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RCAM to acquire Goldman Sachs' India MF for ₹243 cr

PTI ■ MUMBAI

Reliance Capital Asset Management (RCAM) will acquire global giant Goldman Sachs' mutual fund business in India for ₹243 crore in all-cash deal, which marks the latest exit by a foreign player from the ₹3 lakh crore market.

In its first ever buyout, RCAM will acquire all 12 onshore mutual fund (MF) schemes of Goldman Sachs Asset Management India with total assets base of ₹7,132 crore. The deal will make Reliance MF the exclusive fund manager for Government's ambitious Central Public Sector Enterprises (CPSE) Exchange Traded Fund.

The transaction has been approved by the boards of the

two companies and is expected to be completed in the current fiscal, RCAM's parent firm Reliance Capital said in a statement. Reliance Capital is the financial services arm of Anil Ambani-led business conglomerate Reliance Group and is also present in insurance, brokerage and wealth management among other areas.

Goldman Sachs was given the mandate last year to manage CPSE ETF through which the Government has so far raised ₹4,000 crore by selling part of its stake in 10 central PSUs as part of its disinvestment programme.

"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 to our investors," said Sam Ghosh, Executive Director, Reliance Capital.

RCAM CEO Sundeep Sikka said the deal will add over half a per cent to its market share. Besides further consolidating the position of RCAM, which runs Reliance Mutual Fund and is the largest asset manager in India with total AUM of over ₹2.5 lakh crore across mutual funds, pension funds, managed accounts and offshore funds, the deal also marks yet another exit by a foreign player from the ₹13 lakh crore Indian mutual fund industry.