

## **Reliance Capital gets HDFC's buy**

Reliance Capital, a part of ADAG, is one of India's leading private sector financial services company in India. It ranks amongst the top private sector financial services and banking groups, in terms of net worth. The brokerage believes that the company would see robust growth in commercial finance and insurance business verticals going ahead. Its asset management business is also likely to show robust growth on the back of retail investors' inflow in mutual funds. The company is able to retain top talent and also able to attract industry veterans from competitors. The concern for the company was its investment in non-core assets. But now, company has taken certain steps in divesting those assets for meeting its goal of deleveraging the balance sheet. It has decided to demerge Reliance Commercial Finance in to separate subsidiary and would list Home Finance Business as a separate entity. The brokerage believes these moves would lead to monetization of value.

**Broking firm:** HDFC Securities  
**Ratings:** Buy  
**Closing price:** ₹535.45