

**CARE/HO/RL/2015-16/3133**

**Mr. K. V. Srinivasan**

Chief Executive Officer

**Reliance Home Finance Limited**

570, Rectifier House,

Naigaum Cross Road,

Wadala (W), Mumbai - 400 001

January 5, 2016

**Confidential**

Dear Sir,

**Credit rating for proposed Principal Protected Market Linked Debentures (PP-MLD) issue**

On a review of recent developments including operational and financial performance of your company for FY15 and H1FY16, our Rating Committee has reviewed the following rating:

Instrument	Amount (Rs. Cr.)	Outstanding Amount as on 31.12.2015 (Rs. Cr.)	Rating <sup>1</sup>	Remarks
Principal Protected Market Linked Debentures	150.00 (Rupees One Hundred And Fifty Crore Only)	57.25 (Rupees Fifty Seven Crore Twenty Five Lakhs Only)	<b>CARE PP- MLD AA+ (PP- MLD Double A Plus)</b>	<b>Reaffirmed</b>

2. The rationale for the rating will be communicated to you separately.
3. CARE's rating of Market Linked Debentures is an assessment of the underlying credit risk of the instrument. The rating addresses only the credit risk associated with timely payment of obligations as per terms of the issuance. The rating does not address the market risks associated with the instrument on account of linking of the coupon payment to external variables such as reference equity index, equity shares, commodity prices/index. This could result in variability or absence of coupon payments because of adverse movement in value of the external variables.

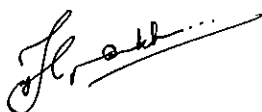
<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications.

4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
5. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension / withdrawal / revision in the assigned rating in any manner considered appropriate by it, without reference to you.
6. Users of this rating may kindly refer our website [www.careratings.com](http://www.careratings.com) for latest update on the outstanding rating.
7. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

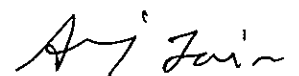
Thanking you,

Yours faithfully,



**[Jay Parekh]**  
Analyst

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**[Anuj Jain]**  
A.G.M.

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Encl.: As above

**Disclaimer**

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.