RELIANCE CAPITAL

Reliance Capital Limited
Reliance Centre, 6th Floor, North Wing,
Off Western Express Highway,
Santacruz (East), Mumbai - 400 055.

T +91 22 3303 6000
F +91 22 3303 6664

August 8, 2019

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 issued by the Company which is self explanatory.

Thanking you.

Yours faithfully,
For **Reliance Capital Limited**

Atul Tandon
Company Secretary & Compliance Officer

Encl.: As Above.

MEDIA RELEASE

RELIANCE CAPITAL'S BOARD NOTED THE JOINT STATUTORY AUDITORS' VIEW OF 'NO VIOLATION' UNDER SECTION 143(12) OF THE COMPANIES ACT

RELIANCE CAPITAL'S BOARD ALSO NOTED INDEPENDENT AND REPUTED LAW FIRM'S OPINION CONFIRMING 'NO VIOLATION' UNDER SECTION 143(12) OF THE COMPANIES ACT

RELIANCE CAPITAL'S BOARD ALSO NOTED SENIOR COUNSEL'S OPINION FURTHER CONFIRMING - 'NO VIOLATIONS' UNDER SECTION 143(12) OF THE COMPANIES ACT

RELIANCE CAPITAL'S BOARD FURTHER NOTED THAT THE ALLEGED BASIS RELIED UPON BY PWC FOR REPORTING UNDER SECTION 143(12) IS ITSELF GROSSLY INADEQUATE, AND DOES NOT EVEN POINT TO A SINGLE SPECIFIC INSTANCE OF ALLEGED FRAUD

PWC RESIGNED AS AUDITOR AT EARLY MORNING 4.32 AM ON JUNE 11, 2019, AND THEREAFTER FILED LETTER WITH MCA WITHOUT EVEN SHARING A COPY WITH THE COMPANY OR WITH THE BOARD'S INDEPENDENT AUDIT COMMITTEE

RELIANCE CAPITAL'S BOARD CONCLUDED - THERE ARE NO VIOLATIONS UNDER SECTION 143(12) OF THE COMPANIES ACT, AS ALLEGED BY PWC

RELIANCE CAPITAL'S BOARD REAFFIRMED TO TAKE ALL APPROPRIATE STEPS TO SAFEGUARD THE INTERESTS OF ALL STAKEHOLDERS

Mumbai, August 8, 2019: The Board of Directors of Reliance Capital Limited today held its special meeting to review the matters arising out of the letter filed by Price Waterhouse & Co., Chartered Accountants LLP (PWC) with the Ministry of Corporate Affairs (MCA), under Section 143(12) of the Companies Act, 2013.

The Board took note of the views of the other joint auditors, who have been auditors of the Company for the last 3 financial years and continue as the sole Statutory Auditors of the Company, confirming that there are no violations as alleged by PWC under Section 143(12) of the Companies Act, 2013. The Board also noted that PWC had duly audited the accounts for the financial year 2017 – 2018, as also limited review of financial results of three consecutive quarters ended December 2018, without any qualifications or raising any concerns.

The Board also took note of the views of legal experts who independently carried out an in-depth examination of the matter and the issues raised by PWC. The Board noted the independent legal opinion from reputed law firm confirming that there was no violation attracting Section 143(12) of the Companies Act, and which concluded that the PWC letter is devoid of any rationale or basis and is invalid.

The Board noted the independent legal opinion from senior counsel re-confirming that there were no violations attracting Section 143(12) of the Companies Act, and which concluded that the PWC letter is devoid of any rationale or basis and is invalid.

The Board further noted that the alleged basis relied upon by PWC for reporting under Section 143(12) is itself grossly inadequate, and does not even point to a single specific instance of alleged fraud.

The Board considered all facts including:

- PWC had chosen not to attend the Audit Committee meeting on June 12, 2019 despite being invited to do so;
- PWC abruptly resigned at the unearthly hour of 4.32 am on June 11, 2019;
- After resigning and ceasing to be the auditor of the Company, PWC filed its letter with MCA later the same day; and
- PWC did not even share a copy of its letter with the Company or even with the Board's independent Audit Committee, despite repeated requests by the Company.

The Board reaffirmed to take all appropriate steps to safeguard the interests of all stakeholders.

About Reliance Capital Limited
www.reliancecapital.co.in

Reliance Capital Limited, 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 MSCI Global Small Cap Index.

Reliance Capital has interests in asset management and mutual funds; life, health 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.

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For media queries, please contact:

Arijit De Arijit.de@relianceada.com +91 8291112119