

Nippon Life Insurance hikes stake in Reliance Life to 49% for ₹2,265 cr

Transaction values Anil Ambani company at about ₹10,000 crore

OUR BUREAU

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Japan's Nippon Life Insurance will increase its stake in Anil Ambani's Reliance Life Insurance from 26 per cent, to 49 per cent for ₹2,265 crore.

The transaction pegs Reliance Life Insurance's valuation at about ₹10,000 crore.

Nippon Life Insurance has so far invested an aggregate of

₹5,327 crore for acquiring 49 per cent of Reliance Life Insurance. In addition, the Japanese company has also committed an investment of ₹3,303 crore for acquiring 49 per cent stake in Reliance Capital Asset Management, taking its total investment to ₹8,630 crore.

Eye on the future

"This additional investment represents not only the past efforts and initiatives, but also the good relationship between both companies going forward, and we are pleased to be able to further strengthen this partnership in various fields.

We believe our past and future ties will become a great role model for India-Japan business partnerships," said Yoshinobu Tsutsui, President, Nippon Life Insurance.

Reliance Life Insurance recorded a new business premium of ₹601 crore and renewal premium of ₹673 crore for the quarter ended September 30, 2015. Funds under management totalled ₹15,524 crore.

In line with the new shareholding structure, the name of the company will also be changed to Reliance Nippon Life Insurance Company Limited.