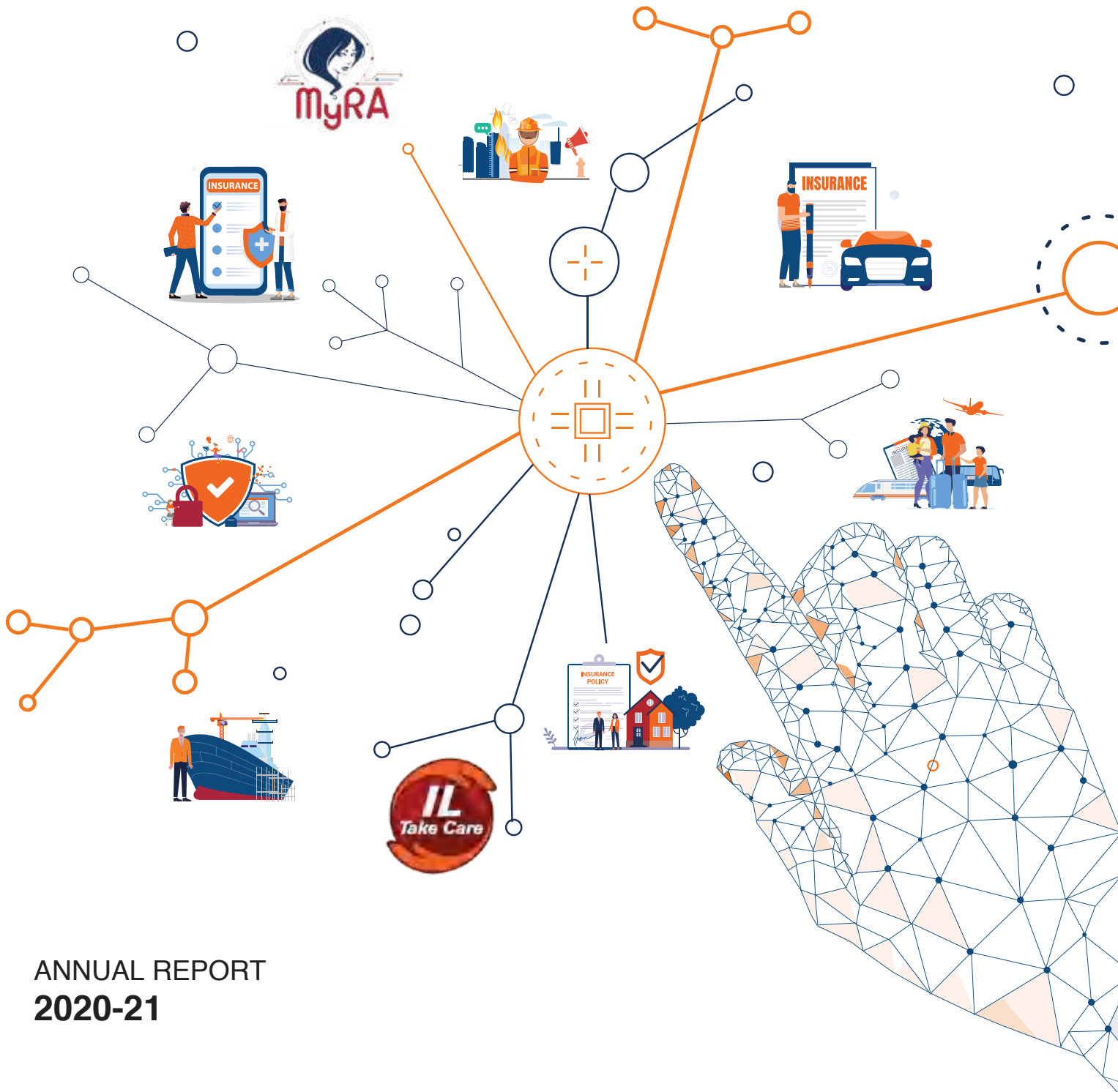


REIMAGING INSURANCE



ANNUAL REPORT
2020-21

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Feedback

For any questions or feedback regarding this Integrated Annual Report or its content, please write to investors@icicilombard.com

Forward-looking Statements

The report contains statements that relate to the Company's future operations and performance. These statements can be identified by the usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance. These forward-looking statements are dependent on assumptions, data or methods that may be inaccurate or imprecise and hence are not guarantees of future operating, financial and other results. They constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks, and uncertainties some of which are beyond our control. The Company does not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



BASIS AND ADOPTION OF INTEGRATED REPORTING

Our Approach

Integrated Reporting (<IR>) based on the framework of International Integrated Reporting Council (IIRC) has emerged as a global best practice for corporate reporting. We have aligned ourselves to this trend and FY2021 is our third year of such reporting.

Through <IR>, we intend to provide our stakeholders with an all-inclusive depiction of our value creation process using both qualitative and quantitative information across financial and non-financial resources. We provide insights into our strategy, matters that are material to us, and the challenges and associated risks in achieving our long-term objectives in context of the external operating environment. Certain <IR> related data in this Report may be management estimates.

Reporting Principle

The financial and statutory data presented in this Report comply to the requirements of the Companies Act, 2013 (and the Rules made thereunder), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002, Indian Accounting Standards, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards. The Report is guided by the IIRC's framework.

Reporting Period, Scope and Boundary

The Report covers the key statutory financial information and activities of the Company in FY2021. All material events, after March 31, 2021 until the Board approved the Report as on July 8, 2021 have been included. Comparative figures and notable events of past years have been reported to provide a holistic view to stakeholders.

Approach to Materiality

We have identified imminent issues that are material to our operations, along with their possible impact on our value creation, to enable investors and other stakeholders take informed decisions on their engagement with the Company.

Board Approval

The Board, supported by the leadership team, accepts responsibility for the integrity and completeness of this <IR>. The Board and the executive management in assistance with a dedicated reporting team have put in their collective minds in the preparation, presentation and validation of information of this Report. The Board is of the opinion that this Report provides a fair and balanced view of our performance and prospects within the <IR> framework. We believe this Report shows that we are creating sustainable value and prosperity for our stakeholders.





REIMAGING INSURANCE

Faster, more connected and increasingly intelligent technology is creating a world where everything can be connected into vast data-rich intelligent ecosystems. Technology is also redefining traditional insurance businesses and driving smarter reinvention of workflows.

At ICICI Lombard, early adoption of technology and our

digital journey has given us a lead in delivering innovative products and solutions to our customers and technology-driven customer experience. More importantly, the difference lies in our mindset and culture – the focus on using digital solutions for our customers and making their lives better.



We are harnessing data and leveraging Artificial Intelligence to design customer-centric experiences. We are constantly thinking beyond the obvious and boldly pursuing new long-term strategies that will enable us to redefine our customer experience journey.



INDIA'S LEADING PRIVATE GENERAL INSURER

ICICI Lombard General Insurance Company Limited is one of the leading and established private sector general insurance companies in India. We offer our customers a comprehensive and well-diversified range of products and risk management solutions through multiple distribution channels, with a constant focus on value enhancement.



Our Vision is

To be the most value-creating and admired risk solutions company in India, with a global footprint.



Our Motto is

To provide a reliable single-point destination for varied customer requirements of risk solutions.

Maintaining a steadfast commitment

We are committed to the values of integrity and transparency across the entire lifecycle of a customer relationship – from the policy advice stage to renewals and claims. A holistic approach to customer well-being has reinforced our reputation for agility, approachability and accessibility.

Bolstered by robust technology infrastructure

Our technology infrastructure is continually being enhanced to ensure the best in terms of customer experience.

Steered by customer-centric approach

We drive excellence in products and services and maintain a relentless focus on meeting customer expectations through a disciplined approach to innovation and internationally-benchmarked service quality standards. We put the needs of our customers first to ensure consistency and quality in each interaction.

A dedicated team of employees

We play an instrumental role in successful delivery of our customer-centric goals by leveraging our dedicated and talented base of employees.

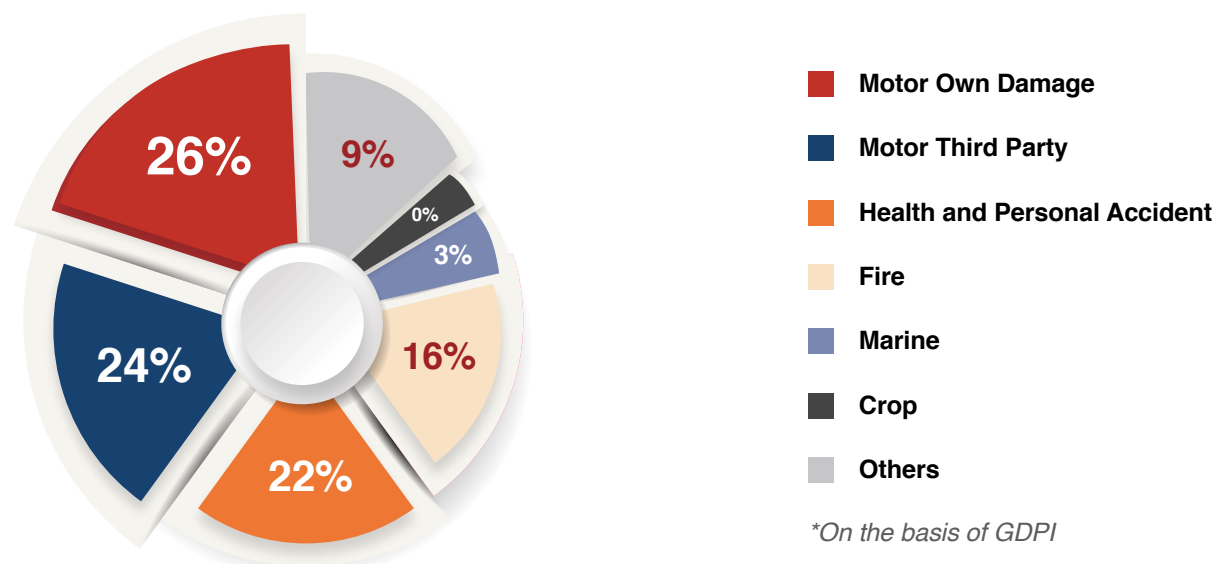


ORGANISATIONAL STRUCTURE AND SOLUTIONS

We deliver our products and services and cater to our stakeholders through four main business clusters:

Corporate Solutions Group	Government & Rural Business Group	Retail Group	Shared Services
What we do: Provide integrated solutions to body corporates, small, micro and medium enterprises	What we do: Provide insurance solutions to State and Central governments or government-owned enterprises and rural customers	What we do: Provide insurance solutions to individuals and small enterprises through multiple channels such as Agents, Brokers, Bancassurance, Tele-Sales, Direct Alliances, Motor Insurance Service Providers (MISPs) and Online Platforms	What we do: Leverage support functions across the organisation to improve customer service and drive business efficiency
Our solutions: <ul style="list-style-type: none"> • Fire • Marine • Engineering • Liability solutions • Employee group insurance • Cyber insurance • Health and personal accident 	Our solutions: <ul style="list-style-type: none"> • Cattle • Weather • Mass Health • Personal Accident • Motor 	Our solutions: <ul style="list-style-type: none"> • Health • Home • Motor • Travel • Cyber • Personal Accident 	Our services: <ul style="list-style-type: none"> • Underwriting and Claims • Customer Relationship • Technology • Operations • Reinsurance • Finance and Accounts • Human Resources • Legal and Compliance • Actuarial • Marketing • Business Analytics • Administration • Fraud Control

A well-balanced and comprehensive product portfolio*



Our key differentiators for FY2021

Consistent market leadership and growth

Diverse products and multi-channel distribution

Excellence in customer service and technology

Risk management

Capital conservation

Ownership structure
(As at March 31, 2021)

At a glance for FY2021

We are one of the leading private sector non-life insurance company in India on the basis of GDPI.

11.7%

13-year GDPI CAGR
(FY2008-FY2021)

7.0%

Market share on GDPI basis

We have a comprehensive and diverse product portfolio and an expanding distribution network with the aim of increasing penetration in Tier three and four cities in India.

59,545 Individual Agents

840 Virtual Offices

We leverage on Artificial Intelligence, Machine Learning, IoT, Robotics, Process Automation and Natural Language Processing throughout the lifecycle of the customer. We also have a dedicated digital arm focussed on improving the speed of delivery.

We target profitable growth by using risk selection and data analytics, maintaining robust reserves and prudent investment management.

We maintain a high level of solvency as against the minimum regulatory requirement of 1.50X.

2.90X

Solvency as on
March 31, 2021

51.88%

Promoter shareholding

48.12%

Public shareholding

₹ 143.20 Billion
Gross Written Premium

21.7 Million
Policies Issued

1.6 Million
Claims Settled

Network

276

Branches

840

Virtual Offices

59,545

Individual Agents (incl. POS)

Partner Network

9,700

Garages

9,307

Hospitals

Total Headcount

10,236

(Including trainees)



OUR FINANCIAL PERFORMANCE

FY2019 **FY2020** **FY2021**

Revenue Growth

Gross Direct Premium Income (GDPI) (₹ in Billion)



Combined Ratio (%)



Policy Issuance

Number of policies issued*

FY2019	FY2020	FY2021
26,484,078	26,222,039	21,733,076

*On GDPI basis

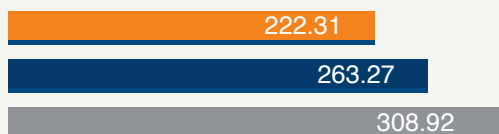
Claims Settled

Number of claims settled

FY2019	FY2020	FY2021
1,567,596	1,859,816	1,631,073

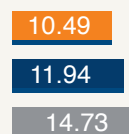
Investment Assets

(₹ in Billion)

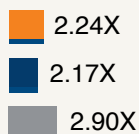


Profit After Tax

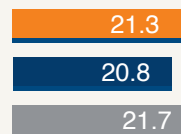
(₹ in Billion)



Solvency Ratio (Times)



Return on Average Equity (%)



AWARDS AND ACCOLADES



Emerging Company of the Year

The Company has been conferred with 'Emerging Company of the Year' award at The Economic Times Awards for Corporate Excellence'. The Economic Times Awards for Corporate Excellence are awards conferred by The Economic Times in the field of business, corporate and government policies, and the economy in India. It is one of the most distinguished and revered platforms where winners are chosen by the eminent jury comprising of stalwarts from diverse fields.



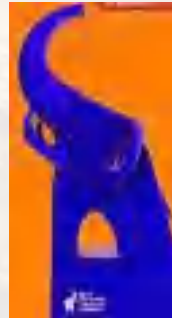
Golden Peacock National Training Award

The Company has been conferred with 'Golden Peacock National Training Award' for the third year in a row, and are humbled and thrilled with this victory. This award is a testament to the success of our efforts pertaining to employee training and development practices. The award is founded by the Institute of Directors (IOD) and recognises excellence in training practices in organisations.



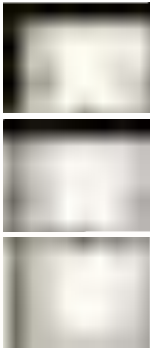
LearningElite Awards 2020

The Company has won the Gold Award at the "LearningElite Awards" for the third year in a row for its employee-focussed learning and development practices. ICICI Lombard is the only insurance company in India to have won the Gold Award in both years. The 'LearningElite' program of CLO (Chief Learning Officer) magazine, USA, honours the best organisations that employ exemplary workforce development strategies, leading to significant business results.



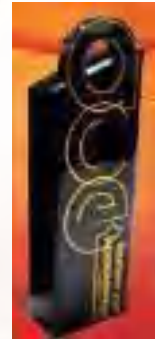
Kyoorius Creative Awards

The campaign for World Heart Day 2019 has won a big Blue Elephant at the Kyoorius Creative Awards in the Film Craft - Animation & Special Effects category. Kyoorius is one of the most prestigious advertising awards presented for excellence in creativity.



CSR Health Impact Awards 2020

The Company won three Silver Awards at the coveted 4th CSR Health Impact Awards 2020. These have been provided in the 'Swachh Bharat and WASH Initiative' category for the 'Niranjali' project; and the 'CSR Large COVID-19 Relief Project and CSR Health Projects (Large Corporate)' category for the initiatives undertaken during the COVID-19 situation. CSR Health Impact Awards 2020 with COVID-19 Edition have been designed to identify the best CSR projects and practices undertaken by corporates, targeted towards health, hygiene and the environment.



Triple Accolades at BrandWagon Ace Awards 2020

The Company's 2019 Diwali and Women's Day videos were awarded under the 'Best B2C' and 'Best Video Ad' category. 'Ride to Safety' CSR added yet another feather in its cap after it was adjudged as the 'Best CSR Campaign'. The BrandWagon Ace Awards have been launched by Financial Express to celebrate new-age marketing communication and initiatives across different industries.



AFAQS DIGIES 2020

The Company won the Best Digital Brand Video Award at AFAQS DIGIES 2020 for its 'Shubh Deepawali Savdhaan' campaign.



Best & Emerging Insurance Company Awards 2020

The Company has been conferred with the 'Best General Insurance Company' Award at the second edition of Best & Emerging Insurance Company Awards 2020, organised by Insurance Alertss. This forum recognises and honours the best companies across the insurance industry. The outcome is derived on the basis of extensive research conducted by the organisation.



Gold Shield Award

The Company won the Gold Shield Award organised by the Institute of Chartered Accountants of India (ICAI) for its excellence in Financial Reporting for the year 2019-20. ICAI is a renowned institution which functions under the administrative control of the Ministry of Corporate Affairs and recognises best practices in the field of financial reporting.



DigiMarcom Leadership Award, 2020

The Company won the 'Best Digital Customer Engagement Campaign' award at the 3rd Edition of DigiMarcom Leadership Awards. The accolade is a recognition of the diverse customer engagement initiatives undertaken by the organisation. This award platform has been created to showcase the latest developments in the digital marketing space.



PRSI National Awards 2020

The CSR Campaign 'Caring Hands' was recognised under the 'Best CSR Project for Childcare Category'. The Company also won an award for its 'Restart Right Campaign' under the 'Best Communication Campaign (External Publics)' and 'Home Healthcare' under 'Innovation in Customer Care during Corona Times'. Public Relations Society of India (PRSI) is a national association that promotes the recognition of public relations as a profession. It formulates and interprets to the public the objectives and potential of public relations as a strategic management function.



Business Leader of the Year Award

The Company won several accolades at the 19th Global Edition of the Business Leader of the Year Award. The Company has also been conferred with the awards for 'BFSI - General Insurance Company of the Year Large Private Sector'; 'BFSI - Technology Initiative of the Year'; and 'BFSI - Customer Engagement Initiative of the Year'.



Customer FEST Leadership Awards 2021

Our 'Restart Right Campaign' bagged an award in the category of 'Best Integrated Media Campaign' at the Customer FEST Leadership Awards 2021. The Customer FEST Show is curated and managed by Kamikaze B2B Media. This is the 14th edition of the property, which endeavours and celebrates new and innovative ways of customer service technologies that are changing the way of life.



LACP 2019-20 Spotlight Award

The Company has been conferred with the Gold Award for its Annual Report 2019-20. The report has been adjudged amongst the Top 100 Annual Reports worldwide. The awards are organised by the League of American Professionals (LACP), USA, and a coveted forum within the PR industry to facilitate best-in-class communication practices.



FICCI Insurance Awards 2020

The Company has been conferred with the award for 'Best CSR Initiative-Non-life category' for its 'Ride to Safety' campaign.



The Economic Times BFSI Innovation Tribe-Awards and Summit 2020

The Company has won two accolades at The Economic Times BFSI Innovation Tribe-Awards and Summit 2020 in the category of Customer Excellence in Insurance and InsurTech Award 2020. The recognition was for exemplary work done around customer service during COVID-19 and the InstaSpect app.



OUR PERFORMANCE ACROSS THE SIX CAPITALS

Financial Capital

Represents the funds utilised for investment and employed in the business to create value for the shareholders. We also generate funds from surplus arising out of business operations and financing activities in the form of equity and debt.

Key Metrics

₹ 140.03 Billion

Revenue
(Gross Direct Premium
Income)

₹ 14.73 Billion

Profit After Tax (PAT)

21.7%

Return on average
equity (RoAE)

99.8%

Combined Ratio

Manufactured Capital

Represents the physical assets including branches, call-centres and equipment used for conducting operations and serving the customers. We continually invest in these assets to enhance customer experience and achieve higher operational efficiency.

Key Metrics

276

Branches

1,233

Call Centre Executives

840

Virtual Office Branches

Intellectual Capital

Represents the collective knowledge of our people and organisation gained through years of experience. We are constantly leveraging this knowledge to strengthen our competitive advantage and ensure alignment of resources to our strategic direction. This also represents our knowledge-based assets, digital capabilities, data and analytics and automation that helps in product development, enhancing operational efficiency, improving customer experience and empowering the employees. The Capital also includes specialised manpower comprising Inhouse Claims Managers - Motor & Health and Actuarial Team.

Key Metrics

24

New products launched

₹ 7.29 Billion

Capex on technology
infrastructure

1,016

Specialised manpower



Human Capital

Represents the collective knowledge, expertise, engagement, motivation and experience of our workforce that facilitates value creation. This enables us to better serve our customers and fulfil the expectations of our stakeholders. We invest in employees' skill building, engagement and welfare to provide them with a safe and healthy work environment.

Key Metrics

Male: 81.7%
Female: 18.3%
Gender diversity

158,761 Hours
Training imparted to employees in FY2021

Social and Relationship Capital

Represents our engagement with communities and investment made in their progress. Also represents our focus on building long-term and trust-based relationships with business partners, customers and the society. Their collective interest drives our growth, competitiveness and goodwill, and makes us commercially viable and socially relevant.

Key Metrics

48
Net Promoter Score

₹ 292.55 Million
CSR Spend

4.8 Million
Total lives covered

1.6 Million
Claims settled

258,816
Number of Shareholders

59,545
Individual agents (Including POS)

Natural Capital

Represents all the renewable and non-renewable resources that we utilise for our operations, including raw materials and water. We make these investments to ensure that our operations remain sustainable.

Key Metrics

59.4%
Reduction in electricity consumption

2,927 KL
Water harvested, meeting

81 Tonnes Paper used

6,052 MWh
Energy used in FY2021
(Vs 14,919 MWh in FY2020)

59.4%
of Prabhadevi office's annual water requirement

9,825,876 Air Miles saved

Benefits of work from home system and digital claim inspection



Message from the Chairperson



Dear Shareholders,

I hope you and your loved ones are keeping safe. The second wave of the coronavirus pandemic has been more severe and scaring for many. The ripple effect of this devastation has left people and economies struggling to get back on their feet. Amid the gloom, 'Hope' has emerged as a saviour as always. It is 'hope' that binds humanity, helping it overcome every challenge, no matter how daunting. Further, when you combine 'hope' with 'support', most of the obstacles can be overcome.

The insurance industry has played a critical role in supporting efforts of humanity during times of distress, since centuries. Be it man-made calamities or natural catastrophes, insurance has been a key mechanism to compensate for the losses and bring things back to normalcy. However, a critical issue in this journey has been the embracing of this important solution by only a few.

The under-penetration of insurance products in India has been red-flagged in many forums, for several years. The risk that such under-penetration presents is not just limited to few sections of the society, but the burden of this risk is borne by the entire nation. The need to scale up the reach and penetration of insurance across India's rural and urban populace can no more be ignored.

Being a part of this industry endows us with a responsibility that is far greater than simply meeting the demand for insurance products. As we come to realise the limitations of the traditional insurance solutions in providing an armour against a pandemic-like situation, there is a need to explore ideas to address new age as well as pandemic risks, which have a much wider impact compared to regular risk events.

The role that the pandemic has played in accelerating digitisation across sectors has been spoken at length. When it comes to the insurance industry, this journey began a while

ago. It continues to accelerate given the developments in the InsurTech space. Further, the regulatory authority, IRDAI has been encouraging technology adoption as it works towards creating a conducive environment for introduction of innovative InsurTech solutions. As we look ahead, innovative technology-enabled solutions will find increasing usage in the insurance sector.

When we look at industry development in recent times, the enabling measures announced by policy makers should help keep the momentum going. The increase in FDI limit from 49% to 74% for insurers should help boost industry development and growth in the coming years. Indian insurers should benefit from access to large pools of capital as well as technological expertise required to scale and improve penetration.

At ICICI Lombard, we are encouraged by these tailwinds and enabling approach. Further, we continue to be guided by our core philosophy of being customer-centric. As such, even as we embrace technology deeper to serve customers in current times, our endeavour is to make technology the fulcrum of every solution we provide. Today, our platforms can provide end-to-end self-serve experiences to our customers. At the same time, our channel partners and employees are equipped with relevant digital solutions to handhold our customers ensuring service continuity and unflinching support.

Going beyond our role as an insurance provider, we are committed to serving the society through the various CSR initiatives that we undertake throughout the year. Our employees have joined us as volunteers driving several projects focussed at uplifting the economically unfortunate sections of the society. By identifying critical areas of assistance, we will continue to give back to the society. Such

non-profit humanitarian contribution is integrated in the very ethos of our Company.

While the COVID-19 emergency is one which the world hopes to tackle and solve soon, a much bigger emergency has been brewing silently in the background for decades. Humankind can no more pretend to ignore climate change. And together, we need to rethink the definition of success and evolution. Environmental, Social and Governance (ESG) metrics will serve as the new parameter to measure in addition to the financial statements. We, at ICICI Lombard, have been making sincere efforts to strengthen our ESG initiatives, thereby moving further ahead in our vision of being a responsible corporate citizen.

An organisation is simply a unified identity given to a large team of individuals playing significant roles at every level. Our existence is defined by our employees. I take this opportunity to thank our dedicated employees who have gone beyond the call of duty to support our stakeholders in every scenario.

Even as we hope for normal times to return at the earliest, at ICICI Lombard, we are treating the current phase as a great learning experience, the lessons of which would stay with us for years to come. We hope to continue strongly and swiftly in our endeavour to build a robust and sustainable business while emerging as a conscientious corporate citizen inspiring responsible change.

**Regards,
Lalita D. Gupte**

Message from the Managing Director



Dear fellow shareholder,

Hope this letter finds you and your family, safe and well.

As I connect with you today through my annual shareholder letter, life has come full circle. We continue to wade through a recurring pandemic, with the virus mutating into new variants. While many thought the vaccine would be the panacea to all problems, issues related to supply and logistics as well as concerns about efficacy against the emerging variants, keep the on-ground situation uncertain. What this tells us is that we may need to navigate the crisis for some more time than anticipated. More importantly, we need to stay nimble, agile and resilient while focussing on our long-term goals.

From the long-term perspective, we, at ICICI Lombard,

remain steadfast and focussed on our value creation approach for our shareholders and our brand ethos of 'Nibhaye Vaade', thereby reaffirming our commitment to support our customers, business associates, and the society at large, in times of need. This is the purpose of our existence.

Impact of COVID-19

In our view, this pandemic will have far-reaching implications on consumers, businesses, and the society at large. The immediate impact and responses have been played out; however, the real transformation is a journey that has just begun. We strongly believe that the world on the other side of this crisis is a phygital one that blends the best of the physical experiences, with the convenience of the digital tools. In our view, there is a re-assessment of risk perception across the globe and particularly by consumers in India, which will fundamentally increase the demand for

comprehensive insurance and risk management solutions. We believe that organisations will have to prepare for new ways of working, with hybrid working, greater choice and flexibility to employees becoming the norm that will result in re-designing of organisation structure, design, policies, and practices. We are accordingly enhancing our insurance solutions suite to make them conveniently available and laden with self service capabilities for our customers, further automating our distribution applications for channel partners while transforming ourselves as an organisation for our employees.

Leading with technology solutions

We have been investing in our customer facing technology-enabled solutions for over a decade. Over the last 15 months, we further accelerated our efforts in this aspect, and are most encouraged by the response of our customers. Our comprehensive wellness and insurance focussed solution, IL TakeCare app benefited over 500,000 customers during this period. Our real-time video-based vehicle damage assessment tool, InstaSpect crossed the milestone of one million vehicle inspections recently. This resulted in over 60% motor insurance claims in FY2021 being serviced by InstaSpect compared to 24.5% such cases the year before. Our AI-powered claim settlement engine approved over 60% group health claims within minutes. This figure was 31% in March 2020.

Enhancing our customer-centric proposition

We also embellished our existing products, by adding benefits relevant to the current times. For instance, we allowed retention of no claim bonus even in the case of a COVID-19 related claim. We reduced the waiting period for new policies from 30 days to 15 days, specifically in the case of COVID-19 claims. We also launched a cashless Home Healthcare benefit to facilitate claims for treatment availed at home. At this juncture, we would like to acknowledge the proactive and enabling approach of the regulatory authority (IRDAI) that allowed us to introduce these contextual and relevant customer benefits in a timely manner.

Ensuring employee well-being

While we took multiple initiatives for customers, we also ensured the safety and wellbeing of our employees. All through the pandemic, we have provided support to them through our employee-focussed platform 'Flexiable'. We met their diverse needs including availability of requisite IT infrastructure, while keeping their morale high through programs aimed at holistic wellness, driving connects across teams, including families in key events etc. As the second wave emerged, we took more measures such as offering advance salaries for 2 months, sanctioning additional leaves for COVID-19 positive employees. We also organised free vaccination drives for employees, their families, and our channel partners across the country.

Contributing to societal welfare

When it comes to our contribution towards the community, we have always gone beyond the 2% spend requirement stipulated in the Companies Act 2013. To support efforts aimed at curtailing the spread of the virus, we collaborated with reputed diagnostic brands to provide free COVID-19 tests to over 35,000 people across the country. We also distributed over 5,000 PPE kits, masks to medical staff serving COVID-19 cases. and funded Indian Institute of Science, Education and Research, Pune and Tata Memorial Hospital, Mumbai for procuring COVID-19 testing equipment. As cyclone Amphan struck the eastern parts of the country in May last year, we partnered with the Kolkata Traffic Police to provide ration kits to over 9,000 affected families. We also donated 50 disinfectant spray machines to the authorities for sanitisation of refugee shelters.

At the same time, we stayed on course with our regular CSR activities despite the challenges brought by the pandemic. We distributed 35,000 helmets in 7 cities through our 'Ride to Safety' platform, conducted eye check-ups for more than 40,000 children across the country through our 'Caring Hands' initiative and installed water purifiers and sanitiser dispenser machines in 250 schools as part of our 'Niranjali' program. We embellished the medical infrastructure of few Primary Health Care (PHC) centres and provided them with video-based access to medical experts on a real-time basis.

To help you understand our efforts to build a sustainable business model comprehensively, we have released an ESG report that you can refer to on our website.

Complementing sustainability with long-term business performance

Even as we responded to other stakeholders, we ensured that our business performance continued to create shareholder value over the long term. In line with this enduring approach, our GDPI rose to ₹ 140.03 billion in FY2021, growing at 5.4% over FY2020. PAT for the year increased to ₹ 14.73 billion, registering a growth of 23.4%. Combined Ratio, which is a measure of profitability from core operations, improved to 99.8% in FY2021 from 100.4% in FY2020. Return on Average Equity (ROE) was at 21.7% in FY2021 against 20.8% in FY2020. The solvency ratio was at 2.90x, higher than the minimum regulatory requirement of 1.50x.

By recognising the evolving needs and demand patterns of our customers, we build profound, long-lasting relationships. In FY2021, we serviced 21.7 million policies, and settled over 1.6 million claims. A key measure of an insurer's ability to settle claims efficiently is the claim settlement response time i.e. number of claims settled within 30 days. We settled 99.7% health claims in FY2021 (93.8% in FY2020) and 94.3% motor claims within 30 days (93.2% in FY2020).

Achievements

The awards we were honoured with stand testimony to our ethos and to the effort of our talented and dedicated employees. We won the 'Emerging Company of the Year' award at The Economic Times Awards for Corporate Excellence. Our efforts in communicating the value we provide to our audience were recognised by various platforms. We received accolades from Kyoorius awards, Bandwagon Ace, AFAQS DIGIES, DigiMarcom Leadership Awards and Customer FEST Leadership Awards. A large part of our success is a direct outcome of the efforts of our talent base and their continuous skill development. We received the 'LearningElite' program of CLO magazine, USA, an honour received by organisations that employ exemplary workforce development strategies leading to significant business results. We also won three silver awards at the coveted CSR Health Impact Awards 2020.

A critical aspect of customer-centricity is being transparent in all aspects and ensuring complete disclosures. We won the Gold Shield Award organised by the Institute of Chartered Accountants of India (ICAI) for excellence in financial reporting for FY2020. We were also recognised as the 'Best General Insurance Company' by Insurance Alertss, an industry focussed platform.

Reaching the 20-year mark

I am happy to share with you that we will soon be completing 2 decades of our existence. Our consistent performance is a result of the robust foundation that we have built our business on over the last 20 years. We are excited to be in our twenties and look forward to creating new benchmarks in the times to come. Our journey so far is a validation of our customer-centric endeavours and our ability to spot opportunities to scale our business franchise.

Merger with Bharti AXA GI

Speaking of spotting opportunities, we have embarked on one such journey with the proposed integration of Bharti AXA General Insurance into our business franchise. We believe that consolidation creates value for the industry and our stakeholders, and we have taken a leap with this milestone merger. As we look ahead, we are enthusiastic about our prospects given the proposed integration of Bharti AXA GI with our business. The transaction is currently awaiting final nod from the regulatory authority (IRDAI). This step will not only strengthen our business growth model but also add meaningful scale to our capabilities and reach, enabling us to serve our customers as one integrated ICICI Lombard team. This unification would result in an entity with a proforma combined annual premium of ₹ 171.63 billion and market share of nearly 8.6% (based on IRDAI Segmental report, Period FY2021) thereby making us the country's second largest general insurance entity. We are confident of the success of this integration, given the high level of cultural fitment between the two brands, in terms of unity of purpose and customer-centricity.

I would like to thank you for placing your trust in us and for believing in our ability to support you in your goals.

I wish you the best in the times to come.

Regards,
Bhargav Dasgupta



BOARD OF DIRECTORS



Lalita D. Gupte

Chairperson, Non-executive,
Independent Director



Ved Prakash Chaturvedi

Non-executive,
Independent Director



Uday Chitale

Non-executive,
Independent Director



Suresh Kumar

Non-executive,
Independent Director



Ashvin Parekh

Non-executive,
Independent Director



Murali Sivaraman

Non-executive,
Independent Director



Vishakha Mulye

Non-executive,
Non-independent Director



Sandeep Batra

Non-executive,
Non-independent Director



Bhargav Dasgupta

Managing Director & CEO



Alok Kumar Agarwal

Executive Director - Wholesale



Sanjeev Mantri

Executive Director - Retail



LEADERSHIP TEAM



Bhargav Dasgupta
Managing Director & CEO



Alok Kumar Agarwal
Executive Director - Wholesale



Sanjeev Mantri
Executive Director - Retail



Gopal Balachandran
Chief Financial Officer &
Chief Risk Officer



Lokanath Kar
Chief Legal &
Compliance Officer



Jerry Jose
Head - Human Resources



Vinod Mahajan
Chief Investment Officer



Girish Nayak
Chief Customer Service,
Technology & Operations



Sanjay Datta
Chief Underwriting,
Reinsurance & Claim



Prasun Sarkar
Appointed Actuary
and Head-Actuarial



CORPORATE INFORMATION

BOARD OF DIRECTORS

Lalita D. Gupte

Chairperson

Ved Prakash Chaturvedi

Director

Uday Chitale

Director

Suresh Kumar

Director

Ashvin Parekh

Director

Murali Sivaraman

Director

Vishakha Mulye

Director

Sandeep Batra

Director

Bhargav Dasgupta

Managing Director & CEO

Alok Kumar Agarwal

Executive Director - Wholesale

Sanjeev Mantri

Executive Director - Retail

BOARD NOMINATION & REMUNERATION COMMITTEE

Uday Chitale

Chairperson

Lalita D. Gupte

Ashvin Parekh

Sandeep Batra

AUDIT COMMITTEE

Ashvin Parekh

Chairperson

Lalita D. Gupte

Uday Chitale

Murali Sivaraman

Sandeep Batra

INVESTMENT COMMITTEE

Suresh Kumar

Chairperson

Sandeep Batra

Bhargav Dasgupta

Vinod Mahajan

Gopal Balachandran

Prasun Sarkar

RISK MANAGEMENT COMMITTEE

Lalita D. Gupte

Chairperson

Ved Prakash Chaturvedi

Uday Chitale

Suresh Kumar

Ashvin Parekh

Vishakha Mulye

Bhargav Dasgupta

POLICYHOLDERS PROTECTION COMMITTEE

Ashvin Parekh

Chairperson

Ved Prakash Chaturvedi

Uday Chitale

Murali Sivaraman

Bhargav Dasgupta

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Uday Chitale

Chairperson

Ved Prakash Chaturvedi

Murali Sivaraman

Bhargav Dasgupta

STAKEHOLDERS RELATIONSHIP COMMITTEE

Suresh Kumar

Chairperson

Ved Prakash Chaturvedi

Bhargav Dasgupta

Sanjeev Mantri

STRATEGY COMMITTEE

Uday Chitale

Chairperson

Ashvin Parekh

Vishakha Mulye

Bhargav Dasgupta

STATUTORY AUDITORS

Chaturvedi & Co.

Chartered Accountants

PKF Sridhar & Santhanam LLP

Chartered Accountants

SECRETARIAL AUDITORS

Dholakia & Associates LLP

COMPANY SECRETARY

Vikas Mehra

DELIVERING VALUE TO OUR STAKEHOLDERS

ICICI Lombard aims to contribute to its safe, secure and sustainable future by keeping technology at the core of all its strategies. We deliver sustainable value to all our stakeholders by compounding equitable growth for them and creating an environment for them to thrive. Through our insurance products and services, we also support climate change mitigation and adaptation efforts of our customers, including the spread of renewable energies.



Creating value through

Principal activities

Strong and sustainable revenue streams



Sustaining value through

- | | | |
|--|--|-------------------------------------|
| • Our vision, mission, ethos and Vishvas policy | • Governance framework and policies | • Risk management and opportunities |
| • Stakeholder engagement and material issue management | • Focus on ESG and Sustainability, Business Responsibility and Corporate Social Responsibility | • Employee-friendly practices |
| • Responsible underwriting and investment activities | | |



Delivering value through

Customised and tech-enabled solutions

By engaging with customers and supporting them in their hour of need

Employees who are continuously upskilled and stay motivated

Consistent financial performance and creating long-term wealth for investors by:

- Regularly contributing to national and state exchequer
- Making responsible use of environment and natural resources

Our Value Creation Model



Our Principal Business Activities





BUSINESS MODEL

INPUTS

FY2021

Financial Capital¹

Total Capital Employed - Equity (Share Capital + Share Premium)	₹ 20.38 Billion
Total Capital Employed - Subordinated Debt	₹ 4.85 Billion

Manufactured Capital¹

Capex for New Offices and Branches	₹ 4.79 Billion
Call Centre Facilities (In Nos.)	2
Call Centre Executives (Customer Relationship Managers) (In Nos.)	1,233

Intellectual Capital¹

Capex on Technology Infrastructure	₹ 7.29 Billion
------------------------------------	----------------

Specialised Resources

- In-house Claims Managers – Motor	707
- In-house Claims Managers – Health	284
- Actuarial Team	25

Human Capital¹

Functional Diversity (In Nos.)

- Top Management and Leadership	10
- Business Groups (Retail and Wholesale)	5,264
- Service, Support and Corporate Groups	3,688

Employee Gender Diversity

- Male (81.8%)	7,327
- Female (18.2%)	1,635

Age Group-wise bifurcation

- Below 30 (30.9%)	2,770
- 30-45 (66.7%)	5,976
- Above 45 (2.4%)	216

Training, Learning & Development

Total training in Hours	158,761
-------------------------	---------

Social Capital²

CSR Spent

- Direct	₹ 189.9 Million
- Through ICICI Foundation	₹ 102.7 Million

Social Focus Areas

- Road safety initiatives (No. of schools covered)	250+ schools
- Caring Hands	₹ 14.0 Million
- Wellness camps in schools (No. of schools)	250
- NGO Partnerships (In Nos.)	5

Relationship Capital¹

Individual Agents (including POS) (In Nos.)	59,545
Corporate Agents (In Nos.)	126
Network Hospitals (In Nos.)	9,307
Network Garages (In Nos.)	9,700
Analyst/Investor Meets held (In Nos.)	220

Note: ¹ As on March 31, 2021 | ² For FY2021

BUSINESS MODEL



SOLUTIONS

Using our experience and knowledge base to understand customers' risks and develop relevant insurance products and risk mitigation solutions change distribution to physical rather than both online and offline.



DISTRIBUTION

Utilising multiple channels to enable widespread distribution on both online and offline platforms.



CUSTOMER SERVICE

Adopting new-age technology to provide solutions to customers to reduce risks proactively, reduce claims settlement time and improve customer service.



UNDERWRITING

Practising disciplined underwriting, while minimising risks, with strong processes and tools to maintain business quality and strength. Designing new and value-added products to foster responsible behaviour and drive sustainability.



STRATEGIES

Investing funds into a well-diversified portfolio of debt, equity and AIFs to generate superior risk-adjusted returns. We have a robust governance framework which ensures all investment decisions are taken in accordance with regulatory and internal guidelines. To further strengthen our investment function, we look forward to incorporating ESG factors in our investment decision as these practices mature in the country.

OUTPUTS

	FY2021
Policies Issued* (In Nos.)	21,733,076
Claims Settled	1,631,073
Investment Assets	₹ 308.92 Billion

*On GDPI basis

OUTCOMES

FY2021

Financial Capital¹

Gross Direct Premium Income	₹ 140.03 Billion
Market Share	
- Overall	7.0%
- Private Sector	12.3%
Combined Ratio	99.8%
Profit After Tax (PAT)	₹ 14.73 Billion
EPS (Basic)	₹ 32.41
Return on Average Equity (ROAE)	21.71%
Debt Equity Ratio	0.07 times
Solvency Ratio	2.90 times
Dividend Payout Ratio	12.3%
Investment Leverage	4.1 times
Credit Rating	AAA/stable - Crisil and ICRA, for Subordinated debt
CAGR [#]	GDPI – 11.7% PAT – 22.7%

Manufactured Capital¹

Branches (In Nos.)	276
Virtual Offices (In Nos.)	840
First Call Resolution Rate	81.1%

Intellectual Capital¹

New products approved during the year	24
Policies processed electronically	97.0%
In-housing of Motor Claims	87.0%
In-housing of Health Claims	86.6%
No. of Customers receiving VAS	3,914
Net Promoter Score	48

Human Capital¹

Revenue generated/headcount (GDPI basis)	₹ 0.01 Billion
Code Maroon, Code Maroon+, Code Blue certified employees (In Nos.)	1,646

Social Capital²

Lives impacted with CSR interventions

Children screened	60,000
Ride to Safety (Helmets distributed)	35,000
Wellness (Water purifiers installed)	250
Rural and social sector obligations	3.4 million policies covering 4.8 million lives

Relationship Capital²

Total taxes paid to Government (Direct & Indirect)	₹ 19.21 Billion
Premium contribution through channel partners ³	23.3%
Shareholder Complaints (In Nos.)	1
Customer complaints (Per 10,000 policies)	1.09

Note: ¹ As on March 31, 2021 | ² For FY2021 | [#] FY2008-FY2021 | ³ % of Total GDPI



THE OPERATING ENVIRONMENT IN FY2021

As the COVID-19 crisis gave rise to immediate and potential challenges for the insurance industry and it took a hit, future prospects continue to be positive. The sector is expected to gain momentum as the global economy stabilises, further supported by requisite measures undertaken by the regulators to ensure smooth transition into a post-COVID world.



India's general insurance industry

India is the 4th largest insurance market in Asia and the 14th largest globally, as per the Sigma 3/2021 Swiss Re report. India is a significantly under-penetrated market with the premium as a percentage to the GDP being a meagre 1.0%. From a non-life insurance density perspective, the per capita premium is a meagre US\$ 19, as compared with US\$ 5,754 in United States.

India's non-life insurance

5th

largest
non-life insurance
market in Asia

14th

largest
non-life insurance
market globally

1/4th

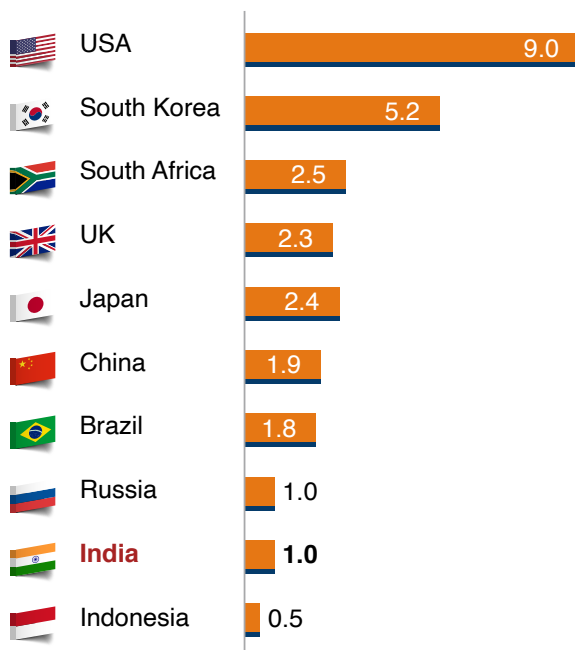
of global average
Non-life insurance
penetration in India in 2020

Growth opportunity in non-life premiums



Non-life insurance - Large addressable market

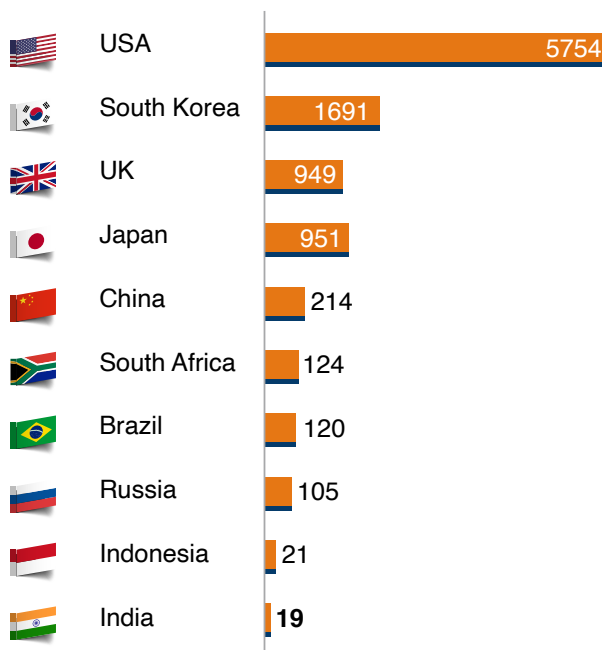
Premium in US\$ - As a % of GDP (CY2020)



Source: Sigma 3/2021 Swiss Re

Non-life insurance - Density

Premium per capita in US\$ (CY2020)



Source: Sigma 3/2021 Swiss Re

Non-life premium growth trends are expected to revert to normal this year, against the backdrop of a strong but uneven bounce-back in the global economy and differing growth dynamics for the major lines of business, as per the latest Sigma Report for 2020. Advanced markets will revert to trend growth rates this year, with non-life premium growth expected at 2.2% in 2021 and 2.8% in 2022. Emerging markets, on the other hand, are expected to outstrip advanced markets with premium growth of 5.8% in 2021 and 8.2% in 2022.

