

Reliance Capital Q3 net up 10%

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Reliance Capital posted a 10.3 per cent rise in consolidated net profit year-on-year for the third quarter ended December 31, 2015, boosted by strong growth in profits in asset management and commercial finance business.

The company posted a net profit of ₹235 crore for the period compared to ₹ 213 crore posted in the corresponding quarter of the previous financial year.

The total income for the third quarter stood at ₹ 2,318 crore against ₹ 2,106 crore in the corresponding year-ago period, an increase of 10 per cent. As on December 31, 2015, the net worth of the company stood at ₹14,451 crore, an increase of 10 per cent.

Sam Ghosh, Executive Director and Group CEO, Reliance Capital, said, "Asset management business has contributed substantially to the overall profits." Reliance Capital Asset Management (RCAM) had profit before tax of ₹141 crore for the quarter ended December 31, 2015, a y-o-y increase of 12 per cent.

Ghosh said the general insurance company also saw some increased profits. He said they were trying to de-focus on the commercial vehicle business and go for more



space in private cars business. In the life insurance space, he said profits were down as they were focussing on traditional products.

Reliance Commercial Finance (RCF)'s profit before tax for the quarter ended December 31, 2015, was ₹112 crore, a y-o-y increase of 1 per cent. It included Reliance Home Finance profit of ₹33 crore, a y-o-y increase of 35 per cent.

In Reliance General, the gross written premium for the quarter was ₹668 crore, while new premiums in Reliance Life stood at ₹285 crore. Ghosh said they would try and conclude the life insurance and asset management stake sale transaction by

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March 31. He added that they were in talks with 3-4 interested players for a foreign direct investment in the general insurance company.

Ghosh said the key focus was to reduce debt. "The stake sale from life and asset management is happening and the ₹3,000 crore that will come from this will go to the housing finance company as well as towards reducing debt," he said.