

Reliance Nippon Life AMC eyes ₹1,542 crore from IPO

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Reliance Nippon Life Asset Management expects to raise ₹1,542 crore through initial public offer later this month, with the company fixing a price band of ₹247-252 per share. The IPO will open for subscription from October 25-27, Reliance Capital said in a regulatory filing.

The Anil Ambani-led Reliance Group firm's IPO will be the first by an asset management company (AMC) in India though smaller rival UTI Mutual Fund's offer plans have also been in the works for a long time. The public issue comprises fresh issuance of 2.45 crore shares, besides an offer for sale of 3.67 crore shares by Reliance Capital and Nippon Life Insurance Company.

Reliance Capital and Nippon Life will each dilute 3 per cent stake. The IPO size will be around 10 per cent of the post issue paid-up capital of the company. According to the filing, the IPO will open on October 25 with a 'price band of ₹247-252 per equity share'. At the upper end of the

price band, the share sale would garner ₹1,542.42 crore. "It is a moment of pride and honour for us to at Reliance Nippon Life to be the first in the country to come out with an IPO of an asset management company," the company's ED and CEO Sundeep Sikka said.

Addressing a press meet here, he said it is one of the largest asset management companies in India and believes in focusing on profitability. "We aim to create value for our shareholder, in the same manner like our mutual fund unit holders. We have already doubled digital transactions to 21 per cent now and hope to continue to be on the growth front," Sikka said.

Jointly owned by Japan's Nippon Life and Reliance Capital, the firm is the asset manager to Reliance Mutual Fund. JM Financial, CLSA, Nomura and Axis Capital are the global coordinators and book running lead managers for the initial share sale. Earlier this week, group firm Reliance General Insurance filed draft papers with Sebi for an IPO.