Reliance Capital Limited
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Wadala (W), Mumbai 400 031

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www.reliancecapital.co.in

August 27, 2013

The General Manager
Corporate Relationship Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai 400 001
BSE Scrip Code: 500111

The Manager
The National Stock Exchange of India Limited
Exchange Plaza, C/1, Block G
Bandra - Kurla Complex,
Bandra (East)
Mumbai 400 051
NSE 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.

RELIANCE

MEDIA RELEASE

RELIANCE CAPITAL SEES BANKING AS ATTRACTIVE LONG TERM GROWTH OPPORTUNITY

RELIANCE CAPITAL CONSOLIDATED DEBT TO REDUCE FROM ~ RS 20,000 CRORE TO ~ RS 5,000 CRORE UPON TRANSFER OF COMMERCIAL FINANCE BUSINESS TO PROPOSED BANK

RELIANCE CAPITAL CONSOLIDATED DEBT EQUITY RATIO TO DECLINE TO MOST CONSERVATIVE ~ 0.50:1

RELIANCE CAPITAL ADEQUATELY CAPITALISED TO FUND PROPOSED BANK

RELIANCE CAPITAL TO LIST PROPOSED BANK IN THREE YEARS AS PER EXISTING GUIDELINES

RELIANCE CAPITAL SEES LIFE INSURANCE, GENERAL INSURANCE, HEALTH INSURANCE, ASSET MANAGEMENT AND BANKING AS GROWTH AREAS

RELIANCE CAPITAL WELCOMES NEW IRDA REGULATIONS ALLOWING BANKS TO BE LICENCED AS INSURANCE BROKERS

NEW REGULATIONS TO PROVIDE WIDER CHOICE OF PRODUCTS FOR CUSTOMERS AND ENHANCED DISTRIBUTION AND REACH FOR INSURANCE COMPANIES

August 27, 2013, Mumbai: Reliance Capital, a part of Reliance Group, held its 27th Annual General Meeting (AGM) here today. Addressing shareholders at the Company's AGM, Mr. Anil D Ambani, Chairman, Reliance Capital stated inter alia:

"Your Company has submitted an application for a banking license in June 2013. Apart from the long term growth potential of the proposed Bank as a profitable institution in itself, the immediate benefit to your Company will be the reduction in our consolidated debt from approx. Rs. 20,000 crores to Rs. 5,000 crores, upon transfer of our Commercial Finance business to the proposed Bank. This will improve our debt / equity ratio to a most conservative 0.5:1, far lower than industry standards."

Mr. Ambani said that the Company was adequately capitalised, and has no plans to make a capital call on shareholders for providing initial capital for the proposed bank. He added that the Company intends to list the proposed Bank in three years in accordance with existing guidelines.

"We presently have no plans to make a capital call, or ask you for money to invest in the Bank, as your Company is adequately capitalised. However, at the end of three years, we intend to list the proposed Bank, as per existing guidelines, and you may be assured we will fully explore all avenues to benefit our over 12 lakh shareholders at that time", said Mr. Ambani.

Reliance Capital plans to focus on five major businesses - Life Insurance, General Insurance, Health Insurance, Asset Management and Banking - for its future growth.

Mr. Ambani took the opportunity to welcome the new IRDA guidelines that allow banks to be licenced insurance brokers.

"We welcome the IRDA's new regulations encouraging Banks to become Brokers, and not remain just as Corporate Agents. Such a transition will benefit hundreds of millions of customers, by providing them a wider choice of products from several life companies from each bank. This change will also widen distribution and reach for all players, especially newer entrants such as Reliance Life Insurance, and lead to our accelerated growth across the country" said Mr. Ambani.

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 Nifty Junior and MSCI India.

Reliance Group is amongst India's leading business houses with over 230 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 media and entertainment.

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; private equity; asset reconstruction; proprietary investments and other activities in financial services.

Media Queries

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