

# Rel Cap to inject Rs 1,200 cr for life cover arm

Our Bureau

KOLKATA

RELIANCE Capital will inject fresh capital of Rs 1,000-1,200 crore in its wholly-owned life insurance subsidiary, Reliance Life Insurance Company, in this fiscal. The capital infusion would support the three-year-old insurer's expansion plan. The insurer, with a 4.15% market-share, has Rs 2,000 crore of capital as of now.

"There will be fresh capital infusion of a minimum Rs 1,000 crore in this fiscal to support the company's expansion plans. If need be, we may go up to adding Rs 1,200 crore," Reliance Life president and CEO P Nandogopal said.

The company is looking to appoint one lakh agents this year, to take the tally to 3.5 lakh. It has proposed to double the number of offices to around 1,500 from 745 too. "We follow a hub and spoke model," Mr Nandogopal said here on Tuesday.

The insurer plans to roll out three products this fiscal. Applications to this effect are now with the Insurance Regulatory and Development Authority (IRDA). While the company officials declined to divulge details on the products in the pipeline, indication is that the company may launch risk schemes in the area of health and pension.

Around 97% of its products are unit-linked, Mr Nandogopal said. In the first five months, the insurer recorded first premium income (FPI) of Rs 1,112 crore. During 2007-08, FPI was Rs 2,754 crore, up from Rs 930 crore in the preceding fiscal.