

Date: 14th October 2019

Ref. no.: 9813

To,

Reliance Capital Limited
Reliance Centre, 6th floor, North Wing,
Off Western Express Highway
Santacruz East, Mumbai - 400055

Kind attention: Atul Tandon

Subject: Sale of stakes in Reliance Securities and Reliance Financials Limited

Reference: Intimation to Stock Exchange dated October 11, 2019 in relation to sale of stake.

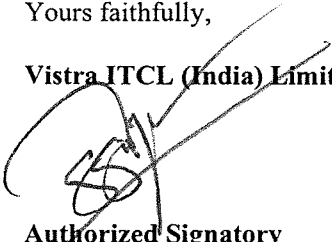
Dear Atul,

1. This is with reference to non-convertible, listed, secured debentures aggregating to Rs. 14,927 crore ("**Debentures**") issued by Reliance Capital Limited, the issuer ("**You**" or "**Issuer**") under debenture trust deeds wherein we, Vistra ITCL (India) Limited ("**We**" or "**Debenture Trustee**"), are acting in the capacity of and as a debenture trustee for and on behalf of the debenture holders ("**Debenture Holders**").
2. We write to you in relation to the disclosure intimation made by You to Bombay Stock Exchange Limited & National Stock Exchange of India Limited on October 11, 2019 ("**Exchange Intimation**") with respect to the sale of stake in Reliance Securities and Reliance Financial Limited to Quantum Benefit Trust.
3. As per the Exchange Intimation, we understand that you have sold your entire stakes in Reliance Securities as well as Reliance Financial Limited, as part of the asset monetization plan (as more specifically provided Exchange Intimation).
4. In reference to the above, we require clarification from you on the following points:
 - (i) Kindly clarify the rationale behind the sale of your assets; i.e., Reliance Securities and Reliance Financial Limited; as mentioned in the Exchange Intimation, even though it was clearly directed to you from time to time, including in the Debenture Holders' meeting and *vide* our letter to You thereafter, to not initiate any further sale of asset/s without the prior written consent of the Debenture Trustee;

- (ii) As you are aware, as per the last available information, there is an outstanding amount of Debentures aggregating to Rs. 14,927 Crores. Kindly clarify and confirm if the proceeds of the abovementioned sale will be utilized to make payment of outstanding amount to the Debenture Holders.
5. It is important to note that we had specifically instructed to the Issuer that no further sale of assets (either its own or it's affiliates') shall be initiated without the express prior consent of the Debenture Trustee and this sale of stakes is clearly in breach of the said instruction by Debenture Trustee and the Debenture Holders, who bear a risk of being at the receiving end of this misdeed.
6. In this regard, please note that we shall be constrained to take necessary actions under the Transaction Documents and/or any applicable law, as may be required to stop the process of this sale of assets.
7. We understand that overall amount accrued from the sale of Reliance Securities and Reliance Financial Limited is **Rs. 164 Crores**. For our understanding and for benefit of all the Debenture Holders, we request you to furnish the accurate details on the value at which Reliance Securities and Reliance Financial Limited were stated in your books of accounts immediately before the said sale, along with the document/s substantiating the same.
8. Considering that the time is of utmost essence in the matter, we would keenly wait for your response in relation to the queries raised above.
9. Please note that the content of this letter is without prejudice to any of the rights that may be available to us and/or the Debentures Holders, against the Issuer under the Transaction Documents and/or any applicable law for the time being in force.

Yours faithfully,

Vistra ITCL (India) Limited


Authorized Signatory

Cc.

- (i) Bombay Stock Exchange
- (ii) National Stock Exchange
- (iii) Securities and Exchange Board of India