The growth trend presents tremendous opportunities to grow, capitalise on improved market conditions and make non-life insurance a preferred product segment for end-consumers. Demographic factors such as growing Indian middle class, young insurable population and growing awareness with respect to the need for protection through non-life insurance is likely to support growth of India's general insurance industry.

Industry performance in FY2021

The industry grew by a CAGR of 17% over the last two decades and is expected to continue its commendable growth trajectory in the future years. The market share of private sector companies in the non-life insurance market rose from 15.0% in FY2004 to 49.3% in FY2021. The gross direct premium underwritten by general insurance industry witnessed a growth of 5.2% to ₹ 1,987.35 billion, as against ₹ 1,889.17 billion at the end of FY2020. Segments like health, fire and crop insurance performed well (Source: IRDAI).

Pandemic-related shift in demand patterns

The onset of the Coronavirus pandemic changed the landscape of the Indian non-life insurance industry. Besides increasing the insurance penetration rate, the ongoing changes due to the pandemic have brought about a conscious shift in the insurance product mix. It has triggered awareness on insurance and demand for protection products, especially health insurance. It has changed the way people look at insurance and has pushed companies to tweak their product strategies.



Rise in emerging technologies

From selling new policies to settling claims, the pandemic pushed insurance players to depend heavily on digital architecture. While digitisation was already on the rise, the onset of COVID-19 accelerated the transition process, leading customers towards better choices and smoother delivery systems. Digitisation became the key pillar that accelerated the growth of the entire ecosystem, including marketing, digital policy issuance and claim submission. Increased usage of AI and ML will help address the needs across policy purchases, customer service, operations and claims optimisation. Utilisation of cloud platforms and services will increase, driven by increased emphasis on big data, AI and ML.

About ICICI Lombard

We continue to be one of the leading general insurance players. Our market share across all the commercial lines of Fire, Engineering, Marine Cargo and Liability has increased. Going forward, we remain focussed on strengthening our market positioning by continually assessing and managing the external operating context, launching innovative products and services, and investing in better technologies and improving service standards. Going forward, we remain committed to build on trust and value for our stakeholders.

Positive regulatory developments

Since the onset of COVID-19, IRDAI took efforts to bring insurance products and services within the maximum reach of consumers in the most convenient way possible. To support insurers, IRDAI allowed them to take approval of customers through e-KYC and video KYC to issue them a policy, in place of submitting physical documents. The regulator advised insurers to come up with Corona-specific insurance plans, following which insurance companies launched Corona Kavach and Corona Rakshak to cover the cost of COVID-19 treatment and comorbid conditions. Some other key developments included allowing consumers to pay their health insurance premiums in easy monthly instalments to help increase affordability. Inclusion of telemedicine under health insurance cover and coverage for uncovered ailments like mental illness, stress or psychological disorders.





STEPPING UP IN TOUGH TIMES

At ICICI Lombard, we quickly responded to the COVID-19 crisis and focussed on large-scale digital embracement and increased health insurance speed. As we moved our business and technology operations to a work-from-home model at lightning speed, we continued working on the underlying operating model and formulated strategies for cost optimisation and digital automation.

For ensuring business as usual, we equipped both our customers and employees with tools and options to communicate with each other. WhatsApp and Chat became an important tool for customer engagement

Key initiatives implemented during COVID-19

CUSTOMERS

- Maintained continuous communication through e-mails, tele-calling, SMS and social media platforms to reassure
 - ▶ Renewal of motor and health policies
 - ▶ Claims servicing through e-mails and scan documents
- Offered dedicated product with COVID-19 benefit and indemnity cover
- Helped customers buy an insurance policy as seamlessly as possible and in settling claims real-time
- Used digital means for intimating motor claims through virtual surveys
- Conducting video survey of damaged vehicle through ILInsure mobile app, enabling remote surveying to eliminate physical visit; 24/7 assistance team available to guide on smooth claim processing InstaSpec, a virtual motor survey solution, used for reporting of motor claims eliminates the need for a surveyor to travel and do physical survey for damages, with a live video feed
- Using advanced drone-based technology for inspecting wind turbines and solar PV modules, ensuring faster and more accurate inspection
- Facilitating claim assessment in remote areas, saving time and expense
- Using Artificial Intelligence based technology for instant health insurance claims for cashless cases
- Implemented advanced ML model to determine and auto-approve optimal amount in non-surgical hospitalisation cases, reducing cashless claim approval time from 90 minutes to 90 seconds
- Enabled AI-based break-in inspection service for instant renewal of motor insurance
- Offered virtual consultation with healthcare professionals
- Made available health assistance team via dedicated helpline for identifying specialist, fixing appointment with medical practitioners, providing information on ailments
- Providing IL TakeCare with tele-consult feature in mobile app for harnessing health ecosystem
- Not impacting additional sum insured in case of in-patient claims for COVID-19

DISTRIBUTION

- Launched digital portal iPartner for distribution channel partners – dealers, insurance agents and corporate agents
- Launched Nysa platform, a new multi-lingual digital portal for motor agency channel partners, to reduce end-to-end policy issuance time by 50%. With its web and mobile user interface, Nysa has the capability of pre-filling 70% of data fields through public data sources
- Digitised endorsement process to enable channel partners directly endorse motor and group health policies
- Underwriting also done digitally and instant e-cards delivered to customer
- Introduced multi-lingual portal and WhatsApp for Common Service Centres
- Launched API 2.0 platform to partner born-in-cloud digital companies to distribute insurance products
- Enabled channel partners to acquire, retain and service customers
 - ▶ Enabled tech tools (Robo calling and CRM tools for motor dealer partners) to enhance retention
 - ▶ Digitally onboarded POS and agents
- Conducted online webinars for corporates by senior leaders
 - ▶ Virtual risk inspections undertaken via video streaming
 - ▶ Offered knowledge support to agents/channel partners
 - ▶ Structured digital engagement with agents across branches



Key initiatives implemented during COVID-19

EMPLOYEES

- Enabled IT infrastructure to facilitate WFH to ensure safety and well-being of employees
- Help Desk and AI bot created to provide continuous IT support; Microsoft Teams to ensure smooth collaboration with other employees
- VPN and private cloud activated for customer data security
- HR Bot launched to provide employees with an ease of query resolution for day-to-day queries
- National helpline to support all employees through representatives in Health Provider Management Team, Human Resources and Quarantine Assessment Committee (QAC)
- QAC of in-house doctors connecting with COVID-19 positive employees to guide, advice and counsel them till recovery
- Continuous communication and engagement with local ER and SPOCs at specific locations for local support
- Accelerated upskilling of employees; leveraged technology to provide e-learning programs, self-consumption videos and virtual live training events
- Added employee-centric policy for conveyance and mobile reimbursements
- Deployed Santulan for online counselling by trained counsellors of employees needing special assistance
- Additional leave for COVID-19 positive employees over and above existing medical leaves
- Promoted wellness through online events; Provided home healthcare benefits for those preferring to avail treatment at homes
- Provided doctor-on-call facility through IL TakeCare app and PMT
- Offered comprehensive benefits, facilities and support to employees and their families during the times of crisis
- Continued offering annual performance bonus and increment even during lockdown



COMMUNITY

- Proposed contribution for PM CARES Fund through Company and employees individually
- Conducted free COVID-19 testing for under-privileged in partnership with reputed diagnostic services
- Provided PPE kits to medical staff at government hospitals
- Partnered with Kolkata Police to provide automatic disinfectant spray machines to frontline warriors and relief kits to those affected by Cyclone Amphan
- Distributed raincoats and face masks to traffic police personnel in Thane-Navi Mumbai



REGULATOR/AUTHORITY

- Provided insurance as an essential service
- Offered effective health insurance coverage through new products during COVID-19
- Announced the following proactively:
 - ▶ On-claims payment – simplified claim procedures and health claim authorisation within two hours
 - ▶ On-premium payment – extended payment date for renewal of Motor TP and Health policies
- Conducted video-based e-KYC norms
- Enabled digital issuance and proposal forms, subject to certain conditions up to September 30, 2021





OUR STRATEGY IN ACTION

Our strategic choices are driven by our purpose and guided by our aspirations. These enablers are aimed at enabling delivery of our strategy, with a deep understanding of our strengths and weaknesses. As we continue on our journey, we continuously assess our progress in the execution of our strategy, while we also control and implement these strategies effectively.

Strategy 1: Leveraging and enhancing market leadership

We are India's leading private non-life insurer since 2004, with a 7.0% market share. We are augmenting our market leadership by leveraging our competitive advantages and brand value, expanding our product offerings, customer base and distribution network. We capitalise on our diversified product mix to fortify our market share and cement our market leadership.

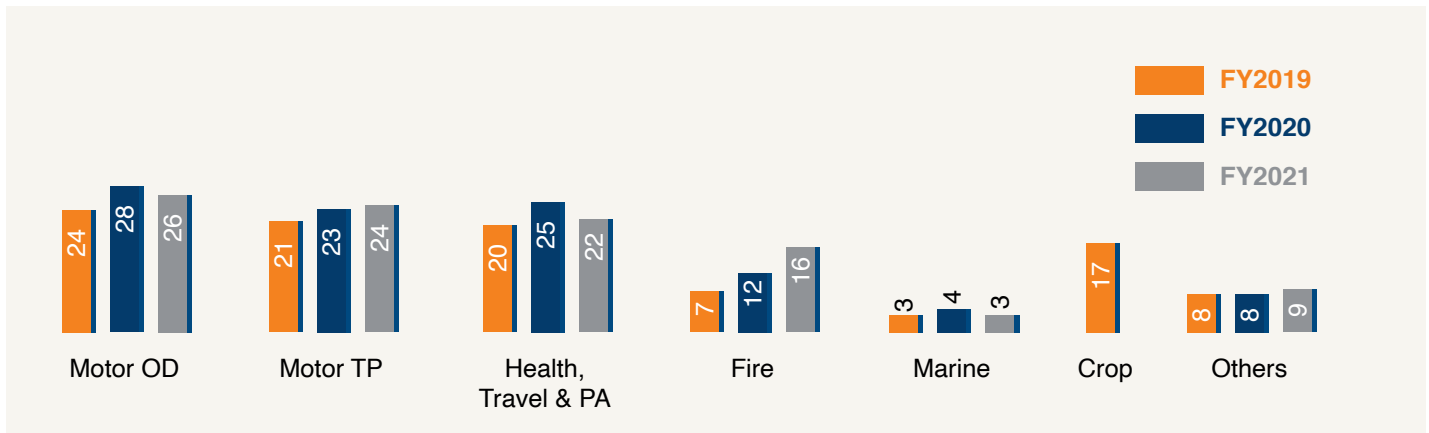
11.7%

13-year GDPI CAGR (FY2008 to FY2021)

7.0%

Market share (GDPI basis)

Product Mix (%)



Strategy 2: Delivering excellence in customer-centricity

Our tech-driven processes and customised tech-based solutions facilitate us in delivering customer-centricity and value-added services to our customers. Our digital aim and tech-enabled services help maintain productivity and improve the speed of our delivery and service. It also helps settle claims efficiently. Our robotic processes, artificial intelligence, machine learning techniques and IoT devices help enhance our customer service and also enable our employees enhance their productivity. We engage in continuous communication with our customers to ensure renewal of motor and health policies and servicing of claims. The IL Take Care App with the 'tele-consult' feature aims at harnessing the health ecosystem.

Service Excellence

Policy issuance

Policies sourced: **21.7 million**

Issued electronically: **97.0%** (96.5% in FY2020)

Claims and servicing

Claims settled: **1.6 million**

Motor OD claims through InstaSpec: **60.8%**
(24.5% in March 2020)

Headcount productivity

14.8% with 13-year CAGR (FY2008 to FY2021)

Automation and Scale

Next-Gen solutions

- Cognitive services and BOTs
- APIfication and micro services

AL and ML solutions

- 60.1% cashless authorisation through AI (31.0% in March 2020)
- 61.6% STP of Motor break-in from Self Inspection App (40.6% in March 2020)

Work from home

- Remote working policy under Flexible initiatives
- Enhanced data and end-point security

Strategy 3: Enhancing product offerings and distribution channels

We are constantly looking to add new products and offerings to further diversify our product mix. We always look for opportunities to cross-sell our products to the existing customers. We continue to reinforce our multi-channel distribution strategy by adding new channel partners and increasing our distribution reach. We also continue to strengthen the Agency and SME channels and supply them with right tools to help them conduct business efficiently and effectively.

59,545

Individual Agents (including POS)

840

Number of Virtual Offices

~90.0%

SME policies issued digitally

Strategy 4: Capturing new market opportunities

We are constantly aiming to target new opportunities in the market by augmenting our presence, penetrating further in small towns, rural areas and Tier three and four cities and cross-selling our diverse portfolio of products to the existing customers. We continually plan to launch new products which cater to emerging market risks, with the aim of enabling our customers to mitigate these risks.



Strategy 5: Ensuring robust risk selection and management

We follow best practices in prudent underwriting and reinsurance. We target healthy selection of risks driven by data analytics to achieve profitable growth. We also continually monitor new and emerging risks and strategising effective methods of risk mitigation.

Underwriting

- Predictive ultimate loss model to improve risk selection
- Diversified exposure across geographies and products
- Historically lower proportion of losses from catastrophic events than overall market share

Reinsurance

- Spread of risk across panel of quality re-insurers
- Conservative level of catastrophe (CAT) protection

Investments

- Tighter internal exposure norms as against regulatory limits
- Invest high proportion of debt portfolio 86.1% in sovereign or AAA rated securities*
- Zero instance of default in debt portfolio

Reserving

- IBNR utilisation improving trend indicates robustness of reserves
- Disclosing reserving triangles in Annual Report since FY2016

**domestic credit rating*

Strategy 6: Improving operating performance and financial performance through investments in technology

We aim to constantly improve our operational efficiency and financial performance through our customer-centric solutions and tech-enabled service platforms, and by introducing new-age technologies. Our prudent risk selection and robust reserves help us maintain the combined ratio.

Our Performance

- Maintain high level of Solvency against regulatory minimum requirement of 1.50x
- Solvency 2.90X





STAKEHOLDER PERSPECTIVES

We balance the needs of our stakeholders over the short and long term in order to deliver sustainable performance. It is through our relationships with these stakeholders that we meet and create value for the organisation and for them.

Customers

Methods of engaging with them

- Engaging at all stages of product lifecycle through multiple direct contact and options
- Having trained customer relationship managers and toll-free numbers
- Measuring customer satisfaction
- Executing sales, service and claims processes on the digital platform

Their needs and expectations

- Innovative products
- Customised solutions
- Value-added, technology-enabled services
- Customer service and experience
- Competitive pricing
- Simplified processes
- Efficient claim settlement



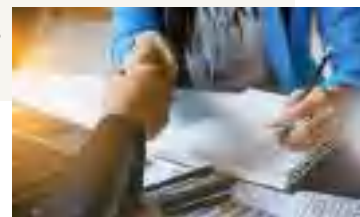
Business Partners

Methods of engaging with them

- One-to-one meetings
- Telephonic and e-mail communication
- Channel partner meets, portals, forums and conferences

Their needs and expectations

- Product and value proposition
- Quick and efficient reimbursement
- Speedy response to queries



Employees

Methods of engaging with them

- Workshops, training interventions, learning and development initiatives
- Intranet, mobile platforms
- Employee satisfaction survey
- Townhall meetings
- Wellness initiatives

Their needs and expectations

- Company culture
- Work environment
- Quality of training and mentoring
- Opportunities for career development



Shareholders and Investors

Methods of engaging with them

- Corporate earnings – annual and quarterly
- Annual reports
- Investor presentations
- Annual General Meeting
- Investor/Analyst meet

Their needs and expectations

- Strong governance, ethics and transparency
- Consistent financial performance
- Long-term business value
- Clear business strategy



Regulators

Methods of engaging with them

- Business associations
- Industry workshops
- Presentations
- Written communication
- One-to-one meetings

Their needs and expectations

- Responsible development of insurance players
- Efficient management of regulatory change
- Full disclosure of business activities
- Statutory and legal compliance
- Inclusion in insurance



Rating Agencies

Methods of engaging with them

- Written communication
- Presentations

Their needs and expectations

- Robust risk management and risk mitigation
- Adequacy in solvency
- Conservatively managed and stable balance sheet



Communities

Methods of engaging with them

- CSR initiatives
- Community welfare
- Awareness workshops
- Employee volunteerism

Their needs and expectations

- Proactive engagement
- Safety and health matters
- Community welfare





ADDRESSING MATERIAL ISSUES

Material matters

What matters to our stakeholders	Why it matters	How we are addressing these issues
Product pricing	Attractive product pricing is the key to engage with more customers in a competitive market scenario	<ul style="list-style-type: none"> Continuous evaluation and effecting relevant changes Risk-based pricing with a balance in protecting shareholder and policy-holder Robust actuarial division
Risk modelling	Determining and better managing risk levels based on statistical methods and tools	<ul style="list-style-type: none"> Prudent underwriting and benchmarking against best practices Using technology, data and analytics Supervising emerging risks and strategising risk mitigation
Responsible underwriting, finance and investment policies	Helps reduce environment footprint, enhance reputation and meet sustainability goals	<ul style="list-style-type: none"> Improving risk selection through predictive model and managing risk retention through reinsurance Well-diversified portfolio across products and regions across the country Having in place stringent internal exposure norms as against regulatory limits – as on March 31, 2021, 84.7% of our investment are in debt securities, 86.1% of which is in sovereign or AAA rated securities (as against the norms of investing not less than 20.0% of total investments in Central Government Securities and not less than 30.0% in State Government securities and other Guaranteed securities) ICRA has assigned the company long-term issuer rating of [ICRA] AAA with a Stable Outlook. Issuers with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations.
Reserving	An accurate reserving process increases credibility and enables in determining the value of claim and assists in decisions on better planning and underwriting	<ul style="list-style-type: none"> Compliance with reserving and solvency guidelines Maintaining robust reserves
Financial performance	Shareholders expect us to deliver increased returns on investment and maximise shareholder value	<ul style="list-style-type: none"> Enabling higher profitability through prudent risk selection and data analytics Prudent investment practices Aligning business model and strategy in line with the external environment

Material matters

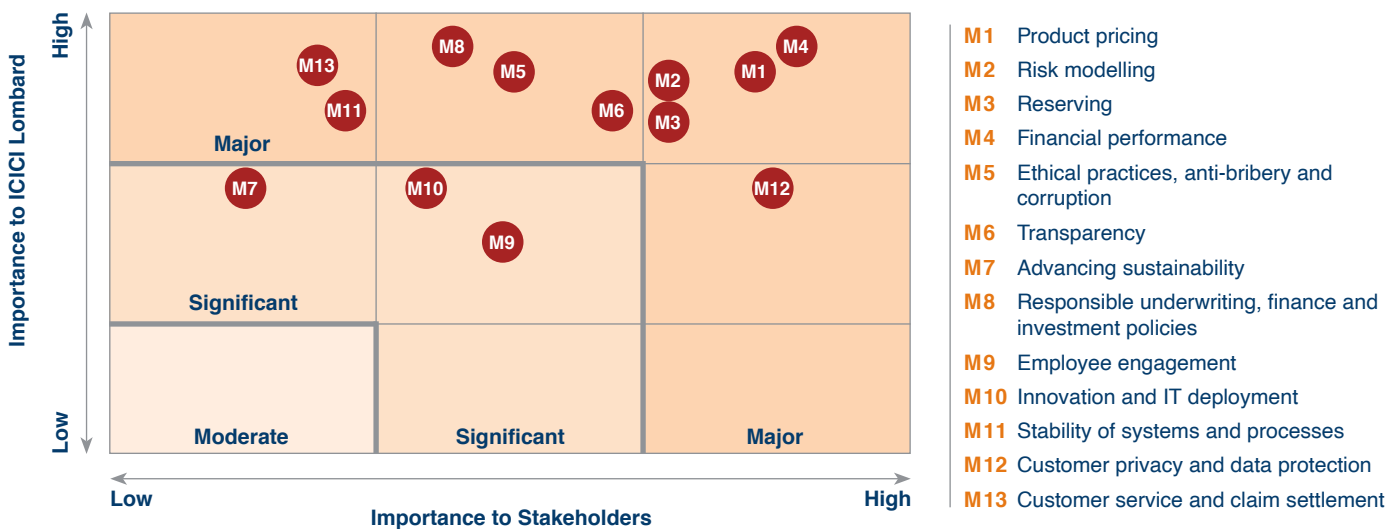
What matters to our stakeholders	Why it matters	How we are addressing these issues
Ethical practices, anti-bribery and corruption	Focussing on enhancing market reputation through responsible practices, high ethical standards and pro-activeness in managing risks and emphasising on interests of stakeholders	<ul style="list-style-type: none"> • Code of conduct • Anti-bribery and corruption policies • Robust corporate governance • Keeping up with industry rules and regulations • Encouraging a culture of ethics and fair practices
Transparency	Maintaining transparent business practices to enhance credibility and instil confidence among stakeholders	<ul style="list-style-type: none"> • Demonstrating accountability and transparency through reporting standards • Best disclosure practices • Through <IR> and ESG reporting • Increased use of technology
Advancing sustainability	Sustainability is a key evaluation criteria for global investors and impacts market credibility	<ul style="list-style-type: none"> • Maintaining an over-arching policy on environment management • Mapping our activities against UN SDGs
Employee engagement	Effective employee engagement helps realise strategic objectives	<ul style="list-style-type: none"> • Improvising employee engagement activities • Conducting training and development programmes • Ensuring employee recognition and rewarding excellence • Motivating employees through incentive schemes
Innovation and IT deployment	Enables operational excellence and helps deliver better customer experience	<ul style="list-style-type: none"> • Investing in latest technologies including artificial intelligence, machine learning and chatbots • Augmenting knowledge-based resources
Stability of systems and processes	Helps ensure smooth, efficient and uninterrupted operations	<ul style="list-style-type: none"> • Continuously evaluating and upgrading internal control systems
Customer privacy and data protection	Inability to protect customer data saved on cloud can lead to litigation issues and may lead to lack of reputation	<ul style="list-style-type: none"> • Implementing good practices for cyber security and fraud prevention • Maintaining controls for confidentiality, integrity and availability • Implementing control mechanism for information assurance
Customer service and claim settlement	Increases reputation as a customer-friendly insurance player meeting adequate customer needs	<ul style="list-style-type: none"> • Using advanced technologies • Empowering employees • Offering value-added services and customised solutions • Simplifying customer interactions

Materiality Matrix

At ICICI Lombard, there is continuous evaluation of the operating environment and engagement with stakeholders to identify and respond to existing and emerging material ESG issues. This internal listing and assessment of material topics is done through a year-round engagement of internal teams with various stakeholders, peer analysis and on our own domain expertise and analysis.

Materiality Matrix

The findings of our materiality analysis are presented in the matrix below. This reflects the significance of each topic in terms of stakeholder interest and its potential impact on the business.



ENTERPRISE RISK MANAGEMENT - FRAMEWORK & APPROACH

Risk is inherent to the insurance business. Our risk management and internal control systems are designed to ensure that these risks are managed effectively and efficiently, aligned with our overarching objective of creating long-term value for all our stakeholders.

ICICI Lombard was the first company in India to achieve the ISO 31000:2018 ERM certification from British Standards Institution in April 2018 for a period of three years, subject to annual audits, in accordance with the applicable certification mechanism. The Company has successfully achieved the certification for a further period of three years in April 2021. The Company has always kept a strong focus on embedding risk management into its strategy and operations.



I. Risk Management Framework

The Company has developed a risk universe consisting of 26 enterprise-wide risk areas, broadly hospitalisation into the 5 distinct groups of Credit Risk, Market Risk, Underwriting Risk, Strategic Risk & Operational Risk.



II. Broad Risk Categorisation

The criteria for measuring each of the risk heads are summarized below.

1. Credit Risk:

Credit Risk refers to the risk the Company is exposed on account of its re-insurance placements and investment asset classes. The risk of default is assessed through

tracking solvency margin numbers, re-insurer downgrades and investment asset classes downgrade, below the defined threshold.

2. Market Risk:

Market Risk refers to exposure the Company faces on its assets, liabilities, income and expenditure on account of market movements. The market risks for the Company broadly lie majorly in the investment portfolio of the Company. The investment portfolio is managed by the investment function and monitored by the investment committee at the Board level.

The Company has an internal committee for Market Risk Management to evaluate and identify key market risks with appropriate mitigation plans.

3. Underwriting Risk:

Underwriting Risk refers to the risk faced by the Company in terms of selection and retention of risks on its books & products offered by the Company.

4. Operational Risk:

Operational Risk refers to the risk of loss on account of inadequate or failed internal processes, systems and people or from external events.

The Company has a detailed Operational Risk Management Policy which broadly covers within its ambit:-

- The Risk and Control Assessment Framework
- Incident Management and Reporting
- Operational Loss Appetite Levels
- Operational Risk Capital Charge
- Strategies/plans/mechanisms for monitoring and mitigation of Operational Risk

The Company ERM function continually conducts risk and control assessments for all units across the Company. Training is imparted on Operational Risk Management across the organization to create awareness and ensure sensitization.

Critical updates with respect to Operational risk are also presented to the Operational Risk Management Committee (ORMC) of the Company, comprising of the C-Suite executives of the Company.

The Company also has an Outsourcing Committee, wherein the key material risks from an outsourcing perspective, are presented to the Committee.

Two other critical components which are of significance to the organisation include Fraud Prevention & Cyber Security.

Fraud Prevention is managed by the IC & LM (Internal Control and Loss Minimisation) function.

IC & LM was established in fiscal year 2006, with following objectives:

- To check claims & premium related leakages
- Prevention, Detection, Correction of internal irregularities & frauds
- Support claims team with loss minimization efforts

The approach is to have an objective driven team with domain experts to manage various risks emanating from different lines of business (LoBs). The claims investigation teams are specialized at managing claims across LOB's. In addition, there is salvage team to bring additional value to the net realization amount.

The function engages with specialists for its activities, to bring in rigour and quality in its delivery. We have created a talent pool working together to deliver the set goals.





Apart from the traditional approach for fraud detection based on heuristic techniques based either on a checklist or a scoring algorithm, we are utilizing advanced technologies and algorithms based on machine learning and artificial intelligence in identifying fraudulent activities faster with increased accuracy. The continuous self-learning approach of these techniques helps us to implement solutions that auto-correct; reducing the time for learning and execution.

Cyber Security has become a universal area of importance in recent times.

Organizations generally, and insurers in particular, remain vulnerable to highly targeted Cyber-attacks aimed at exploiting security weaknesses due to the amount of sensitive information they hold. An important consideration is the various states in which the information resides in a system, namely, storage, transmission and processing.

The Company is committed in providing secure services to customers and safeguarding of customer's information. Over a period of time, the Company has introduced various technology-led innovative services to ensure the same by using industry-accepted security practices and controls.

To devise a robust information assurance control mechanism, the Company not only considered the available technology, but also involved human factors and have implemented necessary policies and procedures to detect, mitigate and prevent various Cyber threats.

Controls as below are put in place to address the core parameters of CIA triad i.e. Confidentiality, Integrity, and Availability:

- Board approved Information and Cyber Security policy in-line with the IRDAI guidelines
- Information Security Committee (ISC) to oversee governance, implementation of the security controls and adherence to the Information and Cyber Security policy
- ISO 27001 compliant Information Security Management System
- Enterprise-wide information security architecture and defense-in-depth principle to address security concerns at various levels
- Risk based security assessments:
 - Vulnerability Assessment (VA) of applications
 - Vulnerability Assessment and Penetration Testing (VAPT) of infrastructure
- Awareness program for employees such as regular awareness mailers, simulation and tabletop exercises, classroom trainings, etc.

5. Strategic Risk:

Strategic Risk refers to the risk associated with the long-term strategy of the Company. The same is tracked and reported to the Risk committee.

III. Approach adopted to identify and manage new and emerging risks

The Enterprise Risk Management Function continually engages with stakeholders across the Company to assess and identify new and emerging risks, including continually evaluating changes in systems, processes and procedures. Risks & Controls are identified, measured and updated on a continual basis through risk assessment activities. New products and processes are always approved by the risk management function prior to roll out.

IV. The review process and feedback loop

Periodic stakeholder meetings are conducted with respective business heads, as part of the risk assessment activities, for assessing emergence of new risks and reviewing all risks including the risks previously classified as very high, high, medium or low, to assess the latest position of the risks. The review has four important steps:

1

Assessing the applicability of current risks

2

Evaluating emergence of new risks, if any

3

Grading the risks, basis implementation of defined mitigation plans including evaluation of reasons for non-implementation, if any

4

Monitoring & verifying the efficacy of mitigation plans, including undertaking controls testing, as applicable





RISK MANAGEMENT ASSESSMENT ON COVID-19

The COVID-19 pandemic outbreak has had far-reaching ramifications in terms of its impact on human lives and business. The pandemic has impacted various organisations across the globe in unprecedented ways, including impacting several critical risk areas.

The Company, anticipating the spread of COVID-19 and the associated risks, commenced preparation for risk mitigation at the beginning of March 2020. The Company already had a Business Continuity Management Policy and Crisis Management Framework in place. The Company activated the Crisis Management Team (CMT). The CMT has been regularly reviewing the developing situation to calibrate the Company's response accordingly.

The broad measures undertaken taken by the Company to handle the Crisis arising due to spread of COVID-19, covers the critical areas of employee safety and social distancing, employee engagement and welfare, key initiatives with respect to re-alignment and review of internal processes, transactions and reporting and ensuring minimum business continuity objective.

The Company also undertook regular risk assessment and evaluation with respect to the impact of the pandemic outbreak on various areas of enterprise risk such as credit risk, market risk, underwriting risk, operational risk and strategic risk.

Certain key risk assessments undertaken by the Company in the wake of COVID-19 include therein the following:

I. Credit Risk Management

The Company faces a credit risk, predominantly with respect to its re-insurance and investments portfolio. The Company has a strong panel of reinsurers and during the renewal process had further improved the quality and strength of the panel. The top 10 international re-insurers on the panel of the Company are leading players in the global re-insurance market.

The solvency margin continues to be well over the regulatory prescribed limit of 1.5 times as at March 31, 2021, post the required calculations being carried out in accordance with regulatory norms.

The Company is continually monitoring the credit ratings of investee companies, and if a reasonable decline in creditworthiness of investee companies is observed, suitable remedial action would be undertaken, based on the specific situation at hand.



II. Market Risk Management

The Company closely monitors the market movement in the equity and debt portfolio and the Company risk management philosophy is that if the decline in the portfolio exceeds the risk appetite and risk tolerance thresholds defined in the Risk Management Framework, appropriate calls would be taken by the Company on its investment portfolio to address the same.

The Company has a defined risk threshold for quantum of investment in liquid assets to manage liquidity risk and the Company was within the risk tolerance threshold as on March 31, 2021.

III. Underwriting Risk Management

The Company is leveraging on technology and undertaking virtual risk inspections (VRA) wherein customer site inspections are being undertaken via video streaming. The Company has also prepared detailed risk questionnaires (in cases where virtual inspection is difficult), wherein responses are being sought from customers and accordingly underwriting decisions are being taken, based on information furnished by the customers.

The Company is required to appoint a surveyor to undertake inspection of sites where a claim has been reported and submit a loss assessment report, prior to settlement of claims. The Company was focussed on appointing those surveyors who possess the required technological tools for undertaking virtual surveys for claims assessment.

The impact of COVID-19 did not breach the overall risk appetite levels of the Company as at March 31, 2021.

IV. Operational Risk Management

COVID-19 did not impact the Company's emphasis on the control environment, risk assessment, control activities, information and communication and monitoring controls except for a few operational deviations like:

- Relying on electronic document wherever physically signed document was procured earlier for policy booking.
- Exhibiting a maker-checker sign off via technology-based approval platforms, which in normal circumstances are taken on hard copies in certain defined cases.

The Company kept a close focus on cyber security in a Work from Home ("WFH") environment. The cyber security practices were strengthened in view of the external threat environment. WFH best practices including Do's and Don'ts were rolled out to users on a periodic basis using various digital communication channels in the Company.

Processes followed to prepare the financials were effective and no new financial reporting risks were observed. The Company did not observe any deviations in the process of procuring information for preparing the financials. The process of performing reconciliations to match the information in financial systems vis-a-vis the respective feeder systems is being followed in a "business as usual" environment.

V. Strategic Risk Management

The Company believes that on account of the pandemic outbreak and partial lockdown orders by the Government, the quantum of business sourced could be below the level of business done had there been no similar government orders.

The Company took continual and proactive efforts on a sustained basis for educating policyholders through SMS, e-mails, etc., with respect to utilising digital methods.

With respect to reputational risk management, the Company believes that there have been no untoward incident(s) faced, which would have a material impact on the brand reputation of the Company.

VI. Enterprise Risk Evaluation and Management

The incidence of COVID-19 related infections saw a huge surge in the second wave across India. This has resulted in some disruptions of business activities and higher rate of hospitalisation, though low rate of mortality compared to the first wave of COVID-19 infections. Further, the new strains of virus being discovered on a periodic basis are a cause of concern and the extent of potential impact attributable to the new strains of virus is being observed carefully and cannot be predicted with certainty.

Notwithstanding the above, at this point in time from an entity risk management perspective, the Company believes that the risks emanating from the pandemic outbreak are still at manageable levels for the organisation. The Company is closely watching the developing situation for appropriate risk mitigation and management.



RESERVING DISCLOSURES

Insurance Companies are required to establish a liability in their accounts for the unpaid portion of ultimate costs (including loss adjustment expenses) of claims that have been 'incurred but not reported' (IBNR) and 'incurred not enough reported' (IBNER) as at the end of each reporting period.

There are several possible methods for the determination of this ultimate cost.

The most appropriate in a particular case depends on the nature of the business and the claims development pattern. The provisions for IBNR and IBNER are calculated separately for each year of occurrence and are aggregated to arrive at the total amount to be provided by line of business. The approach taken by ICICI Lombard is consistent with regulatory guidelines, which do not permit discounting of reserves or negative provisions for any particular year of occurrence.

The process of establishing the liability for unpaid losses and loss adjustment expenses is complex, as it takes into consideration many variables that are subject to the outcome of future events. Reserves do not represent exact calculation of liability. Reserves represent estimates, generally involving actuarial projections at a given time, of what the Company expects the ultimate settlement of claims will cost. Estimates are based on assessments of known facts and circumstances, assumptions related to the ultimate cost to settle such claims, estimates of future trends in claims severity and frequency, changing judicial pronouncements, and other factors.

These variables are affected by both internal external events, changes in claim handling procedures, economic inflation, unpredictability of court decisions, risk inherent in major litigation and legislative changes. Many of these items may not be directly quantifiable particularly on prospective basis. As a result, informed subjective estimates and judgements about ultimate exposure to losses are an integral component of loss reserving process. Significant reporting lags may exist between the occurrence of an insured event and the time it is actually reported. Company adjusts reserve estimates regularly as experience develops and further claims are reported and settled.

A significant proportion of the Company's reserves are for motor third-party liability, which tend to involve longer periods of time for the reporting and settlement of claims. This may increase the inherent risk and uncertainty associated with loss reserve estimates. One of the significant factors involved in estimating future claims

liability is the effect of inflation on claims. The anticipated effect of inflation is implicitly considered when estimating liabilities for unpaid losses and loss adjustment expenses.

Estimates of the ultimate value of all unpaid losses are based in part on the development of average paid losses, which reflects inflation. Inflation is also reflected in the case estimates established on reported open claims, which, when combined with paid losses, form another basis for the derivation of estimates of reserves for all unpaid losses. Specific factors that may impact losses, such as changing trends in medical costs, minimum wages and other economic indicators, and changes in legislation and social attitudes that may affect the decision to file a claim, or the magnitude of court awards are also taken into consideration. There is no precise method for subsequently evaluating the adequacy of the consideration given to each factor driving inflation, since claim settlements are affected by many factors.

Development of Insurance Losses, Net of Reinsurance

The development of insurance liabilities determines the Company's ability to estimate the ultimate value of claims. The loss development table which follows shows the estimate of ultimate losses, including loss adjustment expense, at the end of each accident (occurrence) year, and each accident year's provision of losses and loss adjustment expense in subsequent 10 years. This information has been provided for 10 years in the table below.

This estimate of losses and their corresponding provision is increased or decreased as more information becomes known about the development of losses for each individual accident year. The increase or decrease is reflected in the operating results during the period in which the estimate is changed. The accident year's outstanding provisions reflect remaining unpaid claims for the Company pertaining to the accident year, but that are yet to be settled. These are combination of case reserves for reported claims and IBNR provisions.

Incurred Losses and Allocated Expenses (Ultimate movement)

(in ₹ billion)

As at March 31, 2021	Prior*	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20	AY 21
End of First year	75.77	22.53	27.97	35.96	34.16	39.13	49.49	52.41	65.27	72.72	70.56
One year later	76.31	21.97	27.02	34.63	33.95	38.58	49.20	51.10	64.10	71.59	
Two years later	77.10	21.74	26.52	34.37	33.53	38.07	48.84	50.08	63.91		
Three years later	77.21	21.85	26.40	34.29	32.91	37.78	48.57	49.33			
Four years later	78.01	21.83	26.46	33.85	32.73	37.25	48.17				
Five years later	78.50	21.81	26.21	33.73	32.16	37.11					
Six years later	78.73	21.83	26.18	33.32	32.15						
Seven years later	79.08	21.83	26.17	33.32							
Eight years later	79.15	21.75	26.12								
Nine years later	78.99	21.81									
Ten years later	79.22										
Deficiency/ (Redundancy) (%)	4.6%	-3.2%	-6.6%	-7.3%	-5.9%	-5.2%	-2.7%	-5.9%	-2.1%	-1.6%	0.0%

AY – Accident Year

* For AY 11 and prior, End of first year implies valuation of all accident years for AY 11 and prior as at March 31, 2011 and so on



Unpaid Losses and Loss Adjustment Expenses

(in ₹ billion)

As at March 31, 2021	Prior*	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20	AY 21
End of First year	11.67	7.98	12.01	17.32	17.10	20.44	26.84	32.58	37.37	37.98	35.74
One year later	6.41	3.33	6.11	9.70	11.58	14.06	16.86	18.03	27.01	27.48	
Two years later	5.59	2.46	4.72	7.92	9.61	11.46	13.04	15.00	19.23		
Three years later	4.60	2.12	3.84	6.73	7.80	9.69	10.67	13.15			
Four years later	4.51	1.76	3.39	5.58	6.77	7.93	9.44				
Five years later	4.04	1.47	2.77	4.82	5.49	7.22					
Six years later	3.66	1.28	2.42	3.94	5.14						
Seven years later	3.40	1.08	2.12	3.60							
Eight years later	3.00	0.87	1.92								
Nine years later	2.43	0.87									
Ten years later	2.50										

AY – Accident Year

* For AY 11 and prior, End of first year implies valuation of all accident years for AY 11 and prior as at March 31, 2011 and so on

Loss Development Table – For Erstwhile India Motor Third-Party Insurance (Dismantled) Pool Incurred Losses and Allocated Expenses (Ultimate movement)

(in ₹ billion)

As at March 31, 2021	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First year						2.71
One year later					3.85	2.72
Two years later				4.49	3.85	2.73
Three years later			5.81	4.49	3.98	2.73
Four years later		6.16	5.81	4.63	4.12	2.74
Five years later	2.61	6.16	5.85	4.67	4.41	3.16
Six years later	2.61	6.46	5.96	4.99	5.12	3.17
Seven years later	2.86	6.55	6.05	5.45	5.12	3.17
Eight years later	2.95	6.69	6.55	5.45	5.12	3.23
Nine years later	3.00	6.98	6.55	5.45	5.11	
Ten years later	3.09	6.98	6.55	5.62		
Eleven years later	3.09	6.98	6.61			
Twelve years later	3.09	7.19				
Thirteen years later	3.09					
Deficiency/ (Redundancy) (%)	18.5%	16.7%	13.8%	25.1%	32.6%	18.9%

AY – Accident Year

Unpaid Losses and Loss Adjustment Expenses

(in ₹ billion)

As at March 31, 2021	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First year						2.67
One year later					3.41	2.30
Two years later				3.14	2.57	1.87
Three years later			3.17	2.38	1.98	1.37
Four years later		2.67	2.51	1.84	1.51	0.98
Five years later	0.86	2.05	2.03	1.32	1.22	1.13
Six years later	0.63	1.89	1.56	1.19	1.63	0.91
Seven years later	0.72	1.50	1.26	1.31	1.29	0.71
Eight years later	0.65	1.23	1.39	1.03	1.02	0.66
Nine years later	0.55	1.19	1.07	0.78	0.91	
Ten years later	0.52	0.89	0.78	0.79		
Eleven years later	0.43	0.63	0.73			
Twelve years later	0.32	0.69				
Thirteen years later	0.28					

AY – Accident Year

Note: The accident year losses and expenses, as well as the reserves outstanding, for both the above tables do not include the claims on the policies serviced by the Company on the inward received from the Commercial Vehicle Declined Risk Pool arrangement.



BUSINESS SEGMENT REVIEW

CORPORATE SOLUTIONS GROUP

WHOLESALE INSURANCE GROUP

The Wholesale Insurance Group caters to large corporate firms across industries and provides customised solutions. It comprises various sub-divisions that include:

- Corporate Solutions Group to provide insurance solutions to large corporates and mid-market companies across industries
- Specialised Industry Group that caters to large clients in specialised business segment
- Small and Medium Enterprises Group that focusses on MSMEs
- International Business Group to cover international risks of Indian business interests

In FY2021, the Wholesale Insurance Group achieved several key milestones, some of which are mentioned below:

Increased Market Share across all Commercial Lines



Fire

Market share in this segment on GDPI basis increased from 9.9% in FY2020 to 10.7% in FY2021. Increase in market share was led by a focussed approach on large and mid-sized accounts and investment in the emerging geographies.



Engineering

Market share in this segment on GDPI basis increased from 11.9% in FY2020 to 13.1% in FY2021. The Company reported 24.2% growth in this segment in FY2021 through extensive direct engagement and domain-driven expertise, complemented by continuing opportunities in the Indian infrastructure space. We were the second-largest player in the industry during the year.



Marine

ICICI Lombard's market share in this segment on GDPI basis increased from 14.9% in FY2020 to 16.1% in FY2021. This was achieved by leveraging innovations under the aegis of Marine Value-Added Services (VAS), including anti-theft and anti-hijacking programs, monitoring of temperature-sensitive cargo, supply-chain solutions and through our proprietary Marine Loss Control Engineering (MLCE).



Liability

Share of the Liability segment on GDPI basis increased from 15.5% in FY2020 to 15.9% in FY2021. This can be attributed to the Company's ability to envisage new-age risks and structure complex solutions.

Multiple strategic initiatives to create market differentiation

The Wholesale Insurance Group focusses on offering customer engagement and customised solutions during the fiscal. New services introduced by the Company under various categories are explained below:

Health Value-Added Services



Wellness

The core of our wellness offering is to inform, educate and motivate policyholders to help them empower themselves and take informed decisions related to the matter of health and overall wellbeing. Our focus was towards digital solutions and tailor-made programs during the year. Our solutions were customised to offer assistance to policyholders during unprecedented times of the pandemic. Holistically, we aimed at providing comprehensive wellness solutions for risk mitigation to all our policyholders and customers through the online and offline modes. Due to the COVID-19 outbreak, the complete dynamics of wellness offerings shifted from conventional to customised solutions, along with service delivery platform. Programs such as Wellness Webinars, Tele-consultation and Employee Assistance were prominently availed during the period.

Wellness Webinars

During home confinement, the employees were going through mental, physical and social dilemma. We curated holistic wellness sessions for them, focussing on their health, social and mental well-being. One of the easiest and most effective ways for us to engage with the customer was through the virtual mode. Inputs were also derived from corporates, while developing our offering. Over 350+ diversified wellness webinars were delivered to 150+ corporates ranging from awareness sessions on COVID-19 precautions and symptoms, Mindfulness & Meditation, Immunity Boosting tips, Debunking Detox, Fitness activities, and Parenting, among others. Our

programmes received tremendous response from our corporates as well as the employees.

Mental Well-being

The pandemic evolved the way corporates approached Mental Well-being programs. From a mere 'good to have solution', it became a 'must have' offering. Mental health, stress management and meditation surged in terms of popularity with 80%, 73%, and 66%, respectively, of the employers wanting to invest more in these programs during the year. The program kickstarts with an orientation program by experts, self-assessment and scoring on various parameters, and segregating the employees in high, medium and low intervention category cohorts for further engagements such as group workshops, individual counselling and online modules. A constant 24*7 support line on chat/tele/video mode was extended to all the employees to resolve their issues instantly. The USP of the program was the personalised approach offered by extending individual e-coaching services, and the inclusion of friends and families and incentive schemes to drive usage of services.

Women's Health

The IL Hello Doctor feature also has a woman doctor empanelled on the team. Women callers can connect with the female doctor for their queries. Our blog section covers topics on women's health. We also conduct regular webinars on the App with topics related to women's health.

Disease Management Programme

Disease Management Programme is a secured lifestyle intervention plan that aims to help people in understanding their condition better, manage it and improve their quality of life. This is aimed for customers suffering from diabetes, dyslipidaemia and blood pressure. This is a 6-month intervention programme where customers are connected with a certified health coach who helps them with the correct diet and fitness plan. Customers are also given a blood test at the start and end of the programme to understand the disease level and regular improvements.

COVID-19 protection cover

The below facilities are provided for COVID-19. Users can intimate their home health care request on the app under the health assistance feature. They can also set reminders for upcoming vaccinations, and can also read common FAQs.

Tele-consultation

ICICI Lombard has always strived to promote sustainable healthcare solutions. Virtual OPD, an enhanced version of plain tele-consultation, is one such solution. This

virtual solution facilitates unlimited 24*7 access to general physicians, Audio / Video consultation with specialist and super specialist doctors, combined with emergency ambulance assistance through 'IL Hello Doctor' in the IL TakeCare App. The adoption of this service increased considerably during the Coronavirus pandemic.

