

Reliance HF eyes equity offering

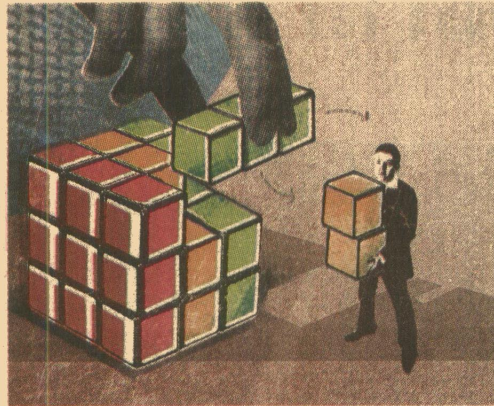
ABHIJIT LELE
Mumbai, 12 February

Reliance Home Finance (RHF), subsidiary of Anil Ambani's Reliance Capital, might go for an equity offering — follow-up or a rights issue — after listing on the stock exchanges.

Disbursements in the third quarter were ₹1,203 crore, 31 per cent increase over a year. Assets under management (including securitised portfolio) were ₹9,656 crore (\$1.4 billion) at December-end.

Profit before tax rose three per cent to ₹35 crore and total income was up 29 per cent at ₹269 crore in the quarter over the same period last year.

Sam Ghosh, executive director and group chief execu-



utive at Reliance Capital, told *Business Standard* that based on the growth in assets under

management, a decision would be taken on which capital raising route to take.

KEY TAKEAWAYS

- The process of listing on the stock exchange is expected to be complete by April
- Reliance Capital would retain 51% stake in the separately listed venture
- The other 49% will be allotted free of cost to its nearly one million shareholders
- All shareholders will receive one free share of RHF for every share in Reliance Capital

The process of listing on the stock exchange is expected to be complete by April. Reliance Capital would retain 51 per cent stake in the sepa-

rately listed venture and the other 49 per cent will be allotted free of cost to its nearly one million shareholders. All of them will receive one free share of RHF for every share in Reliance Capital.

Meanwhile, Reliance Capital posted a consolidated net profit of ₹209 crore in December quarter, a drop of 11 per cent from the year-ago period, as it made provisions to strengthen reserves in its general insurance business.

Total income increased to ₹3,964 crore in the, from ₹2,353 crore in the year-ago period. The firm has set aside ₹43 crore for Reliance General Insurance. Excluding this amount, third quarter profit rose eight per cent to ₹252 crore.

Home sales fell 20% in Q3FY17

Home sales across top nine cities of the country declined by 20 per cent in Q3FY17 compared to four per cent fall in the previous quarter, said a new study. In absolute terms, sales shrunk from 54,721 units in Q2FY17 to 43,512 units in Q3FY17. The pace of decline witnessed during the quarter is the highest in the past 12 quarters, said PropTiger's 'Realty Decoded' report for the October-December quarter of the FY17. The report further says before demonetisation, the monthly average residential sales and launches during July-October period were at around 19,000 units and 18,000 units respectively.

BS REPORTER