

RelCap gets go-ahead for Home Fin demerger

FC BUREAU

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RELIANCE Capital, of the Anil Ambani-led Reliance Group, has received the go-ahead from both NSE and BSE for the demerger of its subsidiary Reliance Home Finance, which will facilitate the independent listing of Reliance Home Finance on stock exchanges.

Nearly one million shareholders of Reliance Capital will be allotted one share free of cost in Reliance Home Finance for every share held in Reliance Capital on listing.

Reliance Capital on Wednesday said, "The company is proceeding with filing the scheme of demerger with the National Company Law Tribunal for approval, and Reliance Home Finance is on track to be independently listed on stock exchanges during the next few months."

Reliance Home Finance has already announced its financial results for the year ended March 31, 2017. Total income for was up 40 per cent year-on-year at Rs 1,145 crore. Profit after tax nearly doubled from Rs 87 crore to Rs 173 crore and the return on equity (RoE) improved from 16.5 per cent to Rs 17.7 per cent.

Reliance Home Finance ended FY17 with assets under management at Rs 11,174 crore--a YoY increase of 87 per cent. Total disbursements were at Rs 7,333 crore--up 87 per cent.

Reliance Capital gained 0.96 per cent on Wednesday to close at Rs 671.25 on the Bombay Stock Exchange.