

Nippon Life to buy more stake in RCAM

Special Correspondent

MUMBAI: Nippon Life Insurance of Japan has signed definitive agreements to increase its stake in Reliance Capital Asset Management (RCAM), a part of Anil Ambani-led Reliance Capital in tranches from 35 per cent to 49 per cent for Rs.1,196 crore (\$184 million).

The Boards of Directors of both the companies have approved the increase in stake by the Japanese partner, subject to regulatory approvals.

The transaction, which is expected to be completed within the current financial year, subject to receipt of regulatory approvals, pegs Reliance Capital Asset Management's valuation at Rs.8,542 crore (\$1.3 billion).

Post approvals, Nippon



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- ANIL AMBANI
CHAIRMAN, RELIANCE GROUP

Life Insurance would become the co-sponsor in Reliance Capital Asset Management and the name of the company will be changed to Reliance Nippon Life Asset Management. "Both Reliance Capital and Nippon Life Insurance have enjoyed an extraordinary relationship in the last



few years and we see this mutual respect and commitment growing stronger with time. Together we are determined to grow our businesses multi-fold and have stronger footprint in India and abroad", said Anil Ambani, Chairman, Reliance Group in a statement. "Reliance Group and

Nippon Life have built a strong partnership through exchanges and collaborations in various fields. We believe this investment will further strengthen the ties of both companies, achieve perpetual growth and contribute to further economic development of India and Japan", said Yoshinobu Tsutsui, President, Nippon Life Insurance.

Reliance Capital Asset Management, India's largest asset manager, had Rs.2,43,162 crore (\$38.3 billion) assets under management as on June 30, 2015, across mutual funds, pension funds, managed accounts and offshore funds. Nippon Life Insurance has initially acquired 26 per cent stake in RCAM in 2012 at an aggregate value of Rs.1,450 crore (\$240 million).