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The logo for Reliance, featuring the word "RELIANCE" in white capital letters on a blue rectangular background.

Reliance Capital to double market capitalisation in 3-4 years: Anil Ambani

Economic Times, Sept 30, 2014

MUMBAI: Laying out an ambitious growth agenda for Reliance Capital, Anil Ambani today said the company would triple the capital deployed in housing finance activities besides looking to double market capitalisation in next three to four years.

Emphasising that the company is ready for the next phase of growth, Ambani, who is the chairman of Reliance Capital, said it would look at creating new business.

Besides Reliance Capital, which has applied for universal banking licence, would explore all opportunities in the banking space.

Considering opportunity in housing finance space, the company would triple the capital deployed in housing finance and make it engine of growth, Ambani told shareholders at the annual general meeting.

While guidelines are being awaited with regard to a large number of issues in the banking industry, he said the company would evaluate all options.

Reliance Capital believes there would be opportunities to explore in universal banking and payment banking space, he added.

A financial conglomerate, Reliance Capital has interests in asset management and mutual funds, life and general insurance, commercial finance, equities and commodities broking, among others.

Noting that Reliance Capital would aim to double its market capitalisation in three to four years, he also said the company is looking to partner with global companies in health insurance business.

At current share price, Reliance Capital has a market capitalisation of over Rs 11,289 crore.

Ambani noted that plans are on the anvil for having a separate company for health insurance business which is currently at an embryonic stage under Reliance General Insurance.

According to him, hiking the foreign direct investment limit in insurance would provide opportunities to strengthen its partnership in the life insurance space.

Such a move would facilitate possible partnerships with global entities in general insurance and health insurance businesses.

In the three months ended June, Reliance Capital reported an increase of 23 per cent in net profit at Rs 164 crore on the back of growth in general insurance and asset management businesses.

The company's consolidated net profit rose to Rs 164 crore in the quarter ended June 30, 2014, from Rs 133 crore in the year-ago quarter.

Total income also increased by 11 per cent from Rs 1,938 crore to Rs 2,144 crore in the same period for Reliance Capital.
