

Rel Capital plans reinsurance foray

Mayur.Shetty
@timesgroup.com

Mumbai: Reliance Capital is mulling a reinsurance company to do global business. The flagship financial services company of Anil Ambani's Reliance Group is also planning to carve out its health insurance business from Reliance General Insurance into a separate company.

Speaking to **TOI**, **Sam Ghosh**, CEO, Reliance Capital, said the company was considering various alternatives to get into reinsurance. "One option is to become a syndicate of Lloyds in London this will enable us to be present in various countries through Lloyds," said Ghosh. The other option is to do international business through the finance SEZ – Gujarat International Finance Tec (GIFT) City.

On Wednesday, Reliance Capital acquired 5 lakh square feet of space in GIFT City, an International Finance Service Centre (IFSC) Special Economic Zone. The company will base its global Alternate Investment Funds (AIFs), its commodity exchange and other interna-

tional business in this location. This is the largest space taken by any private entity in IFSC

Reliance General Insurance, the non-life arm of Reliance Capital, is among the top five private insurers in the country with a premium income of around Rs 2,400 crore. Close to a fourth of the company's premium comes from health insurance. According to reports, the company is in talks with Cigna

TTK Health to carve out its health business and merge it with the monoline health insurer.

"Health insurance business might not be very profitable at the moment but the business has got enormous potential. We are considering carving this out into a separate company as this will provide more focus," said Ghosh. He said even if the business were to be carved out, the company would look at sharing the distribution infrastructure and the same agent would sell health as well as auto insurance products.

"Given the potential of the business, we have already set up a health administration team in-house," said Ghosh.

