

RCAM buys GSAM's Indian funds arm

MUMBAI, DHNS: Reliance Capital Asset Management (RCAM), part of Anil Ambani-led Reliance Capital, has signed definitive agreements to acquire Goldman Sachs Asset Management's (GSAM) onshore business in India for Rs 243 crore (\$ 37.5 million) in cash.

The boards of both the companies — Reliance Capital Asset Management and Goldman Sachs Asset Management India — have already approved the transaction and it is expected to be completed by the end of this fiscal year, subject to necessary regulatory approvals, RCAM said.

GSAM India currently manages 12 mutual fund schemes, including 10 ETF schemes, and is the largest ETF provider in

Asserting assets



- RCAM to buy Goldman AMC's onshore business in India
- Move to strengthen our businesses through selective inorganic growth
- Transaction will add over half a per cent in our market share

India. It has a total of Rs 7,132 crore (\$ 1.1 billion) assets under management as of September 30, 2015. This includes Rs 2,172 crore (\$ 334 million) of AUM in the Central Public Sector Enterprises (CPSE) ETF for which GSAM India is currently the exclusive fund manager.

As part of the transaction, RCAM will extend offers of employment to all of GSAM India's employees dedicated to

supporting the ETF business.

"This acquisition by RCAM is an important first step in our overall strategy to strengthen our businesses through selective inorganic growth. GSAM India has a strong bouquet of schemes and a talented team. We are confident that together they will complement and enhance RCAM's overall offerings," Reliance Capital executive director Sam Ghosh said.