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

September 12, 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,

Sub: MEDIA RELEASE

We enclose herewith the media release being issued by 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.

MEDIA RELEASE

RELIANCE CAPITAL SHAREHOLDERS APPROVE TRANSFER OF COMMERCIAL FINANCE DIVISION INTO A SEPARATE WHOLLY OWNED SUBSIDIARY

TRANSFER APPROVED BY AN OVERWHELMING 99.99 PER CENT VOTES AT THE COURT CONVENED MEETING OF EQUITY SHAREHOLDERS

PROPOSAL ALIGNS CORPORATE STRUCTURE OF OPERATING BUSINESSES AS FULLY OR MAJORITY OWNED SUBSIDIARIES

COMMERCIAL FINANCE DIVISION HAS AGGREGATE LOANS PORTFOLIO OF OVER RS 16,400 CRORE WITH LEADERSHIP POSITION IN SME SEGMENT

PROPOSAL WILL ENHANCE INDEPENDENT MANAGEMENT FOCUS ON COMMERCIAL FINANCE BUSINESS AND PROVIDE FLEXIBILITY TO UNLOCK VALUE THROUGH STAKE SALE

RELIANCE'S LIFE INSURANCE AND ASSET MANAGEMENT BUSINESSES ALREADY HAVE STRATEGIC FOREIGN PARTNERS WITH 49 PERCENT STAKE

PROPOSAL WILL ALSO ENHANCE EMPLOYEE ENGAGEMENT AND RETENTION THROUGH ABILITY TO GRANT ESOPS IN THE BUSINESS

DEMERGER TO BE EFFECTIVE FROM APRIL 1, 2016 SUBJECT TO REQUISITE APPROVALS

September 12, 2016, Mumbai: The shareholders of Reliance Capital have approved the transfer of its commercial finance division – Reliance Commercial Finance (RCF) - into a separate wholly owned subsidiary.

The transfer was approved by an overwhelming majority of 99.99 per cent votes in favour of the Scheme of Arrangement at the court-convened general shareholders meeting held on September 10, 2016.

RCF is amongst the leading SME lenders in the Indian non-banking finance space with a focus on asset backed lending and productive asset creation.

The Company has an aggregate asset under management (including securitized portfolio) portfolio of Rs 16,451 crore (US$ 2.5 billion) as of June 30, 2016.

"We would like to thank our shareholders for approving this transfer with near absolute majority. This transfer will align RCF with overall operating structure of Reliance Capital where all operating businesses are held in its wholly or majority owned subsidiaries. The proposal will enhance management focus and also provide flexibility to the Company to unlock value through stake sale", said Mr. Sam Ghosh, ED & Group CEO, Reliance Capital.

Reliance Nippon Life Insurance and Reliance Nippon Life Asset Management, both subsidiaries of Reliance Capital, already have a strategic partner – Nippon Life Insurance - with 49 per cent stake.

The transfer will also enhance employee engagement and retention through ability to grant ESOPs in the business.

As per the Scheme, the commercial finance division of Reliance Capital was proposed to be merged into Reliance Gilts Limited, a wholly owned subsidiary of Reliance Capital, and this merged entity was to be renamed as Reliance Commercial Finance Limited. Reliance Gilts Limited has now been renamed as Reliance Commercial Finance Limited.

The transfer, which has been approved by the shareholders, will be effective from April 1, 2016 and will now be filed for requisite court and necessary regulatory approvals.

About Reliance Capital

www.reliancecapital.co.in

Reliance Capital, a part of the Reliance Group, is one of India's leading private sector financial services companies. It ranks amongst the top private sector financial services and banking groups, in terms of net worth. The Company is a constituent of CNX Midcap 50 and MSCI Global Small Cap Index.

Reliance Group is amongst India's leading business houses with over 250 million customers. The Group has a strong presence across a wide array of high growth consumer-facing businesses of financial services, telecom, energy, power, infrastructure, and Defence.

Reliance Capital 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.

/RelianceCapital @RelianceCapital

Media Queries

Sharad Goel	sharad.goel@relianceada.com	+9324984296