Cashless OPD

Users can engage into physical consultation with a doctor, can order medicine or can book a lab test. End-to-end flow of cashless OPD is covered on the App. For a cashless health indemnity plan, the e-Card can be downloaded from the IL TakeCare app.

Back to Work

Post lockdown when corporates resumed work, we introduced a unique product called 'Back to Work'. This tailored offering provides essential support services to employees such as tele-consultation, health assistance support for advisory on COVID-19, along with Remote Home Healthcare and emergency ambulance services, and facilitate COVID-19 testing on a user-friendly digital platform.



IL TakeCare

500,498

Downloads

409,513

Registrations

250,000

Policy Additions

10.40%

DAU:MAU Ratio

2,199

HRAs

11,307

Total requests

3,371

Successful calls (prescriptions shared)

as on March 31, 2021

Our innovative health insurance app integrates health with technology. With the help of IL TakeCare app, customers are able to connect with the health coach to chat about their program journey, express their concerns or clarify their queries. It not only covers all aspects of preventive, primary and secondary healthcare, but also enables holistic health management through various inbuilt monitoring and assessment tools. For health indemnity plans, customers can use the app to claim expenses.

Hello Doctor: This tool enables 24x7 tele-consultation, all-round access to qualified doctors and prescriptions on mail to the customers. The service aims at bridging the gap created by the lack of accessibility to doctors during routine life schedules and empower our customers to take informed decisions on health-related queries. We have catered to over 15,500+ consults during the financial year. Consultation with specialist doctors is now available through audio-video mode. During the year, we received 22,255 requests for tele-consultation.

Chat with Expert: This is an exclusive chat platform for our customers wherein experts address queries on diet, nutrition, physiotherapy and stress management. The platform is available on working hours from Monday to Sunday. Through this platform, we encourage our customers to discuss their small, yet meaningful, concerns which can have a bigger impact on their health in the long run.

Health Vault: This is a dedicated space of one GB available for our customers to upload their medical records. Customers can index their records in the manner they deem appropriate.

Health Tracker: This tool tracks various health activities throughout the day including steps, walks and water intake.

Immunity Booster: This latest inclusion provides a self-assessment tool to check the immunity level of the

customers. Besides, the Knowledge Awareness immunity quiz and tips boost immunity for the benefit of our customers.

Blogs: Under this segment, over 100 blogs are shared across lifestyle, diet, stress and disease management categories.

Step Up Challenge: This is a one-on-one health challenge, where customers can invite and challenge their friends and colleagues.

Emergency Ambulance Service

We provide ambulance services to our clients, in collaboration with a global leader operating in 46 countries and having 5,000+ ambulances in its fleet. This service provides with 24*7 access to MBBS doctors trained to provide emergency care and based on the requirement ALS/BLS supported ambulance is facilitated. We also coordinate with healthcare facilities at the time of an emergency and ensure that all concerned members are apprised of the situation. Our emergency ambulance services are available in 65 cities.

Fire

Today, India faces fire safety challenges on multiple fronts. While Indian cities continue to grow vertically, the streets are getting more and more congested and the industrial zones lack state resources for fire stations. On the other hand, we are privy to the impact that Internet of Things (IoT) is creating on the world. Every single day, multiple IoT sensors are getting added to the ecosystem with billions of data getting generated each day. At ICICI Lombard, we are leveraging this technology to build solutions for remotely monitoring critical parameters of safety and security at the plant location. A contactless performance dashboard, providing real-time usage and efficient data, becomes more important in the current pandemic scenario. We have been successful in delivering this solution to some of the corporate customers.

Marine Value-Added Services

During the year, we added a huge variety of value-added services to our marine line of business. Our loss control consulting services enhanced our value proposition further. Moreover, our consulting services in moving over dimensional cargos (ODC) within India and in challenging terrains overseas helped us strengthen our relationship with our customers. Our key offerings in the marine segment include anti-hijacking cover (using GPS devices); 24X7 monitoring and real-time escalations of delays in transit to improve on-time delivery of consignments and losses due to accidents; or other unforeseen events and multi-modal ODC movement helped us become one of the most trusted insurers.

VAS service also includes digitisation of logistics operations and analytics report on a monthly basis with transporters benchmarking, route benchmarking, and carbon footprints. Real-time ETA information to customers and electronic proof of delivery through mobile application has helped in improving transit cargo

visibility to consignees and logistic team at plants.

We have added a key service to our offerings this year – that of real-time monitoring of temperature in temperature sensitive cargo, especially for the pharmaceutical industry. There are huge challenges associated with maintaining sub-zero temperatures in the range of -20 degrees Celsius during the vaccine movements. In addition to this, we are also trying to minimise the risk by monitoring the temperature and escalating triggers on a real-time basis.

During the year, we were able to improve risk coverage for our clients by leveraging our integrated insurance and risk engineering solutions, thereby reducing high-frequency losses. Complex cargo claims were settled promptly and in a hassle-free manner. In addition, based on their detailed analysis, we received a host of recommendations from our logistics specialists.

Property Value-Added Services

Virtual Risk Management

Incidents such as COVID-19 have the capability of permanently shaping and influencing the way of life of an entire generation. There is an increased realisation across the spectrum for individuals and businesses alike on how the most unexpected scenarios can play out in action, causing unprecedented disruptions. As risk solution providers, we are partnering with our customers and helping them manage these risks as a key to ensure success in the long run.

We had to calibrate the delivery of our risk management services according to the unfolding events and changing work cultures. The crisis has affected a greater acceptance of virtual risk management amongst all the clients. The virtual risk assessment gives us an unparalleled reach and access across geographies, enabling the availability of competent experts for assessing a variety of risks. Further, to make this more tangible and scalable, we have combined video streaming with the use of Artificial Intelligence (AI) in the form of Natural Language Generation (NLG) technology.

This change is particularly favourable for our SME and MSME clients, as the virtual mode provides scale and reach. Going forward, we will be looking to build on the

gains from this technology shift for greater visibility and connect with our clients. Even prior to the pandemic, we successfully leveraged technologies such as drones for renewables, IoT devices, and others. As the industry moves towards contactless or virtual mode, we find ourselves on familiar grounds and continue to scale and diversify our platforms and offerings. We continue to leverage several new technologies to build solutions that prepare ourselves and our clients for the future.

Real-time Critical Equipment Monitoring

Our claims experience has enabled us to identify critical equipment and processes for safe and efficient operations for our clients. We are leveraging the IoT technology and working with clients to provide real-time monitoring of critical equipment and infrastructure to ensure availability during emergency scenario. A real-time dashboard and complete reporting system provide transparency around the performance of the equipment / system and ensure its functionality and timely usage in case of any emergency. We continue to leverage our capabilities for new solutions to solve safety and efficiency problems that challenge the industry ecosystem.

Renewable energy assessments using drone

We offer advanced drone-based technology for inspecting wind turbines and solar PV modules. Drones are utilised in the insurance renewal process for solar plants and windmills. This ensures faster (within hours compared to days in traditional ways) and more accurate inspection to identify defects, especially in case of solar plants which is spread across vast area. It also helps in determining appropriate solutions which if unaddressed might affect the output of these plants and may eventually lead to bigger losses. Drones are flown above the panels of solar plants and windmills to detect defects / cracks, thereby helping customers take necessary actions.

Risk Engagement and Technology

The current COVID-19 crisis also proved to be an opportunity that helped us reach out to our customers for past engagements on the implementation of recommendations. This provided us with a platform to bring all key stakeholders at the plant level along with the safety team to discuss the progress. This also enables us to be involved with key decision makers at the customers' end and get their recommendations implemented. As a result, we have seen noticeable improvement in the implementation level for our corporate segments. Going forward, this will serve as a sustainable template for us to form sustainable risk partnerships.

Further, in keeping with the philosophy that productivity is positively impacted by improved safety and efficiency, we continue to look for further ways to leverage the latest technology trends. This could be the use of satellites or drones to devise new risk management solutions and augment the earlier ones. By providing recommendations on optimum utilisation of resources, we are enabling customers across the spectrum, i.e., industrial and non-industrial, to reduce their carbon footprint. We are also enabling our customers to avoid loss of life and property by addressing leaks and suboptimal processes, among others, thereby fostering the efficient use of resources.

Minimising natural calamity losses

Over the past few years, we have seen multiple catastrophes arising out of cyclones and floods, leading to multiple claims in different parts of the country. Both the severity and frequency of such events have been increasing by the day. Advances in satellite imagery allows us to anticipate these events in further detail and to identify locations and intensity of these events. In order to mitigate these risks, we alert our customers through various communications and share the risk management practices in order to minimise the losses. We have also enhanced our efforts to locate customers who could have been impacted by the calamity. Once identified, we actively engage with them to affect changes on the ground.





GOVERNMENT & RURAL BUSINESS GROUP

Common Services Centre (CSC)

The Common Services Centres (CSCs) are physical centres which serve as access points for delivery of electronic services such as essential public utility services, social welfare schemes, healthcare, financial, education and agriculture services to remote areas and villages. This is an initiative of the Ministry of Electronics & IT, Government of India. Through its bottoms-up approach, the CSC-based delivery model aims to eliminate the digital divide between rural and urban India.

General insurance has evolved as one of the key services offered by CSC. Despite the pandemic and its associated restrictions, the CSC market managed to grow, although marginally. After the rollout of CPSC notification in 2019, CSC focussed on increasing the number of VLEs-INS and RAPs with constant efforts to get more VLE-INS registered. This year, the key focus was to build a relationship with CSC, carry out technical improvements and increase market penetration and market share.

A key development on the technological front involved successful implementation of a new user-friendly one-pager portal. This portal is multi-lingual with five language options available, with all the details fetched automatically. We launched the health indemnity product Corona Kavach for CSC customers to help rural population during the pandemic.

Effective relationship building with the CSC team helped in implementation of district and block level meetings. State-wise webinars were conducted at the start of the year with involvement from senior management to boost sales. The offline meetings were enriched with virtual interactions.

We also pioneered in delivering local language trainings with active participation from RAPs and VLE-INS and live policy booking during webinars helped in promoting our products. The team at ground not only focussed on business drive, but also motivated VLEs to apply for VLE-INS and helped them secure the licence successfully. Post licensing, through a focussed drive, the field staff helped them run through product features and policy booking training. Vernacular marketing materials and videos were used to provide simple and user-friendly experiences.

Extending reach to 22 states from 15 earlier, increasing manpower, micro-level analysis of low-performing districts, tracking high potential RAPs and VLE-INS and

focussed targeting helped in improving our market share up from 11.7% for March 31, 2020 to 20.1% as on March 2021.

Rural POS

GRBG is focussed to increase the distribution of insurance products till the last-mile through the rural points of sale. A pilot project, which was started with four states, has now been expanded to 12 states. Initially, we had started with PACS (primary agriculture cooperative societies), and have now diversified into bank mitras, cyber cafes, retailers, used vehicle dealers, LIC agents, and mutual fund agents in the rural sphere. Our dedicated team focusses on new prospecting, licensing, activation and retention of rural POS.





RETAIL GROUP

Motor Insurance

The automobile sector was already facing a challenging environment during the year 2019-20, and the outbreak of the COVID-19 pandemic and subsequent lockdowns further aggravated the situation.

Even in a tough environment, while the industry de-grew by 1.7% (FY2021), the Company managed to register a positive growth of 3.4% during the same period. The Company also maintained its leadership position in the Motor OD (14.5%-FY2021) business. In addition, number of policies serviced stood at 19.7 million (FY2021).

The industry has indicated the adoption of risk-based pricing, which the Company has been following for the past several years. It also refined its approach to include granular level of variables in risk selection. In particular, there has been a growth of business in commercial vehicle segment with a focus on usage-based selection of business in the preferred segments. In these uncertain times, the Company strengthened its tie-ups with MISPs and intermediaries and strived to meet the expectations of customers by improving claim servicing using digital initiatives.

The Company also received approval for three experimental products in motor insurance under the regulatory sandbox in January 2020. Two of the approvals were for telematics device-based insurance products ("Pay As You Use" and "Pay How You Use"), while the third product was a Floater cover for multiple vehicles owned by the insured. While initially launched for a six-month period, the Sandbox products later received a six-month extension due to the pandemic situation.

All the three products witnessed excellent uptake in the market and a premium of approx. ₹ 50 lakhs was collected in each product during the experiment period. In particular, the Floater product was appreciated by the

customer due to the convenience of providing a single policy to cover all the vehicles owned by the insured. Overall, the experience from the regulatory Sandbox provided valuable insights that would be of great value towards launching more customer-centric motor insurance products.

Travel Insurance

During FY2021, as the world continued to struggle with the COVID-19 pandemic, we continued to issue policies to all geographies to ensure safe travel to our customers. Cancellation charges for retail international travel policies were waived off for the customers who had to cancel their travel due to the pandemic. Keeping in mind the travel requirements of the COVID-19 era, we devised special plans like self-drive holidays, plans with "Doctor-on-Call" facility, plans covering quarantine on contraction of COVID-19 while in foreign land, keeping in mind the travel requirements during the pandemic.

Health Indemnity

Our algorithms are evaluating data in real-time telematics linkage to vehicles. We are initiating trials and launching innovative insurance products for usage-based cover. We were given a go-ahead by the IRDAI to pilot three innovative products in its health portfolio under the Sandbox Project.

All the three products witnessed excellent uptake in the market and a premium of approx. ₹ 50 lakhs was collected in each product during the experiment period.

A. Key Products

App monitored Diabetes Mellitus Wellness

Program Context: Leveraging technology to create awareness on managing chronic conditions such as Diabetes, and evaluating the impact of the program to decide on expansion of risk exposure and contribute to insurance penetration.

App monitored Dyslipidaemia Management

Program Context: Leveraging technology to create awareness on managing chronic conditions such as Dyslipidaemia, and evaluating the impact of the program to decide on expansion of risk exposure and contribute to insurance penetration.

B. Affiliated Products

Context: Leveraging technology to provide seamless access to healthcare service providers with good discounts on product and services, and to pass discount benefits to customers, thereby reducing their out-of-pocket expenses.



Small & Medium Enterprises (SME)

Our SME vertical (catering to Small and Medium Enterprises) has grown significantly over the past three years – at a CAGR of more than 30%. Despite the outbreak of the pandemic during the year under review, the vertical recorded positive growth. The SME team strives to set a benchmark in the general insurance Industry in all aspects including technological innovation, customer satisfaction and building strong relationships with channel partners.

During the year, we launched an exclusive website for the SME business (www.sme.icicilombard.com). With this, we emerged as the first insurance company in India to issue SME policies through the Website. In phase 1 of the website project, Marine Single Transit and WC products are being made available. In the case of Retail Cyber product, we also launched a microsite to penetrate in the small retail segments. We are also the first in the industry to have launched Group Health Insurance on the iPartner platform for our channel partners.

Retention of customers has always been a key focus area for the Company. This year, technological advancements such as payment via QR code, bitly payment link and modifications in Lead Management System facilitated the internal and external user. We have set up micro enterprise teams with experts from various departments to come up with unique and

practical solutions to increase customer retention and boost cross-selling.

SME Digital for Young Entrepreneurs

Launched in December 2020, SME Digital allows start-ups and MSMEs to understand commercial insurance products, buy policies and intimate claims digitally.

MyRA-BOT for SME Policy and Endorsement

Through AI-based chatbot platform MyRA, customers and partners can instantly get answers, quotes or easily complete various transactions without manual intervention. For example, buying 2-wheeler insurance or renewing health and motor policies.

~90%

of SME policies were issued digitally in FY2021

40.3%

of SME policies were endorsed digitally in FY2021





Sandbox Products

The objective of the IRDAI (Regulatory Sandbox) Regulations, 2019, was to facilitate innovation in insurance using new-age technologies in the field of insurance distribution, products, underwriting and policy and claims servicing. The Company looked at this as an opportunity to test out different products and services and understand the behaviour and response of customers to such products and services before it was rolled out on a large-scale basis. It also helped create a test-bed for new-age technologies such as IoT – telematics in motor and wearables in health and enabled the usage of digital technologies in engaging and servicing customers.

The Company made 32 applications as a part of the first cohort under the Regulatory Sandbox and received approvals on 9 applications. It was able to pilot 7 innovative applications in its motor and health portfolio and had to hold back launching 2 pilots due to the impact of the COVID-19 pandemic.

The applications that were tested successfully include:

- **Pay How You Drive:**
Traditionally, motor insurance policy premiums have been based on the motor asset and other related variables. The Pay How You Drive model gave the Company an opportunity to reward customers that follow safe driving practices. A telematics device is installed in the car and an App monitors the driving behaviour of customers. The App also helps notify the customer of driving too fast and will show the location of the customer

using GPS technology. At the end of the experiment, basis the driving behaviour of the customer, a premium benefit is given to customers that exhibit good driving behaviour as compared to those who do not exhibit this.

- **Pay As You Drive:** This concept is very similar to Pay How You Drive program, except that in this program, the Company wanted to test and reward customers basis the extent of driving they do. Multiple concepts were tested related to mileage-based plans and mileage-based rewards to customers as a part of the concept.
- **App-based Diabetes management program:** With this offering, customers with diabetes were offered an app-based disease management program to reduce their HBA1C levels. The program included nutritionist counselling and coaching to help customers lead a healthier lifestyle in terms of diet and exercise. At the end of the experiment, customers exhibiting positive behaviour were rewarded with points that can be redeemed as a discount on the health insurance policy.
- **App-based cholesterol management programs:** This concept is like the diabetes management program and was tested for customers to help reduce their cholesterol levels.
- **Motor Floater (Single-owner multiple vehicle):** With this program, customers were offered the experience of covering all their motor vehicles

under a single policy like a health insurance policy where you can cover multiple insureds in a single policy. This single policy helped save time and hassle to customers instead of purchasing different plans and policies. Also, since most customers that have multiple vehicles end up driving lower, we intended to combine the experience of this concept with a Pay How You Drive or Pay As You Drive concept. This was aimed at customers ending up paying a lower premium for cars that they are not driving as much.

- Affiliated products:** In today's world, customers prefer to use a single application or portal to service as many of their needs as possible. The Company observed that in the healthcare area, customers would like to look at healthcare services under one umbrella. With this concept, the Company wanted to experiment on a single one-stop digital app-based solution for all the health and wellness needs of the customer. Customers had the choice of choosing affiliated products related to health and wellness through our digital app offering. Network providers had been on-boarded as a part of this experiment. Customers were offered discounts for services availed through the app reducing their out-of-pocket healthcare expenses.

- Wearable devices to new customers:** In today's world, awareness about healthy lifestyle has fuelled the demand for innovation in the healthcare segment. Today, with the advent of different technologies, customers are now looking forward to solutions which are quick, accurate and come with expert guidance. Wearable fitness devices are one such solution which at any given time of the day help the customer understand about his health and fitness, and make necessary lifestyle changes, if required. The Company wanted to take this opportunity to experiment with such wearable device customers and give them access to various facilities such as fitness videos, health trackers, reminders and tele-consultation facility using an app-based solution. Customers were also given the option to set their own health targets and interact with a health coach to achieve these targets.

The Company further applied for 10 applications as a part of cohort 2 of the Regulatory Sandbox and is currently awaiting direction from the authority. It continues to experiment the usage of new technologies in the areas of IoT, telemetry, big data and analytics, robo-advisors, artificial intelligence and machine learning, and is already building several solutions using these new technologies.





SHARED SERVICES

Reinsurance

During FY2021, our reinsurance programme continued to be a combination of proportional and non-proportional treaties for our conventional and specialty lines of businesses. The reinsurance programme has been structured by maintaining the philosophy of buying an adequate cover to protect value at risk at all times. For each product segment, the Company has a well-defined retention limit that defines its maximum 'per risk' and 'per event' exposure. The Company continued to buy appropriate risk and catastrophe reinsurance to protect against single large losses and natural disasters. Its net retained exposures were modelled by international agencies to ensure adequacy of limit of catastrophe reinsurance. The Company maintained its association with top global reinsurers for its key reinsurance programme, with General Insurance Corporation (GIC) being its largest reinsurance partner.

Underwriting

The COVID-19 pandemic during the year brought about a remarkable change in the way businesses are being conducted. Currently, the health insurance sector is at an exciting phase with the development of innovative products and relevant additional benefits being added to the existing products.

With the advent of the pandemic, we have been offering the benefit of home healthcare to retail health customers. This enables them to avail treatment from the comfort and safety of their homes and evade hospitalisation in the current COVID-19 times. This feature, we believe, was extremely pertinent amidst the pandemic.

Our flagship product underwent major revamping and is loaded with features desired by our customers. Hospitalisation expenses incurred anywhere across the world is covered under the plan. Sum insured protector benefit is aimed at helping our customers combat medical inflation as the sum insured will be increased on a renewal basis inflation rate of the previous year. Assistance for ambulance services and sum insured being reset multiple times are some of the exciting new features inbuilt in the product.

Additionally, we also launched short-term and standardised COVID-19 specific products – Corona Kavach and Corona Rakshak. Simplicity of design, flexibility of tenure and affordability are the key features which is leading to greater acceptance of these products with the passage of time.

As an organisation, we remain committed to harness technology to ensure a seamless experience for our customers and employees alike. Tele-bot, an AI-based underwriting tool, has been made live for underwriting health proposals. This has reduced the need for human intervention and allows greater flexibility to customers to chat with the BOT, as per their convenience. A carefully designed algorithm evaluates the proposal and displays the final underwriting decision.

While the year witnessed an overall downturn in the automobile sector, the Company continued to maintain its market share in the motor insurance business. With the passenger car market witnessing some new entrants during the year, the brand level mix of the Company's portfolio stands changed.





The liability product line recorded a profitable and robust business growth. This helped us retain our top position in the industry, far surpassing the overall industry performance and recording the best accretion rate in the segment.

For cyber insurance underwriting, we have become more vigilant in writing cyber risk, considering the exposure of organisations to cyber-attacks. The underwriting teams have been equipped with various tools to analyse the external threats associated with organisations.

As a risk engagement and knowledge-sharing initiative and enabling corporate customers in identifying and protecting the organisation IT infrastructure, underwriting function have prepared various advisories for various types of cyber-attacks, malicious domains, best practices & recommendations.

Claims

For health claims, we focussed on leveraging new-age technologies which include Artificial Intelligence (AI) and Robotic Process Automation. We are using AI to approve cashless claims authorisation for corporate claims. An approximate of 60% cashless corporate claims were approved during the year using the same. We are also leveraging AI to predict the amount that should be approved at cashless authorisation. We are also capitalising on RPA to streamline internal processes and automate routine tasks.

We continue to maintain a key focus on AI-based solutions. One more such example is the facility to instantly renew an expired or lapsed motor insurance policy.

We have initiated the processing of claims through the digital mode when submitted via the IL TakeCare app. We constantly settle over 90% of health claims in 30 days. As we use AI, ML and ICR/OCR (Optical Character Recognition) systems, the more accurate and better we are getting at the quality of processing. All these technologies have been used to improve the quality of claims, specifically in area of sending out clear communication to our customers on what's missing and action they need to take.

Our core differentiator is the turnaround time. We are leveraging the ICR/OCR technology to automate end-to-end claims processing. This is also being utilised to extract data from the claims form and hospital bills and improve upon the turnaround time. Customers can track the status of their claims live on the IL TakeCare App. During the year, 60,000+ number of claims were passed through the ICR/OCR engine for automated data extraction, resulting in faster settlement of claims.

All our claim processes were re-engineered to adapt to the digital mode of working and Work from Home (WFH) mode due to the outbreak of COVID-19. Also, as a part of constant process improvement, we re-engineered our processes, which reflects in our improved turnaround times, quality and customer NPS.

We processed more than 78,500 claims in our property and casualty insurance portfolios, and more than 90% of these claims were settled within three months.

In the frequency-driven marine cargo insurance claims portfolio, we came up with technological innovations to handle the increasing volumes and reduce claim settlement turnaround time. These claims, which can be

settled by insurers on desktop review mode, were settled with the help of the I-Claim bot.

Another innovation was related to theft, pilferage and non-delivery (TPND) claims. Here, we solved the problem of too much time taken in obtaining the mandatory 'shortage certificate' by creating a robotic system that can check the delivery status on the transporter's web page in real-time. This led to a quicker turnaround time.

52,000+

AI-approved cashless claims (Retail and Corporate)

44%

Share of overall (GHI and Retail) pre-authorised cashless claims managed through AI

60,000+

Claims processed using ICR/OCR

as on March 31, 2021

Operations

The financial year of FY2021 came with its own set of challenges with the outbreak of the global pandemic. However, it also provided us with an opportunity to leverage our investments in technology and further enhance our operational efficiency. We doubled our efforts to digitise business processes and moved more operational activities to online modes.

With this, we continued to meet the service expectations of our existing customers and also set the process of acquiring new customers. We have always believed that technology and operational agility will be the key differentiators for any organisation in the new normal and amidst a competitive scenario. We are continually evolving to make sure we stay ahead of competition in these areas.

We created an array of digital platforms for the ease of use of our end customers. For our distribution, we have web/mobile-based platforms such as I-Partner/NYSA and our email bot MyRA for policy issuance and endorsements. Over the past year, we also enhanced the bouquet of online payments available and provided our customers with more contactless options. Further, endorsements of group health policies were moved to digital self-service mode from the traditional physical

branch mode. This unique offering helped in reducing the turnaround time and in further improving customer service.

We also remained committed to our distribution partners during these difficult times. We helped them increase their business by using digital tools, besides also introducing fortnightly pay-outs to improve their cash flows.

Investments

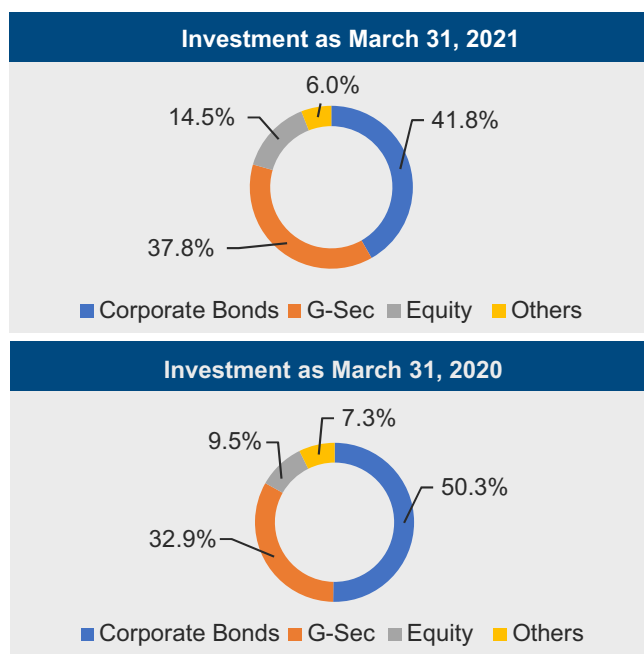
ICICI Lombard has one of the largest total investment assets amongst India's private sector non-life insurance companies. As on March 31, 2021, our total investment assets stood at ₹308.92 billion. The Company's investment policy has been framed with the objective of capital preservation and achieving superior total returns within the identified risk parameters. Since inception, the Company has had no instance of delayed interest payment, nor any default on its debt portfolio.

As on March 31, 2021, 84.7% of our portfolio was invested in debt and 12.5% in equity at cost. Of this, 86.1% of the total debt investments were in AAA+ rated instruments (bonds and debentures) and central and state government securities. Our investments delivered 9.6% returns in five years and 10.1% returns in 10 years. We have ensured a well-diversified portfolio with investment in various sectors like financial institutions, banking, public sector undertakings, information technology, fast-moving consumer goods, pharmaceuticals and automobile industry, among others, with adequate liquidity being maintained to ensure timely payments of claims and other contingent payments.

The COVID-19 pandemic has had far-reaching ramifications in terms of its impact on human lives and businesses. The pandemic situation has been an acid test for all the investment portfolios across the globe with fear of defaults, downgrades and the overall slowdown. In a tough business environment, the Company not only sailed through the difficult times, but also successfully grew its investment portfolio, without a single default in the last one year. With this, it justified its stringent investment processes and its conservative philosophy of investment.

Asset Type	March 31, 2021		March 31, 2020	
	Amount (in bn)	% to Schedule 8	Amount (in bn)	% to Schedule 8
Corporate Bonds	129.10	41.8%	132.39	50.3%
G-Sec	116.74	37.8%	86.75	32.9%
Equity	44.69	14.5%	24.92	9.5%
Others	18.39	6.0%	19.21	7.3%
Total	308.92	100.00%	263.27	100.0%

For more details on investments, check Schedule 8 in the financial section of the Annual Report.



Process Excellence Group

With the launch of our comprehensive business process management tool, we have simplified the entire process mapping journey involving process designing, multiple entity level modelling, stakeholder buy-in, risk identification and control assessment and process governance. Collaboration techniques of participation of stakeholders in posting process feedback and suggesting improvements, while managing seamless change requests, have been made available to all.

Post getting re-certified on ISO 9001:2015 last year, we successfully completed the first periodic audit cycle of our quality management system. This demonstrates our continued commitment to conform to internationally established standards for quality management systems, thereby affirming our organisation's capability to achieve specified objectives and meet applicable statutory, regulatory and contractual requirements. It is also an acknowledgement of the standardisation and uniformity of processes being followed across all BSG branches,

enterprise risk and claims functions, processing hubs and the corporate office.

Information Technology

During the current financial year, we made significant investments in improving our digital capabilities. We have undertaken a Digital@Scale program to scale up our digital operations. As an example, we have introduced digital solutions for our customers and partners to make modifications to their policies. Over 80% of all non-premium bearing endorsements for non-OEM motor policies are now being done digitally. Over 60% of our Corporate and SME customers can now add new employees to their Group Health policy digitally. We have introduced digital solutions to allow us to bring down our processing time for patient discharge at network hospitals by half.

We have made investments in strengthening our core systems. We have already reported the development of a unique Zero TAT framework in the past. Today, we have more than 12 products on this platform. We have upgraded the technology stack and modernised our critical systems (PF upgraded to Oracle 19c). We have also introduced a digital solution for medical underwriting, through which we can offer health insurance benefits to customers with pre-existing medical conditions by accepting the extra risk for a higher premium.

In line with our corporate promise to help customers restart right, we are changing our internal processes from the lens of end-customer convenience, using digital technologies. One key investment in this is through the IL TakeCare app launched a year ago. Today, we have five lakh + downloads, as of March 2021. We have engaged with partners like WatchYourHealth and 1mg.com to provide tele-consulting, clinical and pharmaceutical services to our clients. This has been helpful to our customers during the lockdown to get advice from practising doctors without leaving the safety of their homes.



We are also changing the way we work. We have started making extensive use of digital collaboration tools including video conferencing, co-editing of documents and corporate chat platforms. We have launched training programmes to change employee behaviour in adopting best practices offered by these technologies. To leverage these technologies, we have equipped our staff with laptops to work from home and also with internet connections to effectively collaborate.

As we embrace a more digital and inter-connected workplace, we are conscious of the security risks associated with these. We have improved our security infrastructure by adding CASB solutions (Cloud access security broker) and zero trust security solutions. We are also enhancing the coverage of our WAF (web application firewalls) to protect against external threats. We have enhanced the coverage of security testing of both our applications and servers.

Customer Relations Team (CRT)

Our customers are at the heart of our business, and excellent service and support to them is our constant endeavour. Our Contact Centre, E-mail Support Team and Chat Team are the primary touchpoints for our customers to reach us. Our trained Customer Relationship Managers (CRMs) assist the customers with utmost sensitivity and care. We also have a Priority Desk and Senior Citizen's Desk at our contact centre to address urgent matters and the concerns of the elderly in the earliest possible time. We realigned our customer experience efforts to meet evolving customer needs and provide seamless experience by driving innovation and accelerating Omni channel support.

Our initiatives included:

DIY/Self-Help options on the IVR for Customers

By adapting to the Do It Yourself (DIY) method, we aim to offer better customer experience by providing easy self-help options to the customer, thereby reducing human interactions to minimal proportions.



This resulted in:

- Improved service efficiency
- Enhanced customer satisfaction
- Reduced cost and time in business operations
- Reassurance to be indeed a 24/7 service

The following DIY/Self-Help options were implemented:

- **Policy soft copy automation**

Customers can now request for their policy soft copy through the self-serving IVR without reaching our Customer Relationship Managers. All one has to do is call the toll-free number and select the policy copy option on the IVR path. The IVR checks for active policies linked to the mobile number from which the customer called, post which the policy copy is auto triggered to the registered email address of the Customer. (Customers calling from a non-registered number have to merely input the registered mobile number linked to the policy).

- **Voice Bot Solutions**

In line with the changing customer trends, we launched a unique Voice Bot service, allowing our policyholders to instantly register their motor insurance claims. This effortless, efficient, hassle-free and automated claim filing process aims to truly transform the customer experience by simplifying the claims process. Additionally, the voice assisted service allows access to quick and paperless claim registration procedure. The Bot service is a hybrid model that utilises voice, integrated with web portal facilitating customers to navigate menus quickly. It guides the customer at each step and collates information on real-time basis to enable reporting of claim instantly.



Instant servicing through WhatsApp

Our Artificial Intelligence-driven WhatsApp service is an additional medium for policyholders to avail assistance for query solving, viewing existing policy details, downloading policy soft copy, locating nearest network hospitals / garage, and request claim status on the go.



AI-powered website Bot

With continued customer-centric focus, we have added advanced features to our website Bot platform. The conversational website Bot provides enhanced customer experience and supports customer interactions across lifecycle stages, e.g., policy issuance, renewal, claims processing, and policy servicing, among others.



CRM Initiative

Our commitment to delivering customer needs with care facilitates us to define our value streams accurately and target digitised and cost-benefiting improvements. To achieve this, we are revamping our Customer Relationship Management (CRM) system to be able to effectively meet the changing expectations of our customers.



Customer Communication

With a vision to deliver exceptional customer experience and create comprehensive communication plan, we have enhanced our communication considering our customer's perspective. We have tailored our communication to provide holistic service experience focussing on the end-to-end customer journey and not just individual transactions by making it:

- Comprehensive and uniform across touchpoints
- Covering different stages of the customer life cycle
- Ensuring timely response to customer triggers

To meet our customer's service expectations and to handhold them throughout lifecycle stages, we are proactively engaging with our customers in an intelligent and coherent manner. We have strategised a pro-active communication approach to sense customers need and provide solutions much in advance. We have revamped all our communication for relevance, timeliness, ease of understanding and clear call to action across customer segments.



COVID-19 Response – Work from Home (WFH) Enablement

With the advent of the pandemic in March 2020, we moved briskly to enable our IT infrastructure and architecture to work seamlessly in the WFH environment. Ensuing remote operations were strengthened with steady replenishment of trained workforce and faster broadband connections to ensure uninterrupted service to customers. During this phase too, daily team huddles and refresher training sessions were conducted in the presence of managers. We have continued to maintain healthy balance between WFH and WFO operations with efficient workforce management.



SWOT (Strengths, Weaknesses, Opportunities, Threats) Team

We have a dedicated team consisting of CRMs who act as SWOT members and a team-lead who acts as a SWOT Champion to identify process enhancement opportunities.

- The team records and escalates the issues on a portal
- SWOT Champion liaisons with respective vertical SPOCs for closure of issues
- Team tracks progress after the required fix is in place
- SWOT tracker is reviewed periodically by Senior management during which ideas and issues are discussed extensively for implementation



Dedicated COVID-19 Helpline

During the COVID-19 pandemic, we started a dedicated helpline number to ensure customers or their relatives who are hospitalised due to COVID-19 are given priority care and services. This helpline number also provides information on various healthcare services available during the pandemic.

Additionally, a designated pool of experienced team-members with superior knowledge were assigned to handle COVID-19 related queries demonstrating utmost sensitivity to provide better customer experience and timely responses to queries.



Customer First Approach to Renewals

During the post-lockdown phase in FY2020-21, many customers couldn't make payments for their policy renewals on time. The Service Quality team used their empowerments to accommodate these policy renewals with continuity benefits even after lapse of more than 30 days.



Customer Reassurance via providing official contact details for uninterrupted communication

During the current Work from Home environment, we reassured our customers that we are always reachable in their hour of need by providing them our official mobile numbers. While many customers were stuck in foreign locations during lockdown and wanted extended travel insurance, we stepped up and helped customers with their insurance needs, in spite of being far away from their motherland.

HUMAN CAPITAL: AN IMPORTANT PILLAR TO ACHIEVE ORGANISATIONAL GOALS

At ICICI Lombard, we believe that our employees with their collective knowledge, skills, experience and abilities are the driving force behind our success. Hence, our people practices are constantly evolving to the rapidly changing business environment – be it the unprecedented pace of technological change, emerging business models, demographic shifts or even different ways of working.

Impetus is placed on building robust talent management processes across the entire landscape right from hiring the right fit, developing talent for higher productivity to creating an overall engaged workforce. This is a dynamic, on-going process comprising multiple sub-processes and systems with digitisation at the core. To adapt to the changing work norms, agile methodologies were leveraged to enable smooth transition to flexible, virtual working so as to ensure high performance. Our organisation's values further acts as compass for employees across levels to deliver their responsibilities towards internal and external customers effectively. As an outcome, our talent management processes empower employees to realise their full potential, while enabling the organisation to achieve its goals.

OUR HUMAN CAPITAL STRATEGY





Organisation Design & Workforce Planning

Each year, the current and future workforce needs of the organisation are reviewed, based on the strategy, plans and objectives. Predictive Attrition and hiring model has helped us plan our hiring activity and create a strong pipeline in quick Turn Around Time. In addition, the annual productivity studies review efficiency of the workforce and effectiveness of the organisational structure to further strengthen it for success.



Talent Management

The Company has an integrated talent management strategy that aligns with the business goals to identify talent requirements, hire the right talent, provide need-based development and career growth opportunities and reward for high performance. This future-focussed approach ensures that employees are effectively driven and engaged to deliver the medium and long-term organisation goals. The talent strategy also focusses on building a diverse workforce and fostering a work environment which values the differences and promotes respect and acceptance, to ensure that these differences are leveraged for performance.



In line with the endeavour, 54.71% of our team members are millennials, 18.3% of the workforce comprises women, and the average age of our workforce is below 33 years.



Talent Development

Our key learning philosophy focusses on grooming and developing employees for better performance on the job and building their readiness for higher responsibilities in the future. Our learning agenda is strongly aligned with our business priorities identified at the beginning of the year and is co-owned and shared by the Business Leaders and 300+ Learning Council members. These members play an active role in participating in learning design and delivery for employees. The Company's 70-20-10 development approach helps chart the learning journey for our employees with a blended mix of on-the-job training and experiences, peer and social learning, self-paced online learning and structured classroom inputs. Learning is made relevant to the job and is a continuous process; mobile-enabled to support anytime, anywhere access and allows learners to be in control of their learning journey. Structured on-boarding and inductions at the time of joining, job knowledge awareness sessions and certifications, functional domain inputs and people capability certifications equip our employees to meet the expectations and challenges of their roles. Leadership development interventions also help build a strong pipeline of leaders to take on higher and challenging responsibilities for the future. Ongoing evaluations assess the effectiveness of the learning interventions and ensure course correction to meet the learning objectives and outcomes. The organisation invested 158,671 learning hours during the year across various employee groups. Our learning and development efforts have been acknowledged by way of consistent recognition over the years through global awards including the ATD Best Awards, and CLO LearningElite Gold Awards, among others.



Performance Management

At ICICI Lombard, the entire performance management process and its allied systems have been designed to perpetuate a high performance culture. Philosophically, we practice meritocracy where rewards are aligned to performance. Keeping the employee at the centre of the design, Individual Key Performance Indicators are assigned which factors in the performance and career aspirations of the employee as well as the goals of the department which are cascaded from the overall organisation goals. These KPIs are then reviewed every quarter and corrective action is planned to further augment performance. This process helps drive superior performance of the employees year-on-year, by continuously raising the bar. Recognition of top performers at national and regional levels helps drive and reinforce our performance culture. "Sarvottam", an initiative for individual capability building, equips them to meet in-year deliverables as well as medium and long-term career goals through an Individual Capability Plan (ICP). Performance improvement plans are crafted and rolled out to the employees to enable them to bounce back and get their performance back on track. Additionally 'Critical success factors' were introduced to aid employees in the virtual working environment towards achievement of goals as well as provide managers' optical view of progress made and established feedback channel. The entire performance management process is driven through a robust tracking and feedback mechanism on systems in the virtual working environment.



Succession Planning

Skip-level talent councils assess the performance and potential of the talent pool at the mid and senior levels annually through a structured process. Inputs such as 360-degree feedback, talent profiles and performance evaluations help determine the developmental interventions for emerging and existing leaders which includes succession opportunities for higher roles. It also helps determine the need to attract external talent to address any talent gaps, particularly in niche skill areas. With a view to build an internal talent pipeline, the organisation has tied up with select management and engineering colleges.



Employee Communication

At ICICI Lombard, we leverage various mediums to inform, communicate, align and educate employees about organisation's goals, processes, and systems periodically. To ensure transparent and efficient flow of information to employees and engage them, a multi-pronged communication approach has been put in place. This year, the forums were further leveraged to ensure consistent communication and connect with all employees.

Leadership communication forums like Ignite and NEEV are aimed at discussing and updating on the overall business and people strategy and plans, sharing best practices and reviewing the progress made. Employees are kept abreast of the Company's strategic plans, employee initiatives, milestones and action plans on feedback through Townhalls, Ignite Wave sessions and Leader connects. Communication on employee initiatives, benefits, processes, health and wellness and recognition at regular intervals happen through different communication modes including mailers, posters, and audio-visuals, among others. Social connect was forged through Hobby groups and informal chat rooms.





Building Culture

At ICICI Lombard, we leverage various mediums to inform, communicate, align and educate employees about Vishvas, the organisation's guiding principles, ensure alignment of employees with organisational priorities and the dynamic needs and expectations of key external and internal stakeholders. These principles help build a collective mindset, a key enabler to drive the common organisational goals. Employees demonstrate behavioural standards across the four pillars of Vishvas – Fast and Nimble, Taking Charge, Walking Together and Celebrating Wins – and are recognised periodically, which reinforces these behaviours.



Employee Engagement

Every year, based on employee feedback, the engagement interventions are reassessed to ensure relevance, effectiveness and alignment with employee and business needs. Ignite, the annual leadership strategic forum, considers action planning on the employee satisfaction survey results, besides working on business strategies. These are then cascaded to the rest of the organisation through forums like Ignite Wave and Town Halls. Our ongoing "Great Place for All" initiative covers a large number of initiatives and interventions based on the feedback from employee surveys. While some areas like work-life harmony and employee well-being continue to be in focus, newer areas are identified each year. The efforts of the organisation have been duly validated through our internal employee perception survey. These scores have improved consistently over the last several years. As an external validation of the same, the organisation is also accredited as a 'Great Place to Work', third year in a row by the "Great Place to Work Institute", an international certification organisation.



Employee Wellness

The Company has deployed a bouquet of wellness initiatives to help the employees in their physical, financial, social and psychological well-being. This year, a number of initiatives focussed specifically on COVID-19 support. From 'COVID-19 Helpline' for assistance in emergency services like hospital beds, oxygen, medicine, medical consultations, reimbursement of medical infrastructure for self and family, advance salary, additional COVID-19 leave, reimbursement of vaccination expenses to tieups for vaccination. Medical Insurance covers, Employee Assistance Programme (EAP) helpline, IL TakeCare App, and emergency ambulance services continued to provide support. Periodically, the organisation also arranges expert talks on various topics related to physical and mental health and fitness with regular awareness communication. Further, initiatives like Leave Donations, Hybrid working, guidelines for working norms provide opportunity to build peer-to-peer camaraderie and work-life integration.



HRIS Technology

Through its Human Resource Information System (HRIS), the organisation brings together the entire range of HR processes and systems under a single roof, offering anytime, anywhere access to leaders and employees for carrying out regular transactions and executing the processes. This system encompasses the employee's entire life-cycle activities such as talent acquisition, employee on-boarding, performance management, succession planning, compensation, learning & development and exit management. Not only does this ensure the availability of information on all employees at a single place at the click of a button, but also brings in uniformity and transparency of information.





Measuring the Progress

Regular monitoring of metrics helps track the progress made and outcomes of the human capital development process. Several tangible outcomes are tracked on a regular basis and corrective actions are taken, wherever necessary. Some of these outcomes include diversity and mix of talent, average tenure of employees, internal talent occupying leadership positions, average experience of leadership team and senior management, employee attrition and retention of key talent, time invested in learning, skill and leadership certification of employees, favourable scores in employee satisfaction and culture surveys, and employee cost.



CORPORATE SOCIAL RESPONSIBILITY

At ICICI Lombard, we recognise and embrace our commitment towards communities across India. Our initiatives in the areas of preventive healthcare, road safety and disaster support have fostered financial immunity in these tragic times.

We continue to build a digitally-enabled, learning culture and focus on developing our talent. Our people strategy sets out how we will accelerate the delivery of our strategy and help people connect their work to our purpose and our customers. We make our human capital accountable and empower them to act in line with our values, and maintain an increased focus on performance. We constantly encourage and support employee volunteerism all through the year. In this regard, we successfully implemented several projects in coordination with the ICICI Foundation in the tribal districts of India. These initiatives demonstrate how our community stakeholders not only contribute towards achieving our corporate goals, but also encourage non-profit humanitarian work to bring about a positive change in the society.



Caring Hands

Caring Hands is a unique employee volunteering initiative introduced in 2011. It is an initiative that aims at providing preventive healthcare services to the under-privileged children, while engaging our employees as volunteers for projects that are cherished by them. Since then, it has grown from strength to strength, aided by active participation from over 50% of the ICICI Lombard employees every single year. With support from hundreds of volunteers, the campaign has been a key catalyst in positively impacting the lives of over 3 lakh children. More than 800 camps have been organised in 300 locations across India. We have distributed almost 30,000 spectacles to the under-privileged children till date.

During the year under review, despite the COVID-19 - related challenges, the Company continued with its initiative of conducting eye check-up camps for the under-privileged children. Keeping in mind the safety aspect, it organised the exercise in a hybrid manner, with the parents being sent e-vouchers thru SMS. These vouchers were utilised for eye testing at designated eye

check-up clinics, which were managed by Dr. Agarwal's Eye Hospital. Those diagnosed with poor vision were provided with spectacles.

To encourage participation in these camps, the parent accompanying the child to an eye clinic was also permitted to get his/her eye test done at no further cost. Further, the activity was spread over a month to enable the beneficiaries to visit the eye clinics according to their convenience. Around 16,000 children have benefited from the initiative, and more are in the process getting their eyes checked due to the extended period of the activity. Over the years, the campaign has grown tremendously, and has been instrumental in building a sense of social responsibility and camaraderie among the employees.

