

Date: 14th October 2019

Ref. no.: 9814

To,

Reliance Financial Limited
4th Floor, North Wing, Trade World,
Off Western Express Highway,
Santacruz East, Mumbai – 400055

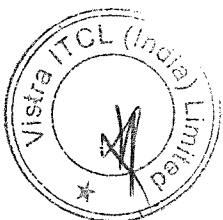
Kind attention: Hetal Shah

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

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

Dear Hetal,

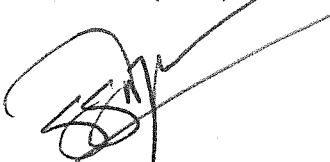
1. This is with reference to non-convertible, listed, secured/unsecured debentures aggregating to Rs. 550 crores (“**Debentures**”) issued by Reliance Financial Limited, the issuer (“**You**” or “**Issuer**”) under debenture trust deeds wherein we, Vistra ITCL (India) Limited (“**We**” or **Debenture 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 Reliance Capital Limited (100% holding company of Reliance Financial Limited) to Bombay Stock Exchange Limited & National Stock Exchange of India Limited on October 11, 2019 (“**Exchange Intimation**”) with respect to sale of stake in Reliance Securities and Reliance Financial Limited to Quantum Benefit Trust.
3. As per the Exchange Intimation, we understand that Reliance Capital Limited has sold its stakes in You as well as Reliance Securities as part of its asset monetization plan (as more specifically provided Exchange Intimation).
4. In reference to the above, we require clarification from you on the following:
 - (i) As per the applicable law, if any major change is proposed in the composition of the board of directors which may amount to ‘change in control’ as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, you have a regulatory obligation to inform the same to the Debenture Trustee. However, you have failed to fulfil the same. Therefore, this sale is clearly in violation and contravention to the said provisions of the applicable law.



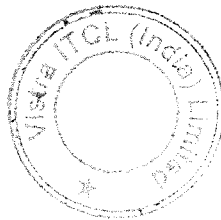
5. Furthermore, it is important to note that we had specifically instructed Reliance Capital Limited that no sale of assets (either its' own or its' affiliates') shall be initiated without the express prior consent of the Debenture Trustee and this sale of stakes is clearly in breach of the said instruction by Debenture Trustee and the debenture holders of Reliance Capital Limited, who now 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. 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.
8. 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