

## Reliance Nippon Life Asset Management Limited

February 19, 2018

### Summary of rated instruments

Instrument	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Reliance Interval Fund - Quarterly Interval Fund - Series II	-	-	[ICRA]A1+mfs; assigned
Reliance Liquidity Fund	-	-	[ICRA]A1+mfs; outstanding
Reliance Liquid Fund – Treasury Plan	-	-	[ICRA]A1+mfs; outstanding
Reliance Liquid Fund - Cash Plan	-	-	[ICRA]A1+mfs; outstanding
Reliance Money Manager Fund	-	-	[ICRA]AAAmfs; outstanding
Reliance Income Fund	-	-	[ICRA]AAAmfs; outstanding
Reliance Floating Rate Fund – Short Term Plan	-	-	[ICRA]AAAmfs; outstanding
Reliance Short Term Fund	-	-	[ICRA]AAAmfs; outstanding
Reliance Medium Term Fund	-	-	[ICRA]AAAmfs; outstanding
Reliance Dynamic Bond Fund	-	-	[ICRA]AAAmfs; outstanding
Reliance Banking & PSU Debt Fund	-	-	[ICRA]AAAmfs; outstanding
Reliance Corporate Bond Fund	-	-	[ICRA]AAmfs; outstanding
<b>Total</b>	-	-	

### Rating action

ICRA has assigned the rating of [ICRA]A1+mfs (pronounced ICRA A one plus m f s) to the Reliance Interval Fund - Quarterly Interval Fund - Series II of Reliance Nippon Life Asset Management Limited. Schemes with “[ICRA]A1mfs” rating are considered to have very strong degree of safety regarding timely receipt of payments from the investments that they have made. Modifier {"+" (plus)} can be used with the rating symbol to reflect the comparative standing within the category

ICRA has a rating outstanding of [ICRA]AAAmfs on Reliance Money Manager Fund, Reliance Income Fund, Reliance Floating Rate Fund – Short Term Plan, Reliance Short Term Fund, Reliance Medium Term Fund, Reliance Dynamic Bond Fund and Reliance Banking & PSU Debt Fund and a rating outstanding of [ICRA]AAmfs (pronounced ICRA double A m f s) on Reliance Corporate Bond Fund. ICRA also has a rating outstanding of [ICRA]A1+ (pronounced ICRA A one plus m f s) on Reliance Liquidity Fund, Reliance Liquid Fund – Treasury Plan and Reliance Liquid Fund - Cash Plan.

### Rationale and Key Rating Drivers

ICRA’s mutual fund rating methodology is based on evaluating the inherent credit quality of the fund’s portfolio. As a measure of the credit quality of a debt fund’s assets, ICRA uses the concept of “credit scores”. These scores are based on ICRA’s estimates of the credit risk associated with each exposure of the portfolio taking into account its maturity. To quantify the credit risk scores, ICRA uses its database of historical default rates for various rating categories and maturity buckets. The credit risk ratings incorporate ICRA’s assessment of a debt fund’s published investment objectives and policies, its management characteristics, and the creditworthiness of its investment portfolio. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the benchmark of the assigned rating during the review, the rating is retained. In an event that the benchmark credit score is breached, ICRA gives a month’s time to the debt fund manager to bring the portfolio credit score within the benchmark

credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality.

**Analytical approach:** For arriving at the ratings, ICRA has applied its rating methodologies as indicated below.

**Links to applicable criteria:**

[ICRA- Mutual Fund Credit Risk Rating Methodology](#)

**About the company:**

### **Reliance Nippon Life Asset Management Limited**

Reliance Nippon Life Asset Management Limited (formerly Reliance Capital Asset Management Limited) is the asset manager of Reliance Mutual Fund (RMF). Presently, Reliance Capital Limited and Nippon Life Insurance Company (NLI) hold 42.88% each of the total issued and paid-up equity share capital of RNAM. During Q3FY2018, the mutual fund average assets under management of the AMC stood at Rs. 2,43,593.92 crore.

### **Reliance Interval Fund - Quarterly Interval Fund - Series II**

Reliance Quarterly Interval Fund - Series II (launched in May 2007) is a debt oriented open-ended interval scheme with a stated objective to generate regular income through investments in Debt / Money Market Instruments and Government Securities.

**Key financial indicators: Not applicable**

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

### Rating history for last three years:

S r . N o .	Name of Scheme	Current Rating (FY2018)			Chronology of Rating History for the past 3 years							
		Type	Rat ed amo unt	Feb-18	FY2018	FY2017			FY2016		FY2015	
				Jul-17	Oct-16	Sep-16	Jul-16	Apr-16	Aug-15	Jan-15	Sep-14	
1	Reliance Interval Fund - Quarterly Interval Fund - Series II	Short Term	-	[ICRA] A1+mf s	-	-	-	-	-	-	-	-
2	Reliance Liquidity Fund	Short Term	-	[ICRA] A1+mf s	[ICRA] A1+mfs	[ICRA]A 1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA]A 1+mfs	[ICRA] A1+mfs	[ICRA]A1 +mfs	[ICRA]A 1+mfs
3	Reliance Liquid Fund – Treasury Plan	Short Term	-	[ICRA] A1+mf s	[ICRA] A1+mfs	[ICRA]A 1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA]A 1+mfs	[ICRA] A1+mfs	[ICRA]A1 +mfs	[ICRA]A 1+mfs
4	Reliance Liquid Fund - Cash Plan	Short Term	-	[ICRA] A1+mf s	[ICRA] A1+mfs	[ICRA]A 1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA]A 1+mfs	[ICRA] A1+mfs	[ICRA]A1 +mfs	[ICRA]A 1+mfs
5	Reliance Money Manager Fund	Long Term	-	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs <sup>1</sup>	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA]A 1+mfs	[ICRA] A1+mfs	[ICRA]A1 +mfs	[ICRA]A 1+mfs
6	Reliance Income Fund	Long Term	-	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs*	-	-	-
7	Reliance Floating Rate Fund – Short Term Plan	Long Term	-	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA]AA Amfs	[ICRA]A AAmfs
8	Reliance Short Term Fund	Long Term	-	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA]AA Amfs	[ICRA]A AAmfs
9	Reliance Medium Term Fund	Long Term	-	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA]AA Amfs	[ICRA]A AAmfs
1	Reliance	Long	-	[ICRA]	[ICRA]	[ICRA]A	[ICRA]	[ICRA]	[ICRA]A	[ICRA]	[ICRA]AA	-

<sup>1</sup> Rating of [ICRA]AAAmfs reassigned from [ICRA]A1+mfs

S r . N o .	Name of Scheme	Current Rating (FY2018)		Chronology of Rating History for the past 3 years							
		Type	Rat ed amo unt	Feb-18	FY2018	FY2017			FY2016		FY2015
					Jul-17	Oct-16	Sep-16	Jul-16	Apr-16	Aug-15	Jan-15
0	Dynamic Bond Fund	Term		AAAmf s	AAAmf s	AAmfs	AAAmf s	AAAmf s	AAmfs	AAAmf s	Amfs*
1	Reliance Banking & PSU Debt Fund	Long Term	-	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA] AAAmf s	[ICRA]A AAmfs	[ICRA] AAAmf s	[ICRA]AA Amfs*
1	Reliance Corporate Bond Fund	Long Term	-	[ICRA] AAmfs	[ICRA] AAmfs	[ICRA]A Amfs	[ICRA] AAmfs *	-	-	-	-

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

### Annexure-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	NA	NA	NA	NA	NA	NA

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For more information, visit [www.icra.in](http://www.icra.in)

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