
Reliance Mutual Fund to raise Rs 4,500 cr

Mumbai, Reliance Mutual Fund, a part of Reliance Capital, on Wednesday said it proposes to raise Rs 4,500 crore (\$671 million) through further fund offer (FFO) of its Central Public Sector Enterprises-Exchange Traded Fund (CPSE ETF).

The fund said the issue would have an option to retain oversubscription upto Rs 1,500 crore (\$235.5 million). The FFO in CPSE ETF is part of the government's larger disinvestment

programme announced by the Ministry of Finance.

"We feel confident that the timing of the issue will help investors benefit from their exposure in a diversified basket like CPSE ETF that includes a list of distinguished PSUs (public sector units) that have performed exceedingly well in their respective sectors.

"We are confident of an overwhelming response to this FFO," Manish Singh, Joint Secretary in the Ministry of Finance, was quoted

as saying in the statement.

"It (FFO) offers a compelling opportunity for investors, especially retail and retirement funds, to invest in the India growth story at an attractive valuation, lowest expense and embedded discounts," said Sundeeep Sikka, ED and CEO, Reliance Nippon Life Asset Management. The FFO will remain open for investors from January 17 to 20.

"We would like to reach out to retirement funds that can now invest in ETFs as

per the revised norms, to consider this as an opportunity to secure their funds and benefit from the growth of these PSUs - some of which are Navratnas, Maharatnas and are either sector leaders or near monopolies in their respective sectors," Sikka said.

The FFO is open for all category of investors -- anchor, retail, retirement funds, foreign portfolio investors, non-institutional investors and qualified institutional buyers.
