

Dear Investor,

This is an update about a recent development in two securities held by scheme portfolio(s) you have investments in, the impact on returns and our view on them.

The ratings of Reliance Home Finance and Reliance Commercial Finance have been downgraded to CARE C / D on April 26th 2019. As per regulatory guidelines prescribed by SEBI, we have recently had to make provisions and mark-down our investments, owing to ratings downgrades on the aforesaid securities. These provisions may not result in actual losses subject to the obligations being repaid on or before the due dates. As a result of the above provisions, the impact on Net Asset Value (NAV) of various schemes as on 30th April 2019 is as follows:

Scheme	Impact on NAV
Reliance Credit Risk Fund	2.16%
Reliance Equity Hybrid Fund	3.34%
Reliance Equity Savings Fund	0.47%
Reliance Hybrid Bond Fund	0.86%
Reliance Strategic Bond Fund	2.47%
Reliance Ultra Short Duration Fund	1.29%

Our View going forward:

All our investments in the aforesaid two entities were made on or before Apr '18, when the rating of the companies was AA+ (which is considered as very high grade) after duly assessing the profile of the companies objectively, and at arm's length, like we would make investments into any other companies across our portfolios. The subsequent ratings downgrade primarily reflect the impact of the sudden and unforeseen change in environment for the financial sector post the IL&FS (Infrastructure Leasing & Financial Services Limited) crisis, along with some issuer-specific factors. Our interactions with the issuer companies demonstrate a clear intent and commitment to generate liquidity through retail & wholesale asset sell downs and by monetizing / divesting core and non-core assets / investments.

Basis the above, we expect to receive our entire principal and interest on the specified due dates. Once we receive these funds and securities are redeemed, the mark to market provision factored in the NAV as above will be fully written back. Accordingly, we expect that all investors who remain invested in the respective schemes may not suffer cash loss as a result of these developments.

We reiterate our commitment to protect the interest of unitholders across our schemes and thank you for your continued confidence and trust reposed in us.

Source: Internal estimates by Reliance Nippon Life Asset Management Limited, Press releases by Reliance Capital Limited, Reliance Home Finance and Reliance Money

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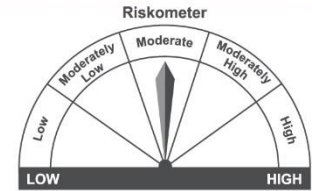
**MUTUAL
FUND****NISSAY**Sponsors: Reliance Capital
Nippon Life Insurance Company**Reliance Credit Risk Fund**

(An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds))

This product is suitable for investors who are seeking*:

- Income over medium term
- Investment predominantly in AA and below rated corporate bonds

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



Investors understand that their principal will be at Moderate risk

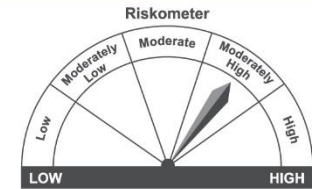
Reliance Equity Hybrid Fund

(An open ended hybrid scheme investing predominantly in equity and equity related instruments)

This product is suitable for investors who are seeking*:

- Long term capital growth
- Investment in equity and equity related instruments and fixed income instruments

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



Investors understand that their principal will be at Moderately High risk

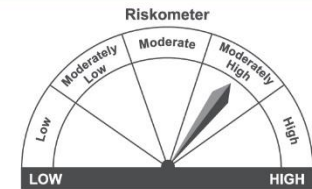
Reliance Equity Savings Fund

(An open ended scheme investing in equity, arbitrage and debt)

This product is suitable for investors who are seeking*:

- Income and capital appreciation over long term
- Investment predominantly in arbitrage opportunities between cash and derivative market and in unhedged equity

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



Investors understand that their principal will be at Moderately High risk

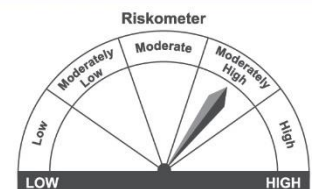
Reliance Hybrid Bond Fund

(An open ended hybrid scheme investing predominantly in debt instruments)

This product is suitable for investors who are seeking*:

- Regular income and capital growth over long term
- Investment in debt & money market instruments and equities and equity related securities

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



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FUND**



Sponsors: Reliance Capital
Nippon Life Insurance Company

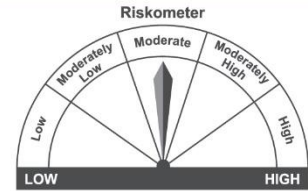
Reliance Strategic Debt Fund

(An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 to 4 years)

This product is suitable for investors who are seeking*:

- Income over medium term
- Investment predominantly in debt and money market instruments with portfolio Macaulay Duration of 3 – 4 yrs

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



Investors understand that their principal will be at Moderate risk

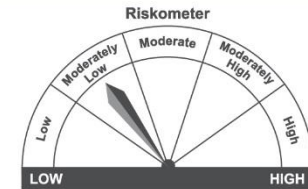
Reliance Ultra Short Duration Fund

(An open ended ultra-short term debt scheme investing in debt and money market instruments such that the Macaulay duration of the portfolio is between 3 - 6 months)

This product is suitable for investors who are seeking*:

- Income over short term
- Investment in debt and money market instruments such that the Macaulay duration of the portfolio is between 3 - 6 months

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



Investors understand that their principal will be at Moderately Low risk

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.