

## Nippon Life to double Reliance Life stake for ₹2,270 crore

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**Tokyo:** Japan's Nippon Life Insurance Co has agreed to nearly double its stake in Reliance Life Insurance, becoming the latest foreign firm to take advantage of a rule change and raise its sights in a market seen offering rich potential.

Nippon Life, Japan's biggest private life insurer, is paying about Rs 2,270 crore to lift its stake in Reliance Life to 49%, the maximum allowed by law, from 26 percent, the firms said on Tuesday. The company is a unit of billionaire Anil Ambani's Reliance Capital Ltd.

The central government earlier this year moved to allow higher foreign ownership in the \$50 billion insurance sector, a business that has been starved of capital. Stymied by restrictions, some foreign insurers had previously exited local joint ventures.

The easing of foreign ownership rules has opened doors for foreign insurers such as Prudential Plc and Standard Life Plc to take a higher interest in the business in India, where insurance penetration is low.

Standard Life too is looking to raise its stake in insurance joint venture with HDFC. —Reuters