and if thought fit, approving, with or without modification(s), the Scheme of Arrangement between Reliance Capital Limited ("the Transferor Company" or "RCap") and Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL") and their respective Shareholders and Creditors ("Scheme") under Sections 391 to 394 of the Companies Act, 1956 at such meeting and any adjournment or adjournments thereof, to vote, for me/us and in my/our name(s).....(here, if for, insert 'FOR', or if against, insert 'AGAINST' and in the latter case strike out the words 'EITHER WITH OR WITHOUT MODIFICATIONS' after the word resolution) the said arrangement embodied in the Scheme and the resolution, either with or without modification(s)*, as my/our proxy may approve.

*strike out whatever is not applicable

Signed this ___ day of _____ 2016

Please affix Revenue Stamp

Signature of Shareholder(s)

Signature of Proxyholder(s)

Signature of Sole / first holder | Signature of second holder | Signature of third holder

Notes:

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.
2. Please affix revenue stamp before putting signature.
3. Alterations, if any, made in the Form of Proxy should be initialed.
4. In case of multiple proxies, the Proxy later in time shall be accepted.
5. Proxy need not be shareholder of the Transferor Company

TEAR HERE

Reliance Capital Limited

ATTENDANCE SLIP

CIN: L65910MH1986PLC165645

Registered Office: H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
Tel.: 022 3303 1000, Fax: 022 3303 6664, E-mail: rcl.investor@relianceada.com, Website: www.reliancecapital.co.in

COURT CONVENED MEETING ON SATURDAY, SEPTEMBER 10, 2016 AT 10:00 A.M.

Folio No. / DP ID & Client ID* _____ No. of shares held _____

* Applicable in case shares are held in electronic form.

I/ We certify that I/ We am/ are registered shareholder/ proxy for the registered shareholder of the Company.

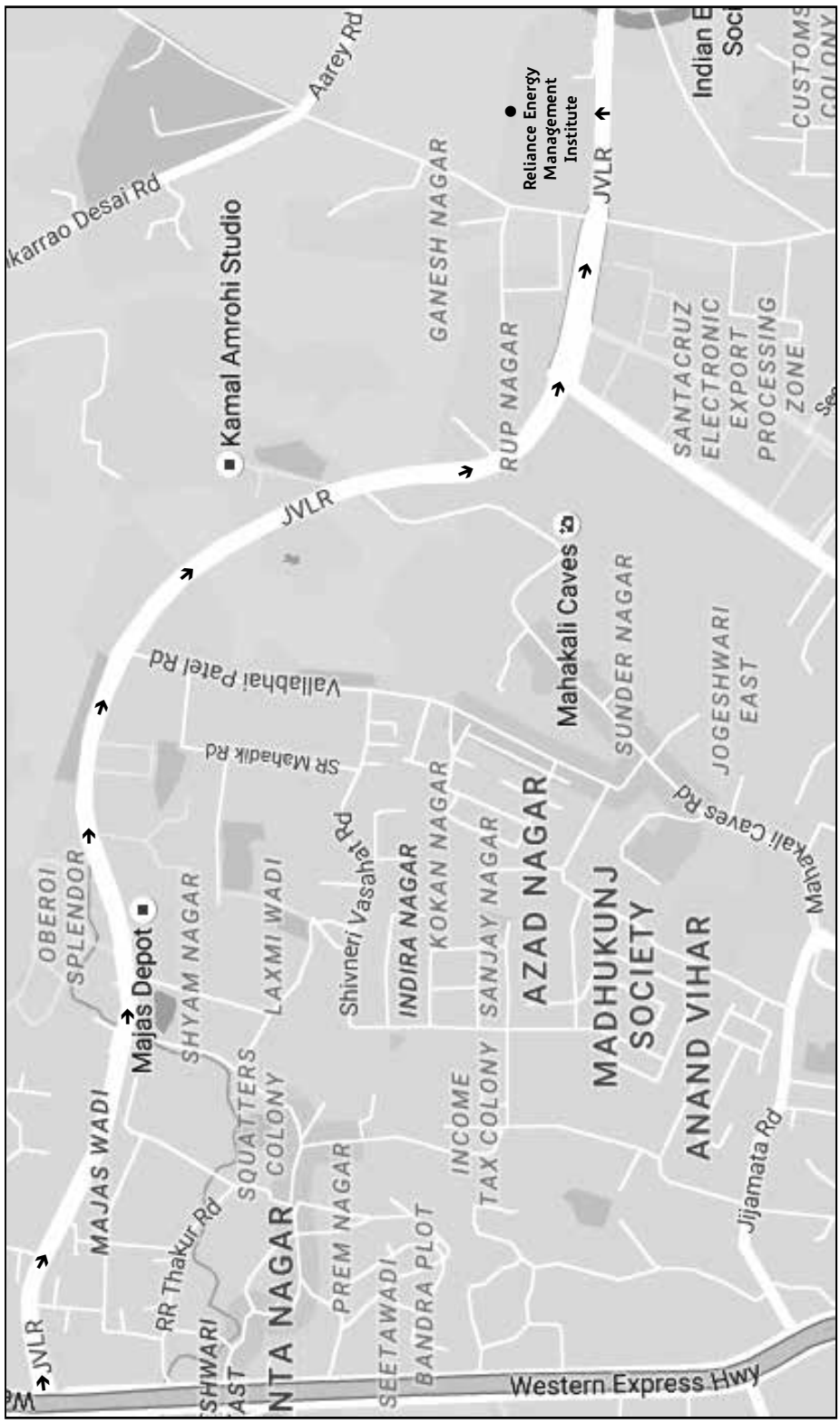
I/ We hereby record my presence at the **COURT CONVENED MEETING** of the Company to be held on Saturday, September 10, 2016 at Reliance Energy Management Institute, Jogeshwari - Vikhroli Link Road, Opposite SEEPZ North Gate No. 3, Aarey Colony, Aarey Colony Road, Mumbai 400 065 at 10:00 A.M.

