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Reliance General Insurance files for IPO

Mumbai: Reliance General Insurance Co Ltd, the non-life insurance arm of Reliance Capital Ltd, on Monday filed its so-called draft red herring prospectus (DRHP) with the Securities and Exchange Board of India (Sebi) for its initial public offering. According to the DRHP, the company plans to sell 16.77 million shares to raise primary capital. The proceeds from the fresh issue will be used by the company for augmenting its solvency margin and to meet future capital requirements.

PAGE 3

Reliance General files draft IPO prospectus

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MUMBAI

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Promoter Reliance Capital Ltd plans to sell 50.3 million shares through a secondary share sale, as part of the proposed IPO.

Reliance General Insurance offers a range of insurance products in the motor, weather and crop, health, fire and engineering, and marine insurance sectors.

It is the second subsidiary of Reliance Capital to file a draft prospectus for an IPO. In

August, Reliance Nippon Life Asset Management Ltd, India's third-largest mutual fund manager, had filed its draft IPO papers.

Reliance General Insurance has appointed Motilal Oswal Investment Advisors Ltd, Credit Suisse Securities (India) Pvt. Ltd, Edelweiss Financial Services Ltd, UBS Securities India Pvt. Ltd, Haitong Securities India Pvt. Ltd and IDBI Capital Markets and Securities Ltd to manage the public offering.

Reliance General will be the second private sector non-life insurer to go public. In September, general insurance company ICICI Lombard General Insurance Co. Ltd raised Rs5,700 crore by going public.

The filing of Reliance General's DRHP also comes at a time when the Indian capital market has been witnessing a spurt in insurance IPOs.

On Wednesday, state-owned GIC Re said it will launch its Rs11,372 crore IPO on 11 October. It is the largest IPO in India in seven years. In September, SBI Life Insurance Co. Ltd raised Rs8,400 crore by going public.