Ride to Safety

Ride to Safety is the Company's flagship initiative, which focusses on making the roads safer for our children. India has one of the highest road accident death rates in the world – at one road death every 4 minutes. At this rate, there is a need for more awareness and better road

safety habits. 'Ride to Safety' is to pay particular attention on two-wheeler riders. As per the data received from the Ministry of Road Transport and Highways (MORTH), the two-wheeler category accounted for the highest share of road accidents in the country – at 35.2%. As the riders were not wearing safety helmets, many of these deaths were preventable. In 2018, violation of the helmet-wearing rule by two-wheeler riders caused 43,614 deaths, which stood at 28.8% of the year's total road accident deaths.

The youngsters of today will become the motorists of tomorrow, and will mostly have two-wheelers as their first vehicle. Given this understanding, the 'Ride to Safety' initiative encompasses annual sensitisation workshops aimed at making children aware of life-saving road safety rules and the need for wearing helmets from a formative age. These workshops work towards instilling safe habits within children that will stay with them all through their lives. Child-specific helmets are also distributed to youngsters who ride pillion on two-wheelers.

We also launched a 'Ride to Safety' anthem to bring about behavioural change towards road to safety in India. Given India's interest in music, we opted for an eclectic 'lyrical storytelling' as a medium of expression. Through this, we aim to promote the brand's ideology towards 'Ride to Safety', capturing the public's true energy and channelising it into an anthem. The lyrics of the anthem convey the safety guidelines and the dos & don'ts while riding/driving a two-wheeler or a four-wheeler. Sung and composed by music maestro Shri Shankar Mahadevan, the anthem was unveiled by Shri Nitin Gadkari, the Minister of Road Transport & Highways and Micro, Small & Medium Enterprises.

Since September 2015, over 700 Road Safety workshops have been held in metro cities and other major cities across India. This has helped in spreading awareness among 140,000+ children and their parents till March 2020. Further, 100,000+ children and their parents have been provided ISI-marked child-specific helmets. During the year, we took the helmet distribution further by giving around 33,000 ISI-marked helmets to parents and children, which will ensure that the entire family is protected while riding on a two-wheeler.

During FY2021, over 250 such workshops were conducted across seven cities. Given the need to adhere to social distancing norms, these workshops were organised through virtual platforms. Over 40,000 parents and children were made aware of road safety habits, with the need for children to wear helmet as pillion riders on two-wheelers also being discussed. To facilitate a behavioural change, the Company distributed 35,000 specially designed ISI-marked helmets to the children and their parents, encouraging and promoting the use of

protective gear by the entire family and helping improve utilisation of helmets. The Company also distributed masks sourced from NGOs along with the helmets. Besides this, it launched other activities to amplify the impact of its CSR programmes. Since the inception of this programme, the Company has distributed over 130,000 helmets.

Niranjali

Water is the very basis of life. Access to clean water means a healthy childhood. To give India's children a better chance to a healthy life, the initiative 'Niranjali', launched in FY2017, promotes awareness on clean drinking water, and has been well received in schools. This is in alignment with the Company's experience in the healthcare domain and its expertise in handling projects on preventive care – especially related to wellness. As a part of Niranjali, the Company installs water purifiers in schools where drinking water is scarce. An annual maintenance contract is also drawn up to ensure smooth functioning of these water purifying machines. We have installed 70 purifiers at schools in Mumbai. During the year under review, we conducted awareness programmes on wellness and safe drinking water at 70 schools across the city.

During FY2021, the Company expanded the initiative further by conducting virtual sessions in 250 schools across Mumbai and Delhi. To ensure synergy, the schools chosen were primarily those where our other CSR initiatives Caring Hands and Ride to Safety were organised. The Company also installed water purifiers in these schools to enable students gain access to clean drinking water in the long run. Further, 250 automated sanitiser dispensers were installed at the schools, given the current COVID-19 scenario and the need to maintain hygiene. Till date, the Company has installed 445 water purifiers, benefiting over 1 lakh children.

Initiatives taken during COVID-19

During FY2021, the Company took several initiatives to further contribute towards its efforts on curtailment of the COVID-19 pandemic. In one such initiative, we donated ₹ 50 million to the PM CARES Fund to support the Government's efforts in reducing the spread of the virus. A free COVID-19-testing program was launched for the under-privileged sections. We also collaborated with reputed diagnostic brands such as Apollo Hospitals, Metropolis Healthcare and Suburban Diagnostics to provide free Covid testing to over 35,000 people across the country. We also equipped the medical staff serving COVID-19-infected people at hospitals with more than 5,000 PPE kits, masks and sanitisers.

Further, to provide adequate protection to senior citizens from the lower strata of the society amid the pandemic, we distributed 25,000 masks and an equal number of

sanitisers to help them stay safe. The Company also donated funds to the Indian Institute of Science, Education and Research, Pune and Tata Memorial Hospital, Mumbai for the procurement of COVID-19 testing equipment.

In May 2020, even as the number of COVID-19 infected cases were rising, the eastern part of India was struck by Cyclone Amphan, which significantly impacted the people in these locations. In association with the Kolkata Traffic Police, the Company provided ration kits to over 9,000 cyclone-affected families. Further, it also donated 50 disinfectant spray machines to the authorities to sanitise the areas where refugees were provided shelter.

Healthy Villages

During the year FY2021, the Company embarked on a new pilot exercise to equip Primary Health Centres (PHCs) in rural areas with medical instruments to cater to the health-related needs of residents, thereby avoiding the need to refer every case to district hospitals. As a part of this exercise, the Company ran a pilot initiative in select districts of Madhya Pradesh and Uttar Pradesh.

These PHCs are located at Tajpur and Panthiplai, covering 60 villages in the vicinity; and at Jugguar and Kasmandi, covering 112 villages. These PHCs were provided with advanced equipment including operation kits, anaesthesia workstations, blood pressure checking machines, and ECG kits, among others. The Company

also installed telemedicine kiosks enabling the PHC medical staff to take real-time advice from expert doctors on specific cases over video consultation sessions. Since this exercise was implemented in March 2021, about 1,650 primary healthcare patients have been benefited from the initiative.

Critical Illness Treatment Support

During the year, to enable customers to get involved in its CSR initiatives, the Company piloted a new activity. Customers purchasing an insurance policy through its Website were provided the facility to donate voluntarily towards treatment expenses of the under-privileged patients suffering from critical illnesses. The Company, on its part, contributed an equal amount matching the customer's contribution. To ensure proper utilisation of these funds, the Company partnered with three Trusts – YouWeCan Foundation (founded by the Cricketer Yuvraj Singh), Ketto Foundation and Jagdish Sarla Trust. This provided customers the option to donate to any of these three Trusts, based on their preference. Since the initiative kick-started in February 2021, donations of ₹16,000 have been received from customers till date. Upon adding an equal contribution of ₹ 16,000 from the Company, the total funds have been utilised towards the treatment of critical illnesses. The Company also developed an interactive video to spread the message among its customers and drive greater traction in the future.



OUR APPROACH TO ESG

Insurance industry's role in the socio-economic and sustainable development is indispensable. ICICI Lombard, being in this business for nearly two decades, we have manifested this through our actions – helping individuals and corporates to comfortably mitigate financial risks with responsible practices, driving growth and development of our people and communities, and helping protect environment with climate actions. Governance has been at the core of these ensuring protection of rights of each stakeholder.

Environmental, Social and Governance (ESG) practices is therefore a way of business for us. We are now embedding it into every aspect of our business and strategy to make it more practical, measurable and scalable. This will ensure long-term success of our business with reduced risks and better preparedness for uncertainty and competition, alongside propelling our efforts in the best interest of all stakeholders. We are focussed on deploying our resources and investments more responsibly towards this.

Environmental

Our environment actions are defined by Policy on Environment Management which is discussed at the Corporate and Board level. We have a clear focus on reducing carbon footprint and addressing climate change. Use of digital technologies have substantially reduced paper consumption and travels. Reduce, reuse and recycle of resources (energy, water, wastes) are practiced.

Promoting low-carbon economy

- Solar panel insurance to enable transition to renewal energy
- Effective management of e-waste through BMC-registered vendor
- Steady transition to bio-degradable furniture
- Digitalisation of processes / policy issuance / vendor invoices to reduce paper consumption and travels; 81 tonnes of paper and ~9,825,876 miles air travel saved due to the work-from-home system and digital claim inspection
- Energy management through use of LED lights, energy efficient machines and moving systems and processes to the cloud; 59.4% reduction in electricity consumption across all offices to 6,052 MWh

Promotion of 3Rs – Reduce, reuse, and recycle

- Efficient use of water; ~2,927 KL of water was harvested at Prabhadevi office meeting 59.4% of its annual water requirement
- Eliminated use of plastic bottles
- Responsible underwriting
- Encouraging service centres and customers to repair parts wherever possible

Sensitising stakeholders

- Employees sensitised on reducing water and energy consumption
- Giving employees, agents and channel partners plants instead of certificates or gifts

Responsible underwriting

- Insuring age-fit vehicles having a PUC (pollution under control) certificate and giving extended warranty on battery add-on cover to electric vehicles



Social

We have an obligation to our stakeholders (customers, employees, vendors, business partners and community) to be a sustainable enterprise. We aspire to be an enterprise that proactively mitigates the risks of customers with multiple products and value-added services while ensuring a delightful experience. For employees, learning and development, fair compensation, health and safety, and overall well-being is important to us. We have zero tolerance for unethical labour practices. For the community, we undertake meaningful development around preventive healthcare, road safety and wellness. We are also supporting ICICI Foundation's skill development, sustainable development and trial benefit programmes.

Scaling customer-centricity

Products and services

- Extensive range of best-in-class, technology-enabled products for diverse needs
- Value-added services (IoT monitoring, drone inspection, electricity monitoring) to enable corporate customers minimise risks by taking proactive measures against anticipated environmentally hazardous events like fire, spills, etc.
- Efficient resolution of customer grievances; 71% complaints resolved in their favour, 99% complaints resolved within 15 days and rest within 30 days
- Extensive multi-channel network and multiple touchpoints for connecting
- Amongst the best in the industry customer NPS (net promoter score) of 48

Digital technologies

- Using advanced technologies like artificial intelligence (AI), machine learning (ML), bots, cloud, natural language processing and internet of things to streamline the customer journey and improve engagement mechanisms to provide a seamless, hassle-free experience
- WhatsApp as a support channel for assistance on queries or service requests
- Website bot to responds to customer queries on a real-time basis

- IL TakeCare App for all insurance and wellness needs of policy holders
- InstaSpec for virtual risk inspection of motor vehicles; 68% motor OD claims settled through it
- Health AI cashless health claims approval in 90 seconds; 61% cashless claim requests in corporate health insurance processed through it
- AI-based motor break-in inspection through self-inspection app; 61.6% of total inspections through it
- 97% policies issued electronically

Encouraging and incentivising responsible behaviour

- Multiple wellness programmes for improving mental and physical health
- Motor accident awareness programme promoting safer road behaviour
- Products (IRDAI approval awaited) incentivising safe driving behaviour and lower vehicle usage

Responsible sales programme

- Accuracy in marketing and labelling
- Products complying with all regulatory laws and internal policies; till date no lawsuits or regulatory pushback for withdrawal of products
- Responsible selling practices; 0.4% policy cancellation rate



Employee welfare and development

- Diverse, equal and inclusive workforce; 18.3% employees female
- Continuous learning, development, and career growth opportunities; 158,761 hours of total training covering 8,564 (97.3% of the total) employees
- Work balance with leave policies, guidelines on working hours, silent hours, etc.
- High employee satisfaction scores across all parameter in all internal and external survey
- Robust and transparent performance management system
- Strong measures for health and wellness; 103 employees availed counselling and 11 Wellness Fest sessions conducted
- Protection of human rights
- COVID-19 support – options for remote working (work from home, work from office or hybrid), provision for necessary infrastructure (workstations / headsets/ internet), remote learning and development, mediclaim coverage and medical reimbursements

Strengthening Supply Chain

- Vendor welfare
- Protecting vendor interest

Empowering Channel Partners

- Technology enablement for issues, renewals, claim settlement and for improving overall business efficiency
- Digitalising endorsements
- Regular workshops, outreach and training

Community development

- Caring Hands preventive healthcare initiative; facilitates eye-check-ups of 16,000 children and couriered spectacles to those needing
- Road safety awareness campaign; 250 workshops conducted covering 40,000 parents and children and distributed 35,000 ISI-marked helmets
- Niranjali health and hygiene campaign; virtual sessions across 250 schools and installation of 250 automated sanitiser dispensers
- Financial inclusion – facilitating government services / schemes in rural areas and providing special assist facility for women motorist
- COVID-19 support: ₹ 50 million donation to the PM CARES Fund; free COVID-19 testing to 35,000 people; distributed 5,000 PPE kits, masks and sanitisers to hospital medical staff and 25,000 masks and sanitisers to underprivileged senior citizen
- 9,000 ration kits to families affected by Amphan cyclone



Governance

We have adopted one of the best practices for conducting business responsibly. Our ethical, responsible and transparent business practices have won the trust of internal and external stakeholders equally. We continue to strengthen our practices supported by a robust and diverse Board which majorly comprise Independent Directors.

Robust governance framework

- Optimum mix of Executive/Non-executive Directors as per Policy on Board Diversity; 70% Directors are Non-executives and 50% are Non-executives, Independent
- Qualified Board with diverse experience
- Performance evaluation of Board, Committees, Chairperson, Individual Directors
- Dedicated ESG Committee (management committee) to make positive impact

Compliance, policies and risk management

- Robust code of conduct (signed by 100% employees) and policies covering multiple areas
- Ethical and responsible business practices
- Robust risk management framework and enterprise risk management culture; first in India to be ISO 31000:2018 compliant

- Data protection: Dedicated Information Security Council; leading practices and controls through effective Cyber security Policy and Framework with Confidentiality, Integrity and Availability (CIA) at its core
- Zero tolerance approach towards fraud
- Encouraging to report concerns through Whistle Blower Policy

Responsible investments

- Strong emphasis investment quality; 84.7% of portfolio invested in debt of which 86.1% are in AAA+ rated instruments
- Sustained returns: 9.6% in five years and 10.1% in 10 years



DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Company's Twenty First Annual Report on business and operations along with the audited financial statements for the financial year ended March 31, 2021.

INDUSTRY OVERVIEW

The Gross Direct Premium Income ("GDPI") of the industry grew from ₹ 1,893.02 billion in FY2020 to ₹ 1,987.35 billion in FY2021, a growth of 5.2%. The Company's GDPI increased from ₹ 133.13 billion in FY2020 to ₹ 140.03 billion in FY2021, a growth of 5.2%. The Company led the private players (including standalone health insurers) in the general insurance sector with a market share of 14.3% and had an overall industry market share of 7.0%. The Company is the 4th largest player in the general insurance sector at March 31, 2021 (Source: IRDAI and GI Council Report).

FINANCIAL HIGHLIGHTS

The financial performance of the Company for FY2021 vis-a-vis FY2020 is summarised in the following table:

(₹ billion)		
Particulars	FY2020	FY2021
Gross written premium	135.92	143.20
Earned premium	94.04	100.14
Income from Investments	18.47	21.96
Profit before tax	16.97	19.54
Profit after tax	11.94	14.73
EPS- Basic (₹)	26.27	32.41
EPS- Diluted (₹)	26.19	32.27

APPROPRIATIONS

The profit after tax for the year ended March 31, 2021 is ₹ 14.73 billion. The profit available for appropriation is ₹ 55.18 billion after taking into account the balance of profit of ₹ 40.45 billion brought forward from the previous year.

The Insurance Regulatory and Development Authority of India ("IRDAI") had vide its circular dated April 24, 2020 urged insurers to take a conscious call to refrain from dividend pay-outs from profits pertaining to the financial year ending March 31, 2020, till further instructions. Consequently, the Board after due consideration of IRDAI circular dated April 24, 2020 did not propose any final dividend for the financial year ended March 31, 2020.

Further, IRDAI vide its circular dated February 25, 2021 had withdrawn the applicability of aforesaid circular dated April 24, 2020 with immediate effect and requested insurer to take conscious call in the matter of declaring dividends for FY2021 considering the capital, solvency and liquidity positions of the Company.

In view of IRDAI circular dated February 25, 2021, the Company had declared and paid ₹ 4.00 per equity share as an interim dividend for FY2021 aggregating to ₹ 1.82 billion.

The Board of Directors of the Company at their meeting held on April 17, 2021 had recommended a final dividend of ₹ 4.00 per equity share for FY2021 to the Members of the Company for their approval.

SCHEME OF ARRANGEMENT WITH BHARTI AXA GENERAL INSURANCE COMPANY LIMITED

The Board of Directors of the Company at their meeting held on August 21, 2020 had approved the scheme of arrangement amongst Bharti AXA General Insurance Company Limited ("Bharti AXA") and the Company and their respective shareholders and creditors ("the Scheme"). The Scheme provides, inter alia for the demerger of the general insurance business of Bharti AXA into the Company as a going concern with effect from the Appointed date i.e. April 1, 2020 and as consideration for the demerger, the Company will issue 35,756,194 equity shares of the Company to the shareholders of the Bharti AXA as on record date i.e. August 21, 2020, once the Scheme becomes effective.

The Scheme is subject to, inter alia, applicable statutory and regulatory approvals including from IRDAI, Competition Commission of India, Stock Exchanges, Securities and Exchange Board of India ("SEBI"), members of the companies involved in the Scheme and Mumbai Bench of Hon'ble National Company Law Tribunal ("NCLT") and will take effect once the final approval is received from IRDAI in accordance with the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011.

During the year, the Company has received approval from (a) Competition Commission of India; (b) an in-principle approval from IRDAI under Section 35 to 37 of the Insurance Act, 1938 read with Insurance Regulatory and Development Authority (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011; (c) Observation letters issued by BSE

Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), enabling the Company to file the draft Scheme with NCLT. Further, NCLT vide its order dated December 18, 2020 had, inter alia directed the Company to convene the meeting of its equity shareholders to consider and approve the Scheme. The equity shareholders of the Company at its meeting held on February 23, 2021 had approved the Scheme.

Subsequently, the Company and Bharti AXA had filed an application under Sections 230-232 and other applicable provisions of the Companies Act, 2013 ("the Act") before the NCLT for sanctioning of the Scheme. NCLT vide its order dated May 13, 2021 had sanctioned the Scheme. Pursuant to the provisions of Regulation 8 of Insurance Regulatory and Development Authority (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011, the Scheme is also required to be approved by IRDAI and will be effective from the date specified by IRDAI in its final approval. The final approval of IRDAI is awaited as on the date of this Report.

SECRETARIAL STANDARDS

During FY2021, the Company is in compliance with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India with respect to Board, Committees and General Meetings. The same has also been confirmed by the Secretarial Auditor of the Company. The Company has also devised necessary systems to ensure compliance with the provisions.

SHARE CAPITAL

The issued and paid-up equity share capital of the Company as on March 31, 2021 is ₹ 4.54 billion. The net worth of the Company increased from ₹ 61.34 billion at March 31, 2020 to ₹ 74.35 billion at March 31, 2021. The solvency position of the Company at March 31, 2021 was 2.90 times as against minimum of 1.50 times prescribed by IRDAI.

NON-CONVERTIBLE DEBENTURES

As at March 31, 2021, the Company's outstanding Non-Convertible Debentures (NCDs) stood at ₹ 4.85 billion consisting of 4,850 Unsecured, Subordinated, Fully Paid-up, Listed, Redeemable, Non-convertible Debentures of the face value of ₹ 1,000,000 each, with an interest rate of 8.25% per annum. The NCDs are listed on the wholesale debt market segment of BSE and NSE.

The Company has been regular in its payment obligations towards NCDs.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The provisions of Section 186(4) of the Act requiring disclosure in the financial statements of the full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security is not applicable to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY AND ITS FUTURE OPERATIONS

There are no significant and/or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and future operations of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company as at March 31, 2021 consist of eleven (11) Directors, out of which six (6) are Non-executive, Independent Directors, two (2) are Non-executive, Non-independent Directors and remaining three (3) are Whole-time Directors including Managing Director & Chief Executive Officer. Lalita D. Gupte is a Non-executive, Chairperson of the Company.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164(2) of the Act. Further, all the Directors of the Company have confirmed that they fulfill the criteria of 'fit and proper' as laid down under Guidelines for Corporate Governance for insurers in India issued by IRDAI ("IRDAI CG Guidelines").

Re-appointment of Board of Directors during the year are as follows:

Name of Director	Appointment / Resignation	With effect from
Sanjeev Mantri [#]	Re-appointment	May 2, 2020
Alok Kumar Agarwal [§]	Re-appointment	January 19, 2021

[#] Sanjeev Mantri (DIN: 07192264) was re-appointed as a Whole-time Director, designated as Executive

Director- Retail of the Company for a period of five (5) years upto May 1, 2025.

^s Alok Kumar Agarwal (DIN: 03434304) was re-appointed as a Whole-time Director, designated as Executive Director-Wholesale of the Company for a period of five (5) years or till the date of his retirement, whichever is earlier.

Further, the Board of Directors at their meeting held on January 19, 2021, approved re-appointment of following Non-executive, Independent Directors of the Company:

Name of Director	Appointment / Resignation	With effect from
Uday Chitale ¹	Re-appointment	April 19, 2021
Suresh Kumar ²	Re-appointment	June 1, 2021
Ved Prakash Chaturvedi ³	Re-appointment	July 13, 2021

¹ Re-appointment of Uday Chitale (DIN: 00494479) as Non-executive, Independent Director of the Company for a second term of 5 (five) consecutive years upto April 18, 2026.

² Re-appointment of Suresh Kumar (DIN: 00494479) as Non-executive, Independent Director of the Company for a second term of 5 (five) consecutive years upto May 31, 2026.

³ Re-appointment of Ved Prakash Chaturvedi (DIN: 00030839) as Non-executive, Independent Director of the Company for a second term of 5 (five) consecutive years upto July 12, 2026.

The aforesaid re-appointments were subsequently approved by the Members of the Company on April 9, 2021 by special resolution passed through Postal Ballot.

In the opinion of the Board, Uday Chitale, Suresh Kumar and Ved Prakash Chaturvedi has necessary integrity, expertise and experience (including proficiency) required for re-appointment as an Independent Director of the Company.

The Members of the Company approved appointment of Murali Sivaraman (DIN: 01461231) as a Non-executive, Independent Director for a period of five (5) consecutive years with effect from January 17, 2020 upto January 16, 2025 in 20th Annual General Meeting ("AGM") held on August 13, 2020.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel ("KMP") of the Company as on March 31, 2021 are as below:

1.Bhargav Dasgupta	Managing Director & CEO
2.Alok Kumar Agarwal	Whole-time Director designated as Executive Director – Wholesale
3.Sanjeev Mantri	Whole-time Director designated as Executive Director – Retail
4.Gopal Balachandran	Chief Financial Officer & Chief Risk Officer
5.Vikas Mehra	Company Secretary

In accordance with IRDAI CG Guidelines, the Company has following Key Management Persons other than afore-mentioned KMPs:

1.Girish Nayak	Chief – Service, Operations and Technology
2.Sanjay Datta	Chief – Underwriting, Reinsurance and Claims
3.Lokanath Kar	Chief – Legal & Compliance Officer
4.Jerry Jose	Head – Human Resources
5.Vinod Mahajan	Chief – Investment Officer
6.Prasun Sarkar	Appointed Actuary

Common Directorships

Section 48A of the Insurance Act, 1938, necessitates an approval of IRDAI for continuation of common directorships between insurance companies and insurance agent or insurance intermediaries. In view of the same, the Company has four Directors falling within the criteria of Common Directorship viz. Uday Chitale, Ashvin Parekh, Sandeep Batra and Vishakha Mulye.

Pursuant to the aforesaid provisions, the Company has made an application to IRDAI seeking continuation of directorships of Uday Chitale (due to his re-appointment for a second term of five (5) consecutive years as Non-executive, Independent Director of the Company) having common directorship with ICICI Bank Limited (being corporate agent of the Company). The approval from IRDAI is awaited. The Company had already received

approval from IRDAI for continuation of appointment of Ashvin Parekh as common Director on the Board of ICICI Securities Limited and for Sandeep Batra and Vishakha Mulye as common Directors on the Board of ICICI Bank Limited.

Independent Directors

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) & (7) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 as amended from time to time and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). All the Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Employees Code of Conduct.

Retirement by rotation

In terms of Section 152 of the Act, Vishakha Mulye, Non-executive, Non-independent Director (DIN: 00203578) would retire by rotation at the forthcoming AGM and being eligible for re-appointment, she has offered herself for re-appointment. A resolution seeking Members' approval for her re-appointment forms part of the AGM Notice.

Performance Evaluation of Directors, Chairperson, Board and its Committees

Pursuant to the provisions of the Act, IRDAI CG Guidelines and Listing Regulations, an annual performance evaluation had been carried out of Board as a whole and that of its Committees and of its individual Directors both Executive and Non-executive including Independent Directors and of its Chairperson. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Criteria for appointment of Director and Key Managerial Personnel

The Company has Board approved criteria for appointment of a Director, Key Managerial Personnel and Officials who may be appointed in senior management ("Criteria for appointment of senior management personnel") in compliance with the requirements prescribed. The Criteria for appointment of senior management personnel is hosted on the website of the Company and can be viewed at

<https://www.icicilombard.com/docs/default-source/policies-of-the-company/criteria-for-appointment-of-a-director-key-managerial-personnel-and-officials-who-may-be-appointed-in-senior-management.pdf>

The Company has also in place the Policy on appointment and compensation of employees and framework for remuneration to Non-executive Directors of the Company and the same is available on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/shareholding-pattern/remuneration-policy-of-icici-lombard.pdf>

Deposits

During the year under review, the Company has not accepted any deposits under Section 73 of the Act.

AUDITORS

Statutory Auditors

IRDAI vide its circular dated May 18, 2016, had issued Corporate Governance Guidelines wherein criteria for appointment of statutory auditors of insurance companies were prescribed which are aligned with the provisions of the Act.

The Members of the Company at its Eighteenth AGM held on July 12, 2018 had approved re-appointment of Chaturvedi & Co., Chartered Accountants, as the Joint Statutory Auditors of the Company for a second term of five (5) years till the conclusion of Twenty-third AGM. The Members of the Company at the same AGM also approved re-appointment of PKF Sridhar & Santhanam LLP, Chartered Accountants as the Joint Statutory Auditors of the Company till conclusion of twenty-first AGM i.e. for a balance three (3) years out of first term of five (5) years.

Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on July 12, 2018. Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from May 7, 2018, the requirement of seeking ratification by the Members for the appointment of the Statutory Auditors has been withdrawn. In view of the above, ratification by the Members for continuance of their appointment at this AGM is not being sought.

The present term of office of PKF Sridhar & Santhanam

LLP, Chartered Accountants, one of Joint Statutory Auditors of the Company, expires at the conclusion of this AGM, however they are eligible for re-appointment. The re-appointment of PKF Sridhar & Santhanam LLP, Chartered Accountants, as approved by the Board of Directors of the Company based on the recommendation of the Audit Committee is proposed for a second term of five (5) consecutive years i.e. from the conclusion of the Twenty First AGM upto the conclusion of the Twenty Sixth AGM.

PKF Sridhar & Santhanam LLP, Chartered Accountants, have confirmed their eligibility under Section 141 of the Act and the rules framed thereunder and IRDAI CG Guidelines, for re-appointment as one of the Joint Statutory Auditors of the Company. A resolution seeking Members' approval for their re-appointment as one of the Joint Statutory Auditors of the Company, forms part of the AGM Notice. Also a resolution seeking approval of the Members for the remuneration proposed to be paid for FY2022, to the Joint Statutory Auditors of the Company, forms part of the AGM Notice.

Chaturvedi & Co., Chartered Accountants, have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Joint Statutory Auditors of the Company.

The remuneration payable to the Joint Statutory Auditors for FY2021, has been determined by the Board of Directors of the Company in their meeting held on May 2, 2020, based on the recommendation of the Audit Committee of the Company. During FY2021, the Company has paid ₹ 10.7 million each plus reimbursement of all out-of-pocket expenses and applicable tax(es) thereon to the Joint Statutory Auditors of the Company, for statutory audit including issuance of report on Corporate Governance and Internal control over financial reporting. The Company has also paid tax audit fees of ₹ 1.5 million to PKF Sridhar & Santhanam LLP for FY2021.

The Board of Directors of the Company in their meeting held on August 21, 2020, based on the recommendation of Audit Committee have approved availing of additional services in the form of certifications from Joint Statutory Auditors of the Company. Further, the Board of Directors based on the recommendation of Audit Committee on February 9, 2021 have approved availing of additional services from Joint Statutory Auditors of the Company for the purpose of audit of financial statements for FY2021 of Demerged Undertaking as defined in the Scheme (upon the Scheme becoming effective) at a remuneration

of ₹ 3.5 million each plus reimbursement of all out-of-pocket expenses and applicable tax(es) thereon.

The details of other fees paid to Joint Statutory Auditors of the Company are disclosed under Note No. 5.2.23 of the Notes to Financial Statements for FY2021.

Statutory Auditor's Report

There is no qualification, reservation, adverse remark or disclaimer made by the Joint Statutory Auditors in their report.

Secretarial Auditor

Pursuant to provisions of Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Listing Regulations, the Company had appointed Dholakia & Associates LLP, a firm of practising company secretaries, to conduct the secretarial audit of the Company for FY2021. The Secretarial Audit Report forms part of this report as **Annexure A**. There are no qualifications, reservation or adverse remark or disclaimer made by the secretarial auditor in the report save and except disclaimer made by them in discharge of their professional obligation.

Reporting of Frauds by Auditors

During the year under review, there were no instances of fraud reported by the statutory auditors and secretarial auditor under Section 143(12) of the Act to the Audit Committee or the Board of Directors of the Company.

Maintenance of Cost Records

Being an Insurance Company, the Company is not required to maintain cost records as specified by the central government under Section 148(1) of the Act.

Particulars of Employees

The statement containing particulars of employees as required under Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report as **Annexure B**.

The statement containing particulars of employees as required under Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. Pursuant to the provisions of Section 136 of the Act, the Directors' Report is being sent to the Members of the Company excluding the aforesaid statement. Any

Member interested in obtaining a copy of the statement may write to the Company Secretary at the registered office of the Company.

RELATED PARTY TRANSACTIONS

The Company undertakes various transactions with related parties in the ordinary course of business pursuant to the Policy on Related Party Transactions approved by the Board of Directors of the Company.

The transactions entered into by the Company with related parties during FY2021, were in the ordinary course of business and on an arm's length basis as defined under the Act. The details of related party transactions are disclosed under Note No. 5.2.12 of the Notes to Financial Statements for FY2021.

All related party transactions are placed before the Audit Committee on a quarterly basis. The Policy on dealing with related party transactions has been hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/policies-of-the-company/policy-on-related-party-transactions.pdf>

Particulars of Contracts or Arrangements with Related Parties

All the transactions with related parties were in the ordinary course of business and on arm's length basis and there were no material contracts or arrangement or transactions entered with related parties during FY2021 and accordingly disclosure in Form AOC-2 [pursuant to clause (h) of sub-section (3) of Section 134 of Act and Rule 8(2) of the Companies (Accounts) Rules, 2014] is not applicable.

The above disclosure on material transactions are based on the threshold of ten percent of turnover, as defined in the Policy on Related Party Transaction of the Company. Related party transactions are benchmarked for arm's length & approved by the Audit Committee. Joint Statutory Auditors have issued an unmodified opinion on the Financial Statements which includes therein related party transactions and related disclosures and the same have also been approved by the Audit Committee.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return in Form MGT-7 as on March 31, 2021 has been hosted on the website of the Company and can be viewed at

<https://www.icicilombard.com/docs/default-source/financial-information/annualreportfy2021.pdf>

RISK MANAGEMENT FRAMEWORK

A statement indicating development and implementation of Risk Management Framework including identification therein of elements of risk, if any, which may pose significant risk to the Company forms part of this Annual Report.

UPDATE ON COVID-19

The Company has provided details of Business Continuity Plan and the Crisis Management Strategy of the Company along with assessment of various risks arising out of the COVID-19 pandemic and the corresponding measures to manage the same in this Annual Report.

DISCLOSURES AS PER THE SEXUAL HARASSEMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a Guidelines against Sexual Harassment at workplace and a formal process for dealing with complaints of harassment or discrimination. The said Guidelines is in line with relevant Act passed by Parliament in 2013. The Company through its Guidelines ensures that all such complaints are resolved within defined timelines.

Details of complaints are as follows:

Sr. No.	Particulars	No.
a.	Number of complaints pending as on April 1, 2020	0
b.	Number of complaints filed during the financial year	2
c.	Number of complaints disposed of during the financial year	2
d.	Number of complaints pending as on March 31, 2021	0

The Company is in compliance with the provisions relating to the constitution of an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

RURAL AND SOCIAL RESPONSIBILITY

As per the IRDAI (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015, the Company has issued 3,354,542 policies in rural areas and covered 4,798,812 lives falling within the norms of social responsibility. The Company has complied with the obligations laid down by IRDAI.

DIVIDEND AND DIVIDEND DISTRIBUTION POLICY

The operations have resulted in a profit after tax of ₹ 14.73 billion for the current year as compared to a profit after tax of ₹ 11.94 billion for the previous year.

IRDAI vide its circular dated April 24, 2020 stipulated that, in view of the emerging market conditions and to conserve capital with the insurance companies in the interest of Policyholders and of the economy at large, has urged insurers to refrain from dividend pay-out from profits pertaining to the financial year ended March 31, 2020 till further instructions.

Further, IRDAI vide its circular dated February 25, 2021 had withdrawn the applicability of aforesaid circular dated April 24, 2020 with immediate effect and requested insurer to take cautious call in the matter of declaring dividends for FY2021 considering the Company's capital, solvency and liquidity positions.

In view of the aforesaid IRDAI Circular dated February 25, 2021 and considering the stable capital, solvency and liquidity positions of the Company, the Board of Directors of the Company declared and paid an interim dividend of ₹ 4.00 per equity share for FY2021 as against an interim dividend declared and paid of ₹ 3.50 per equity share for FY2020.

The Board of Directors of the Company at their meeting held on April 17, 2021 had recommended a final dividend of ₹ 4.00 per equity share for FY2021 to the Members for their approval.

In terms of Regulation 43A of Listing Regulations, the Dividend Distribution Policy of the Company has been hosted on website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/policies-of-the-company/dividend-distribution-policy.pdf>

UNPAID/UNCLAIMED DIVIDEND

Pursuant to Section 124 & 125 of the Act read with the Investor Education and Protection Fund (Accounting,

Audit, Transfer and Refund) Rules, 2016, there were no amounts eligible to be transferred to the Investor Education and Protection Fund. Accordingly, the Company was not required to transfer any unpaid / unclaimed dividend amount to the Investor Education and Protection Fund in FY2021.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility ("CSR") Committee in accordance with the provisions of the Act. The CSR Committee was constituted comprising of Members of the Board of Directors of the Company. The Committee presently consists of four (4) Directors with majority being Non-executive, Independent Directors. The CSR Policy of the Company and initiatives taken by the Company on CSR during the year are in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. The Annual Report on CSR Activities of the Company for FY2021 along with the summary of impact assessment reports is given in **Annexure C** to this report.

CREDIT RATING

During the year, the Company has maintained credit rating of "ICRA AAA/Stable" by ICRA Limited and "CRISIL AAA/Stable" by Crisil Limited for Subordinate Debt raised by the Company. This is the highest rating regarding safety and timely servicing of financial obligations.

Further during the year, SEBI vide its circular amended SEBI (Credit Rating Agencies) Regulations, 1999, which stated that a credit rating agency cannot offer claims paying ability rating services. In view of the same, ICRA Limited has withdrawn the "iAAA" rating assigned to the claims paying ability of the Company.

BUSINESS RESPONSIBILITY REPORT

In accordance with the Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report (BRR) has been hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/esg/business-responsibility-reporting-2021.pdf> Any Member interested in obtaining a copy of the BRR may write to the Company Secretary at the registered office of the Company.

INTEGRATED REPORT AND ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

SEBI vide its Circular dated February 6, 2017 had recommended the top 500 listed entities to voluntarily adopt Integrated Report as per principles prescribed by the International Integrated Reporting Council.

The Company has voluntarily adopted the principles and has prepared its third Integrated Report for FY2021 which forms part of this Annual Report.

The Company as a responsible corporate citizen, is committed to environmental sustainability. The Company has adopted a Policy on Environment Management. The same has been hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/policies-of-the-company/policy-on-environment-management.pdf>

Further, the Company has hosted its Environmental, Social and Governance Report ("ESG Report") for FY2021 on its website and can be viewed at <https://www.icicilombard.com/docs/default-source/esg/se-intimation-esg-report-2021.pdf>

INVESTOR RELATIONS

The Company continuously strives for excellence in its Investor Relations engagement with International and Domestic investors. It believes in adopting the emerging

best practices in Investor Relations and building a relationship of mutual understanding with investor/analysts.

The Managing Director & CEO, Executive Directors, Chief Financial Officer & Chief Risk Officer and other Senior Management members of the Company participate in structured conference calls and periodic investor/analyst interactions including one-on-one meeting, investor conferences and quarterly earning calls. The Company conducted 220 meetings through digital mode with Indian and overseas investors and analysts (excluding quarterly earnings calls) during the financial year.

The Company ensures that financial information of the Company is available to all the stakeholders by uploading it on the Company's website. The financial information includes Financial Statements, Press Releases, Investor Presentations, Earning call transcripts and Annual Report, etc.

MATERIAL EVENTS OCCURRED AFTER BALANCE SHEET DATE

There have been no material changes and commitments, affecting the financial position of the Company, between the end of the financial year of the Company to which the balance sheet relates and the date of this report.



CORPORATE GOVERNANCE REPORT

PHILOSOPHY ON CORPORATE GOVERNANCE

The Company is fully committed to follow sound Corporate Governance practices and uphold the highest business standards in conducting business. The Company continues to focus on building trust with shareholders, regulators, policyholders, employees, customers, suppliers, statutory authorities and other stakeholders based on the principles of good corporate governance viz. integrity, environment, equity, transparency, fairness, sound disclosure practices, accountability and commitment to values.

The Company's governance framework encompasses not only regulatory and legal requirements but also several voluntary practices aimed at maximizing shareholders' value legally, ethically and on a sustainable basis.

The Company's Corporate Governance architecture has been strengthened through various policies, frameworks and codes adopted by the Company. The Company is committed to conduct business with the highest standards of compliance, integrity, honesty, fairness and responsible business practices with zero tolerance for fraud.

The Corporate Governance philosophy of the Company establishes that the Board's independence is essential to bring objectivity and transparency in the Management and in the dealings of the Company. The Board Committees comprised of majority of Independent/Non-executive Directors and chaired by Independent Directors, to oversee critical areas.

WHISTLE BLOWER POLICY

The Company is committed to high standards of conduct for its employees. The Company has in place Whistle Blower Policy ("the Policy") to encourage employees to report matters without the risk of subsequent victimisation, discrimination or disadvantage. The Policy provide a formal mechanism to its employees for communicating instances of breach of any statute, actual or suspected fraud on the accounting policies and procedures adopted for any area or item, acts resulting in financial loss or loss of reputation, leakage of information in the nature of Unpublished Price Sensitive Information (UPSI), misuse of office, suspected/actual fraud and criminal offences. The Policy provides for a mechanism to report such concerns to the Chairman, Audit Committee of Company or to the Principal Compliance Officer through specified channels.

The Whistle Blower Mechanism is reviewed by the Audit Committee of the Board regularly. The Policy complies with the requirements of vigil mechanism as stipulated under Section 177 of the Act.

The Policy has been periodically communicated to the employees through email communications. The Policy is hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/policies-of-the-company/whistle-blower-policy.pdf>.

CODE OF CONDUCT AS PRESCRIBED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

In accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"), the Company has in place a Code of conduct to regulate, monitor and report trading by its Designated Persons ("the Insider Trading Code") to the extent specified in the Insider Trading Code. During the year under review, the Insider Trading Code was amended in line with the amendments introduced in the Insider Trading Regulations by SEBI.

The Company has in place a fully automated web-based portal for enabling compliances prescribed under the Insider Trading Code of the Company read with the Insider Trading Regulations. The web-based portal allows employees to submit online disclosures pertaining to transactions in securities of the Company, viz., acquiring shares from market or by exercise of Stock Options / sale of Shares / Creation of Pledge / Release of Pledge / Invocation of Pledge / Off-Market Transactions / Gift, etc. The web-based portal facilitates reporting of transactions with nil paperwork and in quick time. It also enables employees to report the transactions in the Company's securities from any place, with the help of the internet and can also be accessed using any smartphone.

The Company as a part of its training program had sent frequent e-mail communications to the employees of the Company and also hosted Frequently Asked Questions (FAQs) on the various aspects of compliances prescribed under the Insider Trading Code of the Company. The Insider Trading Code is also hosted on the aforesaid web-based portal which can be access through internet or intranet by the employees of the Company.

The Company has also in place 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' which is hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/policies-of-the-company/code-for-fair-disclosure.pdf>.

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements prescribed under the Insider Trading Regulations.

EMPLOYEES CODE OF CONDUCT

The Company is committed to conduct its business with highest standards of compliance and ethical conduct. The Company has in place Employees Code of Conduct ("the Code") to summarize the standards of business conduct that must guide the actions of the employees (including all Directors) at all times. The Code aims at observing highest standard of integrity, honesty, fairness and ethical conduct while working for the Company as well as while representing the Company.

The Code has been hosted on the website of the Company and can be viewed at

<https://www.icicilombard.com/docs/default-source/policies-of-the-company/code-for-fair-disclosure.pdf>.

Pursuant to the Listing Regulations, a confirmation from the Managing Director & CEO regarding compliance with the Code by all the Directors and Senior Management forms part of this Annual Report.

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, Certificate from the Joint Statutory Auditors on compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this report as **Annexure D**.

CEO/CFO CERTIFICATION

Pursuant to Regulation 17(8) of the Listing Regulations, Certification by the Managing Director & CEO and the Chief Financial Officer of the Company on the financial statements and the Internal Financial Controls relating to financial reporting for FY2021 has been obtained.



MANAGEMENT STRUCTURE

The Company has a multi-tier management structure, comprising the Board of Directors at the apex followed by personnel/executives at the top management, senior management, middle management and junior management positions to ensure that:



Strategic supervision is provided by the Board;



Financial and operating control and integrity are maintained at an optimal level;



Control and implementation of Company's strategy is achieved effectively;



Risk is suitably evaluated and dealt with;



Operational management remains focused on implementation;



Compliance with applicable acts and regulations is achieved;



Information regarding the Company's operations and financial performance is made available to the stakeholders.



Corporate culture that recognizes and rewards adherence to ethical standards is developed.



Delegation of decision making with accountability is achieved;

This multi-tier management structure, besides ensuring greater management accountability and credibility, facilitates increased autonomy of businesses, performance discipline and development of business leaders, leading to enhanced public confidence.



BOARD OF DIRECTORS

The Company's Board is constituted in compliance with the provisions of the Act and Rules made thereunder, Listing Regulations, IRDAI CG Guidelines, Articles of Association of the Company and in accordance with good governance practices.

The Company recognizes and embraces the benefits of having a diverse Board. The Directors of the Company are eminent personalities having diverse experience and significant expertise. The Company's Board as at March 31, 2021 comprises of eleven (11) Directors, out of which six (6) are Non-executive, Independent Directors including Chairperson of the Board, two (2) are Non-executive, Non-independent Directors and remaining three (3) are Whole-time Directors including Managing

Director & CEO. With over 70.0% of the Directors being Non-executive Directors out of which over 50.0% of the Directors are Non-executive, Independent Directors, the Company has taken an important step towards enhancing its governance standards and protecting the interest of all stakeholders. Amongst the Board of Directors, there are two (2) Non-executive women Directors including one (1) woman Non-executive, Independent Director who bring in more diversity and drive cognitive thinking. Lalita D. Gupte is a Chairperson, Non-executive, Independent Director of the Company.

The Board functions either as an entity per se, or through various Committees constituted to oversee specific operational areas. The Company has an optimum mix of Executive and Non-executive Directors to maintain the professionalism, knowledge, skill sets, integrity, expertise, independence and effective decision making.

The Board has identified following skills / expertise / competencies for the effective functioning of the Company.



Insurance



Banking



Finance



Accounting & Auditing



Risk Management



Investment



Strategy



Corporate Planning



Consumer Insights



Marketing



Law & Governance



Economics



Alternate Dispute
Resolution



Technology

The Composition of the Board of Directors of the Company as at March 31, 2021, with their qualification, field of specialisation/core skills/expertise are as set out in the below table:

Name of the Director	Category	Qualification	Field of Specialization/ Existing skills/ expertise/competence
Lalita D. Gupte (DIN: 00043559)	Chairperson, Non-Executive Independent Director	BA (Eco Hons), Master of Management Studies (MMS)	Banking, Finance, Economics, Corporate Planning and Risk Management
Ved Prakash Chaturvedi (DIN: 00030839)	Non-Executive, Independent Director	B. E. (Electronics & Power), PGDM- IIM Bangalore	Strategy, Finance and Investment
Uday Chitale (DIN: 00043268)	Non-Executive, Independent Director	B. Com, Fellow Chartered Accountant	Finance, Accounting & Auditing and Alternative Dispute Resolution (ADR) Business Advisor
Suresh Kumar (DIN: 00494479)	Non-Executive, Independent Director	B. Com (Hons.), Post Graduation-Investment Management Programme, Stanford University and London School of Business, Advance Management – Columbia Business School, Fellow of the Indian Institute of Bankers (FIIB)	Banking, Finance and Investment
Ashvin Parekh (DIN: 06559989)	Non-Executive, Independent Director	B. Com (Hons.), Fellow Chartered Accountant, AICWA, AICSA, Exec. MBA-INSEAD	Business Strategy, Corporate Planning, Technology and Finance
Murali Sivaraman (DIN:01461231)	Non-Executive, Independent Director	B. Com, Chartered Accountant, Cost and Work Accountant, PGDM- IIM Ahmedabad	Finance, Management, Strategy and Marketing
Vishakha Mulye (DIN: 00203578)	Non- Executive, Non-independent Director	B.Com, Chartered Accountant	Banking, Investments & Finance
Sandeep Batra (DIN: 03620913)	Non- Executive, Non-independent Director	B.Com, Fellow Chartered Accountant, Associate Company Secretary	Finance, Banking, Insurance, Law & Governance and Risk Management
Bhargav Dasgupta (DIN:00047728)	Managing Director & CEO	B.E. (Mechanical), PGDDBA-IIM Bangalore	Banking, Corporate Planning, Strategy, Consumer Insights and Insurance
Alok Kumar Agarwal (DIN:03434304)	Executive Director – Wholesale	B.E. (Chemical), PGDM- IIM Calcutta	Banking, Insurance, Corporate Planning, Strategy, Consumer Insights and Marketing
Sanjeev Mantri (DIN:07192264)	Executive Director – Retail	Chartered Accountant, Cost and Work Accountant	Banking, Finance, Corporate Planning, Strategy, Insurance, Consumer Insights and Marketing

The Brief Profile of Directors is hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/investor-relations>.

