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## Tokio Marine raises stake in IFFCO JV to 49%

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**New Delhi:** Japanese insurance major Tokio Marine on Friday raised its stake in the general insurance firm IFFCO-Tokio to 49% after buying additional shares for Rs 2,530 crore.

Cooperative fertiliser firm IFFCO entered the insurance sector in 2000, after it was opened up. Now, IFFCO wants to concentrate on agri-business and serve the farmers.

IFFCO will divest its 21.6% stake in the joint venture to Tokio Marine Asia, while Indian Potash will sell its 1.4% stake as well. The decision to raise the stake comes against the backdrop of the government's move to raise the foreign direct investment limit in the insurance sector to 49% from 26%. The insurance regulator has approved the stake increase.

**The decision to raise the stake comes against the backdrop of the govt's move to raise the FDI limit in the insurance sector to 49% from 26%**

"The additional share purchase is in line with Tokio Marine group's international business strategy to achieve sustainable growth and profit expansion as well as enhance diversified business portfolio through capturing growth opportunities in emerging countries," said Arthur Lee, chief executive of Tokio Marine, Asia.

The transaction will help the cooperative raise capital to focus more on agri-businesses, said U S Awasthi, managing director, IFFCO. He said, "even after the divestment, IFFCO will continue to exercise control in the business affairs of the joint venture in compliance with the regulator's guidelines."