

Reliance MF beats demonetisation blues; AUM up 25%

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Beating demonetisation blues, financial services major Reliance Capital saw its mutual fund business register 25 per cent surge in Assets Under Management (AUM) to ₹1.95 lakh crore in the third quarter of the current financial year and said it is on track to list home finance unit by April.

Reliance Mutual Fund also registered an eight per cent growth in profit to ₹151 crore with a 10 per cent increase in the total number of Systematic Investment Plans (SIPs) during the October-December quarter of 2016-17.

Reliance Capital said not withstanding the slowdown in business that followed immediately after the demonetisation announcement, the company has been able to register growth across all its businesses.

“While our mutual fund business gained from demonetisation and registered a 25 per cent growth in AAUM, our

General Insurance, Broking and Distribution have shown surge in profits during the quarter. Demonetisation did not have any impact on both our lending businesses that showed growth during the quarter,” Sam Ghosh, Reliance Capital managing director and chief executive officer said.

Reliance Home Finance (RHF), which recently raised over ₹3,000 crore from investors by way of NCDs issue, registered profit of ₹35 crore while the commercial finance business, which focuses on SME lending, registered profits of ₹80 crore during the quarter.

“We had announced listing of its Housing Finance Business — wherein Reliance Capital would retain 51 per cent shareholding and the 49 per cent stake would be offered to existing investors by offering one free share of RHF for every one share held in Reliance Capital.

“We propose to complete this exercise by April 2017,” Ghosh said. **PTI**