Reliance Capital Limited
Reliance Centre,
North Wing, 6th Floor,
Off Western Express Highway,
Santacruz (East), Mumbai - 400055
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October 28, 2016

BSE Limited
Phiroze Jeejeeboy 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.: Scheme of Arrangement

We wish to inform you that the Board of Directors at its meeting held today has approved a Scheme of Arrangement for demerger of Real Estate Lending Business of the Company into its wholly owned subsidiary viz. Reliance Home Finance Limited subject to requisite approvals.

We enclose herewith the information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/CMD/4/2015 September 09, 2015, in the prescribed format.

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

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Disclosure of events and information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular no. CIR/CFD/CMD/4/2015 September 09, 2015

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a. Brief details of the division(s) to be demerged:

Real Estate Lending Business of Reliance Capital Limited ('RCap') to be demerged into its wholly owned subsidiary, Reliance Home Finance Limited ('RHFL') subject to requisite approvals.

b. Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year:

Particulars	Turnover (in Rs.)	% to the total turnover of RCap
Real Estate Lending Business	Rs.89 crore	2.14 %

c. Rationale for Demerger:

The demerger of Real Estate Lending Business pursuant to this Scheme is with a view to achieve following benefits:

- Value unlocking for shareholders given the business has achieved scale, will attract investors and provide better flexibility in accessing capital
- It is believed that this Scheme will create enhanced value for shareholders and allow a focused growth strategy which would be in the best interests of all the stakeholders. The restructuring proposed by this Scheme will also provide better flexibility to the investors to select investments which best suit their investment strategies and risk profile.

Further, this will also facilitate the treatment of RCap as a Core Investment Company ('CIC') in terms of applicable RBI regulations.

d. Brief details of change in shareholding pattern (if any) of all entities:

RCap	Existing shareholding	Post-demerger shareholding
Promoters	52.01%	52.01%
Public	47.99%	47.99%

RHFL	Existing shareholding	Post-demerger shareholding
Promoters	100.00%	76.48%*
Public	NIL	23.52%

*RCap / promoters shall take necessary steps to ensure minimum public holding of at least 25% within a period of 12 months from record date of the Scheme.

Reliance Capital Limited

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e. **In case of cash consideration – amount or otherwise share exchange ratio:**

Share Entitlement Ratio : 1 (One) Equity Share of Rs.10 each fully paid-up of RHFL for every 1 (One) Equity Share of Rs.10 each fully paid up held in RCap.

f. **Whether listing would be sought for the resulting entity:** Yes

Reliance Capital Limited