

Reliance Nippon Life Asset Management Limited

May 25, 2018

Summary of rated instruments

Instrument	Current Rated Amount (Rs. crore)	Rating Action
Reliance Fixed Horizon Fund – XXXVII – Series 7	-	[ICRA]A1+mfs; assigned
Reliance Fixed Horizon Fund – XXXVII – Series 8	-	[ICRA]A1+mfs; assigned
Reliance Interval Fund – Quarterly Interval Fund – Series III	-	[ICRA]A1+mfs; outstanding
Reliance Interval Fund – Monthly Interval Fund – Series I	-	[ICRA]A1+mfs; outstanding
Reliance Interval Fund – Monthly Interval Fund – Series II	-	[ICRA]A1+mfs; outstanding
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 Fixed Horizon Fund – XXXVII – Series 7 and Reliance Fixed Horizon Fund – XXXVII – Series 8 of Reliance Nippon Life Asset Management Limited. Schemes with [ICRA]A1mfs rating are considered to have a very strong degree of safety regarding the timely receipt of payments from the investments that they have made. The 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+mfs on Reliance Liquidity Fund, Reliance Liquid Fund – Treasury Plan, Reliance Liquid Fund - Cash Plan, Reliance Interval Fund - Quarterly Interval Fund - Series II, Reliance Fixed Horizon Fund – XXXVI – Series 4, Reliance Interval Fund – Quarterly Interval Fund – Series III, Reliance Interval Fund – Monthly Interval Fund – Series I, Reliance Interval Fund – Monthly Interval Fund – Series II.

The ratings indicate ICRA's opinion on the credit quality of the portfolios held by the funds and do not indicate the Asset Management Company (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's 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 the 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 (RNAM) (formerly Reliance Capital Asset Management Limited) is the asset manager of Reliance Mutual Fund (RMF). At present, 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 Q4 FY2018, the average assets under management of the AMC stood at Rs. 2,44,904 crore.

Reliance Fixed Horizon Fund – XXXVII – Series 7

Reliance Fixed Horizon Fund – XXXVII – Series 7 is a debt-oriented closed-ended income scheme with a stated objective of generating returns and growth of capital by investing in a diversified portfolio of debt/money market instruments and Government securities.

Reliance Fixed Horizon Fund – XXXVII – Series 8

Reliance Fixed Horizon Fund – XXXVII – Series 8 is a debt-oriented closed-ended income scheme with a stated objective of generating 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 (FY2019)	Chronology of Rating History for the past 3 years											
					Type	Ra te d a m ou nt	May -18	FY2018			FY2017			FY2016		
								Mar- 18	Feb- 18	Jul- 17	Oct- 16	Sep- 16	Jul- 16	Apr-16	Aug- 15	Jan- 15
1	Reliance Fixed Horizon Fund – XXXVII – Series 7	Short Term	-	[ICRA]A1+mfs ; assigned												
2	Reliance Fixed Horizon Fund – XXXVII – Series 8	Short Term	-	[ICRA]A1+mfs ; assigned												
3	Reliance Interval Fund – Quarterly Interval Fund – Series III	Short Term	-		[ICRA]A1+mfs	-	-	-	-	-	-	-	-	-		
4	Reliance Interval Fund – Monthly Interval Fund – Series I	Short Term	-		[ICRA]A1+mfs	-	-	-	-	-	-	-	-	-		
5	Reliance Interval Fund – Monthly Interval Fund – Series II	Short Term	-		[ICRA]A1+mfs	-	-	-	-	-	-	-	-	-		
6	Reliance Fixed Horizon Fund – XXXVI – Series 4	Short Term	-		[ICRA]A1+mfs	[ICRA]A1+mfs	-	-	-	-	-	-	-	-		
7	Reliance Interval Fund - Quarterly Interval Fund - Series II	Short Term	-		[ICRA]A1+mfs	[ICRA]A1+mfs	-	-	-	-	-	-	-	-		
8	Reliance Liquidity Fund	Short Term	-		[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs		
9	Reliance Liquid Fund – Treasury Plan	Short Term	-		[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs	[ICRA]A1+mfs		

Sr. No.	Name of Scheme	Type	Rated amount	Current Rating (FY2019)	Chronology of Rating History for the past 3 years									
					May-18	FY2018			FY2017			FY2016		
						Mar-18	Feb-18	Jul-17	Oct-16	Sep-16	Jul-16	Apr-16	Aug-15	Jan-15
10	Reliance Liquid Fund - Cash Plan	Short Term	-		[ICRA] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	
11	Reliance Money Manager Fund	Long Term	-		[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs ¹	[ICR A] A1+mfs	[ICR A] A1+mfs	[ICRA] A1+mfs	[ICR A] A1+mfs	[ICR A] A1+mfs	
12	Reliance Income Fund	Long Term	-		[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICRA] AAAmfs*	-	-	
13	Reliance Floating Rate Fund – Short Term Plan	Long Term	-		[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	
14	Reliance Short Term Fund	Long Term	-		[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	
15	Reliance Medium Term Fund	Long Term	-		[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	
16	Reliance Dynamic Bond Fund	Long Term	-		[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs*	
17	Reliance Banking & PSU Debt Fund	Long Term	-		[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs	[ICR A]A AAmfs	[ICR A]A AAmfs	[ICRA] AAAmfs	[ICR A]A AAmfs	[ICR A]AA AAmfs*	
18	Reliance Corporate Bond Fund	Long Term	-		[ICRA] AA mfs	[ICR A]A Amfs	[ICR A]A Amfs	[ICR A]AA mfs	[ICR A]A Amfs*	-	-	-	-	

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

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About ICRA Limited:

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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.

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