In view of the situation posed by COVID-19 pandemic and relaxations granted by the regulatory authorities, meetings of the Board and its Committees were held through video-conferencing. The Board usually meets once in a quarter, inter alia to review the Company's quarterly performance and financial results, to consider business strategies and their implementation and other Board related matters. The Board of the Company met eight (8) times during the year under review on May 2, 2020, May 10, 2020, July 17, 2020, August 21, 2020, October 23, 2020, November 26-27, 2020, January 19,

2021 and March 5, 2021. The maximum gap between any two Board meetings was less than one hundred and twenty days.

In the opinion of the Board, all the Independent Directors of the Company fulfill the conditions specified in the Act and Listing Regulations and are independent of the management.

None of the Directors of the Company are related to each other. The names of the Directors, their attendance at Board Meetings during the year, attendance at the last Annual General Meeting (AGM) are set out in the following tables:

Name of the Director	Board meetings attended/ held during the year	Attendance at last AGM held on Thursday, August 13, 2020
Non-executive, Independent Directors		
Lalita D. Gupte, Chairperson	8/8	Present
Ved Prakash Chaturvedi	8/8	Present
Uday Chitale	8/8	Present
Suresh Kumar	8/8	Present
Ashvin Parekh	8/8	Present
Murali Sivaraman	8/8	Present
Non-Executive, Non-Independent Directors		
Vishakha Mulye	8/8	Present
Sandeep Batra	8/8	Present
Executive Directors		
Bhargav Dasgupta	8/8	Present
Alok Kumar Agarwal	7/8	Present
Sanjeev Mantri	7/8	Present

The details of “Directorships held in other companies” and “Membership/ Chairpersonship of committees in other companies” as on March 31, 2021 are set out in the following table:

Name of the Director	No. of other Directorship		Name of other listed companies where he/she is a Director*		Number of Committees of other Companies**	
	Of Indian Public Limited Companies	Of other Companies#	Company	Category of directorship	In which a member	In which a Chairperson
Lalita D. Gupte	4	-	Bharat Forge Limited	Non-Executive, Independent Director	4	-
			Godrej Properties Limited	Non-Executive, Independent Director		
			India Infradebt Limited	Chairperson & Independent Director		
			TVS Motor Company Limited	Non-Executive, Independent Director		
Ved Prakash Chaturvedi	1	-	-	-	-	-
Uday Chitale	3	-	India Infradebt Limited	Independent Director	4	2
			ICICI Bank Limited	Non-executive, Independent Director		
Suresh Kumar	2	4	Aster DM Healthcare Limited	Non-executive, Independent Director	3	2
Ashvin Parekh	3	-	ICICI Securities Limited	Non-Executive, Independent Director	4	3
			Nippon Life India Asset Management Limited	Independent Director		
Murali Sivaraman	2	-	Huhtamaki PPL Limited	Chairman & Independent Director	2	-
			Bharat Forge Limited	Non-executive, Independent Director		
Vishakha Mulye	1	1	ICICI Bank Limited	Executive Director	-	-
Sandeep Batra	4	2	ICICI Prudential Life Insurance Company Limited	Non-executive, Non-independent Director	2	1
			ICICI Bank Limited	Executive Director		
Bhargav Dasgupta	-	-	-	-	-	-
Alok Kumar Agarwal	-	-	-	-	-	-
Sanjeev Mantri	-	-	-	-	-	-

Comprises private limited companies incorporated in India and foreign companies but excludes Section 8 companies and not for profit foreign companies.

* Includes Directorships held in Debt Listed Company.

**Memberships/Chairpersonships in Audit Committee and Stakeholder Relationship Committee of Indian public limited companies; number of Memberships includes Chairpersonships.

In terms of Listing Regulations, the number of Committees, Audit Committee and Stakeholders Relationship Committee of public limited companies in which a Director is a member/chairperson were within the limits prescribed under Listing Regulations, for all the Directors of the Company. The number of directorships of each independent Director is also within the limits prescribed under Listing Regulations as amended from time to time.

Details of Shareholding of Non-executive, Independent Directors and Non-executive, Non-independent Directors

Equity shares held by the Non-executive Directors as on March 31, 2021:

Sr. No.	Name of the Director	No. of Equity Shares
1.	Lalita D. Gupte	1,782
2.	Ved Prakash Chaturvedi	-
3.	Uday Chitale	-
4.	Suresh Kumar	-
5.	Ashvin Parekh	-
6.	Murali Sivaraman	38
7.	Vishakha Mulye	275,000
8.	Sandeep Batra	-

Certificate from a Company Secretary in Practice

In terms of Listing Regulations, the Company has obtained a Certificate from Dholakia & Associates LLP, Company Secretaries in Practice confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice forms part of this report as **Annexure E**.

Board Meeting on Strategy

The Board of Directors at its meeting held on November 26-27, 2020 had reviewed its business strategy including digital initiatives taken by the Company. Besides Board members, the meeting was attended by the Management Committee members and senior management employees of the Company. An external expert was also invited to the strategy meeting to get an external perspective of cloud migration strategy.

Recommendations of mandatory Committees

During the year under review, all the recommendations of the Board constituted Committees which are mandatorily required under the Act, Listing Regulations and IRDAI CG Guidelines were accepted by the Board.

Board Committees

The Board has constituted following Committees:

(i) Board Nomination and Remuneration Committee

(ii) Audit Committee

(iii) Investment Committee

(iv) Risk Management Committee

(v) Policyholders Protection Committee

(vi) Corporate Social Responsibility Committee

(vii) Stakeholders Relationship Committee

(viii) Strategy Committee

The Board has constituted various Committees of Directors to monitor the activities in accordance with Board approved terms of reference. The Board Committees focus on specific areas and take informed decisions on the specific businesses assigned to them in the best interest of the Company. The Committees also make specific recommendations to the Board on various matters whenever required. The Chairperson of the respective Committees briefs the Board on deliberations taken place at the Committee Meetings in relation to important discussions, noting(s) and approvals.

The terms of reference of the Board Committees are reviewed and determined by the Board from time to time to align the same with the regulatory/business requirements.

The Company has eight (8) Board Committees as on March 31, 2021. The role and composition of these Committees, along with the number of meetings held during FY2021 and the attendance of the members in the respective Committee are provided below:

i) Board Nomination and Remuneration Committee

Terms of reference

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To consider and approve employee stock option schemes and to administer and supervise the same.
- Approval of the policy for and quantum of bonus/long term performance pay (LTPP) payable to the employees.
- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down,

recommend to the Board their appointment and removal, and formulate a criteria for evaluation of every director's performance.

- To consider whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To approve the compensation programme and to ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- To ensure that the proposed appointments/re-appointments of key managerial personnel or directors are in conformity with the Board approved policy.
- To recommend re-constitution of Board Constituted Committees to the Board.
- To devise a policy on diversity of the Board.
- To recommend to the Board all remuneration, in whatever form, payable to senior management.
- To carry out any other function, if any, as prescribed in the terms of reference of the Board Nomination and Remuneration Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or by any other regulatory authority.

Composition

In terms of the provisions of the Act and Listing Regulations, Board Nomination and Remuneration Committee comprises of four (4) Members, out of which three (3) are Non-executive, Independent Directors and one (1) is Non-executive, Non-independent Director. The Board Nomination and Remuneration Committee is chaired by Uday Chitale, Non-executive, Independent Director of the Company. The composition of the Board Nomination and Remuneration Committee is given below along with the attendance of the Members. The Board Nomination and Remuneration Committee met five (5) times during the year under review on May 2, 2020, May 10, 2020, July 16, 2020, October 23, 2020 and January 19, 2021.

Attendance record of the Members

Name of the Director	Number of Meetings held	Number of Meetings attended
Uday Chitale, Chairperson	5	5
Lalita D. Gupte	5	5
Ashvin Parekh	5	5
Vishakha Mulye ¹	5	5
Sandeep Batra ²	NA	NA

¹Ceased to be member of the Committee w.e.f. January 19, 2021.

²Inducted as member of the Committee w.e.f. January 19, 2021

ii) Audit Committee

Terms of reference

(i) Accounts and Audit:

- Oversee the financial statements, financial reporting process under Indian GAAP and US GAAP, statement of cash flow and disclosure of its financial information, both on an annual and quarterly basis, to ensure that the financial statement is correct, sufficient and credible.
- Recommend the appointment, re-appointment, terms of appointment and, if required, the replacement or removal; remuneration, reviewing (with management) performance, and oversight of the work of the auditors (internal/statutory/concurrent) and to review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Evaluation of internal financial controls and risk management systems.
- Discuss with the statutory auditors before the audit commences, about the nature and scope of audit, as well as, have post-audit discussions to address areas of concern.
- Approval of payment to statutory auditors and internal auditors or any of its associated persons or companies, for any other services rendered by them.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

➤ Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.

► Changes, if any, in accounting policies and practices and reasons for the same.

► Major accounting entries involving estimates based on the exercise of judgment by management.

► Significant adjustments made in the financial statements arising out of audit findings.

► Compliance with listing and other legal requirements relating to financial statements to the extent applicable.

► Approval or any subsequent modification and disclosure of any related party transactions of the Company. Provided that the Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed.

► Modified opinion(s) in the draft audit report.

- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval.
- To the extent applicable, review with the management, the statement of uses/end use / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matter, the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Scrutiny of inter-corporate loans and investments, if any.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Oversight of the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of the Company, whether raised by the auditors or by any other person.

(ii) Internal Audit

- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

- Oversee the efficient functioning of the internal audit department and review its reports. The Committee would additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.
- Set-up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.
- Discussion with internal auditors of any significant findings and follow up there on.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review with the management, performance of internal auditors, and the adequacy of the internal control systems.
- Look into the reasons for substantial defaults in the payment, if any, to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Review the functioning of the Whistle Blower/Vigil mechanism.

(iii) Compliance & Ethics:

- Review reports on the above and on proactive compliance activities aimed at increasing the Company's ability to meet its legal and ethical obligations, on identified weaknesses, lapses, breaches or violations and the controls and other measures in place to help detect and address the same.
- Discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches.
- Supervise and monitor matters reported using the Company's whistle blowing or other confidential mechanisms for employees and others to report ethical and compliance concerns or potential breaches or violations.
- Review of policy on appointment of insurance agents.
- To review and recommend appropriate policy to the Board as may be prescribed by IRDAI from time to time.

- Review key transactions involving conflict of interest.
- Monitor the directives issued/penalties imposed/penal action taken against the Company under various laws and statutes and action taken for corrective measures.
- Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate.
- To act as Compliance Committee to discuss level of compliance in the Company including the Company's code of ethics or conduct and any associated risks and to monitor and report to the Board on any significant compliance breaches.
- Review of disclosure under stewardship policy.
- Carrying out any other function, if any, as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013 or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or by any other regulatory authority

Composition

In terms of the provisions of the Act, Listing Regulations and IRDAI CG Guidelines, the Audit Committee comprises of five (5) Members, out of which four (4) are Non-executive, Independent Directors and one (1) is Non-executive, Non-independent Director.

The Audit Committee is chaired by Ashvin Parekh, Non-executive, Independent Director of the Company. The composition of the Audit Committee is given below along with the attendance of the Members. The Audit Committee met Ten (10) times during the year under review on May 1, 2020, May 2, 2020, July 3, 2020, July 16, 2020, July 17, 2020, August 21, 2020, October 22, 2020, October 23, 2020, January 18, 2021 and January 19, 2021.

Attendance record of the Members

Name of the Director	Number of Meetings held	Number of Meetings attended
Ashvin Parekh, Chairperson	10	10
Lalita D. Gupte	10	10
Uday Chitale	10	10
Murali Sivaraman	10	10
Sandeep Batra	10	10

iii) Investment Committee

Terms of reference

- Overseeing the implementation of the investment policy approved by the Board from time to time.
- Reviewing the investment policy.
- Periodically updation to the Board with regard to investment activities of the Company.
- Reviewing the investment strategies adopted from time to time and giving suitable directions as needed in the best interest of the Company.
- Reviewing the broker policy and making suitable amendments from time to time.
- Reviewing counter party/intermediary exposure norms.
- Supervising the asset allocation strategy to ensure financial liquidity, security and diversification through liquidity contingency plan and asset liability management policy.
- Overseeing the assessment, measurement and accounting for other than temporary impairment in investments in accordance with the policy adopted by the Company.
- Reviewing the stewardship policy of the Company.

Composition

In terms of IRDAI CG Guidelines, the Investment Committee comprises of Six (6) Members, out of which one (1) is Non-executive, Independent Director, one (1) is Non-executive, Non-independent Director, one (1) is Managing Director & CEO, the Chief-Investment Officer, the Chief Financial Officer & Chief Risk Officer and Appointed Actuary of the Company. The Investment Committee is chaired by Suresh Kumar, Non-executive, Independent Director of the Company.

The composition of the Investment Committee is given below along with the attendance of the Members. The Investment Committee met four (4) times during the year under review on May 1, 2020, July 16, 2020, October 22, 2020 and January 18, 2021.

Attendance record of the Members:

Name of the Director	Number of Meetings held	Number of Meetings attended
Suresh Kumar, Chairman	4	4
Sandeep Batra	4	4
Bhargav Dasgupta	4	4
Gopal Balachandran	4	4
Vinod Mahajan	4	4
Prasun Kumar Sarkar*	2	2

*IRDAI vide its letter dated August 26, 2020 had approved the appointment of Prasun Kumar Sarkar as Appointed Actuary and with effect from August 27, 2020, Prasun Kumar Sarkar had taken charge as an Appointed Actuary of the Company.

iv) Risk Management Committee

Terms of reference

- Assisting the Board in effective operation of the risk management programme by performing specialised analysis and quality reviews.
- Reporting to the Board details on the risk exposures and the actions taken to manage the exposures.
- Advising to the Board with regard to risk management decisions in relation to strategic and operational matters.
- Review of the Company's risk management and operational risk related policies/frameworks including those relating to cyber security.
- To review the Company's risk - reward performance to align with overall policy objectives.
- To review the solvency position of the Company on a regular basis.
- To monitor and review regular updates on business continuity.
- To review and recommend appropriate policy including establishment of effective Risk Management framework, risk management policy and processes, to the Board as may be prescribed by IRDAI from time to time.

- To review the Company's risk management and operational risk related policies/frameworks including fraud monitoring policy & framework and anti-fraud policy & framework and monitoring implementation of anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds.
- To maintain a group-wide and aggregated view on the risk profile of the Company in addition to the solo and individual risk profile for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.
- To carry out any other function, if any, as prescribed in the terms of reference of the Risk Management Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, or by any other regulatory authority.

Composition

In terms of the provisions of the Act, Listing Regulations and IRDAI CG Guidelines, the Risk Management Committee comprises of seven (7) Members, out of which five (5) are Non-executive, Independent Directors, one (1) is Non-executive, Non-independent Director and one (1) is Managing Director & CEO. The Risk Management Committee is chaired by Lalita D. Gupte, Non-executive, Independent Director of the Company.

The composition of the Risk Management Committee is given below along with the attendance of the Members. The Risk Management Committee met four (4) times during the year under review on May 1, 2020, July 16, 2020, October 22, 2020 and January 18, 2021.

Attendance record of the Members:

Name of the Director	Number of Meetings held	Number of Meetings attended
Lalita D. Gupte, Chairperson	4	4
Ved Prakash Chaturvedi	4	4
Uday Chitale	4	4
Suresh Kumar	4	4
Ashvin Parekh	4	4
Bhargav Dasgupta	4	4
Sandeep Batra ¹	4	4
Vishakha Mulye ²	NA	NA

¹Ceased to be member of the Committee w.e.f. January 19, 2021

²Inducted as member of the Committee w.e.f. January 19, 2021.

v) Policyholders Protection Committee

Terms of reference

- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries.
- Ensuring compliance with the statutory requirements as laid down in the regulatory framework.
- Reviewing the mechanism at periodic intervals.
- Ensuring adequacy of “material information” to the policyholders to comply with the requirements laid down by the authority both at the point of sale and periodic intervals.
- Reviewing the status of complaints at periodic intervals.
- Details of grievance at periodic intervals in such formats as may be prescribed by the authority.
- Providing details of insurance ombudsman to the policyholders.
- Monitoring of payments of dues to the policyholders and disclosure of unclaimed amount thereof.
- Review of regulatory reports to be submitted to various authorities.
- To review the standard operating procedures for treating the customer fairly including timeframes for policy and claims servicing parameters and monitoring implementation thereof.
- To review the framework for awards given by Insurance Ombudsman/Consumer Forums. Analyze the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any.
- To review all the awards given by Insurance Ombudsman/Consumer Forums remaining un-implemented for more than three (3) months with reasons therefore and report the same to the Board for initiating remedial action, where necessary.
- To review claim report including status of outstanding claims with ageing of outstanding claims.
- To review repudiated claims with analysis of reasons.
- Monitoring of the implementation of the approved proposals under IRDAI Sandbox Regulation.

Composition

In terms of IRDAI CG Guidelines, the Policyholders Protection Committee comprises of five (5) Members, out of which four (4) are Non-executive, Independent Directors and one (1) is Managing Director & CEO. The Policyholders Protection Committee is chaired by Ashvin Parekh, Non-executive, Independent Director of the Company. The composition of the Policyholders Protection Committee is given below along with the attendance of the Members. The Policyholders Protection Committee met four (4) times during the year under review on May 2, 2020, July 17, 2020, October 23, 2020 and January 19, 2021.

In accordance with IRDAI CG Guidelines, the Company has appointed P J Joseph as a representative of customers who is invited in every Policyholders Protection Committee Meeting.

Attendance record of the Members:

Name of the Director	Number of Meetings held	Number of Meetings attended
Ashvin Parekh, Chairperson	4	4
Ved Prakash Chaturvedi	4	4
Uday Chitale	4	4
Murali Sivaraman	4	4
Bhargav Dasgupta	4	4

vi) Corporate Social Responsibility Committee

Terms of reference

- Formulation of corporate social responsibility policy indicating the activities to be undertaken by the Company.
- Recommend to the Board the amount of expenditure to be incurred on the corporate social responsibility activities.
- Monitor the corporate social responsibility policy of the Company from time to time.

Composition

In terms of the provisions of the Act, the Corporate Social Responsibility Committee comprises of Four (4) Members, out of which three (3) are Non-executive, Independent Directors and one is (1) Managing Director & CEO. The Corporate Social Responsibility Committee is

chaired by Uday Chitale, Non-executive, Independent Director of the Company. The composition of the Corporate Social Responsibility Committee is given below along with the attendance of the Members. The Corporate Social Responsibility Committee met two (2) times during the year under review on May 1, 2020 and July 16, 2020.

Attendance record of the Members:

Name of the Director	Number of Meetings held	Number of Meetings attended
Uday Chitale, Chairperson	2	2
Ved Prakash Chaturvedi	2	2
Murali Sivaraman	2	2
Bhargav Dasgupta	2	2

ii) Stakeholders Relationship Committee

Terms of reference

- Consider and resolve grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities.
- Redemption of securities and the listing of securities on stock exchanges.
- Allotment of shares and securities.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- Carrying out any other function as may be decided by the Board or prescribed under the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, or by any other regulatory authority.

Composition

In terms of the provisions of the Act and Listing Regulations, the Stakeholders Relationship Committee comprises of Four (4) Members, out of which two (2) are Non-executive, Independent Directors, one (1) is Managing Director & CEO and one (1) Executive Director-Retail. The Stakeholders Relationship Committee is chaired by Suresh Kumar, Non-executive, Independent Director of the Company. The composition of the Stakeholders Relationship Committee is given below along with the attendance of the Members. The Stakeholders Relationship Committee met four (4) times during the year under review on May 1, 2020, July 17, 2020, October 22, 2020 and January 18, 2021.

Attendance record of the Members:

Name of the Director	Number of Meetings held	Number of Meetings attended
Suresh Kumar, Chairperson	4	4
Ved Prakash Chaturvedi	4	4
Bhargav Dasgupta	4	4
Sanjeev Mantri	4	4

Vikas Mehra, Company Secretary also acts as the Compliance Officer of the Company in accordance with the requirements of Listing Regulations.

Details of Shareholders' Complaints:

Sr No.	Particular	No.
1.	No. of Shareholders' complaints pending as on April 1, 2020	0
2.	No. of Shareholders' complaints received during the year	1
3.	No. of Shareholders' complaints resolved during the year	1
4.	No. of Shareholders' complaints pending as on March 31, 2021	0

During the year under review, the Company has not received any complaints w.r.t. Non-convertible Debentures of the Company.

viii) Strategy Committee

Terms of reference

Evaluation of various strategic opportunities including acquisitions/divestitures and other strategic initiatives for the Company.

Composition

The Strategy Committee comprises of Four (4) Members, out of which two (2) are Non-executive, Independent Directors, one (1) is Non-executive, Non-independent Director and one (1) is Managing Director & CEO. The Strategy Committee is chaired by Uday Chitale, Non-executive, Independent Director of the Company. Ashvin Parekh, Vishakha Mulye and Bhargav Dasgupta are the Members of the Committee. During the year under review, no strategy committee meeting was held.

ANNUAL PERFORMANCE EVALUATION OF DIRECTORS, CHAIRPERSON, THE BOARD AND ITS COMMITTEES

The Company with the approval of its Board Nomination & Remuneration Committee has put in place an evaluation framework for evaluation of the Board, its Committees, Chairperson and individual Directors.

Some of the key factors against which the Board's performance is assessed:

- Discharge of responsibilities and obligations
- Effectiveness in overseeing the material issues
- Providing strategic supervision
- Quality and timeliness of information flow between the management and the Board for decision-making

The evaluation of the Directors, the Board, Chairperson of the Board and the Committees is carried out through circulation of different questionnaires for each group.

The performance of the Board is assessed basis its roles, responsibilities and obligations, relevance of Board discussions, attention to strategic issues, performance on key areas, providing feedback to executive management, and assessing the quality, quantity and timeliness of flow of information between the management and the Board to effectively and reasonably perform their duties.

The evaluation of Directors is assessed basis their participation, contribution and guidance to the Board and understanding of areas in their capacity as its members.

The evaluation criteria for the Chairperson of the Board besides the criteria for assessment of all Directors, focusses incrementally on leadership abilities, effective management of meetings, preservation of interest of stakeholders, ability to guide the Company in key matters and knowledge & understanding of relevant areas.

The evaluation of the Committees is based on

assessment of the clarity with which their mandate is defined, effective discharge of terms of reference and assessing effectiveness of contribution of their deliberation/ recommendations to the functioning/ decisions of the Board.

The Board Nomination and Remuneration Committee evaluated performance of Board as a whole and individual directors including chairperson of the Board. In a separate meeting of Independent Directors, performance of Non-independent Directors and of the Board as a whole was evaluated. Performance of the Chairperson was evaluated taking into account the views of Executive Directors and Non-executive Directors.

At the Board meeting that followed the meetings of Board Nomination and Remuneration Committee and Independent Directors, the overall performance evaluation process for FY2021 was discussed and the Board determined that the performance evaluation of Board, its Committees, Chairperson and individual Directors was satisfactory.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of the industry and the business model of the Company through induction programmes at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time. The details of the familiarization programmes have been hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/policies-of-the-company/familiarisation-programme.pdf>

The Company apprises new Director about the industry / business in which it operates, its business model. It also familiarizes new Director about the dynamics of the insurance industry to help them in meaningful deliberations and in taking informed decisions.

While inducting a Director on the Board, the Company issues a formal letter of appointment to Director which, inter alia, explains role, functions, duties and responsibilities of the Director and the Board's expectations from the Director.

The programme helps the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips Director to effectively fulfill their role.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company with the approval of its Board Nomination and Remuneration Committee has put in place a Policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes and independence of a Director as well as a policy on Board Diversity.

The Policy on Board Diversity is hosted on the website of the Company and can be viewed at

<https://www.icicilombard.com/docs/default-source/policies-of-thecompany/board-diversity-policy.pdf>

The remuneration payable to Non-executive, Independent Directors is governed by the provisions of the Act and related rules to the extent applicable and IRDAI guidelines issued in this regard. The remuneration for the Non-executive, Independent Directors of the Company would be sitting fee for attending each meeting of the Board/Committee as approved by the Board from time to time within the limits as provided under the Act and related rules. Further, in compliance with IRDAI guidelines and the Act, Non-executive, Independent Directors of the Company are also paid profit related commission as approved by Board of Directors and Members of the Company from time to time.

Further, Board of Directors at their meeting held on April 17, 2021 had approved payment of profit related commission for FY2021 to Non-executive, Independent Directors of the Company.

IRDAI vide its circular dated August 30, 2018 has issued Guidelines on appointment of Common/Nominee Director(s) on the Board of Insurance Company, wherein it is prescribed that no remuneration (except sitting fees to Non-executive Directors) shall be paid without prior approval of the IRDAI. Accordingly, during the year under review, the Company had received approval from IRDAI for payment of profit related commission to common Directors for FY2020.

All the Non-executive, Independent Directors would be entitled to reimbursement of expenses for attending Board/ Committee Meetings and official visits. The Policy on Appointment and Compensation of Employees and Framework for Remuneration to Non-executive Directors is hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/shareholding-pattern/remuneration-policy-icici-lombard.pdf>

INDEPENDENT DIRECTOR'S MEETING

The code of conduct for Independent Directors prescribed

vide Schedule IV of the Act, provides for an evaluation mechanism for the Board/Chairperson/Non-executive Directors/Whole-time Directors which would need to be done at a separate Meeting of Independent Directors, without the attendance of Non-independent Directors and members of management.

Independent Directors of the Company met on May 2, 2020, without the presence of Whole-time Directors, Non-executive, Non-independent Directors and management personnel to discuss the framework for evaluation of Directors. All Independent Directors of the Company were present at this meeting. Uday Chitale chaired the meeting of Independent Directors.

Further, a meeting of Non-executive Directors with Non-executive Chairperson is held every quarter without any of the Whole-time Directors being present, to discuss issues and concerns, if any.

POST-MEETING FOLLOW-UP SYSTEM

The Company has an effective post-meeting follow-up system. The Company tracks important decisions taken and discussions held at the Board and Board Committee meetings. After each Board and Board Committee meeting, action points arising out of it are immediately informed to the respective stakeholders within the Company for necessary required action. An action taken report is placed before Board and Committee.

DIRECTORS AND OFFICERS INSURANCE

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has taken Directors and Officers Insurance for all its Directors.

SUCCESSION PLANNING

The succession plan of the Company is focussed on identifying and grooming the talent pool for senior positions and classifying them as per readiness for the identified roles. This talent pool is reviewed annually, on the basis of which plans are deployed consistently. Further, a succession readiness assessment and gap analysis are done to take decisions on attracting external talent, particularly in niche skill areas.

At the mid to senior management levels, talent assessment and development process ensures that apart from performance, potential is also assessed and developed. A 360-degree feedback and assessment through cross-functional Talent Councils provides holistic leadership feedback, which helps design specific learning and development interventions for the leadership teams

ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including Committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible, to ensure compliance with applicable Corporate laws, to provide guidance to Directors and to facilitate convening of meetings. The Company Secretary interfaces between the management and regulatory authorities for corporate governance related matters.

DETAILS OF MANAGERIAL REMUNERATION FOR FY2021

i) Whole-time Directors:

In view of the unprecedented situation of the COVID-19 pandemic and its impact, the Board at its meeting held on May 2, 2020, based on the recommendation of the Board

Nomination and Remuneration Committee approved the proposal for no revision in the remuneration of the Whole-time Directors of the Company for FY2021.

Further, the Board of Directors, at their meeting held on May 10, 2020, based on the recommendation of the Board Nomination and Remuneration Committee approved the grant of stock options to Whole-time Directors of the Company under ICICI Lombard Employees Stock Options Scheme-2005 for FY2021, subject to the approval of Members of the Company and IRDAI. Subsequently, the Board of Directors, at their meeting held on July 17, 2020, based on the recommendation of the Board Nomination and Remuneration Committee approved revision in the value of perquisites of Whole-time Directors in order to align the same with ICICI Group Scheme for FY2021, subject to the approval of Members of the Company and IRDAI.

The Members of the Company had approved the revision in the remuneration of Whole-time Directors of the Company at their Twentieth AGM held on August 13, 2020. Further, IRDAI vide its letter dated April 5, 2021 had approved the revision in remuneration of the Whole-time Directors of the Company for FY2021.

Particulars	Details of Remuneration (₹ in millions)		
	Bhargav Dasgupta	Alok Kumar Agarwal	Sanjeev Mantri
Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961			
Salary and Allowances for FY2021	44.08	24.40	28.12
Variable pay paid in FY2021 including deferred variable pay for previous years ¹	23.02	13.01	13.80
Value of perquisites under Section 17(2) of the Income-tax Act, 1961²			
Perquisites	2.43	2.96	0.95
Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
Stock Options – ICICI Lombard General Insurance Company Limited (nos)	246,000	104,500	118,500
Sweat Equity	-	-	-
Commission - as % of profit - others, specify	-	-	-
Others - Retirals (PF ³)	2.94	1.35	1.57

Note: For the financial year ended March 31, 2021 the numbers indicated are the amounts paid/options granted during FY2021 as per IRDAI approvals.

¹ The Variable pay includes deferred variable pay of previous years as approved by IRDAI and paid during FY2021.

² Value of perquisites exclude stock options exercised during FY2021 which does not constitute remuneration paid to the Whole-time Directors for FY2021.

³ Provident fund contribution made by the Company in excess of ₹ 0.75 million has been considered in Perquisites.

Provisions towards gratuity, leave accrued and long term performance pay are determined actuarially on an overall basis and accordingly have not been considered for the above disclosure.

ii) Non-executive, Independent Directors:

The Company's Non-Executive and Independent Directors do not have any pecuniary relationships or transactions with the Company, other than insurance policies taken by them, if any in the ordinary course of business, sitting fees and reimbursements paid to them for attending Board and Committee Meetings, profit related commission and dividend in the capacity as a shareholder. As provided in the Articles of Association of the Company, the fees payable to the Non-executive, Independent Directors for attending a Meeting of the Board or Committee thereof is decided by the Board from time to time within the limits prescribed by the Act.

The details of sitting fees and profit-related commission paid to Non-executive, Independent Directors of the Company during FY2021 are as follows:

Name of the Director	Sitting fees	Profit-related Commission ¹ (₹ in million)
Lalita D. Gupte	1.60	1.00
Uday Chitale ²	1.78	1.00
Ved Prakash Chaturvedi	1.25	1.00
Ashvin Parekh ²	1.72	1.00
Suresh Kumar	1.19	1.00
Murali Sivaraman	1.51	1.00

¹ Profit related commission for FY2021 will be paid in FY2022.

² Being Common Directors, as per IRDAI guidelines profit related commission is subject to approval of IRDAI.

(iii) Non-executive, Non-independent Directors:

Non-executive, Non-independent Directors were not eligible for any sitting fees and profit-related commission during FY2021.

Compensation Policy and Practices

Remuneration disclosures pursuant to IRDAI guidelines

Pursuant to IRDAI guidelines on Remuneration of Non-executive Directors and Managing Director/ Chief Executive Officer/Whole-time Directors of Insurers ("IRDAI Guidelines") issued vide reference no. IRDA/F&A/GDL/LSTD/155/08/2016 dated August 5, 2016

requires the Company to make the following disclosures on remuneration on an annual basis in the Annual Report:

(i) Qualitative Disclosures

A. Information relating to the design and structure of remuneration processes

1. Key features and objectives of remuneration policy

The Company has under the guidance of the Board and the Board Nomination and Remuneration Committee ("BNRC/Committee"), followed compensation practices intended to drive meritocracy and fairness.

The twin pillars of performance management and talent management system are closely intertwined with the compensation, benefits and reward mechanism of the Company. While the Company strives to ensure internal and external equity that are consistent with emerging market trends, its business model and affordability based on business performance sets the overarching boundary conditions. This approach has been incorporated in the Compensation Policy, the key elements of which are given below:

a. Effective governance of compensation:

The BNRC has oversight over compensation. The Committee defines Key Performance Indicators (KPIs) for Whole-time Directors and the organisational performance norms for bonus based on the financial and strategic plan approved by the Board. The KPIs include both quantitative and qualitative aspects. The BNRC assesses organizational performance as well as the individual performance for Whole-time Directors of the Company. Based on its assessment, it makes recommendations to the Board regarding compensation for the Whole-time Directors of the Company and bonus for employees, including senior management and key management personnel.

b. Alignment of compensation philosophy with prudent risk taking:

The Company seeks to achieve a prudent mix of fixed and variable pay, with a higher proportion of variable pay at senior levels and no guaranteed bonuses. Compensation is sought to be aligned to both financial and non-financial indicators of performance including aspects like risk management and customer service. In addition, the Company has an employee stock option scheme aimed at aligning compensation to long term performance through stock option grants that vest over a period of time to senior management and Whole-time Directors. Compensation to

staff in financial and risk control functions is independent of the business areas they oversee and depends on their performance assessment.

2. Whether the Remuneration Committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made.

The Company's Remuneration Policy was reviewed by the BNRC and the Board at their meeting held on May 2, 2020. There were no changes made in the Remuneration Policy.

3. Discussion of how the Company ensures that risk and compliance employees are remunerated independently of the businesses they oversee.

The compensation of staff engaged in control functions like risk and compliance depends on their performance, which is based on achievement of the key results of their respective functions. Their goal sheets do not include any business targets.

B. Description of the ways in which current and future risks are taken into account in the remuneration processes

1. Overview of the key risks that the Company takes into account while implementing remuneration measures.

The Board approves the risk framework for the Company and the business activities of the Company are undertaken within this framework to achieve the financial plan. The risk framework includes the Company's risk appetite, limits framework and policies and procedures governing various types of risk. KPIs of Whole-time Directors as well as employees, incorporate relevant risk management related aspects. For example, in addition to performance targets in areas such as growth and profits, performance indicators include aspects such as Combined Ratio. The BNRC takes into consideration all the above aspects while assessing organizational and individual performance and making compensation related recommendations to the Board.

2. Overview of the nature and type of key measures used to take account of these risks, including risk difficult to measure.

The annual performance targets and performance evaluation incorporate both qualitative and quantitative aspects including combined ratio, reserving and refinement/improvement of the risk management framework.

3. Discussion of the ways in which these measures affect remuneration.

Every year, the financial plan/targets are formulated in conjunction with a risk framework with limit structures for various areas of risk/lines of business, within which the Company operates to achieve the financial plan. To ensure effective alignment of compensation with prudent risk taking, the BNRC takes into account adherence to the risk framework in conjunction with which the financial plan/targets have been formulated. KPIs of Whole-time Directors as well as employees, incorporate relevant risk management related aspects. For example, in addition to performance targets in areas such as growth and profits, performance indicators include aspects such as the combined ratio and reserving. The BNRC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation related recommendations to the Board.

4. Discussion of how the nature and type of these measures have changed over the past year and reasons for the changes, as well as the impact of changes on remuneration.

The nature and type of these measures have not changed over the past year and hence, there is no impact on remuneration.

C. Description of the ways in which the Company seeks to link performance during a performance measurement period with levels of remuneration

1. Overview of main performance metrics for the Company, top level business lines and individuals.

The main performance metrics include business growth, market share, profits, strategic goals for future, risk metrics (such as combined ratio), compliance with regulatory norms, refinement of risk management processes and customer service. The specific metrics and weightages for various metrics vary with the role and level of the individual.

2. Discussion of how amounts of individual remuneration are linked to the Company-wide and individual performance.

The BNRC takes into consideration all the above aspects while assessing organisational and individual performance and making compensation related recommendations to the Board regarding the level of performance bonus for employees and the performance assessment of Whole-time Directors. The performance assessment of individual employees is undertaken based on achievements vis-à-vis their goal sheets, which incorporate the various aspects/metrics described earlier.

3. Discussion of the measures the Company will in general implement to adjust remuneration in the event that performance metrics are weak, including the Company's criteria for determining 'weak' performance metrics.

The Company's Compensation Policy outlines the measures which the Company will implement in the event of a reasonable evidence of deterioration in financial performance. In case such an event occur in the manner

outlined in the policy, the BNRC may decide to apply malus/clawback on none, part or all of the unvested deferred variable compensation.

(ii) Quantitative disclosures (Whole-time Directors including Managing Director and CEO)

The following table sets forth, for the period indicated, the details of quantitative disclosure for remuneration of Whole-time Directors:

Particulars	At March 31, 2021
Number of Whole-time Directors including Managing Director and CEO having received a variable remuneration award during the financial year	3
Number and total amount of sign-on awards made during the financial year	Nil
Details of guaranteed bonus, if any, paid as joining / sign on bonus	Nil
Breakdown of amount of remuneration awards for the financial year (₹ in million)	
Fixed ¹	107.37
Variable ²	28.52
Deferred	NIL
Non-deferred	28.52
Share-linked instruments ²	
Stock Options – ICICI Lombard General Insurance Company Limited (nos.)	469,000
Total amount of deferred remuneration paid out during the year (₹ in million)	21.30
Total amount of outstanding deferred remuneration	
Cash (₹ in million)	23.13
Shares (nos.)	NIL
Shares-linked instruments ²	
ICICI Bank ³	687,680
ICICI Lombard	778,130
Other forms	NIL

¹ Fixed pay includes basic salary, supplementary allowances, contribution to provident fund and gratuity fund by the Company.

² For the year ended March 31, 2021, variable pay and share-linked instruments represent amounts paid/options awarded for the year ended March 31, 2020 as per IRDAI approval.

³ Pursuant to the issuance of bonus shares by the ICICI Bank under ICICI Bank ESOS scheme on June 24, 2017, the share-linked instruments have been adjusted with increase of one option for every 10 outstanding options.

INTERNAL CONTROL

The Company has adopted the following Frameworks in accordance with the requirements laid down under Corporate Governance Guidelines.

i. Internal Audit Framework

The Company has an established internal audit framework approved by the Board, which is based on a risk based approach. An annual risk-based internal audit plan is drawn up on the basis of risk profiling of the businesses/departments of the Company which is approved by the Audit Committee.

The key audit findings, the recommendations and compliance mechanism are reported to the Audit Committee every quarter. The Audit Committee actively monitors the implementation of its recommendations. The Chairman of the Audit Committee briefs the Board on deliberations at the Audit Committee Meeting in relation to the key audit findings.

In accordance with IRDAI directives, the Company carries out a concurrent audit of investment operations through a Chartered Accountant firm and reports the findings to the Audit Committee.

ii. Compliance framework

The Company has in place Compliance Monitoring Framework which articulates the compliance requirements of different activities of the Company with respect to the Insurance Laws, identification of assessment units and sub-assessment units, control mechanisms to mitigate the inherent risk and determination of residual risk. The compliance function of the Company disseminates the information regarding the relevant laws, regulations and circulars related to insurance business to various functions. It also serves as a reference point for the employees of various functions for seeking clarifications on applicable laws, regulations and circulars issued by the regulatory authorities. The compliance function of the Company also monitors the adequacy of the compliance framework across the Company through its compliance testing plan. Key issues observed as part of this monitoring are reported to the Audit Committee every quarter and implementation of recommendations is actively monitored. A compliance certificate signed by the Managing Director & CEO, based on the certification from respective functional heads, is placed at the Audit Committee and Board of Directors on a quarterly basis.

iii. Internal Controls over Financial Reporting

The Company has in place adequate internal financial

controls commensurate with size, scale and complexity of its operations. The effectiveness of internal controls over financial reporting is exhibited through controls testing with samples and has not reported any deficiencies. The Company has in place Entity Level Controls which broadly cover Corporate Governance, Core Committees, Core Policies and Risk and Fraud Control framework and have found no deficiencies in its annual evaluation for FY2021.

The COVID-19 pandemic outbreak has had far reaching impact on several critical risk areas of the business. The Company on assessment of the associated risks, commenced preparation for risk mitigation at the beginning of March 2020. The Company activated the Crisis Management Team ("CMT") that has been regularly reviewing the developing situation to calibrate the Company's response. The CMT conceptualised and formulated the business continuity plans for the Company prioritizing the dual objectives of employee safety and delivering customer commitments. From an entity level risk evaluation perspective, the Company believes that the risks arising out of the pandemic are presently at manageable levels for the Company. Processes and controls followed to prepare the financials are found to hold good and no new financial reporting risks were identified or observed on account of COVID-19. The Company is closely watching the developing situation for appropriate risk mitigation and management.

Risk Management Framework

The objective of the Risk Management Framework ("the Framework") of the Company is to ensure that various risks are identified, measured, mitigated and that policies, procedures and standards are established to address these risks for systemic response and adherence. The Company has identified enterprise wide risks, which are categorized under five broad risk groups namely Credit Risk, Market Risk, Underwriting Risk, Operational Risk and Strategic Risk. The broad structure of the Framework is as follows:

- Risk Identification, Assessment and Mitigation process;
- Risk Management and Oversight structure; and
- Risk Monitoring and Reporting Mechanism.

The Enterprise Risk Management ("ERM") function of the Company undertakes a comprehensive Risk and Control Self-Assessment (R & CSA) activity for all units forming part of the risk universe of the Company, to manage the existing and emerging risk areas for the Company.

The senior management of the Company is responsible for a periodic review of the risk management process to ensure that the process initiatives are aligned to the desired objectives.

The Company has an Operational Risk Management Committee, a Market Risk Management Committee and an Outsourcing Committee. The referred Committees are internal governance Committees comprising of various functional Heads of the organisation, to monitor the levels of risk and their effective management in different focused areas of ERM.

The risks are further monitored on a quarterly basis by using a heat map based on probability and severity. A Risk Register is maintained to capture inventory of risks that the Company is exposed to along with mitigation and corrective action plans. The Risk Management Committee is updated on the progress on a quarterly basis.

As part of the ERM exercise, critical risks along with the detailed mitigation plan are presented to the Risk Management Committee on a quarterly basis. The risk mitigation plans are monitored regularly by the Company to ensure their timely and appropriate execution. The Company further measures each of its risk items against a set of predefined tolerance levels. These levels and the subsequent tolerance scores are classified as high, medium and low risk respectively.

The Internal Audit Department is responsible for reviewing the adherence to various risk management processes within the Company and for the review of self-assessments of risk management activities. Further, compliance testing is done on a periodic basis and the Audit Committee is kept apprised of the outcome of the same.

The Reinsurance Program of the Company defines the retention limit for various classes of products. Further, the Company has in place a risk retention reinsurance philosophy, which defines the product-wise retention limits on a per-risk basis as well as a retention limit on a per-event basis. The Underwriting Policy defines product-wise approval limits for various underwriters. The Investment Policy lays down the asset allocation strategy to ensure financial liquidity, security and diversification. The Company also has in place a Capital Adequacy and Liquidity Management Framework and an Asset Liability Management Policy. These policies ensure maintenance of adequate level of capital at all times to meet diverse risks related to the market and the Company's operation. The Operational Risk Management Policy defines the tolerance limits and lays down the framework for monitoring, supervision, reporting and management of operational risks of the Company. The Company has also adopted the Information Security Policy and Cyber Security Policy in line with the Group Information Security Policy and the Guidelines issued by IRDAI on Information

& Cyber Security. The Company also has an Information Security Committee which reviews the key risks and mitigations plans with respect to information security.

Stress testing is conducted to identify and quantify the overall impact of different stress scenarios on the Company's financial position.

The Company was the first Indian Company to be certified by the British Standard Institution (BSI) for its Enterprise Risk Management Framework being compliant with the ISO 31000:2018 standard. The Company has successfully renewed its ISO certification for 3 years in 2021, subject to annual audits.

Cyber Security

Digital transformations have been making waves across all industries and there are multiple areas that are creating disruptions in technology. Such rapid digitization of businesses has made cyber security increasingly important. Focus on cyber security is also increasing rapidly due to many highly innovative and disruptive security breaches threatening financial services industry.

The Company has a governance framework for cyber & information security with oversight from the Information Security Committee which has executive level representatives from all functions within the Company. The security strategy is based on the principles of "defence in depth" strategy in order to strengthen the management of IT risk and controls. The triad of Confidentiality, Integrity, and Availability (CIA) forms the core of the Company's cyber & information security framework.

The Company has established a Board approved Information & Cyber Security Policy which also incorporates a cyber-crisis management plan. Implementation of the policy & plan ensures all information assets are safeguarded by establishing comprehensive management processes throughout the organization. The Company's cyber security approach covers all aspects of prevention, detection and response to cyber threats. Some of the implemented controls include Distributed Denial of Service (DDoS), Advanced Threat Prevention, Next Generation Firewall with integrated Intrusion Prevention System (IPS), Data Leakage Prevention, Threat Intelligence and Simulation services etc.

As part of our Information Security framework based on ISO 27001:2013 standard and guidelines from IRDAI, independent auditors periodically review, validate and certify the controls implemented by the Company.

RISK MANAGEMENT ASSESSMENT ON COVID-19

The COVID-19 pandemic outbreak has had far reaching ramifications in terms of its impact on human lives and business. The pandemic has impacted various organizations across the globe in unprecedented ways, including impacting several critical risk areas.

The Company, anticipating the spread of COVID-19 and the associated risks, commenced preparation for risk mitigation at the beginning of March 2020. The Company already had a Business Continuity Management Policy and Crisis Management Framework in place. The Company activated the Crisis Management Team ("CMT"). The CMT has been regularly reviewing the developing situation to calibrate the Company's response accordingly.

The broad measures undertaken by the Company to handle the Crisis arising due to spread of COVID-19, covers the critical areas of employee safety and social distancing, employee engagement and welfare, key initiatives with respect to re-alignment and review of internal processes, transactions and reporting and ensuring minimum business continuity objective.

The Company also undertook regular risk assessment and evaluation with respect to the impact of the pandemic outbreak on various areas of enterprise risk such as credit risk, market risk, underwriting risk, operational risk and strategic risk.

Certain key risk assessments undertaken by the Company in the wake of COVID -19 include therein the following:

I. Credit Risk Management

The Company faces a credit risk, predominantly with respect to its re-insurance and investments portfolio. The Company has a strong panel of reinsurers and during the renewal process had further improved the quality and strength of the panel. The top 10 international re-insurers on the panel of the Company are leading players in the global re-insurance market.

