

Reliance General Insurance gets Irdai nod for listing

SUBRATA PANDA

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Anil Ambani-controlled Reliance Capital has got an in-principle approval from the Insurance Regulatory and Development Authority of India (Irdai) to list its non-life Insurance arm, Reliance General Insurance.

Reliance General Insurance on Tuesday said the listing was expected to be completed in FY18 if the necessary approvals could be secured. It expects to raise ₹1,500-2,000 crore through listing its general insurance business, sources say. Last month, Reliance Capital had filed an application before Irdai for listing its general insurance business through an initial public offering (IPO). It also sought approval to sell up to 25 per cent of its shares in Reliance General Insurance, which it fully owns.

The listing would enable small investors to participate in this high-growth and new wealth creation opportunity, said Rakesh Jain, executive director and chief executive officer of

Reliance General Insurance.

ICICI Lombard was the first general insurance company to file a prospectus for listing. Government-owned non-life insurers — New India Assurance and General Insurance Corporation — have also filed their draft prospectus.

The general insurance sector is slated to grow in step with the economy, and affluence-led consumption will act as its primary growth driver. The coming years are likely to witness double-digit earnings growth in the sector largely owing to a disproportionately low penetration of insurance. Reliance General Insurance was poised to capitalise on opportunities across retail, corporate and government-supported consumer segments, Jain said.

Reliance Capital is also looking to list its subsidiaries Reliance Nippon Asset Management Company, Reliance Home Finance, and Reliance General Finance. Reliance Nippon Asset Management Company and Reliance Home Finance will be listed this year.