



भारतीय बीमा विनियामक और विकास प्राधिकरण  
INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA

**Title:** Press Release

**Reference No.:**--

**Date:**06/11/2019

Reliance Health Insurance Company (RHICL)

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**Press Release**

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Reliance Health Insurance Company (RHICL) which commenced operations in October, 2018 has not been able to maintain the required solvency margin since June, 2019. After it came to the knowledge of IRDAI in the later part of August, 2019, a direction was issued to RHICL to restore the required level of solvency margin within a period of one month. However, despite repeated follow up, this has not been carried out so far. Thereafter, the insurer was issued a show cause notice and given another opportunity to present its case. As there has been no improvement but further deterioration in the financial position of RHICL, in order to protect the policyholders' interest, IRDAI has now issued directions to the insurance company to (i) stop selling new policies and (ii) to transfer the entire policyholders' liabilities along with financial assets to Reliance General Insurance Co. Ltd (RGICL) with effect from 15<sup>th</sup> November, 2019. Till that time, RHICL has been prohibited from using its assets for any payment other than claim settlement. It is estimated that the underlying assets are sufficient to meet the claims of the existing policyholders that may arise in future.

RGICL has been directed to service the claims of the RHICL policyholders promptly and efficiently with effect from 15<sup>th</sup> November, 2019. IRDAI will be closely monitoring the situation to ensure smooth transfer of the portfolio, settlement of claims and protection of the interest of the policyholders.

In so far as policyholders of RHICL are concerned, the Authority would like to assure them that all their interests have been adequately protected and all genuine claims will continue to be duly honored.

**Date:** 06.11.2019

**Place:** Hyderabad