

Reliance Cap to spin off health biz from general insurance



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New Delhi, March 16: Reliance Capital will set up a standalone health insurance company by carving it out from the general insurance entity.

The board of directors of Reliance General Insurance Company (RGIL), a subsidiary of Reliance Capital, has approved the proposal to separate the health segment. Sector regulator Insurance Regulatory and Development Authority of India (Irdai) is yet to approve the plan.

Reliance Health Insurance, the proposed new company, will be a wholly owned subsidiary of Reliance Capital, a company statement said.

Health insurance business, one of the fastest growing in India, is estimated to double to about Rs 50,000 crore (\$8 billion) by 2020. RGIL's health insurance portfolio recorded gross premium of Rs 570 crore (\$87 million) as of March 31, 2016.

Reliance Capital said the proposal to separate health business will enhance management focus on this segment. It will provide flexibility to the company to unlock value by bringing in global leaders in this space as strategic and equity partners, it added.

Ravi Viswanath has been named the CEO of Reliance Health Insurance Co. (With PTI inputs)