The solvency margin continues to be well over the regulatory prescribed limit of 1.5 times as at March 31, 2021, post the required calculations being carried out in accordance with regulatory norms.

The Company is continually monitoring the credit ratings of investee companies, and if a reasonable decline in credit worthiness of investee companies is observed, suitable remedial action would be undertaken, based on the specific situation at hand.

II. Market Risk Management

The Company closely monitors the market movement in the equity and debt portfolio and the Company risk management philosophy is that if the decline in the portfolio exceeds the risk appetite and risk tolerance thresholds defined in the Risk Management Framework, appropriate calls would be taken by the Company on its investment portfolio to address the same.

The Company has a defined risk threshold for quantum of investment in liquid assets to manage liquidity risk and the Company was within the risk tolerance threshold as on March 31, 2021.

III. Underwriting Risk Management

The Company is leveraging on technology and undertaking virtual risk inspections ("VRA") wherein customer site inspections are being undertaken via video streaming. The Company has also prepared detailed risk questionnaires (in cases where virtual inspection is difficult), wherein responses are being sought from customers and accordingly underwriting decisions are being taken, based on information furnished by the customers.

The Company is required to appoint a surveyor to undertake inspection of sites where a claim has been reported and submit a loss assessment report, prior to settlement of claims. The Company was focused on appointing those surveyors who possess the required technological tools for undertaking virtual surveys for claims assessment.

The impact of COVID-19 did not breach the overall risk appetite levels of the Company as at March 31, 2021 and the Company does not foresee the pandemic outbreak having a material impact on its profitability.

IV. Operational Risk Management

COVID-19 did not impact the Company's emphasis on the control environment, risk assessment, control activities, information and communication and monitoring controls except for a few operational deviations like:

- Relying on electronic document wherever physically signed document was procured earlier for policy booking.

- Exhibiting a maker-checker sign off via technology based approval platforms, which in normal circumstances are taken on hard copies in certain defined cases.

The Company kept a close focus on cyber security in a Work From Home ("WFH") environment. The cyber

security practices were strengthened in view of the external threat environment. WFH best practices including Do's and Don'ts were rolled out to users on a periodic basis using various digital communication channels in the Company.

Processes followed to prepare the financials were effective and no new financial reporting risks were observed. The Company did not observe any deviations in the process of procuring information for preparing the financials. The process of performing reconciliations to match the information in financial systems vis-a-vis the respective feeder systems is being followed in a business as usual environment.

V. Strategic Risk Management

The Company believes that on account of the pandemic outbreak and partial lockdown orders by the Government, the quantum of business sourced could be below the level of business done had there been no similar government orders.

By virtue of industries and offices staying partially closed, the quantum of new business sourced could be at lower

levels and the Company would aim at continuing to generate revenue through renewals of its current policies.

The Company took continual and proactive efforts on a sustained basis for educating policyholders through SMS, e-mails, etc. with respect to utilizing digital methods.

With respect to reputational risk management, the Company believes that there have been no untoward incident(s) faced, which would have a material impact on the brand reputation of the Company.

VI. Enterprise Risk Evaluation and Management

The incidence of COVID-19 related infections saw a huge surge in the second wave across India. This has resulted in some disruptions of business activities and higher rate of hospitalization, though low rate of mortality compared to the first wave of COVID-19 infections. Further, the new strains of virus being discovered on a periodic basis are a cause of concern and the extent of potential impact attributable to the new strains of virus is being observed carefully and cannot be predicted with certainty. The Company is closely watching the developing situation for appropriate risk mitigation and management.

GENERAL BODY MEETINGS:

i) Annual General Meetings

The details of the Annual General Meetings held in the last three financial years are given below:

Annual General Meeting	Day, Date	Time	Mode	Venue/Deemed Venue
Twentieth Annual General Meeting	Thursday, August 13, 2020	2.00 p.m.	Video Conferencing/Other Audio Visual Means	ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai 400 025
Nineteenth Annual General Meeting	Thursday, June 27, 2019	11.30 a.m.	Physical	Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai 400 025
Eighteenth Annual General Meeting	Thursday, July 12, 2018	2.30 p.m.	Physical	Swatantra Veer Savarkar Auditorium, 252, Shivaji Park, Dadar (West), Mumbai 400 028

The details of the Special Resolutions passed in the Annual General Meetings held in previous three financial years are given below:-

General Body Meeting	Day and Date	Special Resolution
Twentieth Annual General Meeting	Thursday, August 13, 2020	No special resolution was passed
Nineteenth Annual General Meeting	Thursday, June 27, 2019	No special resolution was passed
Eighteenth Annual General Meeting	Thursday, July 12, 2018	1. Approval and ratification of ICICI Lombard General Insurance Company Limited-Employee Stock Option Scheme-2005; 2. Approval to Grant of Employee Stock Option to the Employees/Directors of Holding and Subsidiary Company(ies) (Present & Future) under the Revised Scheme.

ii) Extraordinary General Meeting (EGM):

No Extraordinary General Meeting was held during the financial year under review.

iii) National Company Law Tribunal convened Meeting:

The Board of Directors of the Company at their Meeting held on August 21, 2020 had approved demerger of the general insurance business of Bharti AXA General Insurance Company Limited into the Company through Scheme of Arrangement. In compliance with Order dated December 18, 2020 passed by the Hon'ble National Company Law Tribunal, Mumbai Bench in the Company Scheme Application No. CA (CAA) 1152/MB/2020, a meeting of the equity shareholders of the Company was held on Tuesday, February 23, 2021 at 2:30 p.m. (IST) through Video Conference/ Other Audio Visual Means to consider and approve the Scheme of Arrangement amongst Bharti AXA General Insurance Company Limited and ICICI Lombard General Insurance Company Limited and their respective shareholders and creditors under Sections 230 to 232, other applicable provisions of the Companies Act, 2013 and Sections 35 to 37 of the Insurance Act, 1938. The Scheme was approved by majority of equity shareholders representing three-fourth in value of the equity shareholders of the Company voted through remote e-voting and e-voting during the Meeting. The voting Results of the aforesaid meeting are available on the website of the Company.

iv) Postal Ballot:

During FY2021, the members of the Company had passed Ordinary resolution on December 11, 2020 for re-appointment of Alok Kumar Agarwal (DIN: 03434304), as a Whole-time Director designated as Executive Director-Wholesale of the Company.

Procedure

The Company follows the procedure as prescribed under Section 108 and Section 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, Secretarial Standards-2 on General Meetings, MCA Circulars dated April 8, 2020, April 13, 2020, June 15, 2020, September 28, 2020 and December 31, 2020 (collectively referred to as "MCA Circulars") and Regulation 44 of Listing Regulations, as amended from time to time. The Members were provided the facility to cast their votes through electronic voting (e-voting) only pursuant to MCA Circulars. The Board of Directors of the Company, appointed Ashwini Inamdar (Membership No. F9409), Partner and failing her, Atul Mehta (Membership No. F5782), Partner, representing Mehta & Mehta, practicing company secretaries as the Scrutinizer for

conducting the postal ballot process. The Scrutinizer submitted their report after the completion of the scrutiny of the e-voting. Based on the Scrutiniser's Report, the resolution was passed on December 11, 2020 and the result of Postal Ballot was declared on December 11, 2020 and communicated to the stock exchanges and displayed on the Company's website at www.icicilombard.com.

DETAILS OF THE ORDERS PASSED BY THE REGULATORS/COURTS/ TRIBUNALS DURING THE YEAR

The Company in its ordinary course of business receives order from Regulators / Courts / Tribunals. There are no significant material orders passed by the Regulators / Courts / Tribunals which would impact the going concern status of the Company and its future operations.

MEANS OF COMMUNICATION

It is the Company's belief that all stakeholders should have access to complete information regarding its position to enable them to accurately assess its future potential. The Company disseminates information on its operations and initiatives on a regular basis. The Company's website (www.icicilombard.com) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. It provides comprehensive information on the Company's strategy, financial performance, operational performance and the latest press releases.

The Company's investor relations personnel respond to specific queries and play a proactive role in disseminating information to both analysts and investors. All information which could have a material bearing on the Company's share price is released as per regulatory requirements. The information is also disseminated to the NSE and BSE from time to time.

The financial and other information and the various compliances as required/prescribed under the SEBI regulations are filed electronically with NSE and BSE through NSE Electronic Application Processing System (NEAPS) and through BSE Listing Centre, respectively and are also available on their respective websites in addition to the Company's website. Additionally, information is also disseminated to BSE and NSE wherever required through e-mail.

The Company's quarterly financial results are published in the Financial Express (Mumbai, Pune, Ahmedabad, Lucknow, Delhi, Calcutta, Chandigarh, Chennai, Bangalore, Hyderabad, Cochin edition) and LokSatta (Mumbai

edition). The financial results, official news releases, corporate presentation, quarterly earning call transcripts and quarterly earning call audio recording are also available on the Company's website and can be viewed at <https://www.icicilombard.com/investor-relations>.

The Annual Report containing, inter alia, Audited Financial Statement, Board's Report, Auditors' Report, Management Discussion and Analysis Report and other important information is circulated to the members and others entitled thereto. The Annual Report is also available on the website of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the financial year under review, is presented in a separate section, forming part of this Annual Report.

GENERAL SHAREHOLDERS INFORMATION

In view of the outbreak of the Covid-19 pandemic, social distancing is a pre-requisite and accordingly the AGM is proposed to be convened through Video Conference ("VC") / Other Audio Visual Means ("OAVM"), in compliance with applicable provisions of the Act read with the General Circular dated April 8, 2020, General Circular dated April 13, 2020, General Circular dated May 5, 2020 and General Circular dated January 13, 2021, issued by the Ministry of Corporate Affairs ("MCA"). Considering the same, the deemed venue for 21st AGM shall be the registered office of the Company. In view of the same, the Members of the Company are given the facility to attend and participate in the AGM through VC/ OAVM, by following the procedure mentioned in the Notice of the AGM.

Registration No.	129408
Corporate Identification Number (CIN)	L67200MH2000PLC129408
Financial Year	2020-21
Board meeting for adoption of Audited Financial Accounts	Saturday, April 17, 2021
Day, Date and Time of 21 st Annual General Meeting	Tuesday, August 10, 2021 at 2:00 p.m.
Financial Year	April 1- March 31
Book Closure	August 4, 2021 to August 10, 2021
Date of Dividend Payment	On or before September 8, 2021
Company's Website	www.icicilombard.com

v) Dividend History along with its date of transfer to Investor Education and Protection Fund ("IEPF"):

FY2020-21

Dividend Type	Percentage	Date of Declaration	Date of Transfer to IEPF
Interim	40.0	March 5, 2021	April 5, 2028

FY2019-20

Dividend Type	Percentage	Date of Declaration	Date of Transfer to IEPF
Interim	35%	October 18, 2019	November 18, 2026

FY2018-19

Dividend Type	Percentage	Date of Declaration	Date of Transfer to IEPF
Final	35%	June 27, 2019	August 5, 2026
Interim	25%	October 20, 2018	November 19, 2025

FY2017-18

Dividend Type	Percentage	Date of Declaration	Date of Transfer to IEPF
Final	25%	July 12, 2018	August 13, 2025
Interim	7.5%	October 17, 2017	November 16, 2024
Interim	7.5%	June 23, 2017	July 29, 2024

FY2016-17

Dividend Type	Percentage	Date of Declaration	Date of Transfer to IEPF
Interim	10%	March 25, 2017	April 30, 2024
Interim	10%	December 23, 2016	January 29, 2024
Interim	8%	September 26, 2016	November 1, 2023
Interim	7%	June 27, 2016	August 2, 2023

FY2015-16

Dividend Type	Percentage	Date of Declaration	Date of Transfer to IEPF
Interim	7.5%	March 28, 2016	April 27, 2023
Interim	7.5%	December 24, 2015	January 29, 2023
Interim	7.5%	September 28, 2015	October 30, 2022
Interim	7.5%	June 23, 2015	July 29, 2022

FY2014-15

Dividend Type	Percentage	Date of Declaration	Date of Transfer to IEPF
Interim	5.0%	March 26, 2015	May 1, 2022

Members who have not claimed their dividend so far in respect of aforesaid periods, are requested to make their claims by sending an e-mail to inward@kfintech.com or investors@icicilombard.com before the same are due for transfer to IEPF.

Further, pursuant to the provisions of Section 124 of the Act, read with the relevant Rules made thereunder, shares on which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred to the IEPF.

During the year under review, the Company had sent multiple reminders to the shareholders whose dividend were unclaimed to claim their dividend. The Company also provided necessary assistance to the members to claim their unpaid/unclaimed dividend. The Company has also hosted the details of unclaimed dividend on the website of the Company at <https://www.icicilombard.com/investor-relations>. Vikas Mehra, Company Secretary is Nodal Officer and Akshay Parekh, Chief Manager-Secretarial is Deputy Nodal Officer for the purpose of co-ordinating with IEPF authorities. The details of Nodal Officer and Deputy Nodal Officer are hosted on the website of the Company at <https://www.icicilombard.com/investor-relations>

vi) Disclosures with respect to demat suspense account/unclaimed suspense account

There were no shares lying in the unclaimed suspense account for FY2021.

vii) Listing of Equity Shares and Non-Convertible Debentures on Stock Exchanges

Currently, the Equity Shares and Non-convertible Debentures issued by the Company are listed at:

Stock Exchange	Code for the Company's securities	
	Equity	Non-Convertible Debentures
BSE Limited Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai 400001	540716	954492
National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051	ICICIGI	ILGI26

The Company has paid annual listing fees for the relevant period to BSE and NSE, where its Equity Shares and Non-Convertible Debentures are listed.

viii) Annual Renewal Fees

The Company has paid annual renewal fees as prescribed under IRDAI (Registration of Indian Insurance Companies) Regulations, 2000 for FY2021.

ix) Inclusion of ICICI Lombard in 'Futures & Options' trading at NSE

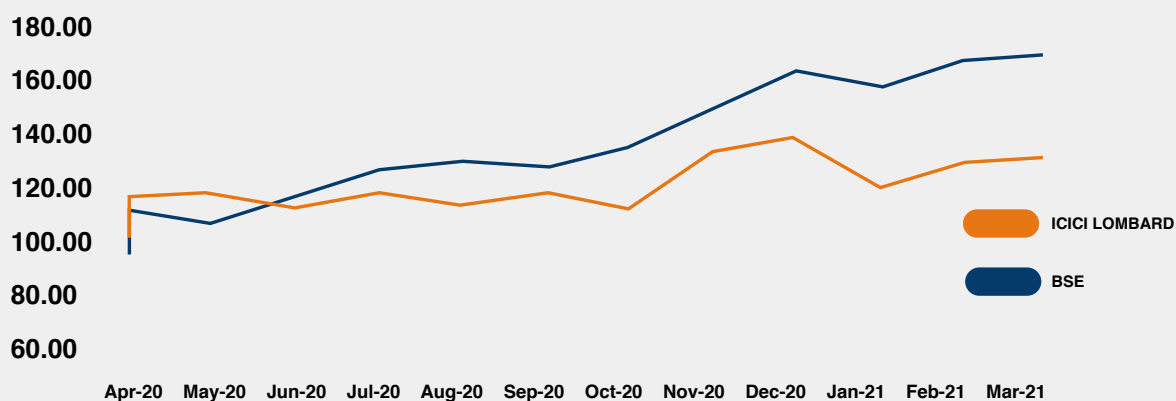
NSE vide its Circular dated October 29, 2020 has introduced trading in 'Futures & Options' (F&O) Contracts in the securities of the Company effective from October 30, 2020.

x) Market Price Information

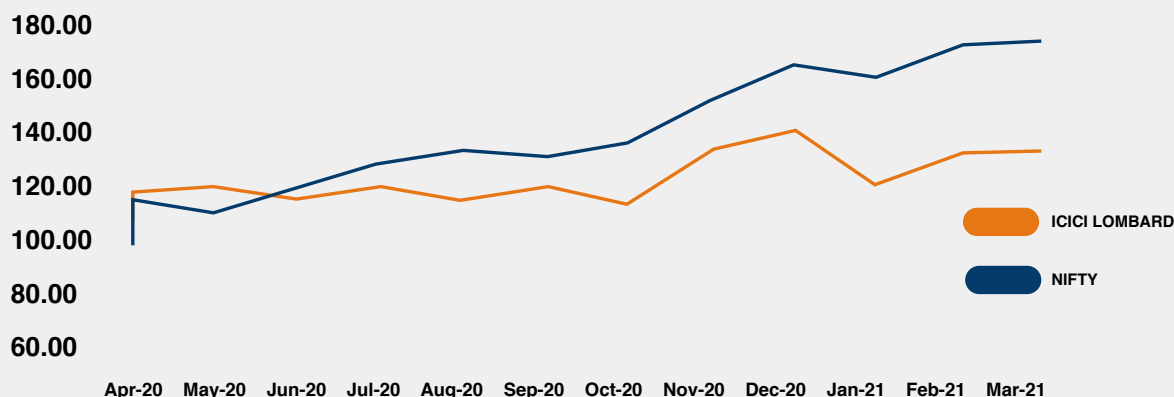
The reported high and low closing prices and volume of Equity shares of the Company traded on BSE and NSE during the period April 1, 2020 to March 31, 2021:

Month	BSE			NSE			Total Volume on BSE & NSE
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume	
2020							
April	1,324.95	1,013.65	874,111	1,325.00	1,013.00	12,998,207	13,872,318
May	1,372.20	1,126.05	328,122	1,372.20	1,125.05	12,672,778	13,000,900
June	1,384.40	1,222.90	2,830,723	1,386.65	1,221.10	41,709,020	44,539,743
July	1,345.80	1,238.60	332,055	1,346.00	1,238.00	9,605,287	9,937,342
August	1,424.25	1,251.00	687,374	1,424.00	1,250.00	10,116,102	10,803,476
September	1,335.15	1,204.05	292,587	1,335.05	1,200.00	10,291,118	10,583,705
October	1,308.00	1,201.00	229,230	1,309.35	1,200.00	8,348,077	8,577,307
November	1,474.95	1,218.00	2,848,025	1,474.00	1,219.10	16,639,110	19,487,135
December	1,539.75	1,402.40	635,395	1,540.30	1,404.00	16,782,453	17,417,848
2021							
January	1,625.00	1,300.25	522,133	1,626.45	1,300.00	15,192,214	15,714,347
February	1,541.00	1,295.00	638,149	1,541.80	1,295.00	19,391,224	20,029,373
March	1,533.45	1,377.90	455,468	1,534.75	1,377.55	10,170,776	10,626,244

ICICI LOMBARD VS SENSEX



ICICI LOMBARD VS NIFTY 50



Note: Share price and Index Price are rebased to 100 for closing price as on April 1, 2020.

xi) Share Transfer System

Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities in physical form (except in case of transmission or transposition of securities) is restricted w.e.f. April 1, 2019. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued. Therefore, Members holding shares in physical form are requested to take action to dematerialize the Equity Shares of the Company, promptly. The Members can contact the Company or Company's RTA i.e. KFin Technologies Private Limited for assistance in this regard. Members may also refer to Investor FAQs hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/investor-relations>

xii) Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form on NSE and BSE. Equity shares of the Company representing 99.99% of the Company's equity share capital are dematerialised as on March 31, 2021. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE765G01017.

xiii) Registrar and Transfer Agents

For Equity Shares of the Company, the Registrar and Transfer Agent of the Company is KFin Technologies Private Limited (Erstwhile Karvy Fintech Private Limited).

For Non-convertible Debentures of the Company, the Registrar and Transfer Agent of the Company is Link Intime India Private Limited.

Investor services related queries / requests / complaints may be directed at the address as under:

Equity Shares

KFin Technologies Private Limited
Selenium Tower B, Plot 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal, Hyderabad
500 032, Telangana
Tel: +1800 309 4001
E-mail: einward.ris@kfintech.com

Non-convertible Debentures

Link Intime India Private Limited
247, Lal Bahadur Shastri Marg, Surya Nagar, Gandhi
Nagar, Vikhroli West, Mumbai 400 083
Tel No. : +91-22-2596 3838
Fax No. : +91-22-2594 6979
E-mail: debtca@linkintime.co.in

xiv) Information on Shareholding:

a. Shareholding pattern of the Company as on March 31, 2021:

Sl. No.	Category / Name of Shareholder	Number of shares on March 31, 2021	% total
1.	ICICI Bank Limited (Promoter)	235,843,806	51.88
2.	Foreign Institutional Investors/Foreign Portfolio Investors	132,177,177	29.08
3.	Domestic Mutual Funds	44,764,459	9.85
4.	Retail Shareholders	23,773,442	5.22
5.	Alternative Investment Funds	5,601,957	1.23
6.	Bodies Corporates	2,939,988	0.65
7.	Qualified Institutional Buyers	3,733,109	0.82
8.	Directors	1,276,328	0.28
9.	Non-Resident Indian (Non-Repatriation)	962,061	0.21
10.	Hindu Undivided Family	601,979	0.13
11.	Domestic Banks/Financial Institutions	268,590	0.06
12.	Non-Resident Indian	615,349	0.14
13.	Clearing Members	263,722	0.06
14.	NBFCs	222,045	0.05
15.	Trusts	1,549,744	0.34
16.	Foreign Nationals	618	0.00
17.	Overseas Corporate Bodies	130	0.00
Total		454,594,504	100.00

**b. Shareholders of the Company with more than 1% holding as on March 31, 2021
(other than promoters of the Company):**

Sr. No.	Name	No. of Shares	% of total Number of shares
1.	SBI Mutual Fund through its various schemes	11,651,163	2.56
2.	Kotak Mahindra Mutual Fund through its various schemes	6,493,325	1.43
3.	Aditya Birla Sun Life Mutual Fund through its various schemes	6,153,149	1.35
4.	Government Pension Fund Global	5,038,169	1.11

As on March 31, 2021, no shareholder of the Company held more than 5% shareholding of the Company other than Promoter of the Company

c. Distribution of shareholding of the Company as on March 31, 2021:

Sr. No.	Distribution Schedule				
	Category	No. of Cases	%	Amount (₹)	%
1.	1-5000	253,254	97.85	116,740,250	2.57
2.	5001-10000	2,673	1.03	18,285,630	0.40
3.	10001-20000	1,084	0.42	15,312,300	0.34
4.	20001-30000	382	0.15	9,441,700	0.21
5.	30001-40000	215	0.08	7,552,720	0.17
6.	40001-50000	110	0.04	5,024,080	0.11
7.	50001-100000	303	0.12	21,520,220	0.47
8.	100001 & Above	795	0.31	4,352,068,140	95.74
	Total:	258,816	100.00	4,545,945,040	100.00

xv) Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

This is not applicable to the Company, since the Company has not issued Global Depository Receipts or American Depository Receipts or any convertible instruments.

xvi) Commodity price risk or foreign exchange risk and hedging activities:

This is not applicable to the Company, since the Company do not have any derivatives or liabilities denominated in foreign currency.

xvii) Details of utilisation of funds

During the year under review, the Company has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Listing Regulations and the Act.

xviii) Plant Locations

This is not applicable to the Company as the Company is not a manufacturing entity.

xix) Correspondence Address

Correspondence relating to the financial performance of the Company may be addressed to:

Sarvesh Agrawal / Vikas Mehra
ICICI Lombard General Insurance Company Limited
ICICI Lombard House,
414, Veer Savarkar Marg,
Near Siddhivinayak Temple,
Prabhadevi, Mumbai 400 025
Tel No. : +91-22-6196 1100
Fax No. : +91-22-6196 1323
E-mail: ir@icicilombard.com and
investors@icicilombard.com

xx) Debenture Trustee

Axis Trustee Services Limited
2nd Floor, Wadia International Center,
Pandurang Budhkar Marg,
Worli, Mumbai 400 025
Contact No.: +91-22-6226 0075
Email: response@axistrustee.com
Website: www.axistrustee.com

xxi) Credit Ratings

Rating Agency	Rating	Outlook
Non-convertible Debentures		
Crisil Limited	CRISIL AAA/Stable	Stable
ICRA Limited	ICRA AAA	Stable

ICRA Limited has withdrawn its “iAAA” rating assigned to the claims paying ability of the Company pursuant to the amendment notified in the SEBI (Credit Rating Agencies) Regulations, 1999 by SEBI.

DISCLOSURES

Related party transactions

There are no materially significant related party transactions that may have potential conflict with the interest of the Company.

Details of Non - Compliance by the Company, penalty, strictures imposed on the Company by the stock exchange, or SEBI or any statutory authority on any matter related to capital markets

No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, for any non-compliance on any matter relating to capital markets, during the last three years.

ADOPTION OF MANDATORY AND NON-MANDATORY REQUIREMENTS

The Company has complied with all mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation 2 of Regulation 46. In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements:

(ii) Audit Qualifications

The Company's financial statements are unqualified.

(ii) Reporting of Internal Auditor

The Internal Auditor presents the key audit findings of internal audit department of the Company to the Audit Committee on a quarterly basis along with compliance status of key audit findings reported in previous Audit Committee Meetings. Also, Internal Auditor of the Company presents Risk Based Audit Plan to the Audit Committee.

PROTECTING INTEREST OF MINORITY SHAREHOLDERS

A qualified, diverse and independent Board ensures that minority shareholders' interests are protected. Shareholders can register their grievances, including through SEBI, Stock Exchanges, etc. for which the Company has a set timeline for resolution. The shareholders can also raise a grievance through investors' e-mail ID i.e. investors@icicilombard.com or Company's registrar and share transfer agent's e-mail ID i.e. einward.ris@kfintech.com. The Stakeholders' Relationship Committee of the Company, oversees the redressal of shareholders' complaint.

The Company takes various measures for reducing unclaimed dividend amount including periodical communications to shareholders and updating the details of unclaimed dividend on the Company's website. Status of unclaimed dividend can be viewed at <https://www.icicilombard.com/investor-relations>. The Company also send communications to the shareholders after each dividend payment.

To resolve the queries of shareholders relating to securities, dividend, annual report and other aspects relating to shareholders of the Company, the Company has hosted Investor's Frequently Asked Questions (Investor FAQs). Investor FAQs can be viewed at <https://www.icicilombard.com/investor-relations>.

WEB LINK WHERE POLICY FOR DETERMINING MATERIAL SUBSIDIARIES IS DISCLOSED

This is not applicable to the Company, as the Company doesn't have any subsidiary Company.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONGWITH THEIR STATUS AS AT THE END OF THE

FINANCIAL YEAR

During the year under review, the Company has not filed any application or no such proceeding is pending under the Insolvency and Bankruptcy Code, 2016.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, this is not applicable as the Company has not filed any application for settlement under the Insolvency and Bankruptcy Code, 2016.

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Report as stipulated under Regulation 34 of Listing Regulations has been hosted on the website of the Company and can be viewed at <https://www.icicilombard.com/docs/default-source/esg/business-responsibility-reporting-2021.pdf>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING AND OUTGO

Energy & Technology Absorption:

The details of energy and technology absorption is provided in Environmental, Social and Governance Report for FY2021 on its website and can be viewed at <https://www.icicilombard.com/docs/default-source/shareholding-pattern/business-responsibility-report-2021.pdf>.

Foreign exchange earnings and outgo:

During FY2021, expenditures in foreign currencies amounted to ₹ 3.72 billion and earnings in foreign currencies amounted to ₹ 2.07 billion.

EMPLOYEE STOCK OPTION SCHEME

In FY2006, the Company had instituted an Employee Stock Option Scheme ("ESOS") to enable the employees and Directors of the Company to participate in its future growth and financial success. As per ESOS, the maximum number of options granted to any employee/Director in a year shall not, except with the approval of the Board, exceed 0.10% of Company's issued equity shares at the time of grant and the aggregate of all such options (net of forfeited/lapsed) is limited to 5% of Company's issued equity shares on the date of the grant.

The Scheme was instituted vide approval of its Members at the Extra-Ordinary General Meeting (EGM) held on March 28, 2005 and subsequently amended by the Members of the Company at its EGM held on January 14, 2015.

Post listing of the Equity Shares of the Company, the revised Employee Stock Options Scheme has been approved by the Members of the Company and new options were granted to the eligible employees under normal and special grant in year 2018. Options granted under normal grant for the year 2018 & 2019 would vest in a graded manner over a three year period with 30%, 30% and 40%. Options granted under Special grant would have a lock-in period of 36 months from the date of grant with 50% of the options vesting on July 31, 2021 and the remaining 50% vesting on July 31, 2022. Exercise Period for both the grants of year 2018 would commence from the date of vesting and will expire on completion of five years from the date of vesting of stock options.

In line with Remuneration Policy of the Company and benefits of stock options granted as a compensation, the Members of the Company through Postal Ballot on March 15, 2020 had approved the increase in the existing ESOS pool, that can be granted to the "Eligible Employees" as defined under the Scheme, from current 5% to 7% of the aggregate of the number of issued shares of the Company from time to time, on the date(s) of grant of option(s).

Particulars of options granted by Company up to March 31, 2021 are given below:

Options Granted	30,974,160
Options vested	19,475,898
Options exercised	14,812,648
Number of shares allotted pursuant to exercise of options	14,809,648
Options forfeited/lapsed	9,156,782
Extinguishment or modification of options	NIL
Amount realised by exercise of options (₹ in billion)	1.30
Total number of options in force	7,004,730

The ESOS Scheme of the Company is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations").

The Annual Certificate on compliance with SBEB Regulations, issued by Statutory Auditors of the Company is being made available for inspection at the forthcoming AGM of the Company. The statutory disclosures as mandated under the SBEB Regulations, have been hosted on the website of the Company at <https://www.icicilombard.com/investor-relations>.

ANALYSIS OF CUSTOMER COMPLAINTS

a) Customer complaints in FY2021

No. of complaints pending at the beginning of the year	35
No. of complaints received during the year	2379
No. of complaints redressed during the year	2333
No. of complaints pending at the end of the year	81

b) Awards passed by the Insurance Ombudsman in FY2021

No. of unimplemented awards at the beginning of the year	0
No. of awards passed by Insurance Ombudsman during the year	163
No. of awards implemented during the year	164
No. of unimplemented awards at the end of the year	0

The Company had not challenged the ombudsman order in higher forums. The Company has complied with the Insurance Ombudsman orders as on March 31, 2021.

FIT AND PROPER CRITERIA FOR INVESTORS AND CONTINUOUS MONITORING REQUIREMENT

The IRDAI guidelines for Listed Indian Insurance Companies prescribes the following:

1. Self-certification of "Fit and proper person" criteria by a person holding/intending to acquire equity shares of 1% or more of paid-up equity share capital.
2. Prior permission of IRDAI for holding shares beyond 5% of the paid-up equity share capital.

Further information on detailed procedure and format for self-certification is hosted on the Company's website and can be viewed at <https://www.icicilombard.com/docs/default-source/policies-of-the-company/fit-proper-criteria-for-investors-and-continuous-monitoring-requirement.pdf>

During the year, the Company has obtained Fit & Proper declarations in compliance with IRDAI guidelines for Listed Indian Insurance Companies.

GREEN INITIATIVES IN CORPORATE GOVERNANCE

In line with the 'Green Initiative', the Company has effected electronic delivery of Notice of AGM, Postal Ballot, Court Convened Meeting and Annual Report to those Members whose e-mail IDs were registered with the respective Depository Participants and downloaded from the depositories viz. National Securities Depository Limited/Central Depository Services (India) Limited. The Act and the underlying rules as well as Regulation 36 of the Listing Regulations, permit the dissemination of financial statements and Annual Report in electronic mode to the Members. Your Directors are thankful to the Members for actively participating in the Green Initiative and seek your continued support for implementation of the Green Initiative.

As a part of green initiative of Ministry of Corporate Affairs, the Company is continuously encouraging its shareholders via communications to register their e-mail IDs with their depository participant(s) ("DPs"). Facility for registering email ids on the Company's website was provided for the benefit of those shareholders who have not registered their email ids with their respective DPs so that they can receive copy of Annual Report and General Meeting notice of the Company.

We believe and endorse the 'Green Initiative' as it would not only rationalise the use of paper but also ensure prompt communication, avoid loss in transit and have reference value of the communication.

INDIAN ACCOUNTING STANDARD IMPLEMENTATION ROADMAP

IRDAI vide its circular dated March 1, 2016 had advised all Insurers to follow the Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015, subject to any guideline or direction issued by the IRDAI. Insurance Companies are required to comply with Ind AS for financial statements for accounting periods beginning from April 1, 2018 onwards, with comparatives for the period ending March 31, 2019 and subsequently IRDAI vide its circular dated June 28, 2017 deferred the implementation of Ind AS in the Insurance Sector in India for a period of two years and the effective period of implementation of Ind AS in insurance sector was deferred to FY2021. However the requirement of submitting proforma Ind AS financial statement on a quarterly basis continue to be governed as directed by IRDAI vide circular dated December 30, 2016.

In compliance with the regulatory requirements, the Company has constituted a Steering Committee headed by Sanjeev Mantri, Executive Director to oversee the implementation of Ind AS. The scope of the Steering

Committee includes evaluating the impact on the following areas:

- a) Ind AS technical requirements
- b) Systems and processes
- c) Business impact
- d) People
- e) Project management

The Company was presenting a status of implementation of Ind AS to its Audit Committee on a quarterly basis and post that also submitting the same to IRDAI.

IRDAI vide its circular dated January 21, 2020 deferred the implementation of Ind AS. The effective date of implementation shall be decided after the finalisation of International Financial Reporting Standards ("IFRS") 17 by International Accounting Standard Board ("IASB"). IASB has proposed deferral in adoption of IFRS 17 and IFRS 9 to January 1, 2022. IRDAI has also dispensed with the requirement of preparing and submitting proforma Ind AS to the Audit Committee and to IRDAI.

DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the requirements of Section 134(3)(c) of the Act and the Corporate Governance Guidelines, the Board of Directors of the Company confirm:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same.
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records, in

accordance with the IRDAI (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 and provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. They have prepared the annual accounts on a going concern basis;

5. They have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively and;

6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Company is grateful to the Insurance Regulatory and Development Authority of India, Ministry of Corporate Affairs, Government of India, Reserve Bank of India, Securities and Exchange Board of India for their continued co-operation, support and guidance. The Company wishes to thank its investors, rating agencies, depositories, Registrar & Share transfer agent & Stock Exchanges for their support.

The Company would like to express its gratitude for the continued support and guidance received from ICICI Bank and its group companies.

The Company would like to take this opportunity to express sincere thanks to its valued clients and customers for their continued patronage. The Directors express their deep sense of appreciation to all the employees, whose outstanding professionalism, commitment and initiative have made the organisation's growth and success possible and continue to drive its progress. Finally, the Directors wish to express their gratitude to the Members for their trust and support.

For and on behalf of the Board

July 8, 2021
Mumbai

Lalita D. Gupte
Chairperson
DIN: 00043559

CERTIFICATE FOR COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES

I, Vikas Mehra, hereby certify that the Company has, for the financial year ended March 31, 2021 complied with the corporate governance guidelines as prescribed by Insurance Regulatory and Development Authority of India as amended from time to time and nothing has been concealed or suppressed.

Date : July 8, 2021
Mumbai

Vikas Mehra
Company Secretary
ACS No.: 12117

COMPLIANCE WITH THE EMPLOYEES CODE OF CONDUCT

I confirm that all Directors and members of the senior management have affirmed compliance with Employees Code of Conduct for the financial year ended March 31, 2021.

Date : July 8, 2021
Mumbai

Bhargav Dasgupta
Managing Director & CEO
DIN: 00047728



Annexure A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Issued in Pursuance to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with modifications as deemed necessary, without changing the substance of format given in MR-3]

To,
The Members,
ICICI Lombard General Insurance Company Limited.
ICICI Lombard House, 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai- 400025.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ICICI Lombard General Insurance Company Limited (CIN L67200MH2000PLC129408)** (hereinafter called 'the Company') for the financial year ended 31st March, 2021 through electronic platform due to widespread outbreak of pandemic COVID-19 resulting in partial lockdown during the period under audit. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon. This Company is governed mainly under the provisions of the Insurance Act, 1938 and the Insurance Regulatory and Development Authority Act, 1999 ('Insurance Laws') and under the Companies Act, 2013 and rules framed thereunder where there is no inconsistency with the Insurance Laws.

A. In expressing our opinion, it must be noted that-

- i. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurances about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.
- iii. We have not verified correctness and appropriateness of financial records and books of accounts of the Company.
- iv. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
- v. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- vi. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

B. Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-process (duly evolved) and compliance-mechanism in place to the extent and as applicable to the Company in the manner and subject to the reporting made hereinafter.

- C. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:
- I. The Companies Act, 2013 ('the Act') and the rules made thereunder;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (during the year under review not applicable to the Company);
 - V. A. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. {applicable to the extent of the Scheme of Arrangement entered between the Company and Bharti AXA General Insurance Company Limited }
 - V. B. The Company has not undertaken any of the activities during the audit period as envisaged in the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') and hence are not relevant for the purpose of audit: -
 - a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
 - b. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - VI. And the Company being in the business of Insurance other than Life Insurance, the Special Act as applicable to it is the Insurance Act, 1938 and extant Rules & Regulation framed under Insurance Regulatory and Development Authority Act, 1999 (IRDA).

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards in respect of Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) as amended from time to time issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable for listing of its Equity Shares and Non-Convertible Debentures.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

D. We further report that–

- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review;
- II. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting;
- III. Majority decision is carried through and there was no instance of any director expressing any dissenting views.

E. We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

F. We further report that during the audit period:

1. The Board of Directors at their meeting held on 21st August, 2020 approved the Scheme of Arrangement amongst the Company and Bharti AXA General Insurance Company Limited and their respective shareholders and creditors pursuant to Sections 230 to 232 and other relevant provisions of the Act read with rules framed thereunder and Sections 35 to 37 of the Insurance Act, 1938 and that the Shareholders of the Company approved the said Scheme of Arrangement at the General Meeting held on 23rd February, 2021 convened pursuant to the order dated 18th December, 2020 of the Hon'ble National Company Law Tribunal, Mumbai Bench.
2. None of the following events has taken place-
 - I. Public/Rights/Preferential Issue of Shares/Debentures etc.
 - II. Redemption/buy-back of securities.
 - III. Major decision taken by the members in pursuance to section 180 of the Companies Act, 2013.
 - IV. Amalgamation/Reconstruction, etc.
 - V. Foreign Technical Collaborations.

Place : Mumbai
Date : 17th April 2021

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)
UDIN: F000977C000120998

CS Bhumitra V. Dholakia
Designated Partner
FCS-977
CP No. 507

Annexure B

Disclosures required with respect to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each Director to the median employee's remuneration and such other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;**

Mr. Bhargav Dasgupta	Managing Director & CEO	92:1
Mr. Alok Kumar Agarwal	Executive Director-Wholesale	52:1
Mr. Sanjeev Mantri	Executive Director-Retail	57:1

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager;**

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary ranged between 0% and 3%.

- (iii) The percentage increase in the median remuneration of employees in the financial year;**

The percentage increase in the median remuneration of employee in the last financial year was 6.8%.

- (iv) The number of permanent employees on the rolls of Company;**

The number of permanent employees on the rolls of Company as on March 31, 2021 were 8,962.

- (v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**

The average percentile increase in the salaries of employees other than the Key Managerial Personnel in the last financial year was 6.3%, while the average percentile increase in the salaries of the Key Managerial Personnel in the last financial year was in the range of 0% to 3%.

- (vi) Affirmation that the remuneration is as per the remuneration policy of the Company**

Yes

July 8, 2021
Mumbai

Lalita D. Gupte
Chairperson
DIN: 00043617



Annexure C

THE ANNUAL REPORT ON CSR ACTIVITIES (for the financial year ended March 31, 2021)

1. Brief outline on CSR Policy of the Company. –

Corporate Social Responsibility ("CSR") is the commitment of companies to provide resources and support activities focused on enhancing economic and social development. It is the effort made by companies to improve the living conditions of the local area in which they operate and the society at large. The activities taken up as a part of CSR reflect the intent to create a positive impact on society without seeking any commensurate monetary benefits. CSR has been a long-standing commitment at the Company and forms an integral part of its activities. Being a responsible corporate citizen, the Company is committed to perform its role towards the society at large. In alignment with its vision, the Company always works towards adding value to its stakeholders by going beyond business goals and contributing to the well-being of the community. Its contribution to social sector development includes several pioneering interventions and is implemented through the involvement of stakeholders within the Company, the Group and the broader community.

The Corporate Social Responsibility Policy ("CSR Policy") of the Company sets out the framework guiding the Company's CSR activities. The Policy also sets out the rules that need to be adhered to while taking up and implementing CSR activities. The Company's CSR activities primarily focuses on areas like Health care, Road Safety, Education, Skill development and sustainable livelihoods and also supports employees engagement in CSR activities. The CSR Policy of the Company is hosted on the website of the Company and can be viewed at: <https://www.icicilombard.com/docs/default-source/policies-of-the-company/csr-policy.pdf>

The Company directly, and along with the ICICI Foundation for Inclusive Growth ("ICICI Foundation") has been working on several initiatives for promotion of inclusive growth. ICICI Foundation focuses on the areas of elementary education, sustainable livelihoods, primary healthcare and financial inclusion. The Company together with ICICI Foundation has undertaken many CSR activities. The initiatives of ICICI Foundation can be viewed on the link www.icicifoundation.org

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Uday Chitale	Chairman, Non-executive, Independent Director	2	2
2	Ved Prakash Chaturvedi	Non-executive, Independent Director	2	2
3	Murali Sivaraman	Non-executive, Independent Director	2	2
4	Bhargav Dasgupta	Managing Director & CEO	2	2

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR Committee: <https://www.icicilombard.com/investor-relations>

CSR Policy: <https://www.icicilombard.com/docs/default-source/policies-of-the-company/csr-policy.pdf>

CSR Projects: <https://www.icicilombard.com/about-us/csr>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

The Company has carried out Impact assessment of its Ride to Safety and Caring Hands CSR initiatives in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

In addition to above, ICICI Foundation assesses the impact of all programs undertaken by it. Baseline and endline research studies, process documentation and impact evaluation are carried out depending on the nature of the program. ICICI Foundation is undertaking independent impact assessment based on the extant regulations.

The brief summary of Impact Assessment Reports are enclosed as an annexure to this Annual CSR Report.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1	NA	NIL	NIL
	TOTAL		

6. Average net profit of the Company as per Section 135(5). – ₹ 14,504.8 million

7. (a) Two percent of average net profit of the Company as per Section 135(5) – ₹ 290.1 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - **NIL**

(c) Amount required to be set off for the financial year, if any – **NIL**

(d) Total CSR obligation for the financial year- (7a+7b- 7c). – **₹ 290.1 million**

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
292,549,221	NIL	-	-	NIL	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project.	(3) Item from the list of activities in Schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Project duration.	(7) Amount allocated for the project (in ₹).	(8) Amount spent in the current financial Year (in ₹).	(9) Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	(10) Mode of Implementation- Direct (Yes/No).	(11) Mode of Implementation – Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.	NA	-	-	-	-	-	-	-	-	-	-	-
	TOTAL											

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project.		(6) Amount spent for the project (in ₹).	(7) Mode of Implementation - Direct (Yes/No).	(8) Mode of implementation – Through implementing agency.	
				State.	District.			Name	CSR Registration number.
1.	ICICI Foundation for Inclusive Growth	Education, Livelihood	No	All India	-	102,700,000	NO	ICICI Foundation	CSR00001979
2.	Ride to Safety	Road Safety	Yes	Maharashtra, Gujarat, Tamilnadu, Karnataka, Delhi	Mumbai, Pune, Nagpur, Ahmedabad, Chennai, Bangalore, Delhi	85,881,080	NO	1. Indian Head Injury Foundation; 2. Synergie Institute of Trade Commerce and Industry; 3. TRAX Sports Society; 4. Seva Sahayog Foundation; 5. Prabhaav Foundation	CSR00002608 CSR00000433 CSR00000954 CSR00000756 CSR00000335
3.	Caring Hands	Health Care	No	All India	-	14,013,874	YES (Volunteering Employees)	-	-
4	Niranjali	Health Care	Yes	Maharashtra, Delhi	Mumbai, Pune, Delhi	18,318,427	NO	Seva Sahayog Foundation	CSR00000756
5	Covid-19 Tests	Health Care	No	All India	-	51,613,730	NO	Metropolis, Suburban Diagnostics, Apollo Health and Lifestyle and Savita Hospitals	-
6	Healthy Village	Health Care	Yes	Madhya Pradesh, Uttar Pradesh	Ujjain, Lucknow	9,336,000	YES (ICICI Lombard Provider Management team for implementation and monitoring and GBG team for location finalization and local coordination)	Doctors to provide medical support to Primary Healthcare Centres medical staff	-
7	Critical Illness Contribution	Health Care	No	All India	-	5,901,110	Yes ICICI Lombard Internal team for deployment of donation facility on website	NGO Partners - 1. YouWe Can foundation; 2. Jagdish Sarla Trust; 3. Ketto	CSR00000383 CSR00011487
8	Amphan Relief Funds	Disaster Relief	No	West Bengal	Kolkata	47,85,000	NO	Trax Sports Society	CSR00000954
TOTAL						292,549,221			

- (d) Amount spent in Administrative Overheads – ₹ 4,206,584
- (e) Amount spent on Impact Assessment, if applicable – ₹ 1,875,000
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 292,549,221
- (g) Excess amount for set off, if any – ₹ 2,449,221

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	290,100,000
(ii)	Total amount spent for the financial year	292,549,221
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,449,221
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,449,221

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
1.	NA	NIL	-	-	-	-	-
TOTAL							

(b) Details of CSR amount spent in the financial year for **ongoing projects** of the preceding financial year(s):

(1) Sl. No.	(2) Project ID.	(3) Name of the Project.	(4) Financial Year in which the project was commenced.	(5) Project duration.	(6) Total amount allocated for the project (in ₹).	(7) Amount spent on the project in the reporting Financial Year (in ₹).	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹).	(9) Status of the project - Completed/ Ongoing.
1.	NA	-	-	-	-	-	-	-
TOTAL								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details):
- a. Date of creation or acquisition of the capital asset(s). - **NA**
 - b. Amount of CSR spent for creation or acquisition of capital asset. - **NA**
 - c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - **NA**
 - d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - **NA**
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).
– **NA**

Bhargav Dasgupta
Managing Director & CEO
DIN: 00047728

Uday Chitale
CSR Committee Chairperson
DIN: 00043268

July 8, 2021
Mumbai



Summary

Impact Assessment Report | 2019-20 ICICI Lombard's Direct Implementation Initiatives

ICICI Lombard has always endeavored to go beyond its business focus and contribute to the well-being of all stakeholders, including the community at large. The Company has taken several initiatives in the areas of Preventive Healthcare, Road Safety and Wellness support being a responsible corporate citizen.

