

**ASSETS UNDER MANAGEMENT**

# RCAM to acquire Goldman's India fund unit for Rs.243 crore

TRANSACTION IS EXPECTED TO BE COMPLETED BY THE END OF THIS FISCAL YEAR

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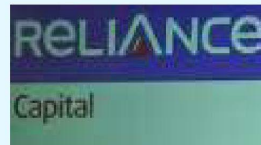
**R**eliance Capital Asset Management (RCAM), a part of Anil Ambani-led Reliance Capital, has entered into definitive agreements to acquire Goldman Sachs Asset Management's (GSAM) onshore business in India for Rs.243 crore in an all-cash deal.

RCAM has agreed to acquire all onshore mutual fund schemes, including exchange traded funds of GSAM India, it said.

The boards of both the companies have already approved the transaction, which is expected to be completed by the end of this fiscal year, subject to necessary regulatory approvals, Reliance Capital said in a filing with the stock exchanges.

"This acquisition is an important first step in our overall strategy to strengthen our businesses through selective inorganic growth," Sam Ghosh, Executive Director, Reliance Capital, said in a statement.

"GSAM India has a strong bouquet of schemes and a talented team. We are confident that to-



**1** GSAM India currently manages 12 mutual fund schemes, including 10 Exchange Traded Fund (ETF) schemes, and is the largest ETF provider in India.

**2** GSAM will continue to deliver global asset management services to its clients in India



**3** It has a total Assets Under Management (AUM) of Rs.7,132 crore as of September 30, 2015 which includes Rs.2,172 crore of AUM in the Central Public Sector Enterprises ETF.

**4** RCAM has agreed to acquire all onshore schemes, including exchange traded funds of GSAM India

strength and complement our portfolio," said Sundeep Sikka, CEO, RCAM.

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As part of the transaction, RCAM will retain substantially all of GSAM India's employees dedicated to supporting the ETF business, it said.

## Shares surge

Shares of Reliance Capital on Wednesday surged over three per cent after the company announced the acquisition of Goldman Sachs' mutual fund business in India for Rs.243 crore in an all-cash deal.

On BSE, the scrip of the company rose 4.4 per cent to touch its intra-day high at Rs.416.80. The stock ended the day at Rs.411.85, up 3.17 per cent.

On NSE, shares surged 4.5 per cent to touch its intra-day high of Rs.416.90. After loosing some initial gains, the stock ended the day at Rs.411.90, up 3.2 per cent.

gether they will complement and enhance RCAM's overall offerings to our investors," he said.

After exiting the onshore business, GSAM will continue to deliver global asset management services to its clients in India and will remain a significant investor in Indian securities through re-

gional and global managed GSAM funds said Goldman Sachs India Chairman Sonjoy Chatterjee.

"We remain committed to growing our investment banking and securities franchise in India and we continue to feel extremely positive about India as an important and growing market for Goldman Sachs overall," he added. This transaction will add over half a per cent to RCAM's market share.

"We will ensure that we maintain seamless continuity for all GSAM India fund investors across all schemes.

"Going forward we would be willing to consider more such acquisitions that add to our



**THIS ACQUISITION IS AN IMPORTANT FIRST STEP IN OUR OVERALL STRATEGY TO STRENGTHEN OUR BUSINESSES THROUGH SELECTIVE INORGANIC GROWTH**

- SAM GHOSH,  
EXECUTIVE DIRECTOR, RELIANCE CAPITAL

