

JULY 11, 2016

CARE REAFFIRMS/ 'ASSIGNS' 'CARE AAA (AIF)' RATING TO RELIANCE YIELD MAXIMISER AIF- SCHEME II & III

Ratings

Scheme Name	Tenure	Ratings ¹	Remarks
Reliance Yield Maximiser AIF- Scheme II	4.5 Years*	CARE AAA (AIF) [Triple A (Alternative Investment Fund)]	Reaffirmed
Reliance Yield Maximiser AIF- Scheme III	5 Years	CARE AAA (AIF) [Triple A (Alternative Investment Fund)]	Assigned

*extendable by 1 year

CARE has reaffirmed/assigned 'CARE AAA (AIF)' [Triple A (Alternative Investment Fund)] rating to Reliance Yield Maximiser AIF- Scheme II and III. The asset selection ability and asset management capability in their respective segments for this scheme are expected to be excellent.

CARE's ratings of Alternative Investment Fund (AIF) schemes are an opinion on the asset selection ability and asset management capabilities in their respective segments for these schemes. These ratings are based on the evaluation of the sponsor, evaluation of the asset management company, investment process adopted by the asset management company (AMC), risk management systems and operations & technology set up.

Rating Rationale

The rating factors in strong presence of the sponsor (Reliance Capital Ltd; rated CARE AAA) and sponsor group in investment management business and resultant support as well as experience of the investment team within Reliance Capital Group in the real estate sector. The fund is expected to benefit from synergies resulting from the group's significant asset management experience in the form of shared risk management framework, management as well as operational support. Furthermore, the rating factors in the prudent investment processes adopted by the investment team, stated investment policy, indicative investment strategy and the expected broad portfolio composition provided by the asset management team.

Continued support from the sponsor/ parent, continuation of strong investment team as well as the quality & performance of the portfolio are the key rating sensitivities.

Background

Reliance Yield Maximiser AIF- Scheme II & III are schemes of Reliance AIF Management Company Ltd. These funds shall primarily invest in high yielding secured debentures and selectively in mezzanine securities issued by Indian companies / entities participating directly or indirectly in the real estate sector.

These schemes have been set up to enable select institutional, body corporate and high net worth individual investors to invest in a portfolio primarily comprising of relatively high yielding securities (convertible or non-convertible debentures), and other instruments (including but not limited to mezzanine instruments) of companies/entities based in India participating primarily (directly or indirectly) in the real estate sector.

¹ Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Reliance Yield Maximiser AIF- Schemes II and III have been granted registration as a Category II Alternative Investment Fund with SEBI. Reliance Capital Limited has appointed Reliance Capital AIF Trustee Company Limited as the Trustee. Reliance Capital Ltd. is the Sponsor of the Scheme.

The Investment objective of the schemes is to engage in, relatively shorter gestation, with relatively lower risk real estate projects, with focus on exit opportunities. The investments shall be entirely in the form of structured debt with or without equity upside. The primary focus of the schemes shall be on residential real estate segment & selectively in brownfield commercial projects.

Analyst Contact

Name: Anuj Jain

Tel: (022) 6754 3451

Mob: 9892209428

Email: anuj.jain@careratings.com

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Disclaimer: CARE's Alternative Investment Fund rating is not a recommendation to purchase, sell, or hold a security / fund. It neither comments on the current market price, suitability for a particular investor nor on the prospective performance of the fund with respect to appreciation, volatility of net asset value (NAV), or yield of the fund. The ratings do not address the fund's ability to meet the payment obligations to the investors.

The ratings are based on current information furnished to CARE by the issuer or obtained by CARE from sources it considers 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. CARE does not perform an audit in connection with any rating and may, on certain occasions, rely on. The ratings may be changed, suspended, or withdrawn as a result of changes in, or unavailability of, such information, or based on other circumstances. Funds rated by CARE have paid a rating fee.

CONTACT**Head Office Mumbai****Mr. Saikat Roy**

Mobile: + 91 98209 98779

E-mail: saikat.roy@careratings.com**Mr. Amod Khanorkar**

Mobile: + 91 98190 84000

E-mail: amod.khanorkar@careratings.com**CREDIT ANALYSIS & RESEARCH LIMITED**

Corporate Office: 4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai - 400 022

Tel: +91-22-6754 3456 | Fax: +91-22-6754 3457 | E-mail: care@careratings.com**AHMEDABAD****Mr. Mehul Pandya**32, Titanium, Prahaladnagar Corporate Road,
Satellite, Ahmedabad - 380 015

Cell: +91-98242 56265

Tel: +91-79-4026 5656

E-mail: mehul.pandya@careratings.com**BENGALURU****Mr. Deepak Prajapati**Unit No. 1101-1102, 11th Floor, Prestige Meridian II,
No. 30, M.G. Road, Bangalore - 560 001.

Cell: +91-9099028864

Tel: +91-80-4115 0445, 4165 4529

E-mail: deepak.prajapati@careratings.com**CHANDIGARH****Mr. Sajan Goyal**2nd Floor, S.C.O. 196-197, Sector 34-A,
Chandigarh - 160 022.

Cell: +91 99888 05650

Tel: +91-172-5171 100 / 09

Email: sajan.goyal@careratings.com**CHENNAI****Mr. V Pradeep Kumar**Unit No. O-509/C, Spencer Plaza, 5th Floor,
No. 769, Anna Salai, Chennai - 600 002.

Cell: +91 98407 54521

Tel: +91-44-2849 7812 / 0811

Email: pradeep.kumar@careratings.com**COIMBATORE****Mr. V Pradeep Kumar**

T-3, 3rd Floor, Manchester Square

Puliakulam Road, Coimbatore - 641 037.

Tel: +91-422-4332399 / 4502399

Email: pradeep.kumar@careratings.com**HYDERABAD****Mr. Ramesh Bob**401, Ashoka Scintilla, 3-6-502, Himayat Nagar,
Hyderabad - 500 029.

Cell : + 91 90520 00521

Tel: +91-40-4010 2030

E-mail: ramesh.bob@careratings.com**JAIPUR****Mr. Nikhil Soni**304, Pashupati Akshat Heights, Plot No. D-91,
Madho Singh Road, Near Collectorate Circle,
Bani Park, Jaipur - 302 016.

Cell: +91 - 95490 33222

Tel: +91-141-402 0213 / 14

E-mail: nikhil.soni@careratings.com**KOLKATA****Ms. Priti Agarwal**3rd Floor, Prasad Chambers, (Shagun Mall Bldg.)
10A, Shakespeare Sarani, Kolkata - 700 071.

Cell: +91-98319 67110

Tel: +91-33- 4018 1600

E-mail: priti.agarwal@careratings.com**NEW DELHI****Ms. Swati Agrawal**13th Floor, E-1 Block, Videocon Tower,
Jhandewalan Extension, New Delhi - 110 055.

Cell: +91-98117 45677

Tel: +91-11-4533 3200

E-mail: swati.agrawal@careratings.com**PUNE****Mr. Pratim Banerjee**9th Floor, Pride Kumar Senate,
Plot No. 970, Bhamburda, Senapati Bapat Road,
Shivaji Nagar, Pune - 411 015.

Cell: +91-98361 07331

Tel: +91-20- 4000 9000

E-mail: pratim.banerjee@careratings.com

CIN - L67190MH1993PLC071691