Impact Assessment has been conducted for Ride to Safety and Caring Hands for FY2019-20 by an external agency Renalysis Consultants Pvt. Ltd. (CSRBOX). The independent Assessment Report has been updated on the Company's website.

The performance and impact for Caring Hands and Ride to Safety have been analyzed on four key areas – Inclusiveness, Relevance, Impact Created and effectiveness. Summary on these four areas from the assessment report is being shared here –

Caring Hands

Inclusiveness -

- Strong inclusiveness, excellent coverage
- 50% of female students coverage in the camps
- 95% children come from the family with monthly income less than ₹ 20,000
- The program has covered 138 cities/towns as a part of the initiative from 22 states

Relevance –

- Highly relevant considering majority of students never visited doctors for eye-care
- 72% of children were experiencing eye problems but they were unaware of the same
- Majority of the families have been able to leverage the learnings from the program to follow standard practices to keep eyes healthy
- Ophthalmologists and doctors involved in the eye-camps mentions about the high relevance of the program

Impact Created

- High perceived value in the program, overall guidance and solutions provided
- 72% of the families see the value of such initiative
- 72% of the families feel that the children are able to focus more on studies after the eye screening camp
- 35% of the kids have got rid of the vision related problems such as headache and strain on eyes
- 94% of the children and 98% parents were sensitized with the general healthy eye practices through the program

Effectiveness

- All involved beneficiaries and stakeholders highly appreciate the program
- 36% children stated that the solution and guidance provided by the Company is very useful
- 41% of parents stated that solutions and guidance provided by the Company is very useful
- 2500+ employees volunteered for the program and learned various soft skills

SROI of ₹ 2.04 indicates that the program is helping in the brand awareness for the Company.

Ride to Safety

200+ direct contact workshops across schools in 7 different cities

40,000+ children made aware of road safety and need for the children to wear helmets

33,000+ specially designed ISI-marked helmets distributed to parents and children

Inclusiveness –

- 41% female beneficiaries
- 49% beneficiary families who disclosed their income earn less than INR 20,000/month
- 30% of the beneficiary families are from marginalised groups engaged in activities with lower livelihood outcomes. Programme targets metro cities with higher probability to road accidents and reaches out to beneficiaries from different zones across the country

Relevance -

- Only 24% beneficiaries used helmets for the children prior to the intervention while 69% of the trips were for meeting the educational needs to the children
- 65% families report lack of awareness about road safety as the main reason for not using helmets 48% students who have benefitted from the programme showcase high risk-high frequency commuter pattern, thus with higher probability towards experiencing accidents
- 48% students who have benefitted from the programme showcase high risk-high frequency commuter pattern, thus with higher probability towards experiencing accidents

Impact Created

- 98% children can confidently identify helmets as a mandatory safety gear for pillion riders to help save them in case of an accident
- 90% Of the children affirm the safe riding practices of their parents 86% parents use helmets regularly, whereas, 80% children use helmets for each of the ride 97% parents feel that the intervention has made their child more aware of road safety, whereas, 93.6% feel improvement in their adherence to road safety measures

Effectiveness

- High appreciation amongst the schools for the programme
- Effectiveness, training content and delivery receive excellent rating by all the schools
- Service delivery in Chennai and Ahmedabad rated highest amongst all project locations

SROI - ₹ 2.75 social value generated on investment of ₹ 1

ICICI Foundation for Inclusive Growth

ICICI Foundation for Inclusive Growth ("ICICI Foundation") has set up the "ICICI Academy for Skills" to provide free skill development training to lesser privileged youth to enable them to pursue a sustainable livelihood. Impact assessment has been conducted for this program by an external agency Renalysis Consultants Pvt. Ltd. (CSRBOX). The Independent Assessment Report by CSRBOX ("Report") has been uploaded on the Company's website.

For the purpose of conducting the impact assessment, CSRBOX had adopted a mixed-method approach of qualitative and quantitative data collection, using primary and secondary data which helped in gathering valuable impact-related insights from a 360-degree perspective involving all the stakeholders. Further, a stratified sampling approach was used to ensure a representative sample set for the impact study.

The program's performance and impact have been analysed in four key areas - inclusiveness, relevance, impact created and service delivery. The program has received high scores across all areas. Key findings have been listed as under:

- The overall profile of the respondents reflected inclusiveness of the project. The gender ratio in the FY2020 batches were 1:1. Two-thirds of the trainees in non-technical courses were females and two-thirds of the candidates came from tier 2 and tier 3 cities/towns. The Academy gets trainees from diverse educational backgrounds and is able to cater to varying levels of educational qualifications.
- The training provided at the centres was found to be highly relevant by trainees as well as employers. As per the assessment, 85% employers found the skill training and technical know-how sound and industry-relevant; 84% of employers found the candidates to have the right attitude and adapt to the workplace culture; 70% of the candidates had clarity on career prospects and 98% students mentioned that they would refer their friends/relatives to join the Academy.
- In terms of impact created, the project had a high placement ratio with 97% of the candidates receiving placement offer letters; 74% of the candidates believe the Academy has substantially contributed to improving their livelihood; 84% of the candidates are part of the active workforce and 16% are pursuing advanced courses.
- The quality of service delivery across the training centres of ICICI Academy for Skills was found to be consistent on various rating parameters.

The Report mentions that for every rupee invested, the social returns are over 10 times.

The assessment further found that the Academy had been able to maintain the quality in terms of candidates, training, infrastructure and placements, along with the massive scale at which the programme operates. The programme is delivering better than many of its peers on parameters like inclusiveness, placements and average salary of the candidates.

Link to access the impact assessment reports:

1. Caring Hands: <https://www.icicilombard.com/docs/default-source/agm/impact-assessment-report---caring-hands.pdf>
2. Ride to Safety: <https://www.icicilombard.com/docs/default-source/agm/impact-assessment-report-ride-to-safety.pdf>
3. ICICI Foundation For Inclusive Growth: <https://www.icicilombard.com/docs/default-source/agm/impact-assessment-report-icici-foundation.pdf>



Annexure D

Independent Auditors' Certificate on Corporate Governance

To,
The Board of Directors of ICICI Lombard General Insurance Company Limited,

- 1 This Certificate is issued in accordance with the terms of our engagement letter dated 05 June 2020.
- 2 We have examined the compliance of conditions of Corporate Governance by ICICI Lombard General Insurance Company Limited ('the Company') for the period 1st April, 2020 to 31st March, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Management's Responsibility

- 3 The compliance of Corporate Governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

- 4 Pursuant to the requirements of the Listing Regulations, our responsibility is to express an opinion as to whether the company has complied with the conditions of Corporate Governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 5 We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI') and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
- 6 We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

Opinion

- 7 Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the Listing Regulations.
- 8 We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

- 9 This certificate is provided to Board of Directors of the Company solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Chaturvedi & Co.

Chartered Accountants

Firm Registration No. 302137E

For PKF Sridhar & Santhanam LLP

Chartered Accountants

Firm Registration No. 003990S/S200018

S. N. Chaturvedi

Partner

Membership No. 040479

UDIN: 21040479AAARAY5180

R. Suriyanarayanan

Partner

Membership No. 201402

UDIN: 21201402AAAABN9337

Mumbai

08 July 2021



Annexure E

CERTIFICATE CONFIRMING NO DISQUALIFICATION - ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED

July 8, 2021

To
The Members of ICICI Lombard General Insurance Company Limited/Board of Director of ICICI Lombard General Insurance Company Limited

1. We have been engaged to issue certificate that none of the directors on the board of the **ICICI Lombard General Insurance Company Limited ("Company")** having CIN L67200MH2000PLC129408 have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority in terms of Para 10 (i) of Part C of Schedule V read with Regulations 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations):
2. We have examined the following:
 - (a) The declaration given by each of the Directors of the Company with respect to their interest in other entities as Director or otherwise along with names of their relatives in pursuance of Section 184 of the Companies Act, 2013 and taken on record by the Company,
 - (b) Declarations given by all the Directors of the Company confirming that they are not disqualified to hold the Office of Directors as on 31st March, 2021 in pursuance of Section 164 of the Companies Act, 2013 and taken on record by the Company,
 - (c) The particulars of Directors of the Company as displayed on the web portal of the Ministry of Corporate Affairs and
 - (d) General Search on the website of the Securities and Exchange Board of India and Insurance Regulatory and Development Authority of India.
3. Based on the above verification and to the best of our information and according to the explanations provided to us, we are of the opinion that none of the following Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/Ministry of Corporate Affairs or any such statutory authority as on 31st March, 2021:

No.	Name of the Directors	DIN
1	Mrs. Lalita D. Gupte	00043559
2	Mr. Ved Prakash Chaturvedi	00030839
3	Mr. Uday Chitale	00043268
4	Mr. Suresh Kumar	00494479
5	Mr. Ashvin Parekh	06559989
6	Mr. Murali Sivaraman	01461231
7	Ms. Vishakha Mulye	00203578
8	Mr. Sandeep Batra	03620913
9	Mr. Bhargav Dasgupta	00047728
10	Mr. Alok Kumar Agarwal	03434304
11	Mr. Sanjeev Radheyshyam Mantri	07192264

4. It should be noted that our responsibility is to express a reasonable assurance in the form of an opinion as to the qualification/eligibility of each of the Directors of the Company to hold the office as Director in the Companies in accordance with the generally accepted procedure and the process of due-diligence followed based on the available information on best efforts basis as on 31st March, 2021 and it is neither an audit nor an expression of opinion on the personal credentials of the Directors of the Company.

For DHOLAKIA & ASSOCIATES LLP
(Company Secretaries)

Place : Mumbai
UDIN : F000977C000598926

CS Bhumitra V. Dholakia
Designated Partner
FCS-977 CP No. 507



Management's Discussion and Analysis

I. Macro economic environment and Non-Life Insurance industry developments

The domestic economic activity including private consumption and investment was impacted by the COVID-19 induced lockdown during the first quarter of fiscal year 2021. The agriculture sector remained resilient and witnessed least impacted on account of the lockdown. The economy started to recover during second quarter of fiscal year 2021 after the un-lock began in the month of June 2020. During the second half of fiscal 2021 the rebound in the economy was stronger than expected inspite of the COVID-19 induced slump.

GST collection for the fiscal 2021 stood at ₹ 11.4 trillion¹ posting a contraction of 6.9% over the collections of ₹ 12.20 trillion during the previous fiscal. After a severe contraction during the first half of fiscal 2021 due to COVID-19 pandemic GST collections posted a strong rebound in the second half of fiscal 2021. The rebound in the GST collection is attributable to the pent up demand as well as strong rebound in the economic activity.

India's real gross domestic product (GDP) has contracted by 7.3² per cent for the fiscal year 2021 as compared to 4.0%² growth in fiscal year 2020. Outlook for rural demand and agriculture remains positive while urban demand has been gaining strength on the back of normalisation of economic activity and should get a fillip with the ongoing vaccination drive. The Union Budget 2021-22 has increased allocation to capital expenditure and expanded production linked incentive (PLI) scheme providing strong support to investment and exports. However, second wave of COVID 19 has impacted several states and economic recovery is expected to get impacted. On the back of this RBI has projected real GDP growth of 9.5%³ for the fiscal year 2022. Similarly, CRISIL has revised India's GDP growth to 9.5%⁴ for the fiscal 2022 from previous forecast of 11.0%⁴.

On account of the pandemic all the countries across the globe resorted to a massive fiscal as well as monetary stimulus. There is strong uptick in the household savings across the economies and there are early signs of rising global consumption demand. Commodity prices, logistics costs, and crude oil prices have posted a steep increase. The inflation trajectory needs to be seen in the context of all these factors along with progress of southwest monsoon.

Due to expectation of rebound in the economic activity and easy financing conditions globally, the benchmark indices BSE Sensex and Nifty increased by 68.0%⁵ and 70.9%⁵ respectively in fiscal 2021.

Non-Life Insurance Industry developments

(A) Regulatory developments:

The Indian non-life insurance industry has come a long way over last two decades since the industry was opened for private sector participation in fiscal 2000. Liberalisation was the first big change in the sector. Subsequently, in fiscal 2008, the industry witnessed another major change when most of the segments were de-tariffed.

Fiscal 2021 saw a spate of regulatory changes, which, inter-alia, included the following:

Launch of standardised health insurance policy called "Arogya Sanjeevani Policy" w.e.f. April 01, 2020 wherein the authority allowed insurers to determine the price on compliance with prescribed norms. Initially under the policy, sum assured allowed was between ₹ 1 lakh to ₹ 5 lakh. Further the authority vide circular dated July 7, 2020 allowed the insurers to issue policies with sum assured less than ₹ 1 lakh and greater than ₹ 5 lakh (in multiples of ₹50,000). On March 18, 2021, the Authority enhanced coverage under standard health product "Arogya Sanjeevani Policy", wherein insurers shall mandatorily offer the sum insured between Rs. 50,000/- to Rs.10,00,000/- w.e.f 1st May, 2021 or earlier.

¹. Ministry of Finance Department of Revenue monthly press release on GST collection

². Ministry of Statistics and Programme Implementation - Provisional Estimate released on May 31, 2021

³. Reserve Bank of India Monetary Policy Statement dated June 04, 2021

⁴. CRISIL press release dated June 07, 2021 titled 'Pinpricked growth'

⁵. Bombay Stock Exchange and National Stock Exchange

The Authority allowed General and Health Insurers to offer both indemnity and benefit based short term health insurance policies for Covid-19. It also prescribed a standard benefit-based health policy and a retail standard health policy under the nomenclature – Covid Rakshak Policy (Benefit) and Corona Kavach Policy (Indemnity) respectively. While Corona Kavach Policy was mandated to be offered on or before July 10, 2020, insurers were encouraged to offer Corona Rakshak Policy by July 10, 2020.

Post a Supreme Court order in August 2018, IRDAI had mandated long term motor Third Party (TP) covers for Private Car (PC) / Two Wheeler (2W) for 3/5 years respectively, effective September 01, 2018. Subsequently, IRDAI had allowed insurers to offer long term motor Own Damage (OD) covers with following options.

- **Bundled cover** - 1 year OD with 3/5 year TP
- **Long term package** - 3/5 year OD with 3/5 year TP
- **Standalone TP over-** 0 year OD with 3/5 years TP

IRDAI has now withdrawn the option of long-term package effective from August 01, 2020, which means customers cannot avail own damage covers on long term basis.

On September 4, 2020 the Authority issued guidelines on wellness and preventive features wherein insurers may offer reward points to customers meeting set criteria. These features can be offered as an add-on or optional cover thus enabling insurers to promote wellness offerings like discount on increase in sum insured, discount on OPD services, redeemable vouchers on health supplements or gym memberships etc. This is also expected to expand scope for the insurers providing wellness and value-added offerings to their customers.

The Authority had issued the guidelines with Standard terms & conditions - in order to make available 'standard' travel insurance, personal accident and named indemnity based Vector Borne products with 'common coverage' and 'policy wordings' across the industry.

The Authority also issued guidelines on certain standard products that shall be mandatorily offered by general insurers carrying out Fire and allied perils insurance business w.e.f. April 1, 2021. The standard products include- Bharat Griha Raksha meant for home building and home content, Bharat Sookhshma Udyam Surakhsha meant for enterprise with total value at risk upto ₹5 crores, Bharat Lagu Udyam Surakhsha meant for enterprise with total value of risk from ₹ 5 crores to ₹ 50 crores.

In the context of Covid-19 pandemic vide circular dated April 24, 2020, stipulated "Prudent management of financial resources, in view of the emerging market conditions and to conserve capital with the insurance companies. Through this circular the Authority had urged Board of insurers to critically examine their capital availability and solvency margin as required in the financial year 2020-21 and devise strategies to ensure that they have adequate capital and resources available with them. In line with this, the Authority also advised insurers to take conscious call to refrain from dividend payout from profits and rationalize the expenses of management pertaining to the financial year ended March 31, 2020. The Authority decided to withdraw this circular on February 25, 2021 thereby enabling insurance companies to declare dividend for Fiscal 2021.

In Union Budget for FY2022 government announced increase in FDI limit for the insurance sector from 49% to 74%. The Insurance (Amendment) Bill, 2021, to this effect was passed by Parliament in March 2021 that amended the Insurance Act, 1938. The amendment is expected to provide capital to smaller players and thus increase competitive intensity in the sector marginally.

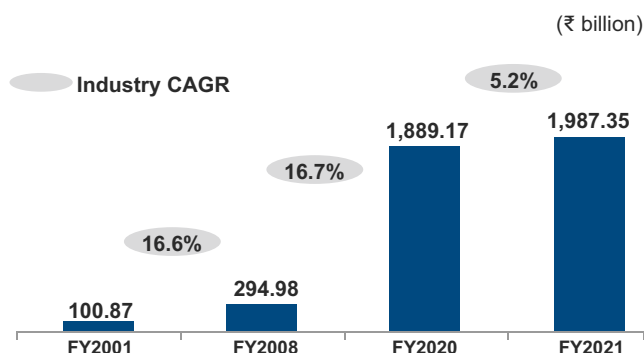
The Authority has not issued a revision in the prevailing rates for Motor Third-Party Liability Insurance Cover for Fiscal 2021.

(A) Financial performance:

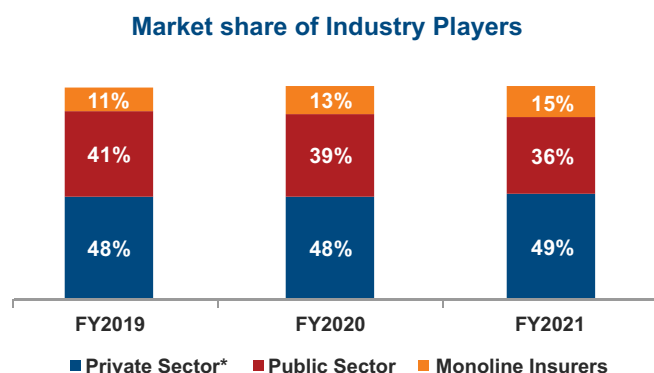
The non-life insurance industry registered growth of 5.2%⁶ in fiscal 2021. The industry has grown at a CAGR of approximately 16.1% since fiscal 2001.

⁶ IRDAI website

Despite this, non-life insurance penetration in India continues to be around 0.9%⁷ of Gross Domestic Product against world average of 2.3%⁶ and given India's demographic dividend, the sector is poised to reach newer heights in the coming years.



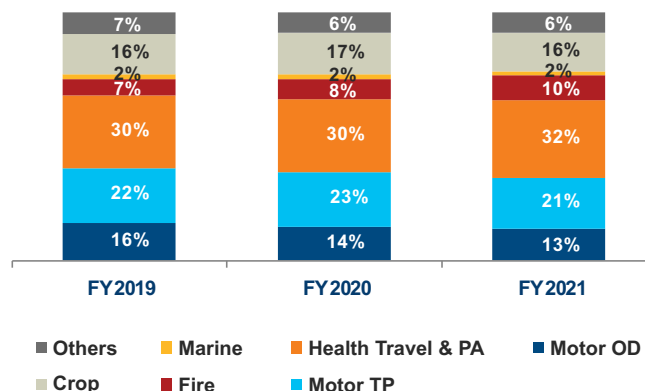
The private multi product players contribute to approximately 49.3% of the market for fiscal 2021.



*excluding monoline insurers

The industry growth is driven by growth in Fire, Engineering, Retail Health and Group Health insurance segments. Fire, Engineering, Retail Health and Group Health grew by approximately 28.1%, 13.0%, 28.3% and 8.5% in fiscal 2021.

Product Mix



Source: IRDAI

II. Discussion on Financial Performance and Analysis of Financial Statements

a. Overview of our business

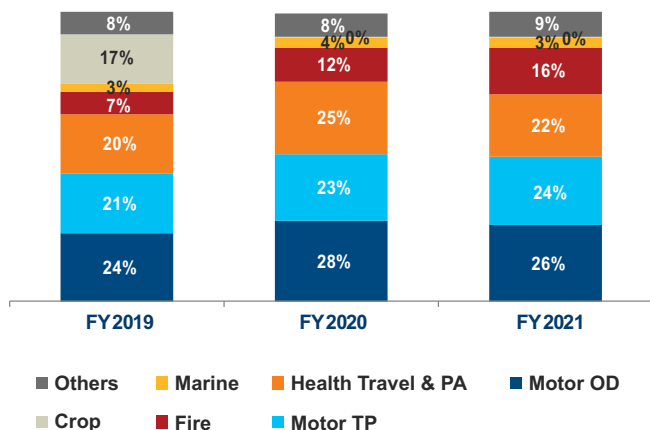
We are one of the largest⁸ private-sector non-life insurer in India based on gross direct premium income in fiscal 2021. We offer our customers a comprehensive and well-diversified range of products, including fire, motor, health, travel and personal accident, marine, engineering and liability insurance, through multiple distribution channels.

For fiscal 2021, we issued 21.7 million policies and covered 53.3 million lives and our gross direct premium income was ₹ 140.03 billion, translating into a market share⁸ of 7.0% among all non-life insurers in India and 14.3% among private-sector non-life insurers in India. Our key distribution channels are direct sales, individual agents, corporate agents - banks, other corporate agents, Motor Insurance Service Providers (MISPs), brokers and digital, through which we service our individual, corporate, government and rural customers.

⁷. Sigma 4 / 2020 Swiss Re

⁸. IRDAI Report

Product Mix



We have maintained leadership position among the private sector non-life insurers in India across motor own damage, fire, engineering, liability and marine segments in fiscal 2021. Our GDPI market share in motor own damage segment improved to 14.1% in fiscal 2021 from 13.9% in fiscal 2020. The company witnessed accretion in market share across all the commercial lines such as Fire, Engineering, Marine Cargo and Liability.

As at March 31, 2021, we had ₹ 308.92 billion in total investment assets with an investment leverage (net of borrowings) of 4.09x. Our investment policy is designed with the objective of capital preservation and achieving superior total returns within identified risk parameters. Our philosophy of generating superior risk adjusted returns along with protection of capital has resulted in a total portfolio return of 12.2%⁹. Equities made up of 14.5% of our total investment assets, by carrying value, as at March 31, 2021. Since fiscal 2004, our listed equity portfolio has returned an annualised total return of 25.1%, as compared to an annualised return of 16.4% on the benchmark S&P¹⁰ NIFTY index.

b. Competitive Strengths

Our strategic objective is to build a sustainable organization that remains relevant to the agenda of our stakeholders. We believe in providing value to our

clients, while creating growth opportunities for our employees and generating profitable returns for our investors.

The following competitive strengths which contribute to our success and positioned us well for future growth:

Consistent Market Leadership and profitable growth: Our industry leadership has been reinforced by our comprehensive and diverse portfolio of insurance products that we continuously adapt to evolving needs of customers and changing industry dynamics. We have maintained leadership position among private sector non-life insurers in India across motor own damage, fire, engineering, liability and marine segments in fiscal 2021.

Diverse product line with multi-channel distribution network: We continue to offer products and solutions that address the untapped and evolving needs of customers and we have established ourselves as a reliable one-stop insurer for diverse customer requirements.

Further, we have been expanding our distribution network so as to increase penetration in tier 3 and tier 4 cities. Our Virtual offices network stood at 840 as on March 31, 2021. Our individual agents (including POS Agents) increased to 59,545 as on March 31, 2021.

Excellence in Customer Service and Technology: Our customer-centric approach to delivering value focuses on providing convenience and customised solutions. The number of policies written stood at 21.7 million for fiscal 2021. We have been at the forefront of leveraging technology in the Indian non-life insurance industry. We leverage technologies such as Artificial Intelligence, Machine Learning, Advanced analytics, Internet of Things etc. from issuance of policies to settlement of claims and fraud detection. Our investment in capability building is focussed on building a culture of data-enabled decision making and enabling its employees to deliver customer-centric solutions. As on March 31, 2021 the headcount of the company was 10,236.

⁹. CAGR (FY2008-FY2020)

¹⁰. Standard & Poor

Robust risk selection and management framework:

We take a holistic approach to risk management, which includes a data-driven risk selection framework, conservative reserving and quality reinsurance. The company has historically witnessed lower proportion of losses from catastrophic events than overall market share. As per IRDAI guidelines, non-life insurers in India are not allowed to discount their reserves. We test our reserves regularly based on claim experience, claim inflation and other factors. We have been disclosing aggregate reserving triangles as part of our annual reports since fiscal 2016. When it comes to investment management, the company has tighter internal exposure norms as against regulatory limits. The company has invested in high proportion of Debt portfolio and has 86.1% in sovereign and AAA¹¹ rated securities as on March 31, 2021. All the Bonds and Debentures are AA rated & above. The company has zero instance of default in Debt portfolio since inception.

Strong investment returns on diversified portfolio:

Our total investments assets increased to ₹ 308.92 billion as on March 31, 2021 with an investment leverage of 4.09x. We have achieved a realised return on total portfolio of 7.8% for fiscal 2021.

c. Strategy and Future Outlook

In fiscal 2021, the company continued to focus on its strategic priorities of sustainable profitability with diversification of product portfolio. With regards to improving profitability, the company focused on prudent risk selection whilst leveraging on technology and distribution network. The company maintained a strong capital position with the solvency ratio well above the minimum regulatory requirement.

Going forward, the company will continue to focus on underwriting profitable segments while maintaining cautious approach in underwriting lumpy tender driven segments. Through its customer-centric approach and digital initiatives, the company is geared to remain customer's preferred choice. The core strategy of the

company for the ensuing fiscals will be to strive for increase in return on equity without compromising profitability and sustaining combined ratio at optimal levels.

d. Basis of preparation and presentation of our financial statements

The financial statements have been prepared and presented on a going concern basis in accordance with Generally Accepted Accounting Principles followed in India under the historical cost convention, unless otherwise specifically stated, on the accrual basis of accounting, and comply with the applicable accounting standards specified in section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Amendment Rules, 2016 dated March 30, 2016 to the extent applicable, and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), Insurance Regulatory and Development Authority of India Act, 1999, the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions prescribed by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this behalf, the provisions of the Companies Act, 2013 (to the extent applicable) (the "Act") in the manner so required and current practices prevailing within the insurance industry in India.

The management evaluates, all recently issued or revised accounting pronouncements, on an ongoing basis. The Financial Statements are presented in Indian rupees rounded off to the nearest thousand.

i. Revenue Account and Profit and Loss Account

The revenue account contains income and expenses relating to policyholders, and the surplus or deficit generated in this account is appropriated to the profit and loss account every fiscal.

¹¹. Domestic credit ratings

The statement below summarises the Revenue account.

(₹ billion)		
Particulars	Fiscal 2020	Fiscal 2021
Premium earned (net)	94.04	100.14
Income from Investments (net)	15.43	16.64
Contribution from shareholders funds towards excess EOM*	0.75	4.36
Other income	0.32	0.47
Total (A)	110.54	121.61
Claims Incurred (net)	68.52	68.71
Commission paid (net)	3.64	6.01
Operating expenses related to insurance business	22.94	27.34
Total (B)	95.10	102.06
Operating Profit/ (Loss) (C) = (A)-(B)	15.44	19.55

*Basis IRDAI circular dated May 20, 2019

The profit and loss account contain the income and expenses pertaining to shareholders.

The statement below summarises the Profit and Loss account.

(₹ billion)		
Particulars	Fiscal 2020	Fiscal 2021
Operating profit / (loss)	15.44	19.55
Income from investments (net)	4.64	5.05
Other income	0.16	0.12
Total (A)	20.24	24.72
Provision (other than taxation)	1.68	(0.56)
Other expenses	1.59	5.74
Total (B)	3.27	5.19
Profit before tax	16.97	19.54
Provision for taxation	5.03	4.81
Profit after tax	11.94	14.73

Premium earned (net) (NEP)

(₹ billion)		
Particulars	Fiscal 2020	Fiscal 2021
Premium from direct business written - net of GST or service tax (GDPI)	133.13	140.03
Premium on reinsurance accepted	2.79	3.17
Gross Written Premium (GWP)	135.92	143.20
Less: Premium on reinsurance ceded	39.52	36.35
Net Written Premium (NWP)	96.40	106.85
Less: Adjustment for change in reserve for unexpired risks	2.36	6.71
Premium earned (net) (NEP)	94.04	100.14

Premium from direct business written-net of GST or service tax, which we refer to as GDPI, is the total premium received by us before taking into account reinsurance assumed and ceded. This is calculated net of GST or service tax on such premiums.

Our GDPI grew to ₹ 140.03 billion for fiscal 2021 from ₹ 133.13 billion for fiscal 2020, a growth of 5.2%. The increase in GDPI were primarily due to motor and commercial segments such as fire, engineering, aviation and liability.

The increase in our GDPI from motor segment during the fiscal can be attributed to change in product mix within sub-segments of motor and increased volume of policies, this was inspite of the slowdown witnessed in new vehicle sales growth due to Covid-19 induced lockdown in the first half of Fiscal 2021. The composition of private car, two wheeler and commercial vehicle within motor segment was 56.3%, 27.3% and 16.4% respectively in fiscal 2021 as against 56.7%, 28.5% and 14.8% respectively in fiscal 2020. Fiscal 2021 continued to witness relatively slower growth on the benefit health insurance segment in view of muted loan disbursements by Non-Banking Financial Companies (NBFCs) and Housing Finance Companies (HFCs). During the fiscal there was also an impact in the growth of benefit health insurance segment owing to ICICI Bank decision to not sell credit linked health policies since Q3 FY 2020-21 as their focus was on building their core business. However health remains one of the preferred segments for the company and we continue to invest in building agency network and value driven partnerships to strengthen growth under this segment. Travel segment was largely impacted due to restricted mobility during Covid -19 lockdown. Individual, Group –Others, Group – Employer-Employee and Mass contributed to 26.7%, 23.3%, 50.0%, and 0.0% respectively of Health, & Personal Accident GDPI for fiscal 2021 and 23.6%, 38.8%, 37.5%, and 0.1% respectively for fiscal 2020. The company witnessed market share accretion across all the commercial lines such as Fire, Engineering, Marine Cargo and Liability. The growth in GDPI under the Fire segment was primarily owing to the rate hike in certain occupancies w.e.f. January 1, 2020. Going forward the growth is expected to be normalised due to base effect.

The Company continued to take a cautious approach in underwriting lumpy tender driven businesses viz. crop/weather and mass health segments during the fiscal. The contribution of crop/weather segment to overall GDPI of the company remained negligible. Further the company did not win any new crop tender during FY2021.

Premium on reinsurance accepted is the premium received by us due to risks that we reinsure, which we also refer to as "reinsurance inward". Premium on reinsurance accepted stood at ₹ 3.17 billion for fiscal 2021 from 2.79 billion for fiscal 2020, growth of 13.6%. Fire, motor OD, engineering and health segments primarily contributed to premium on reinsurance accepted.

Consequently, our GWP stood at ₹ 143.20 billion for fiscal 2021 as compared to ₹ 135.92 billion for fiscal 2020, growth of 5.4%

Premium on reinsurance ceded is the premium in relation to the risk that we cede to our reinsurers. In the case of non-proportional reinsurance, like risk, excess-of-loss or catastrophic excess-of-loss, this amount is the premium that we pay to our reinsurers. In the case of proportional reinsurance, this amount is calculated based on the premium we receive for insuring a particular risk and the proportion of such risk ceded to our reinsurers.

The premium on reinsurance ceded stood at ₹ 36.35 billion for fiscal 2021 from ₹ 39.52 billion for fiscal 2020, a de-growth of 8.0%. This was primarily due to increase in retention under the Motor OD segment coupled with decrease in the GWP of the Health Benefit segment due to muted loan disbursement and the decision taken by ICICI Bank since Q3 FY 2020-21 to not sell benefit health insurance segment during the fiscal.

Consequently, our NWP increased to ₹ 106.85 billion for fiscal 2021 from ₹ 96.40 billion for fiscal 2020, registering a growth of 10.8%

Our NEP increased to ₹ 100.14 billion for fiscal 2021 from ₹ 94.04 billion for fiscal 2020, an increase of 6.5%. The increase was primarily due to increase in NEP from motor, health and fire segments.

Our segmental NEP is shown in the table below:

(₹ billion)

Particulars	Fiscal 2020	Fiscal 2021
Motor:		
Motor - Own Damage	31.01	32.29
Motor - Third Party	30.19	29.43
Motor - Total	61.20	61.72
Health Insurance	18.30	21.25
Crop / Weather	0.02	0.07
Marine:		
Marine - Cargo	2.53	2.58
Marine - Other than Cargo	0.04	0.02
Marine - Total	2.57	2.60
Personal Accident	4.32	4.36
Fire	2.74	4.81
Engineering	1.01	1.16
Aviation	0.18	0.21
Workmen's Compensation	0.56	0.63
Public / Product Liability	0.20	0.16
Credit Insurance	0.03	0.02
Others	2.91	3.15
Total	94.04	100.14

Our NEP from motor segment increased to ₹ 61.72 billion for fiscal 2021 from ₹ 61.20 billion for fiscal 2020, an increase of 0.9%. The increase in NEP is primarily due to increase in retention under motor OD segment.

Our NEP from health and personal accident insurance increased to ₹ 25.61 billion for fiscal 2021 from ₹ 22.62 billion for fiscal 2020, an increase of 13.2%. The increase in NEP is primarily due to growth in GDPI in indemnity health insurance segment.

Our NEP from marine segment grew to ₹ 2.60 billion for fiscal 2021 from ₹ 2.57 billion for fiscal 2020, an increase of 1.1%. This growth was largely contributed by marine cargo segment.

Our NEP from fire segment grew to ₹ 4.81 billion for fiscal 2021 from ₹ 2.74 billion for fiscal 2020, an increase of 75.9%. This growth was largely due to rate hike in certain occupancies wef January 1, 2020 coupled with increased retention under this segment.

Income from investments (net) (revenue account)

Income from investments (net) (revenue account) consists of net profit on sale and redemption of investments and gross interest, dividend and rent received from our investment assets. The table below summarises the Income from investments (revenue account).

(₹ billion)

Particulars	Fiscal 2020	Fiscal 2021
Net Profit on sale and redemption of investments	2.45	2.23
Interest, Dividend and Rent - Gross	12.98	14.41
Income from investments (net) (revenue account)	15.43	16.64

Income from investments (revenue account) increased to ₹ 16.64 billion for fiscal 2021 from ₹ 15.43 billion for fiscal 2020, an increase of 7.9%. The increase in gross interest, dividend and rent (revenue account) to ₹ 14.41 billion in fiscal 2021 from ₹ 12.98 billion in fiscal 2020 was due to increase in total investment assets attributable to the revenue account. The increase in total investment assets was primarily due to improved cash inflows from efficiency in operations and realised investment income.

Other income (revenue account)

Other income (revenue account) consists of foreign exchange gain or loss, investment income from the pools, contribution from Shareholder Funds towards excess Expenses of Management (EOM) and miscellaneous income. The table below summarises the Other income (revenue account).

(₹ billion)

Particulars	Fiscal 2020	Fiscal 2021
Foreign exchange gain / (loss)	0.03	0.01
Investment income from pools (terrorism & nuclear)	0.25	0.31
Contribution from Shareholders Funds towards excess EOM*	0.75	4.36
Miscellaneous income	0.04	0.15
Other income (revenue account)	1.07	4.83

*Basis IRDAI circular dated May 20, 2019

Other income (revenue account) stood at ₹ 4.83 billion for fiscal 2021 as compared to ₹ 1.07 billion for fiscal 2020. For fiscal 2021, there was a foreign exchange gain of ₹ 0.01 billion as compared to foreign exchange gain of ₹ 0.03 billion for fiscal 2020. Additionally, the investment income from pools (terrorism and nuclear) was ₹ 0.31 billion for fiscal 2021 as compared to ₹ 0.25 billion for fiscal 2020. The Contribution from Shareholders Funds in excess of expenses of management were ₹ 4.36 billion as compared to ₹ 0.75 billion in fiscal 2020. The miscellaneous income stood at ₹ 0.15 billion for fiscal 2021 as compared to ₹ 0.04 billion for fiscal 2020.

Claims Incurred (net)

Claims incurred (net) are the total claims incurred by us during a given period, both paid and outstanding including IBNR/IBNER reserves, net of claims recovered from reinsurance ceded. Under guidance issued by the IRDAI, IBNR and IBNER reserves, which also constitute claims outstanding, are not discounted. The statement below summarises the Claims Incurred (net).

(₹ billion)

Particulars	Fiscal 2020	Fiscal 2021
Claims paid - Direct	73.39	83.91
Claims paid on reinsurance accepted	1.41	1.53
Gross claims paid	74.80	85.44
Less: Claims recovered from reinsurance ceded	23.51	30.12
Net Claims paid	51.29	55.32
Add: Increase / (decrease) in claims outstanding (net)	17.23	13.39
Claims incurred (net)	68.52	68.71

Claims incurred (net) increased to ₹ 68.71 billion for fiscal 2021 from ₹ 68.52 billion for fiscal 2020, an increase of 0.3%. There was an improvement in our overall loss ratio to 68.6% for fiscal 2021 from 72.9% for fiscal 2020. Net claims paid increased to ₹ 55.32 billion for fiscal 2021 from ₹ 51.29 billion for fiscal 2020. The decrease in claims outstanding (net) to ₹ 13.39 billion in fiscal 2021 from ₹ 17.23 billion in fiscal 2020 is mainly on account of reduced claim intimation under the Motor segment which can be attributed to restricted mobility during the pandemic.

The table below gives the segmental loss ratios:

Particulars	Fiscal 2020	Fiscal 2021
Motor:		
Motor - Own Damage	68.9%	62.2%
Motor - Third Party	84.4%	69.7%
Motor - Total	76.5%	65.8%
Health Insurance	80.5%	89.0%
Crop / Weather	110.6%	111.2%
Marine:		
Marine - Cargo	67.2%	82.0%
Marine - Other than Cargo	-69.8%	233.8%
Marine - Total	65.3%	83.3%
Personal Accident	24.9%	24.2%
Fire	64.0%	63.7%
Engineering	40.7%	57.7%
Aviation	79.4%	91.6%
Workmen's Competition	59.6%	64.6%
Public / Product Liability	82.5%	60.0%
Credit Insurance	91.8%	123.2%
Others	46.1%	45.4%
Total	72.9%	68.6%

The overall loss ratio improved to 68.6% in fiscal 2021 from 72.9% in fiscal 2020. The loss ratio of Motor declined to 65.8% in fiscal 2021 from 76.5% in fiscal 2020, due to reduced frequency of claim intimation due to COVID-19 induced lockdown during first half of fiscal 2021. Further the Health loss ratio has worsened to 89.0% from 80.5% primarily due to increase in Covid related claims during fiscal 2021.

Commission paid (net)

Commission paid (net) comprises of Commission paid – Direct, Commission paid on reinsurance accepted deducted by commission received from reinsurance ceded.

Commission on reinsurance ceded refers to the commissions on reinsurance arrangements received by us. This commission is generally computed as a percentage of the premium on reinsurance ceded. In the case of certain proportional reinsurance contracts where the premium rates are defined, the difference between the premium we receive for insuring a particular risk and the premium rate so defined in the reinsurance contract is considered as commission on reinsurance ceded.

(₹ billion)

Particulars	Fiscal 2020	Fiscal 2021
Commission paid - Direct	12.47	12.83
Commission paid on reinsurance accepted	0.35	0.40
Gross Commission paid	12.82	13.23
Less: Commission received from reinsurance ceded	9.18	7.22
Commission paid (net)	3.64	6.01

Commission paid - Direct increased to ₹ 12.83 billion for fiscal 2021 from ₹ 12.47 billion for fiscal 2020, an increase of 2.9%. The increase was due to increase in commercial line of business such as fire, engineering etc.

Commission paid on reinsurance accepted increased to ₹ 0.40 billion for fiscal 2021 as compared to ₹ 0.35 billion for fiscal 2020, an increase of 14.2%. The increase is primarily due to higher commission pay-out on premium on reinsurance accepted under fire and Motor OD segment.

Commission received from reinsurance ceded decreased to ₹ 7.22 billion for fiscal 2021 from ₹ 9.18 billion for fiscal 2020 primarily due to increase in Motor OD retention leading to lower premiums ceded to reinsurers & consequently reduced commission received from reinsurance. Further due to COVID-19 induced lockdown lower disbursement of loans by HFC and NBFC impacting the business on the health benefit side leading to lower premiums ceded to reinsurers & consequently has reduced commission received from reinsurance. The decrease can also be attributed to reduction in premium of the health benefit segment due to ICICI Bank not selling credit linked health policies.

Operating expenses related to insurance business

Operating expenses related to insurance business includes employees' remuneration, rents, rates and taxes, advertisement, sales promotion, business support service and others.

During the fiscal 2021 the company's focus remained on accelerating its opex investments towards delivering excellence in technology, innovation, building people capabilities and value partnerships. Resultantly, Operating expenses related to insurance business increased to ₹ 27.34 billion for fiscal 2021 from ₹ 22.94 billion for fiscal 2020, an increase of

19.2%. The increase was driven by employee remuneration & welfare benefits, fixed costs in the form of depreciation and other operating expenses on account of legal and professional charges, advertisement and sales & promotion expenses.

Operating profit

Based on the above, operating profit increased to ₹ 19.55 billion for fiscal 2021 from ₹ 15.44 billion for fiscal 2020, an increase of 26.6%. Fire insurance contributed 12.1% and 6.2%, marine insurance contributed -0.5% and 2.3%, and miscellaneous insurance (including motor insurance, health insurance and other lines of insurance) contributed 88.4% and 91.5% of our operating profit for fiscal 2021 and fiscal 2020, respectively. The increase in operating profit is largely driven by improvement in loss ratios across certain lines of business.

Income from investments (net) (profit and loss account)

Income from investments (profit and loss account) consists of interest, dividend and rent, and net profit on the sale and redemption of investments. The table below summarises the Income from investments (profit and loss account).

(₹ billion)		
Particulars	Fiscal 2020	Fiscal 2021
Net profit on sale and redemption of investments	0.75	0.68
Interest, Dividend and Rent - Gross	3.89	4.36
Income from investments (net) (profit and loss account)	4.64	5.04

Income from investments (profit and loss account) increased to ₹ 5.04 billion for fiscal 2021 from ₹ 4.64 billion for fiscal 2020, an increase of 8.6%. The increase in gross interest, dividend and rent (profit and loss account) to ₹ 4.36 billion for fiscal 2021 from ₹ 3.89 billion for fiscal 2020 was primarily due to an increase in total investment assets attributable to the profit and loss account.

Other income (profit and loss account)

Other income (profit and loss account) consists of interest income on tax refund, profit on sale/discard of fixed assets and recovery of bad debts written off.

(₹ billion)

Particulars	Fiscal 2020	Fiscal 2021
Interest income on tax refund	0.15	0.12
Profit on sale/discard of fixed assets	0.00	0.00
Recovery of bad debts written off	-	-
Other income (profit and loss account)	0.15	0.12

Other income (profit and loss account) decreased to ₹ 0.12 billion for fiscal 2021 from ₹ 0.15 billion for fiscal 2020, a decrease of 15.0%. Also, interest income on tax refund decreased to ₹ 0.12 billion for fiscal 2021 as against ₹ 0.15 billion for fiscal 2020.

Provisions (other than taxation)

Provisions (other than taxation) consists of provisions for diminution in the value of investments, doubtful debts, future recoverable under reinsurance contracts, and other provisions.

(₹ billion)

Particulars	Fiscal 2020	Fiscal 2021
For diminution in the value of investments	1.20	(0.67)
For doubtful debts	0.47	0.11
For future recoverable under reinsurance contracts	-	-
Others	-	-
Provision other than taxation (profit and loss account)	1.67	(0.56)

Provisions (other than taxation) decreased to ₹ (0.56) billion for fiscal 2021 from ₹ 1.67 billion for fiscal 2020 mainly on account of reversal of impairment of investment on equity assets. The company during fiscal 2020 had created an impairment provision of ₹ 1.20 billion and during fiscal 2021 reversal of previously assessed impairment of ₹ 0.70 billion was undertaken as the underlying securities were sold and the resultant losses were recognized. To this effect the company reversed impairment on investment in equity assets of ₹ 0.67 billion in fiscal 2021

Other expenses (profit and loss account)

Other expenses consist of expenses other than those related to insurance business, which include certain employees' remuneration and other expenses, managerial remuneration, directors' fees and CSR expenditure, charges on issuance of the Debentures, expenses related to investment property and

operating expenses borne by shareholders. Other expenses also covers, bad debts written off, loss on sale/discard of fixed assets and penalty.

Other expenses increased to ₹ 5.74 billion for fiscal 2021 from ₹ 1.59 billion for fiscal 2020, an increase of 262.1%. Other expenses for fiscal 2021 includes CSR expenditure, loss on sale of fixed assets and penalty. Other expenses in fiscal 2021 included ₹ 4.36 billion debited in profit and loss account being excess of IRDAI prescribed segmental limits pertaining to the health retail segment, Motor and Miscellaneous retail segments that are required to be borne by shareholders in accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016.

Profit

As a result of the above, profit before tax increased to ₹ 19.54 billion for fiscal 2021 from ₹ 16.97 billion for fiscal 2020, an increase of 15.1%.

Provision for taxation decreased to ₹ 4.80 billion for fiscal 2021 from ₹ 5.03 billion for fiscal 2020, a decrease of 4.4%.

Profit after tax increased to ₹ 14.73 billion for fiscal 2021 from ₹ 11.94 billion for fiscal 2020, an increase of 23.4%.

ii. Financial Position: Balance Sheet

The following table sets forth, at the dates indicated, our summary balance sheet, which is based on our financial statements.

(₹ billion)		
Particulars	At March 31, 2020	At March 31, 2021
Share Capital	4.54	4.55
Reserves and Surpluses	56.80	69.81
Share application money - pending allotment	0.00	0.00
Total Equity	61.34	74.36
Current liabilities	249.80	240.99
Provisions	58.73	65.97
Fair value change account	(4.29)	6.81
Borrowings	4.85	4.85
Total liabilities	309.09	318.62
Total equity and liabilities	370.43	392.98
Total investments	263.27	308.92
Fixed assets:		
- Cost / gross block	11.77	12.25
- Net block	6.77	6.27
Deferred tax asset	3.06	3.50
Cash and bank balances	0.33	2.28
Advances and other assets	97.00	72.01
Total Assets	370.43	392.98

Total assets increased to ₹ 392.98 billion at March 31, 2021 from ₹ 370.43 billion at March 31, 2020, an increase of 6.1%. This increase was primarily due to an increase in total investments assets to ₹ 308.92 billion for fiscal 2021 from ₹ 263.27 billion for fiscal 2020. This increase in total investments assets was contributed by higher inflows from efficiency in operations and realized investment incomes. Advances and other assets decreased to ₹ 72.01 billion at March 31, 2021 from ₹ 97.00 billion at March 31, 2020, a decrease of 25.8%. The outstanding premium (net of provision for doubtful debts) decreased to ₹ 9.78 billion at March 31, 2021 from ₹ 17.56 billion at March 31, 2020, a decrease of 94.4%. This decrease was mainly on account of reduction in receivables from government on Crop insurance segment. Advance tax paid and taxes deducted at source (net of provision for tax) were NIL for fiscal 2021 as against ₹ 1.37 billion for fiscal 2020 primarily due to lower effective tax rate resulting from change in Income Tax Regulations.

