

Reliance Nippon Life Asset Management Limited

March 09, 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 III	-	-	[ICRA]A1+mfs; assigned
Reliance Interval Fund – Monthly Interval Fund – Series I	-	-	[ICRA]A1+mfs; assigned
Reliance Interval Fund – Monthly Interval Fund – Series II	-	-	[ICRA]A1+mfs; assigned
Reliance Fixed Horizon Fund – XXXVI – Series 4	-	-	[ICRA]A1+mfs; outstanding
Reliance Interval Fund - Quarterly Interval Fund - Series II	-	-	[ICRA]A1+mfs; outstanding
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
Total	-	-	

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 III, Reliance Interval Fund – Monthly Interval Fund – Series I and Reliance Interval Fund – Monthly 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 (pronounced ICRA triple A m f s) 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, Reliance Liquid Fund - Cash Plan, Reliance Interval Fund - Quarterly Interval Fund - Series II and Reliance Fixed Horizon Fund – XXXVI – Series 4.

The ratings indicate ICRA’s opinion on the credit quality of the portfolios that the funds hold; the ratings do not indicate the AMC’s willingness, or ability, to make timely payments to the funds’ investors. The ratings should not be construed as an indication of expected returns, prospective performance of the mutual fund scheme, NAV or of volatility in its returns.

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 III

Reliance Interval Fund – Quarterly Interval Fund – Series III is a debt oriented open-ended interval scheme with a stated objective to generate returns and growth of capital by investing in a diversified portfolio of Debt / Money Market Instruments and Government Securities.

Reliance Interval Fund – Monthly Interval Fund – Series I

Reliance Interval Fund – Monthly Interval Fund – Series I is a debt oriented open-ended interval scheme with a stated objective to generate returns and growth of capital by investing in a diversified portfolio of Debt / Money Market Instruments and Government Securities.

Reliance Interval Fund – Monthly Interval Fund – Series II

Reliance Interval Fund – Monthly Interval Fund – Series II is a debt oriented open-ended interval scheme with a stated objective to generate returns and growth of capital by investing in a diversified portfolio of 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:

Sr. No	Name of Scheme	Current Rating (FY2018) Type	Current Rating (FY2018)		Amoun t Out standing Mar-18	Chronology of Rating History for the past 3 years								
			Rat ed amoun t	Mar-18		FY2018		FY2017		FY2016		FY2015		
						Feb-18	Jul-17	Oct-16	Sep-16	Jul-16	Apr-16	Aug-15	Jan-15	Sep-14
1	Reliance Interval Fund – Quarterly Interval Fund – Series III	Short Term	-	-	[ICRA]A1+mfs; assigned	-	-	-	-	-	-	-	-	-
2	Reliance Interval Fund – Monthly Interval Fund – Series I	Short Term	-	-	[ICRA]A1+mfs; assigned	-	-	-	-	-	-	-	-	-
3	Reliance Interval Fund – Monthly Interval Fund – Series II	Short Term	-	-	[ICRA]A1+mfs; assigned	-	-	-	-	-	-	-	-	-
4	Reliance Fixed Horizon Fund – XXXVI – Series 4	Short Term	-	-	[ICRA]A1+mfs	[ICR A] A1+mfs	-	-	-	-	-	-	-	-
5	Reliance Interval Fund - Quarterly Interval Fund - Series II	Short Term	-	-	[ICRA] A1+mfs	[ICR A] A1+mfs	-	-	-	-	-	-	-	-
6	Reliance Liquidity Fund	Short Term	-	-	[ICRA]A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs
7	Reliance Liquid Fund – Treasury Plan	Short Term	-	-	[ICRA]A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs
8	Reliance Liquid Fund - Cash Plan	Short Term	-	-	[ICRA]A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs
9	Reliance Money Manager Fund	Long Term	-	-	[ICRA] AAAmfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAmfs ¹	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs	[ICRA] A1+mfs
10	Reliance Income Fund	Long Term	-	-	[ICRA] AAAmfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAmfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAmfs*	-	-	-

¹ Rating of [ICRA]AAA mfs reassigned from [ICRA]A1+mfs

Sr. No.	Name of Scheme	Current Rating (FY2018)				Chronology of Rating History for the past 3 years								
		Type	Rat ed amount	Am ount Outstanding	Mar-18	FY2018			FY2017			FY2016		FY2015
						Feb-18	Jul-17	Oct-16	Sep-16	Jul-16	Apr-16	Aug-15	Jan-15	Sep-14
11	Reliance Floating Rate Fund – Short Term Plan	Long Term	-	-	[ICRA] AAAmfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAm fs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA]]AAA mfs	[ICRA] AAAmf s	[ICRA]]AAA mfs	[ICRA] AAAmf s
12	Reliance Short Term Fund	Long Term	-	-	[ICRA] AAAmfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAm fs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA]]AAA mfs	[ICRA] AAAmf s	[ICRA]]AAA mfs	[ICRA] AAAmf s
13	Reliance Medium Term Fund	Long Term	-	-	[ICRA] AAAmfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAm fs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA]]AAA mfs	[ICRA] AAAmf s	[ICRA]]AAA mfs	[ICRA] AAAmf s
14	Reliance Dynamic Bond Fund	Long Term	-	-	[ICRA]AAA mfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAm fs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA]]AAA mfs	[ICRA] AAAmf s	[ICRA]]AAA mfs*	-
15	Reliance Banking & PSU Debt Fund	Long Term	-	-	[ICRA]AAA mfs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA] AAAm fs	[ICR A]AA Amfs	[ICR A]AA Amfs	[ICRA]]AAA mfs	[ICRA] AAAmf s	[ICRA]]AAA mfs*	-
16	Reliance Corporate Bond Fund	Long Term	-	-	[ICRA]AA mfs	[ICR A]AA mfs	[ICR A]AA mfs	[ICRA] AAmf s	[ICR A]AA mfs*	-	-	-	-	-

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

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

ANALYST CONTACTS

Karthik Srinivasan

+91 22 6114 3444

karthiks@icraindia.com

Neha Parikh

+91 22 6114 3426

neha.parikh@icraindia.com

Prateek Mittal

+91 22 6114 3425

prateek.mittal@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar

+91 22 6114 3406

shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

naznin.prodhani@icraindia.com

Helpline for business queries:

+91-124-2866928 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87

Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,

Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,

Bangalore + (91 80) 2559 7401/4049

Ahmedabad+ (91 79) 2658 4924/5049/2008

Hyderabad + (91 40) 2373 5061/7251

Pune + (91 20) 6606 9999

© Copyright, 2018 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents