

Nippon Life raises stake up to 49% in Reliance MF

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JAPANESE financial services giant Nippon Life has completed acquisition of additional 14 per cent stake in Reliance Capital Asset Management (RCAM) for Rs 1,200 crore, raising its holding to 49 per cent.

Nippon Life Insurance now becomes a co-sponsor of Reliance Mutual Fund, along with Reliance Capital, following which the name of fund house would be changed to Reliance Nippon Life Asset Management.

The board of directors of RCAM, in a meeting held here on Thursday, approved the transfer of an additional 9.57 per cent stake to Nippon Life, with the balance 4.43 per cent to be transferred in the next couple of weeks, Reliance Capital said in a statement.

The transaction pegs the valuation of RCAM at Rs 8,542 crore, the highest till date for any asset man-



agement company in the country.

Nippon Life had acquired 26 per cent stake in the fund house for Rs 1,450 crore in 2012. Subsequently, the Japanese firm increased its stake by 9 per cent, to 35 per cent, in February last year at an aggregate value of Rs 657 crore.

Reliance Capital Asset Management runs Reliance MF and is part of

Anil Ambani-led Reliance Group's financial services arm, Reliance Capital.

Nippon Life manages around \$520 billion or Rs 34 lakh crore in assets while Reliance Capital Asset Management (RCAM) manages Rs 2,61,424 crore as on December 31, 2015 across mutual funds, pension funds, managed accounts and offshore funds.