Reliance Capital Limited
Reliance Centre,
North Wing, 6th Floor,
Off Western Express Highway,
Santacruz (East), Mumbai - 400055
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December 20, 2016

BSE Limited
Phiroze Jeejeebhoy 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.: MEDIA RELEASE

We enclose herewith the media release, being issued by Reliance Home Finance Limited a wholly owned subsidiary of the Company, which is self-explanatory.

Kindly inform your members accordingly.

Thanking you.

Yours faithfully,
For **Reliance Capital Limited**

V. R. Mohan
President & Company Secretary

Encl: as above.

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MEDIA RELEASE

RELIANCE HOME FINANCE LIMITED ANNOUNCES PUBLIC ISSUE OF SECURED AND UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES

RELIANCE HOME FINANCE LIMITED TO RAISE RS 1,000 CRORE (US$ 14.7 MILLION) AS BASE ISSUE SIZE, WITH AN OPTION TO RETAIN OVERSUBSCRIPTION

SECURED NCDs RATED CARE AA+:STABLE AND BWR AA+:OUTLOOK STABLE

UNSECURED NCDs RATED CARE AA:STABLE AND BWR AA:OUTLOOK STABLE

SECURED NCDs OFFERED FOR A TENURE OF 3, 5 AND 10 YEARS AT COUPON RATE VARYING FROM 8.7% TO 9.15 %

UNSECURED NCDs OFFERED FOR A TENURE OF 15 YEARS WITH A CALL OPTION AFTER 10 YEARS AT COUPON RATES VARYING FROM 9.25% TO 9.4%

NCDs TO BE LISTED ON BOTH NSE AND BSE

ISSUE OPENS ON THURSDAY, DECEMBER 22, 2016

Mumbai, December 20, 2016: Reliance Home Finance Ltd. (RHFL), a 100 per cent subsidiary of Reliance Capital and a part of Anil D. Ambani led Reliance Group, today announced its maiden public issue offering Secured Redeemable Non-Convertible Debentures (Secured NCDs) and Unsecured Redeemable Non-Convertible Debentures (Unsecured NCDs).

The Company proposes to raise Rs 1,000 crore (US$14.7 million), as base issue size, by offering Secured NCDs and Unsecured NCDs at a face value of Rs 1,000 each. The Unsecured NCDs will be in the nature of subordinated debt and will be eligible for inclusion as Upper Tier II Capital.

The NCDs will be issued in one or more tranches up to the shelf limit, on terms and conditions as set out in the Tranche 1 Prospectus.

The Company will use the amount for the purpose of onward lending, financing, and for repayment/ prepayment of interest and principal of existing borrowings and for general corporate purposes.

"India's mortgage-to-GDP ratio is still low at 10% in 2015-16 compared with other developing countries but it has improved from 7.4% in 2009-10. The recent push by the government to provide 'Housing for All' by 2022 and various steps taken to implement the same, are expected to boost sales of affordable and low-cost housing units and consequently, financing for the same", **said Mr Ravindra Sudhalkar, CEO, Reliance Home Finance.**

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The Secured NCDs have been rated **CARE AA+: Stable** by Credit Analysis and Research Limited (CARE) and **BWR AA+ Outlook: Stable** by Brickwork Ratings India Private Limited (Brickwork). These ratings indicate that the instruments are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk**.

The Unsecured NCDs have been rated **CARE AA:Stable** by CARE and **BWR AA Outlook: Stable** by Brickwork. The ratings indicate that instruments are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk**.

The NCDs are being issued to Institutional, Non-Institutional, HNIs and Retail investors for a period of 3 years, 5 years and 10 years for Secured NCDs and 15 years for Unsecured NCDs with a call option after 10 years.

The coupon rate for the NCDs for respective categories are:

	Category I	Category II	Category III	Category IV
	Institutional Investors	**Non-Institutional Investors**	**HNI Investors**	**Retail Investors**
SECURED NCDs				
Series I - 3 Years	8.70	8.70	8.90	8.90
Series II- 5 Years	8.90	8.90	9.05	9.05
Series – III 10 Years	9.00	9.00	9.15	9.15
UNSECURED NCDs				
Series IV- 15 Years*	9.25	9.25	9.40	9.40

Coupon in % per annum, payable annually.
*In the event our company does not exercise the call option after 10 years, a step-up of 25 bps above coupon shall be payable - as detailed in the prospectus.

The NCDs are proposed to be listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

RHFL provides a wide range of loan solutions like Home loans, LAP, Construction finance and Affordable housing. The Company also provides property solutions' services including property valuation, advisory services to real estate developers on debt syndication, fund raising through equity, mergers and acquisitions, etc.

For the half year ended September 30, 2016, RHFL disbursements were at Rs 3,342 crore (US$ 492.9 million) and the Assets Under Management were at Rs. 9,383 crore (US$ 1.4 billion). The outstanding loan book of RHFL, as on September 30, 2016, was Rs 7,905 crore (US$ 1.17 billion) – with 100% of the loan book continuing to be secured. The Company has a large footprint and its loan book is spread across 100 locations through 43 branches.

The issue is being made pursuant to the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended (the "SEBI Debt Regulations"), the Companies Act, 2013 and Rules made thereunder as amended to the extent notified.

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The Lead Managers to the Issue are: Edelweiss Financial Services Limited, A. K. Capital Services Limited, Axis Bank Limited, Trust Investment Advisors Private Limited and Yes Securities (India) Limited. The debenture trustee to the issue is IDBI Trusteeship Services Limited and Karvy Computershare Private Limited are registrar to the issue.

About Reliance Home Finance Limited
www.reliancehomefinance.com

Reliance Home Finance Limited (RHFL) is a non-deposit taking housing finance company registered with the National Housing Bank and focused on providing financing products for the LMI to HMI segment in India, focusing primarily in Tier II and Tier III cities and towns.

The Company has been active in the housing finance sector in India since 2009. The services offered by RHFL include Home Loans, non-housing loans which includes Loan Against Property, construction finance and broking for purchase/selling/leasing of residential and commercial real estate.

@RelianceHF /RelianceHF

For Media Queries:

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**For the rationale for these ratings, see Annexure A and B to the Shelf Prospectus. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. This rating is subject to revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings. US$ 1=INR 67.8 (as of Dec 15, 2016)