

**PERIODIC DISCLOSURES**

**FORM NL-33 - SOLVENCY MARGIN - KGII**

**TABLE - II**

**Insurer: ICICI Lombard General Insurance Co. Ltd.  
Solvency for the year ended on March 31, 2006  
Available Solvency Margin and Solvency Ratio**

**Year: 2005-06  
(Rs in Lakhs)**

<b>Item</b>	<b>Description</b>	<b>Notes No.</b>	<b>Amount</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>	<b>(4)</b>
<b>1</b>	<b>Available Assets in Policyholders' Funds (adjusted value of Assets as mentioned in Form IRDA-Assets-AA):</b>		<b>91,857</b>
	<b>Deduct:</b>		
<b>2</b>	<b>Liabilities (reserves as mentioned in Form HG)</b>		<b>87,767</b>
<b>3</b>	<b>Other Liabilities (other liabilities in respect of Policyholders' Fund as mentioned in Balance Sheet)</b>		<b>28,779</b>
<b>4</b>	<b>Excess in Policyholders' Funds (1-2-3)</b>		<b>(24,689)</b>
<b>5</b>	<b>Available Assets in Shareholders' Funds (value of Assets as mentioned in Form IRDA-Assets-AA):</b>		<b>64,977</b>
	<b>Deduct:</b>		
<b>6</b>	<b>Other Liabilities (other liabilities in respect of Shareholders' Fund as mentioned in Balance Sheet)</b>		<b>5,685</b>
<b>7</b>	<b>Excess in Shareholders' Funds (5-6)</b>		<b>59,292</b>
<b>8</b>	<b>Total Available Solvency Margin [ASM] (4+7)</b>		<b>34,603</b>
<b>9</b>	<b>Total Required Solvency Margin [RSM]</b>		<b>26,810</b>
<b>10</b>	<b>Solvency Ratio (Total ASM/Total RSM) *</b>		<b>1.29</b>

\* As part of the terms and condition of registration, the company agreed to maintain solvency ratio at 1.5 times in relation to the net written premium and net claims incurred at all times. The company was in compliance with the requirement prior to the issuance of the revised guidelines on IRDA ( Assets, Liabilities, and Solvency margin of insurers) Regulations, 2000 vide circular no. 045/IRDA/F&A/Mar-06 dated March 31, 2006, applicable retrospectively from April 01, 2005. However, subsequently, on computing the solvency margin as per the aforementioned revised guidelines, the company's solvency margin as at March 31, 2006 was lower than 1.5 times. The management has initiated necessary measures to comply with the same.