

Q3 RESULTS

Reliance Capital profit up 10%

SPECIAL CORRESPONDENT

MUMBAI: Anil Ambani's Reliance Capital, a non-banking finance company, has reported a net profit growth of 10 per cent to Rs 235 crore during the quarter ending December, against Rs 213 crore in the corresponding previous period.

"Net profit of Reliance Capital was boosted by the asset management business. The AUM of the asset management business has grown significantly, by 24 per cent to Rs 1,56,948 crore, while profit before tax was Rs 141 crore, reflecting a growth of 12 per cent," said Sam Ghosh, executive director and group CEO of Reliance Capital.

While the commercial finance business has grown by 19 per cent and housing finance by 62 per cent, the profit before tax for commercial finance business was just up 1 per cent to Rs 112 crore.

"Though AUMs of commercial and housing finance has grown by 19 per cent, profit was slower mainly be-

cause we have spent a lot of money on increasing our reach. Our housing finance business grew substantially, by 62 per cent, year on year," Mr Ghosh told *The Hindu*.

"We are looking at housing loans from Rs 15 lakh to Rs 50 lakh. Earlier, we were financing home loans of more than Rs 50 lakh. We are gradually moving down," he said.

The net interest margin of the commercial business remained at 5.7 per cent for the quarter ending December 31.

The life insurance arm recorded new business premium of Rs 285 crore for the quarter and achieved a profit of Rs 8 crore.

The gross written premium of the general insurance arm was Rs 668 crore, while the profit for the quarter was Rs 15 crore, up 5 per cent.