

RCap to decide home finance in July

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Reliance Capital Ltd on Wednesday said the shareholders' meeting to be convened following a National Company Law Tribunal (NCLT) directive to consider demerger of real estate lending business into Reliance Home Finance Ltd will be held here on July 24. In a regulatory filing in the BSE, Reliance Capital said the tribunal convened the shareholders' meeting for consideration of the proposed scheme of arrangement for demerger of the company's real estate lending business into its wholly-owned subsidiary -- Reliance Home Finance Limited. According to Reliance Capital, the demerger would unlock value for shareholders as the home finance business has achieved scale. It would attract investors and provide better flexibility in accessing capital.

The scheme would also create enhanced value for



shareholders and allow a focused growth strategy which would be in the best interest of all the stakeholders. The restructuring proposed by this scheme would also provide better flexibility to the investors to select investments which best suit their investment strategies and risk profile, the company said. As per the scheme, one fully paid-up equity share of Rs 10 each of Reliance Home Finance would be issued for every one fully paid-up equity share of Rs 10 each held in Reliance Capital. Reliance Capital had earlier said it has received the requisite "No-Objection" from both National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) to the scheme filed, facilitating the independent listing of Reliance Home Finance on the bourses.