Shareholder's / Proxy's name in BLOCK letters | Signature of Shareholder / Proxy

Note: Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.

Map of the Venue of the Meeting

Reliance Energy Management Institute,
Jogeshwari-Vikhroli Link Road, Opposite SEEPZ North Gate No. 3,
Aarey Colony, Aarey Colony Road, Mumbai 400 065



Reliance Capital Limited
Registered Office: H Block, 1st Floor
Dhirubhai Ambani Knowledge City, Navi Mumbai 400 710
Tel.: +91 22 3303 1000 Fax: +91 22 3303 6664
E-mail: rcl.investor@relianceada.com
Website: www.reliancecapital.co.in
CIN: L65910MH1986PLC165645

Reference No.

Despatch Serial No.

1 Name and registered address of the sole / first named Member (IN BLOCK LETTERS) :

2 Name(s) of the joint Member(s), if any, (IN BLOCK LETTERS) :

3 Registered Folio Number / DP ID No. / Client ID No. * :

4 Number of Share(s) held :

(*Applicable to investors holding share(s) in dematerialized form)

Dear Member,

Sub: Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Reliance Capital Limited ("Rcap" or "the Company") is providing e-voting facility (remote e-voting) to its Members in respect of the item of business to be transacted at the Court Convened Meeting in the matter of Scheme of Arrangement between Reliance Capital Limited ("the Transferor Company" or "RCap") and Reliance Commercial Finance Limited ("the Transferee Company" or "RCFL") and their respective Shareholders and Creditors ("Scheme") scheduled to be held on Saturday, September 10, 2016 at 10:00 A.M. at Reliance Energy Management Institute, Jogeshwari - Vikhroli Link Road, Opposite SEEPZ North Gate No. 3, Aarey Colony, Aarey Colony Road, Mumbai 400 065.

The Company has engaged the services of Karvy Computershare Private Limited ("Karvy") an authorised agency to provide e-voting facility. The remote e-voting particulars are set out below:

EVEN (E-Voting Event Number)	User ID	Password/PIN

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting : From 9.00 A.M on September 7, 2016.
End of remote e-voting : Upto 5.00 P.M on September 9, 2016.

The facility of remote e-voting will not be available beyond the aforesaid date and time and it will be disabled by Karvy upon expiry of aforesaid period. The cut- off date for the purpose of remote e-voting is September 3, 2016.

Please read the instructions printed overleaf before exercising your vote. This communication forms an integral part of Notice dated August 5, 2016, which is being sent to you with this communication.

The notice for the Court Convened Meeting and this communication are also available on the website of the Company www.reliancecapital.co.in.

Yours faithfully,
For **Reliance Capital Limited**

Mumbai
August 5, 2016

V. R. Mohan
President & Company Secretary

Note: Please read the instructions given overleaf carefully before exercising your vote.

Instructions and other information relating to remote e-voting are as under:

1. The Company is pleased to provide remote e-voting facility for its Members to enable them to cast their votes electronically. The procedure and instructions for the same are as follows:

   i) Open your web browser during the remote e-voting period and navigate to "https://evoting.karvy.com".

   ii) Enter the login credentials (i.e. User-ID and password) mentioned in the letter. Your Folio No./DP ID - Client ID will be your User-ID.

User – ID	For Members holding shares in Demat Form:-
	For NSDL:- 8 Character DP ID followed by 8 Digit Client ID
	For CDSL:- 16 digit beneficiary ID
	For Members holding shares in Physical Form:- Event number followed by Folio Number registered with the Company
Password	Your unique password is printed overleaf.
Captcha	Please enter the Verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons.

   iii) Members can cast their vote online from 9.00 A.M. on September 7, 2016 to 5.00 P.M. on September 9, 2016.

   iv) After entering these details appropriately, click on "LOGIN".

   v) Members holding shares in Demat/Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that the other Company opts for e-voting through Karvy e-Voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc on first login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   vi) You need to login again with the new credentials.

   vii) On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.

   viii) If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and have cast your vote earlier for any company, then your existing Login ID and password are to be used.

   ix) On the voting page, you will see Resolution the Description and against the same, the option 'FOR/AGAINST/ ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If you do not wish to vote, please select 'ABSTAIN'.

   x) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

   xi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

   xii) Corporate/ Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are required to send scanned copy (PDF / JPG format) of the relevant Board resolution / Authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to evoting@karvy.com. The file/ scanned image of the Board resolution / Authority letter should be in the naming format "Corporate Name Event no."

2. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

3. The Voting rights of the Members shall be in proportion to the number of shares held by them in equity share capital of the Company as on the cut off date, being Saturday, September 3, 2016.

4. The facility for voting shall also be available at the meeting. The members who have cast their vote by remote e-voting prior to the voting may also attend the meeting, but shall not be entitled to cast their vote again at the meeting.

5. In case of any query pertaining to e-voting, please visit help and FAQs section available at Karvy's website "http://evoting.karvy.com" OR contact toll free No. 1800 4250 999.

www.sapprints.com