



Reliance Capital sells 1% stake in Paytm for ₹275 crore

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RELIANCE CAPITAL of Anil Ambani has sold its 1 per cent stake in digital payments firm Paytm to China's Alibaba Group for Rs 275 crore in a deal that valued One97 Communications, which owns and operates Paytm, at over \$5 billion.

Alibaba and its associates own the biggest chunk of shares in One97, which also runs the Paytm e-commerce marketplace. Reliance Capital had bought the stake in One97 for Rs 10 crore. Reliance Capital will continue to own some shares in Paytm E-Commerce Pvt Ltd.

The company had bought the stake in One97 Communications for ₹10 crore

Paytm E-Commerce recently raised \$200 million from Alibaba and venture capital fund SAIF Partners. The latest fund-raising round values Paytm e-commerce at \$1 billion.

One97 Communications has three units — Paytm E-commerce, Paytm Payments Bank (payments bank and mobile wallet service) and Paytm Mobile Solutions. Earlier, Reliance Capital had said it would trim its proprietary investment portfolio as part of its plans to monetise non-core as-

sets. In December last year, Paytm founder and CEO Vijay Shekhar Sharma had sold 1 per cent of his holding in One97 Communications to raise about Rs 325 crore.

Alibaba, which has a stake in Indian e-commerce firm Snapdeal as well, has been expanding its shareholding in Paytm. This is expected to pave the way for its much-awaited entry into India that will see the Chinese e-commerce giant to take on Amazon India and Flipkart in the domestic market.