



Press Release
RELIANCE GENERAL INSURANCE COMPANY LIMITED
September 17, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Non Convertible Debentures (NCD)	400.00	ACUITE A+ Stable Assigned	-
Total Outstanding Quantum (Rs. Cr)	400.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned its long-term rating of **‘ACUITE A+’ (read as ACUITE A plus)** for the Rs. 400.00 Cr. Proposed Non Convertible Debentures (NCD) of Reliance General Insurance Company Limited (RGIC). The outlook is **‘Stable’**.

Rationale for the rating

The rating rationale factors in RGIC's diversified business and product profile, the new promoter group which should greatly increase access to capital markets and overall volume of business, experienced board of directors, management, and track record of operations, the company's reasonable financial performance, the stable investment portfolio, and capital injection from the new promoters. These strengths are partially offset by the company's modest solvency position, which would be a key monitorable going forward.

About the company

Maharashtra-based, Reliance General Insurance Company Limited was incorporated in 2000. The company offers a wide umbrella of insurance products in categories such as car, health, personal accident, crop, fire, engineering and marine. The company's Chairman (Designate) is Mr. Arun Tiwari. The directors of the company are Mr. Arun Tiwari, Mr. S. V. Zaregaonkar, Ms. Chhaya Virani, Dr. Thomas Mathew, Mr. Aman Gudral, and Mr. Rakesh Jain.

About the Group

Hinduja Group has its businesses in the fields of Mobility, Digital Technology, Media, Entertainment & Communications, Infrastructure Project Development, Lubricants & Specialty Chemicals, Energy, Real Estate and Healthcare. The Group strengthened its businesses first under the leadership of Ex-Chairman, Srichand Hinduja and now under Chairman, Gopichand Hinduja and ably supported by his brothers, Prakash and Ashok Hinduja.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered standalone business and financial risk profile of RGIC to arrive at the rating.

Key Rating Drivers

Strength

Experienced board of directors, management, and track record of operations

Reliance General Insurance Company Limited, established in 2000, has more than two decades of track record of operations in the general insurance space. The board of the company is chaired by Mr. Arun Tiwari (ex-CMD of Union Bank of India) who has over 40 years of experience in leadership, strategic planning, project finance, risk management, HR, IT, and credit operations. The board comprises four independent directors, one executive director, and one non-executive director. Mr. S.V. Zaregaonkar, with over 46 years of experience in the banking and financial sector, is present as an Independent Director. The daily operations of the company are headed by Mr. Rakesh Jain (Executive Director & CEO). Mr. Jain has over 25 years of work experience in financial services, of which 20+ years are in General Insurance. He is supported by an experienced team with expertise in their

respective functions. The key managerial personnel of RGIC, on average, have a vintage of over a decade with the company.

Diversified business and product profile

For RGIC, motor insurance and crop insurance have traditionally been dominant business segments for the company. During FY25, Motor and Crop contributed 37% and 30%, respectively, of gross written premium (GWP) (FY22: 40% and 32% respectively). Over the years, the company has diversified its line of business away from motor business to health & personal accident segment (FY25: 16%, FY22: 12%) and fire segment (FY25: 10%, FY22: 11%).

New promoter group should greatly increase access to capital markets and overall volume of business

In March 2025, IndusInd International Holdings Limited (IIHL) acquired RGIC as part of its takeover of Reliance Capital. IIHL completed the acquisition of Reliance Capital. As of end-March 2025, IIHL held 100% stake of Reliance Capital, which in turn held 73.69% of RGIC. 24.95% of RGIC was held by Aasia Enterprises LLP which is a partnership firm in which Mr. Ashok Hinduja and his family members are partners; the remaining 1.36% was held by other shareholders (through ESOPs). The new promoter group is expected to greatly increase RGIC's access to capital markets over the near-to-medium term.

Over the intermediate-term, captive business volumes stemming from the new promoter group will likely be significant. There is also likely to be increased contribution from the retail health segment to the company's overall business mix, led by strategic alignment with the new promoters. Furthermore, benefits are likely from synergies such as enhanced access to bancassurance channels, which could positively buttress RGIC's business profile.

Reasonable financial performance

During FY25, the company's gross written premium (GWP) grew by 7% to Rs 12,667 crore. The growth was led by motor (grew by 8%) and health & personal accident segment (grew by 9%). The company continues to have moderate financial performance with combined ratio of 117% in FY25 (FY24: 115%). The reported expenses of management (EOM) to GDP ratio stood at 27.83% during FY25 (FY24: 27.91%). Additionally, during FY25, the company's reported investment assets improved to Rs 21,358 crore (FY24: Rs 20,514 crore) with a reported investment yield of 7.7% (FY24: 7.6%). FY25 PAT improved to Rs 315.44 Cr. (FY24: Rs 280.28 Cr).

Stable Investment Portfolio

As on 31st March 2025, RGIC's investment portfolio stood at Rs 21,358 Cr. (FY24: Rs 20,514 Cr.). It largely comprised GoI G-Secs (40.07% of investment book), AAA / AA+ rated corporate bonds (47.25% of investment book) and also some AA / AA- rated corporate bonds (3.86% of investment book), fixed deposits (1.17% of investment book), a fairly small proportion (2.46%) of mutual funds / short-term instruments / CBLO / AIF / InvIT, and only 5.19% of the book in equity shares. Given the composition of the investment book, market risk is considered manageable.

Capital injection from the new promoters

The new promoters have injected Rs. 300 Cr. in RGIC, of which the last infusion of Rs 100 Cr. was in May 2025. That said, augmenting the solvency buffers remains crucial.

Weakness

Modest solvency position

Acuite notes that due to the constrained capital support from the previous parent, the company may require equity infusion in the near-to-medium term to cushion its solvency buffers and thus drive business growth. The solvency ratio dipped to 1.59 times as at FY25 (FY24: 1.62 times) as against the regulatory requirement of 1.50 times. The company's solvency position has remained range-bound between 1.57 times and 1.66 times over the last five years.

ESG Factors Relevant for Rating

Not applicable

Rating Sensitivity

- Movement in profitability and solvency metrics
- Strategic importance to new promoter group
- Any unexpected regulatory developments

All Covenants

Covenants are not available as the facility is proposed

Liquidity Position

Adequate

RGIC has an adequate liquidity profile with liquid investments (G-secs and AAA rated bonds) as at FY25 being Rs

15,219.46 Cr. [FY24: Rs 15,558 Cr.].

Outlook:

Stable

Other Factors affecting Rating

None

Key Financials - Standalone / Originator

Particulars	Unit	FY25(Actual)	FY24(Actual)
Net Worth	Rs. Cr.	3,434.72	3,188.28
Total Investments	Rs. Cr.	21,357.61	20,513.67
Total Gross Written Premium	Rs. Cr.	12,548.38	11,688.81
PAT	Rs. Cr.	315.44	280.28
Combined Ratio (Claims incurred/NEP) + (Mgmt exps commission/NWP)	(%)	116.63%	115.38%
Solvency Ratio	Times	1.59	1.62
Return on Average Net Worth (RoNW)	(%)	9.18	8.79

Status of non-cooperation with previous CRA (if applicable):

None

Any other information

None

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Insurance Companies: <https://www.acuite.in/view-rating-criteria-66.htm>

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuité's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History :

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Non Convertible Debentures	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	400.00	Simple	ACUITE A+ Stable Assigned

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About Acuité Ratings & Research

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