Total liabilities increased to ₹ 318.62 billion at March 31, 2021 from ₹ 309.09 billion at March 31, 2020, an increase of 3.1%. This was primarily due to increase in premiums received in advance of ₹ 32.40 billion as at March 31, 2021 from ₹ 30.51 billion as at March 31, 2020, on account of long-term motor policies wherein the premium is received upfront and would get recognized in the future years. Further in the claim outstanding (gross) increased to ₹ 182.85 billion as at March 31, 2021 from ₹ 180.07 billion as at March 31, 2020.

Fair value change account—Shareholder funds increased to ₹ 1.63 billion at March 31, 2021 from ₹ (0.95) billion at March 31, 2020, an increase of 272.0%. This increase was primarily due to the increase in the market value of our equity portfolio compared to its cost price. Fair value change—Policyholder funds increased to ₹ 5.17 billion at March 31, 2021 from ₹ (3.34) billion at March 31, 2020, an increase of 255.0%. This increase was primarily due to the increase in the market value of our equity portfolio compared to its cost price.

Investments – Shareholders increased to ₹ 74.36 billion at March 31, 2021 from ₹ 58.60 billion at March 31, 2020, an increase of 26.9%. Investments—Policyholders increased to ₹ 234.57 billion at March 31, 2021 from ₹ 204.67 billion at March 31, 2020, an increase of 14.6%. This increase was primarily due to an overall increase in the investment book size.

Further, regulatory changes prescribed by IRDAI affecting the notional allocation of investments into Shareholder and Policyholder funds based on the ratio of their respective liabilities and assets also contributed to an increase in the Policyholders fund ratio.

iii. Liquidity and Capital Resources

The following table sets forth, for the periods indicated, a summary of cash flows from our restated summary statement of receipts and payments account.

(₹ billion)		
Particulars	Fiscal 2020	Fiscal 2021
Net cash flow from (used in) operating activities (A)	34.33	17.74
Net cash flow from (used in) investing activities (B)	(33.82)	(13.67)
Net cash flow from (used in) financing activities (C)	(4.20)	(2.12)
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	(3.69)	1.95
Cash & Cash equivalents at the beginning of the year	4.02	0.33
Cash & Cash equivalents at the end of the year	0.33	2.28

Cash flows from operating activities

Net cash flows from operating activities decreased to ₹ 17.74 billion for fiscal 2021 from ₹ 34.33 billion for fiscal 2020. This decrease was primarily due to decrease in premiums received from policyholders and an increase in the payment of claims, commissions and taxes.

Cash flows from investing activities

Net cash flows (used in) investing activities decreased to ₹ (13.67) billion for fiscal 2021 from ₹ (33.82) billion for fiscal 2020. This was primarily due to decrease in net investments in money market instruments and liquid mutual funds, mainly from funds generated from operating activities.

Cash flows from financing activities

Net cash flows (used in) financing activities decreased to ₹ (2.12) billion for fiscal 2021 from ₹ (4.20) billion for fiscal 2020. This was primarily due to payment of interim dividend for fiscal 2021

iv. Contingent Liabilities

The Statement of contingent liabilities is provided below.

(₹ billion)		
Particulars	Fiscal 2020	Fiscal 2021
Partly paid-up investments	-	-
Claims other than those under policies, not acknowledged as debt	-	-
Underwriting commitments outstanding	NA	NA
Guarantees given by or on behalf of the Company	-	-
Statutory demands / liabilities in dispute, not provided for (Note 1 & 2)	4.57	8.31
Reinsurance obligations to the extent not provided for in accounts	-	-
Others	0.05	0.05

Note 1: The Company has disputed the demand raised by Income Tax Authorities of ₹ 0.29 billion, the appeals of which are pending before the appropriate Authorities. This excludes Income Tax demand related to Assessment Year 2003-04, 2005-06, 2006-07 & 2008-09 in respect of which the Company has received favorable appellate order, which is pending for effect to be given by the Assessing Authority

Note 2: Includes disputed refund / demand (including interest and penalty) of ₹ 8.02 billion for year ended March 31, 2021 from ₹ 4.28 billion for the year ended March 31, 2020 from Service Tax Authorities / Goods & Service Tax Authorities / Jammu and Kashmir Sales Tax, the appeals of which are pending before the appropriate Authorities. Further, ₹ 0.17 billion has been paid at the time of filing CESTAT appeal as per the provisions of the Finance Act, 1994.

v. Borrowings

As of March 31, 2021, we had long term borrowings of ₹ 4.85 billion, total net worth of ₹ 74.35 billion and a total debt to net worth ratio of 0.07 times.

Disclosure of key changes in financial indicators:
Pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, w.e.f. 01 April 2019, following details have been provided:

(a) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in the key financial ratios, alongwith detailed explanations thereof:

Sr. No.	Ratio	FY 2020	FY 2021	Change (FY2020 vs FY2021)	Reasons, if any
1	Gross Direct Premium Growth Rate	-8%	5%	164%	Refer Note 1
2	Gross Direct Premium to Net Worth Ratio	2.17	1.88	-13%	Not Applicable
3	Growth rate of Net Worth	15%	21%	39%	Refer Note 2
4	Net Retention Ratio	71%	75%	5%	Not Applicable
5	Net Commission Ratio	4%	6%	49%	Refer Note 3
6	Expenses of Management to Gross Direct Premium Ratio	27%	29%	8%	Not Applicable
7	Expenses of Management to Net Written Premium Ratio	37%	38%	2%	Not Applicable
8	Net Incurred Claims to Net Earned Premium	73%	69%	-6%	Not Applicable
9	Combined Ratio	100%	100%	-1%	Not Applicable
10	Technical Reserves to Net Premium Ratio	2.47	2.32	-6%	Not Applicable
11	Underwriting balance ratio	(0.01)	(0.02)	71%	Refer Note 4
12	Operating profit ratio	16%	19%	18%	Not Applicable
13	Liquid Assets to Liabilities Ratio	12%	13%	9%	Not Applicable
14	Net Earnings Ratio	13%	15%	16%	Not Applicable
15	Solvency Ratio	2.17	2.90	34%	Refer Note 5

Note 1: Gross Direct Premium growth is derived by growth in GDP in comparison with the previous year. The growth of 5.2% in fiscal 2021 was in line with the industry growth

Note 2: Growth Rate of Networth is derived by growth in Networth in comparison with previous year. The growth of 21.2% can be primarily attributed to increase in PAT by 23.4% during the fiscal 2021.

Note 3: Net Commission ratio is derived by dividing Commission paid (net) by NWP. Commission paid (net) comprises of Commission paid – Direct, Commission paid on reinsurance accepted less commission received from reinsurance ceded. Commission paid - Direct increased to ₹ 12.83 billion for fiscal 2021 from ₹ 12.47 billion for fiscal 2020, an increase of 2.9%. The increase was due to increase in commercial line of business such as fire, engineering etc.

Note 4: Underwriting balance ratio is derived by dividing the underwriting result (Underwriting result = NEP – Net Claims Incurred – Net Commission Paid – Operating expenses related to insurance business) by NEP. The underwriting result for fiscal 2021 has decreased as compared to the fiscal 2020. This was due to impact of Covid-19 on overall performance including slower than normal growth in the topline resulting in lower NEP. This coupled with increase in operating expenses such as employee remuneration & welfare benefits, fixed costs in the form of depreciation and other operating expenses on account of legal and professional charges, advertisement and sales & promotion expenses led to decrease in the underwriting balance ratio as compared to the previous year. However there was an improvement in loss ratio to 68.6% for fiscal 2021 from 72.9% for fiscal 2020.

Note 5: Solvency Ratio is derived by required solvency margin by IRDAI divided by available solvency margin. The solvency ratio increased due to increase in available solvency margin during the fiscal 2021 and a strong capital position

(b) Details of change in Return on Net Worth as compared to the immediately previous financial year alongwith detailed explanation thereof:

Return on Net Worth (RONW) is computed dividing the PAT by Net Worth (Share Capital + Reserves & Surpluses + Share application money received pending allotment). RONW stood at 19.8% for fiscal 2021 from 19.5% for fiscal 2020. The increase in RONW was largely driven by increase of 23.4% in PAT for fiscal 2021.

III. Internal control systems and their adequacy

The internal controls of the Company are commensurate with the business requirements, its scale of operation and applicable statutes to ensure orderly and efficient conduct of business. These controls have been designed to provide a reasonable assurance with regard to maintaining proper accounting controls, safeguarding of resources, prevention and detection of frauds and errors, ensuring, operating effectiveness, reliability of financial reporting and compliance with applicable regulations. In addition, internal audits are undertaken to review significant operational areas regularly. The audit reports submitted by internal auditors are reviewed by audit committee and corrective actions are initiated to strengthen the controls and enhance the effectiveness of the existing systems. Statutory and Internal auditors are also invited to the Audit Committee meetings to ascertain their views on the adequacy of internal control systems.

The management believes that strengthening of internal controls is a continuous process and it will therefore continue its efforts to keep pace with changing business needs and environment.

IV. Covid-19 Impact on Internal Control over Financial Reporting

The COVID-19 pandemic outbreak has had far reaching impact on several critical risk areas of the business. The Company, on assessment of the associated risks, commenced preparation for risk mitigation at the beginning of March 2020. The Company activated the Crisis Management Team (CMT) that has been regularly reviewing the developing situation to calibrate the company's response. The CMT conceptualized and formulated the business continuity plans for the Company prioritizing the dual objectives of employee safety and delivering customer commitments. The Company also undertook a comprehensive risk assessment activity to evaluate the impact of COVID-19 on all the key risk areas of the Company's Enterprise Risk Management framework namely credit risk, market risk, underwriting risk, operational risk and strategic risk (including therein reputation risk). From an entity level risk evaluation perspective, the Company believes that the risks arising out of the pandemic are presently at manageable levels for the organization. Processes and controls followed to prepare the financials were also found to hold good and no new financial reporting risks were observed on account of COVID- 19. The Company is closely watching the developing situation for appropriate risk mitigation and management.



Management Report

In accordance with the provisions of the Insurance Regulatory & Development Authority of India ('IRDAI') (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 ('Regulation') the following Management Report for the year ended March 31, 2021 is submitted:

1. The Company obtained Regulatory approval to undertake General Insurance business on August 3, 2001 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.
2. We certify that all the dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and transfer of shares through electronic mode are in accordance with statutory and regulatory requirements.
4. The management has not invested any funds of holders of policies in India, directly or indirectly as required by IRDAI, outside India.
5. We confirm that the required solvency margin has been maintained.
6. We certify that the values of all the assets have been reviewed on the date of the balance sheet and that in our belief the assets set forth in the balance sheet are shown in aggregate at amounts not exceeding their realisable or market value under several headings - investments, agents balances, outstanding premiums, amount due from other entities carrying on insurance business, interest and dividend accrued, cash and several other items specified under other accounts except unlisted equity, venture fund, securitized receipts, debt securities and investment properties which are stated at cost / amortised cost.
7. The entire gross risk exposure of the portfolio consists of fire, engineering, marine cargo, hull, aviation, motor, casualty, health, travel, energy, personal accident, rural, crop, credit insurance and other lines of business.

The overall exposure is spread over various sectors including but not limited to power, textiles, heavy and light engineering, paper, services, fast moving

consumer goods, auto components, etc. across urban and rural segments as well as across demography.

The business underwritten pertains to the various products filed by us with IRDAI, as per the file and use procedure: this includes tariff as well as non-tariff products.

In property lines (Fire) the net retention remains constant at ₹ 4,130.0 million on a PML basis (₹ 3,500.0 million for First net & Second net and additional ₹ 630.0 Million with 10% retention on the proportional treaty program) in any single risk, this also gets graded down to between ₹ 30.0 million to ₹ 4,130.0 million (Previous year: between ₹ 30.0 million to ₹ 4,130.0 million) on a case-to-case basis, depending on exposure levels and hazard grade of the risk. The excess of loss treaties protect the accumulation of the net retentions.

In Engineering lines of business the net retention remains constant at ₹ 3,900.0 million on a PML basis (₹ 500.0 million for First net & Second net ₹ 3,000.0 million and additional ₹ 400.0 Million with 10% participation on proportional treaty program, Net for Previous year: ₹ 3,900.0 million) in any single risk, this also gets graded down to between ₹ 30.0 million to ₹ 3,900.0 million (Previous year: between ₹ 30.0 million to ₹ 3,900.0 million) on a case-to-case basis, depending on exposure levels and hazard grade of the risk. The excess of loss treaties protect the accumulation of the net retentions.

Further, before underwriting any major property risk, a risk inspection is carried out, and on being satisfied about the acceptability of risk, the same is accepted. In addition, various loss prevention / risk-mitigating measures are also suggested to the clients to help improve the risks.

8. We confirm that there are no operations of the Company outside India.
9. a) For ageing analysis of claims outstanding during the preceding five years, Please refer Annexure 1.
b) For average claims settlement time during the preceding five years, Please refer Annexure 2.

c) For details of claims intimated,
Please refer Annexure 3.

10. We certify that the Investments made in debt securities (including Additional Tier I Bonds) have been valued at historical cost subject to amortisation of premium / discount. The same is in accordance with the Insurance Regulatory and Development Authority of India ('IRDAI') (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulation, 2002 ('Regulation').

For the purpose of comparison, the fair value of debt securities has been arrived on a Yield to maturity (YTM) basis by using the appropriate discount rates derived from the yield curve data provided by the Fixed Income and Money Market Dealers Association (FIMMDA) in respect of Government Securities and CRISIL's Security Level Valuation (SLV) in respect of other debt instruments.

Listed equity securities and convertible preference shares as at the balance sheet date are stated at fair value being the last quoted closing price on NSE. However, in case of any stock not being traded on NSE, the Company has valued them based on the last quoted closing price on BSE.

Mutual fund investments are stated at fair value, being the closing net asset value as at balance sheet date.

Investment Properties - Real Estate is stated at historical cost less accumulated depreciation.

Investments other than those mentioned above are valued at cost.

In accordance with the Regulation, unrealised gain / loss arising due to changes in fair value of listed equity shares, convertible preference shares and mutual fund investments are taken to the 'fair value change account'. This balance in the fair value change account is not available for distribution, pending realisation.

The Company assesses at each balance sheet date whether any impairment has occurred in respect of investment in equity and units of mutual fund. The impairment loss, if any, is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit and loss account and the investment is restated to that extent.

Impairment for Investment properties is assessed at each balance sheet date. The impairment loss, if any is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. The previously impaired loss is also reversed on disposal / realisation of securities and results thereon are recognised

11. Investments as at March 31, 2021 amount to ₹ 308,921.9 million refer schedule 8 & 8A (previous year: ₹ 263,267.3 million). Income from Investments amounted ₹ 21,688.8 million (previous period: ₹ 20,069.5 million).

Investments other than deposits with the banks, units of mutual fund, units of venture fund, unlisted equity, security receipts and investment property are only in regularly traded instruments in the secondary markets. The Company's debt investment comprises largely of government securities, AAA and AA/P1+ rated security.

All are performing investments with no arrears of any payments due. Investments are managed in consonance with the investment policy framed from time to time by the Board and are within the investment regulation and guidelines of IRDAI.

12. We also confirm:

(a) in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any;

(b) the management has adopted accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the operating profit and of the profits of the Company for the year ended March 31, 2021; (refer Note No. 4.1 under Revenue Recognition – Premium Income as contained in the Notes to Accounts for the year ended March 31, 2021)

(c) the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), Companies Act, 2013 to the extent applicable, for safeguarding the assets of

the Company and for preventing and detecting fraud and other irregularities;

(d) the management has prepared the financial statements on a going concern basis;

(e) The management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.

13. For payments made to individuals, firms, companies and organizations in which Directors are interested, please refer to Annexure 4.

For and on behalf of the Board

Lalita D. Gupte
Chairperson

Ashvin Parekh
Director

Alok Kumar Agarwal
Executive Director

Vikas Mehra
Company Secretary

Sandeep Batra
Director

Bhargav Dasgupta
Managing Director & CEO

Sanjeev Mantri
Executive Director

Gopal Balachandran
Chief Financial Officer

Mumbai, April 17, 2021

Management' Report (Contd.)

Details of Claims Outstanding during the preceding five years

ANNEXURE 1

As at March 31, 2021

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	369	82,611.6	1,880	18,184.7	4	18,036.8	50,955	71,194.2	2,101	734,187.8	911	7,899.2	411	4,442.7
30 days to 6 months	407	21,321.6	1,604	5,472.7	11	340.2	11,439	9,090.6	6,792	57,040.2	718	1,928.5	572	357.0
6 Months to 1 Year	187	26,391.3	501	2,498.7	21	14,668.1	276	829.8	2,593	27,562.8	164	337.9	575	335.0
1 Year to 5 Years	998	83,238.4	2,660	3,928.4	77	13,485.4	44	110.1	23,003	223,980.0	-	-	632	1,328.8
More than 5 Years	858	10,424.1	239	734.4	105	3,591.7	-	-	16,377	74,236.4	-	-	6	191.4
Grand Total	2,819	223,987.0	6,884	30,818.9	218	50,122.2	62,714	81,224.7	50,866	1,117,007.2	1,793	10,165.6	2,196	6,654.9

*Wherever Health regulation is applicable, the ageing has been calculated as provided under it.

As at March 31, 2020

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	184	50,180.5	2,090	13,963.3	10	12,959.6	52,549	65,715.5	1,482	622,532.3	625	6,743.5	315	2,609.4
30 days to 6 months	1,265	21,933.0	2,212	5,563.3	8	4,015.6	13,689	11,686.1	7,890	68,736.9	799	1,065.4	588	606.7
6 Months to 1 Year	230	23,374.0	261	1,344.8	17	744.5	329	1,167.9	5,755	54,112.5	339	256.2	591	329.7
1 Year to 5 Years	1,333	88,793.0	2,756	5,506.8	76	10,727.5	21	172.2	20,875	174,441.0	15	19.8	1,467	1,238.8
More than 5 Years	805	10,308.6	140	789.3	90	3,375.7	-	-	15,369	56,826.3	-	-	7	168.7
Grand Total	3,817	194,589.1	7,459	27,167.5	201	31,822.9	66,588	78,741.7	51,371	976,649.0	1,778	8,084.9	2,968	4,953.3

As at March 31, 2019

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	180	35,538.3	3,568	13,690.6	6	12,377.7	47,364	62,215.6	1,350	512,807.4	883	6,418.4	300	2,594.3
30 days to 6 months	408	17,491.7	3,249	5,905.8	13	400.8	11,482	10,594.4	6,551	49,726.9	541	516.1	553	528.8
6 Months to 1 Year	175	21,953.0	939	3,143.4	13	3,507.7	142	271.2	5,881	48,764.2	228	245.3	514	330.0
1 Year to 5 Years	1,436	91,769.2	1,743	4,077.8	60	9,553.7	10	68.7	23,379	152,512.7	36	44.6	936	853.0
More than 5 Years	541	6,819.6	83	570.3	85	3,041.5	-	-	16,126	51,764.4	-	-	4	3.5
Grand Total	2,740	173,571.8	9,582	27,387.9	177	28,881.4	58,998	73,149.9	53,287	815,575.6	1,688	7,224.4	2,307	4,309.6

(₹ In lacs)

Engineering		Aviation		Personal Accident		Health		Credit Insurance		Crop/Weather Insurance		Others		Grand Total	
No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
272	16,578.4	30	8,250.8	6,763	35,373.6	51,341	83,047.4	2	3,819.8	24	26,381.1	1,556	43,639.0	116,619	1,153,647.2
207	6,326.0	53	59.9	1,494	2,099.0	1,946	3,459.6	16	3,749.7	75	361.2	1,408	4,419.4	26,742	116,025.6
89	5,782.3	72	569.2	1	0.1	736	1,143.0	5	412.6	81	2,101.2	112	3,081.8	5,413	85,713.7
347	8,476.5	494	4,520.9	-	-	2,795	3,484.7	1	149.9	2,384	420.4	377	11,625.4	33,812	354,748.8
221	2,284.5	217	1,836.8	-	-	-	-	25	141.8	386	14,688.5	123	10,185.5	18,557	118,315.0
1,136	39,447.7	866	15,237.6	8,258	37,472.7	56,818	91,134.7	49	8,273.8	2,950	43,952.4	3,576	72,951.1	201,143	1,828,450.3

(₹ In lacs)

Engineering		Aviation		Personal Accident		Health		Credit Insurance		Crop/Weather Insurance		Others		Grand Total	
No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
175	17,891.2	7	7,359.9	5,515	37,293.8	47,781	59,989.9	5	3,769.0	665	239,169.8	1,639	35,158.5	113,042	1,175,336.2
201	3,695.1	60	1,600.5	1,181	1,628.3	1,264	2,585.2	11	747.4	504	472.1	2,702	3,294.1	32,374	127,629.7
142	8,330.4	64	542.0	29	38.9	900	968.2	4	611.5	1,286	504.8	218	2,274.3	10,165	94,599.7
452	7,478.7	618	4,745.3	54	87.7	2,457	3,431.0	13	112.5	1,114	2,256.7	544	10,957.4	31,795	309,968.4
348	3,269.8	148	3,131.4	-	-	-	-	41	333.5	305	10,491.2	156	4,509.1	17,409	93,203.6
1,318	40,665.2	897	17,379.1	6,779	39,048.7	52,402	66,974.3	74	5,573.9	3,874	252,894.6	5,259	56,193.4	204,785	1,800,737.6

(₹ In lacs)

Engineering		Aviation		Personal Accident		Health		Credit Insurance		Crop/Weather Insurance		Others		Grand Total	
No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
215	19,380.5	14	8,585.4	4,881	39,045.1	50,507	55,156.1	24	4,187.1	948	288,456.7	1,857	30,184.2	112,097	1,090,637.4
126	3,112.7	70	216.7	117	524.2	973	1,241.6	13	438.8	1,209	3,285.2	787	3,595.2	26,092	97,578.9
104	2,801.6	137	627.9	37	103.8	712	817.2	1	-	56	80.5	151	2,227.8	9,090	84,873.6
575	5,343.1	663	4,958.8	80	124.7	1,934	2,750.1	14	101.3	297	6,193.5	326	11,068.4	31,489	289,419.6
182	2,957.4	112	2,999.3	-	-	-	-	39	323.8	242	7,210.5	140	4,360.2	17,554	80,050.5
1,202	33,595.3	996	17,388.1	5,115	39,797.8	54,126	59,965.0	91	5,051.0	2,752	305,226.4	3,261	51,435.8	196,322	1,642,560.0

Management' Report (Contd.)

Details of Claims Outstanding during the preceding five years

ANNEXURE 1

As at March 31, 2018

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	174	32,286.9	3,099	12,610.9	7	11,936.9	36,444	60,531.9	1,582	420,852.6	648	5,817.7	276	1,788.0
30 days to 6 months	174	54,668.1	1,526	3,566.0	5	725.7	9,964	7,277.9	6,569	39,183.4	304	499.9	579	140.9
6 Months to 1 Year	318	26,357.7	838	1,504.4	10	1,427.1	217	737.2	6,473	42,671.0	199	305.7	596	392.7
1 Year to 5 Years	1,420	36,430.0	673	4,133.6	62	8,168.4	16	80.0	25,507	127,818.1	19	21.8	35	1,134.1
More than 5 Years	351	3,964.3	65	444.9	71	1,412.9	-	-	17,069	50,234.1	-	-	-	1.2
Grand Total	2,437	153,707.0	6,201	22,259.8	155	23,671.0	46,641	68,627.0	57,200	680,759.2	1,170	6,645.1	1,486	3,456.9

As at March 31, 2017

Product	Fire		Marine Cargo		Marine Others		Motor OD		Motor TP		Workmen's Compensation		Public/Product Liability	
Period	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
0-30 days	419	32,172.0	2,378	17,961.1	7	6,798.0	38,695	56,567.9	1,968	334,861.8	348	3,691.8	207	745.1
30 days to 6 months	512	26,464.9	1,645	6,266.9	10	6,993.6	10,496	6,825.2	7,438	29,124.1	362	622.9	345	294.2
6 Months to 1 Year	354	12,405.2	276	2,245.5	13	1,752.9	194	728.8	7,352	31,791.8	270	421.2	104	178.2
1 Year to 5 Years	1,010	23,798.7	294	2,470.6	48	4,174.7	12	71.7	25,931	104,734.6	3	13.9	18	709.7
More than 5 Years	232	2,604.8	47	379.0	69	1,227.2	-	-	18,023	51,422.7	-	-	1	2.1
Grand Total	2,527	97,445.6	4,640	29,323.1	147	20,946.4	49,397	64,193.6	60,712	551,935.0	983	4,749.8	675	1,929.3

(₹ In lacs)

Engineering		Aviation		Personal Accident		Health		Credit Insurance		Crop/Weather Insurance		Others		Grand Total	
No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
270	16,722.4	45	9,659.6	4,416	34,211.7	36,142	39,710.9	8	4,815.8	19	430,710.9	4,288	38,528.0	87,418	1,120,184.2
117	2,470.4	226	954.1	176	715.9	632	1,406.6	1	2.8	142	6,957.8	1,407	1,595.4	21,822	1,20,164.9
183	2,689.0	223	568.4	51	98.5	543	916.6	2	4.7	89	179.7	156	1,283.5	9,898	79,136.2
465	6,199.5	573	6,331.8	25	38.3	1,468	2,048.9	16	121.7	512	13,582.2	215	2,724.7	31,006	208,833.1
152	2,404.7	60	498.3	-	-	-	-	34	170.5	31	77.1	52	4,076.9	17,885	63,284.9
1,187	30,486.0	1,127	18,012.2	4,668	35,064.4	38,785	44,083.0	61	5,115.5	793	451,507.7	6,118	48,208.5	168,029	1,591,603.3

(₹ In lacs)

Engineering		Aviation		Personal Accident		Health		Credit Insurance		Crop/Weather Insurance		Others		Grand Total	
No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount	No of Claims	Amount
323	19,882.7	14	8,982.8	3,846	40,586.9	79,238	43,307.7	33	5,641.6	116	208,016.7	2,426	25,794.0	130,018	805,010.1
150	3,871.0	81	2,082.3	599	1,058.4	1,494	2,228.5	5	20.2	83	475.0	991	1,836.4	24,211	88,163.6
77	2,759.6	55	914.8	15	21.9	691	981.6	-	-	179	1,013.2	80	1,244.8	9,660	56,459.5
395	9,449.2	397	5,360.3	-	-	1,129	1,587.7	14	118.7	496	13,798.6	164	2,154.5	29,911	168,442.9
135	2,268.5	28	280.3	-	-	-	-	8	63.7	23	92.0	59	4,090.2	18,625	62,430.5
1,080	38,231.0	575	17,620.5	4,460	41,667.2	82,552	48,105.5	60	5,844.2	897	223,395.5	3,720	35,119.9	212,425	1,180,506.6

MANAGEMENT' REPORT (CONTD.)

Details of Average Claim Settlement time for the preceding five years

ANNEXURE 2

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020		For the year ended March 31, 2019		For the year ended March 31, 2018		For the year ended March 31, 2017	
	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)	No of claims settled	Average Settlement time (Days)
Fire	12,962	177	6,730	68	3,328	41	3,998	33	2,625	30
Marine Cargo	71,960	32	70,911	24	67,277	16	52,344	18	38,978	11
Marine Hull	30	597	15	1,217	14	515	18	757	16	479
Motor*	1,037,206	9	1,268,271	9	1,098,316	9	979,357	11	1,029,947	11
Workmen's Compensation	3,419	3	3,888	6	2,541	5	2,212	5	1,446	73
Public/Product Liability	2,460	690	1,301	468	683	295	1,262	194	342	110
Engineering	4,263	244	3,590	61	3,766	31	2,146	31	1,627	70
Aviation	830	337	597	364	809	506	375	269	345	819
Personal Accident	27,048	5	24,999	7	7,725	6	6,590	7	5,786	35
Health	420,323	6	414,272	5	351,616	5	443,790	5	1,040,618	8
Credit Insurance	189	441	154	62	158	33	69	20	84	107
Crop/Weather Insurance	21,215	24	18,694	33	7,312	21	3,985	35	2,096	97
Others	29,168	55	46,394	24	24,051	27	40,898	15	25,623	33
Total	1,631,073	13	1,859,816	10	1,567,596	9	1,537,044	10	2,149,533	10

* The above ageing does not include Motor third party claims which have to be settled through MACT and other judicial bodies

#Wherever Health regulation is applicable, the average settlement time has been calculated as provided under it.

Details of Claims Intimated

ANNEXURE 3

Product	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Claims Intimated	Amount (₹ in lacs)*	Claims Intimated	Amount (₹ in lacs)*
Fire	11,964	83,300.6	7,807	83,412.5
Marine Cargo	71,385	34,049.3	68,788	30,578.1
Marine Hull	47	16,477.7	39	5,043.8
Motor OD	1,033,332	235,355.3	1,275,861	272,001.5
Motor TP	17,007	142,723.7	23,905	182,444.1
Workmen's Compensation	3,434	7,147.3	3,978	4,235.9
Public/Product Liability	1,688	1,319.3	1,962	2,655.6
Engineering	4,081	19,662.2	3,706	20,521.7
Aviation	799	1,620.5	498	4,126.0
Personal Accident	28,527	25,529.0	26,663	22,189.2
Health	424,739	235,372.0	412,548	194,581.4
Credit Insurance	164	6,156.2	137	3,101.9
Crop Insurance	20,291	125,412.3	19,816	141,591.8
Others	27,485	30,577.9	48,392	34,021.1
Grand Total	1,644,943	964,703.5	1,894,100	1,000,504.6

* Amount of claims intimated includes change in reserve

MANAGEMENT' REPORT (CONTD.)



List of payments to parties in which Directors are interested

ANNEXURE 4

(₹ In lacs)

Sr. No.	Entity in which Director Is interested	Name of Director	Interested as	For the year ended March 31, 2021	For the year ended March 31, 2020
1	Aster DM Healthcare Limited	Mr. Suresh Muthukrishna Kumar ¹	Director	614.2	382.6
2	ICICI Bank Limited	Mr. Uday Chitale ³ Ms. Vishakha Mulye ⁷	Director Director	32,978.7	106,443.9
3	ICICI Foundation for Inclusive Growth	Mr. Sandeep Batra ⁶ Mr. Bhargav Dasgupta	Member Member	565.0	1,230.0
4	ICICI Prudential Life Insurance Company Limited	Mr. Sandeep Batra ⁶	Director	501.4	551.7
5	ICICI Prudential Asset Management Company Limited	Mr. Ved Prakash Chaturvedi ² Mr. Suresh Muthukrishna Kumar ¹ Mr. Sandeep Batra ⁶	Director Director Director	0.2	0.5
6	ICICI Securities Limited	Mr. Ashvin Parekh ⁸	Director	659.1	465.4
7	ICICI Securities Primary Dealership Limited	Mr. Ashvin Parekh ⁸	Director	74,677.9	64,035.1
8	Vedanta Limited	Mrs. Lalita D. Gupte ⁴	Director	2.4	1,110.7
9	TVS Motor Company Limited	Mrs. Lalita D. Gupte ⁴	Director	213.0	430.8
10	IDFC First Bank Limited	Mr Vishal Mahadevia ⁵	Director	-	86.7
11	The Willingdon Sport club	Mr. Bhargav Dasgupta	Member	0.3	0.0
12	ICICI Venture Funds Management Company Limited	Mr. Sandeep Batra ⁶	Director	0.1	2.0
13	Godrej Properties Limited	Mrs. Lalita D. Gupte ⁴	Director	80.7	14.4
14	National Sports Club of India	Mr Alok Kumar Agarwal ⁹	Member	0.2	-
15	FICCI (Federation of Indian Chambers of Commerce and Industry)	Mr. Bhargav Dasgupta	Chairman	4.6	0.0

1 Mr. Suresh Muthukrishna Kumar appointed as Director in ICICI Lombard General Insurance Company Limited w.e.f. June 01, 2016.

2 Mr. Ved Prakash Chaturvedi appointed as Director in ICICI Lombard General Insurance Company Limited w.e.f. July 13, 2016.

3 Mr. Uday Chitale appointed as Director in ICICI Lombard General Insurance Company Limited w.e.f. April 19, 2016

4 Mrs. Lalita D. Gupte appointed as Director in ICICI Lombard General Insurance Company Limited w.e.f. October 18, 2016.

5 Mr. Vishal Mahadevia appointed as Director in ICICI Lombard General Insurance Company Limited w.e.f. April 25, 2018 & has ceased to be a director w.e.f. July 17, 2019.

6 Mr. Sandeep Batra appointed as a Director in ICICI Lombard General Insurance Company Limited w.e.f. October 17, 2018

7 Ms. Vishakha Mulye appointed as a Director in ICICI Lombard General Insurance Company Limited w.e.f. October 17, 2018

8 Mr. Ashvin Parekh appointed as a Director in ICICI Lombard General Insurance Company Limited w.e.f. April 18, 2014

9 Mr. Alok Kumar Agarwal appointed as a Director in ICICI Lombard General Insurance Company Limited w.e.f. January 19, 2011



Independent Auditors' Report

On financial statements for year ended March 31, 2021 of ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED

To the Members of
ICICI Lombard General Insurance Company Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of **ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Revenue accounts of fire, marine and miscellaneous insurance (collectively known as the 'Revenue accounts'), the Profit and Loss account and the Receipts and Payments account for the year then ended, the schedules annexed there to, a summary of the significant accounting policies and other explanatory notes thereon.

In our opinion and to the best of our information and according to the explanations given to us, we report that the aforesaid financial statements, prepared in accordance with the requirements of Accounting Standards as specified under Section 133 of the Companies Act, 2013 (the 'Act'), including relevant provisions of the Insurance Act, 1938, the Insurance Regulatory and Development Authority of India Act, 1999 (the "IRDAI Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of these financial statements and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI" / "Authority"), to the extent applicable, give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to insurance companies:

- a. in the case of Balance Sheet, of the state affairs of the Company as at March 31, 2021;
- b. in the case of Revenue Accounts, of the operating profit in so far as it relates to the Fire and Miscellaneous business and operating loss in so far as it relates to the Marine business for year ended on that date;
- c. in the case of Profit and Loss Account, of the profit for the year ended on that date; and
- d. in case of Receipts and Payments Account, of the receipts and payments for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that is relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No.	Key Audit Matter	How our Audit addressed this Key Matter
1.	<p>Information Technology Systems and Controls (IT Controls):</p> <p>The company is highly dependent on its complex IT architecture comprising hardware, software, multiple applications, automated interfaces and controls in systems for recording, storing and reporting financial transactions.</p> <p>Large volume of transactions that are processed on daily basis as part of its operations, which impacts key financial accounting and reporting items such as premium income, claims, commission expenses and investments among others.</p> <p>There exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated.</p> <p>The controls implemented by the entity in its IT environment determine the integrity, accuracy, completeness, and the validity of the data that is processed by the applications and is ultimately used for financial reporting. These controls contribute to mitigating risk of potential misstatements caused by fraud or errors.</p> <p>Our audit approach relies on automated controls and therefore procedures are designed to test control over IT systems, segregation of duties, interface and system application controls over key financial accounting and reporting systems.</p>	<p>Our key audit procedures included, but were not limited to the following:</p> <p>We obtained an understanding of the entity's IT related control environment. Furthermore, we conducted a risk assessment and identified IT applications, databases and operating systems that are relevant for the Company's financial reporting.</p> <p>For the key IT systems relevant to reporting of financial information, our areas of audit focus included access, program change management, automated transaction and interface controls.</p> <p>In particular:</p> <ul style="list-style-type: none"> • We obtained an understanding of the entity's IT environment and key changes if any during the audit period that may be relevant to the audit. • We sample tested the design, implementation and operating effectiveness of the General IT controls over the key IT systems that are critical to financial reporting. This included evaluation of entity's controls to ensure segregation of duties and appropriate access rights. • Controls over changes to software applications were evaluated to verify whether the changes were approved, tested in an environment that was segregated from operation and moved to production by appropriate users. • We also evaluated the design and tested the operating effectiveness of critical & key automated controls within various business processes. This included testing the integrity of system interfaces, the completeness and accuracy of data feeds, system reconciliation controls and automated calculations. • We also reviewed the Information System Audit Reports to assess the impact of observations and management's response if any on financial reporting. <p>Results of our tests has provided audit evidence which we have used to draw conclusions including our reporting.</p>
2.	<p>Investments (Refer Schedule 8 and 8A):</p> <p>The Company's investments represent 71.1% of the assets as at March 31, 2021 which are to be valued in accordance with accounting policy framed as per the extant regulatory guidelines.</p> <p>The valuation of all investments should be as per the investment policy framed by the Company which in turn should be in line with IRDAI Investment Regulations and Preparation of Financial Statement Regulations. The valuation methodology specified in the regulation is to be used for each class of investment.</p> <p>The Company has a policy framework for Valuation and impairment of Investments. The</p>	<p>Our audit procedures on Investments included the following:</p> <ul style="list-style-type: none"> • Understood Management's process and controls to ensure proper classification and valuation of Investment. • Verified and obtained appropriate external confirmation for availability and ownership rights related to these investments. • Tested the design, implementation, management oversight and operating effectiveness of key controls over the classification and valuation process of investments. • Test-checked valuation of different class of investments to assess appropriateness of the valuation methodologies with reference to IRDAI Investment Regulations along with Company's own investment policy. • Examining the rating downgrades by credit rating agencies and assessing the risk of impairments to various investments.

Company performs an impairment review of its investments periodically and recognizes impairment charge when the investments meet the trigger/s for impairment provision as per the criteria set out in the investment policy of the Company. Further, the assessment of impairment involves significant management judgment.

The classification and valuation of these investments was considered one of the matters of material significance in the financial statements due to the materiality of the total value of investments to the financial statements and further due to the market volatility impact caused due to global pandemic COVID-19 on the value of investments.

- Reviewed the Company's impairment policy and assessed the adequacy of its impairment charge on investments outstanding at the year end.

Based on procedures above, we found the company's impairment, valuation and classification of investments in its financial statements in all material respects to be fair.

3. **Scheme of demerger of Bharti Axa General Insurance Limited's insurance business ("Insurance Undertaking") to ICICI Lombard General Insurance Limited (Refer note 5.2.27)**

During the year, the Company has reported a Scheme of Demerger, approved by Board of Directors of the Company between the company and Bharti Axa General Insurance Limited (Bharti Axa), whereby, the Insurance undertaking of Bharti Axa is demerged and merged with the Company from the Appointed Date i.e. April 1, 2020, subject to various regulatory approvals, which is under process at the year end.

This transaction involving issue of 3,57,56,194 additional equity shares (7.9% of paid-up capital) of the company, is significant for suitable financial reporting.

We obtained an understanding of the regulatory framework involved in such large acquisition, the process adopted including the strength and reputation team of advisors.

Our audit procedures include following;

- Review of due diligence report, valuation reports and other expert advisory reports and manner in which these have been dealt with in decision making.
- We have read the transaction documents, including approved Scheme of Demerger and identified pertinent terms relevant to the accounting and disclosure requirement for the transaction. We assessed and confirmed the Company's conclusion on proposed accounting and disclosure treatment of the Scheme and its compliance with Accounting Standard 14: Accounting for Amalgamations (AS-14).
- We have read the minutes of meeting of Board of Directors, its Committees, and Members of the Company.
- We have enquired about the progress of the transaction as at the year-end to confirm the appropriateness of treatment in the financial statement.
- We have obtained and reviewed details of commitments and expenditure incurred related to the transaction for validating the accounting treatment thereof.

Results of our tests has provided audit evidence which we have used to draw conclusions including our reporting.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON:

The Directors are responsible for the preparation of other information. The other information comprises Directors Report and Management Discussion & Analysis but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We confirm that we have nothing material to report, add or draw attention to in this regard.

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, underwriting results, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards specified under Section 133 of the Act, the Insurance Act, the IRDAI Act, the Regulations and orders / directions prescribed by the Insurance Regulatory and Development Authority of India ('IRDAI') in this behalf and current practices prevailing within the insurance industry in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the

provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, that could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be

communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The actuarial valuation of liabilities in respect of Incurred But Not Reported (the "IBNR"), Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at March 31, 2021 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves and the PDR contained in the financial statements of the Company.

Report on Other Legal and Regulatory Requirements

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated 17 April 2021 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statement Regulations.
2. As required by the paragraph 2 of Schedule C to the IRDAI Financial Statement Regulations and Section 143(3) of the Act, in our opinion and according to the information and explanations give to us, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) As the Company's accounts are centralized and maintained at the corporate office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company.
 - c) Proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - d) The Balance sheet, the Revenue accounts, the Profit and Loss account and the Receipts and

Payments account dealt with by this report are in agreement with the books of account.

- e) The aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the accounting principles prescribed by the Regulations and orders/directions prescribed by IRDAI in this regard.
- f) Investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and orders/directions issued by IRDAI in this regard.
- g) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- h) With respect to the adequacy of the internal financial controls with reference to the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 5.1.1 to the financial statements;

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any outstanding long term derivative contracts – Refer Note no. 5.2.21 to the financial statements and "Other Matter" para above;
- iii. During the year there were no amount required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note no. 5.2.22 to the financial statements.

3. With respect to the other matters to be included in the Auditor's report, in terms of the requirements of Section 197(16) of the Act, we report that managerial remuneration payable to the Company's Directors is governed by the provisions of Section 34A of the Insurance Act, 1938 and is approved by IRDAI. Accordingly, the managerial remuneration limits specified under Section 197 of the Act do not apply.

For Chaturvedi & Co.

Chartered Accountants
Firm Registration No.
302137E

S N Chaturvedi

Partner
Membership No. 040479
UDIN:
21040479AAAACJ7270

Mumbai
April 17, 2021

For PKF Sridhar & Santhanam LLP

Chartered Accountants
Firm Registration No.
003990S/S200018

R. Suriyanarayanan

Partner
Membership No. 201402
UDIN:
21201402AAAAAN7680

Mumbai
April 17, 2021



Annexure A

Referred to in paragraph '2 (h)' of Section 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of ICICI Lombard General Insurance Company Limited ("the Company") on the financial statements as of and for the year ended March 31, 2021.

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the aforesaid financial statements of ICICI Lombard General Insurance Company Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the "internal control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, the Insurance Act, the IRDAI Act, the Regulations and orders / directions prescribed by the Insurance Regulatory and Development Authority of India ('IRDAI') in this behalf and current practices prevailing within the insurance industry in India..

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING

A company's internal financial control with reference to financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised

acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls with reference to financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial reporting to future periods are subject to the risk that the internal financial control with reference to the financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial reporting and such internal financial controls were operating effectively as at March 31, 2021, based on "the internal control with reference to the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" (the "Guidance Note").

OTHER MATTER

The actuarial valuation of liabilities in respect of Incurred But Not Reported (the "IBNR"), Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at March 31, 2021 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. The said actuarial valuations of liabilities for outstanding claims reserves and the PDR have been relied upon by us as mentioned in Other Matters paragraph in our Audit Report on the financial statements for the year ended 31 March 2021. Accordingly, our opinion on the internal financial controls with reference to financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities.

For Chaturvedi & Co.

Chartered Accountants
Firm Registration No.
302137E

S. N. Chaturvedi

Partner
Membership No. 040479
UDIN:
21040479AAAACJ7270

Mumbai
April 17, 2021

For PKF Sridhar & Santhanam LLP

Chartered Accountants
Firm Registration No.
003990S/S200018

R. Suriyanarayanan

Partner
Membership No. 201402
UDIN:
21201402AAAAAN7680

Mumbai
April 17, 2021



Independent Auditors' Certificate

Related to certain matters stated in Schedule C of the IRDAI Financial Statement Regulations

To,
The Board of Directors,

Dear Sirs,

(Referred to in paragraph 1 of our Independent Auditors' Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated 17 April 2021)

This certificate is issued in accordance with the terms of our engagement letter dated June 05, 2020 with **ICICI Lombard General Insurance Company Limited** (the "Company"), wherein we are requested to issue certificate for compliance with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "IRDAI Financial Statement Regulations") read with regulation 3 of the Regulations.

MANAGEMENT'S RESPONSIBILITY

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act 2015) (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

AUDITORS' RESPONSIBILITY

Pursuant to the requirements, it is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Company has complied with the matters contained in paragraphs 3 and 4 of Schedule C, read with Regulation 3, to the IRDAI Financial Statement Regulations.

We have audited the financial statements of the Company as of and for the financial year ended 31

March 2021 on which we have issued an unmodified audit opinion vide our report dated 17 April 2021. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the ICAI, which include the concepts of test checks and materiality. With reference to our opinion in para 3 below, we have relied on the confirmation of cash balance from branches and subsequent deposit in the bank accounts of the Company.

The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

OPINION

In accordance with information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company for the year ended 31 March 2021, we certify that:

1. We have reviewed the Management Report attached to the financial statements for year ended 31 March 2021, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
2. Based on management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board,

nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration as stipulated by the IRDAI;

3. We have verified the cash balances, to the extent considered necessary and securities relating to the Company's loans and investments as at 31 March 2021, by actual inspection or on the basis of certificates / confirmations received from the Custodian and/ or Depository Participants appointed by the Company, as the case may be;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act relating to the application and investments of the Policyholders' Funds.

RESTRICTION TO USE

This certificate is addressed to and provided to the Board of Directors of the Company, solely for inclusion in the

annual accounts of the Company as per the Regulations and should not be used by any other person or for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Chaturvedi & Co.

Chartered Accountants
Firm Registration No.
302137E

S. N. Chaturvedi

Partner
Membership No. 040479
UDIN:
21040479AAAACL6654

Mumbai
April 17, 2021

For PKF Sridhar & Santhanam LLP

Chartered Accountants
Firm Registration No.
003990S/S200018

R. Suriyanarayanan

Partner
Membership No. 201402
UDIN:
21201402AAAAAP5532

Mumbai
April 17, 2021

Balance Sheet

As at March 31, 2021

FORM B - BS | IRDAI Registration No. 115 dated August 3, 2001

(₹ in 000's)

Particulars	Schedule	At March 31, 2021	At March 31, 2020
Sources of funds			
Share capital	5	4,545,945	4,544,663
Reserves and surplus	6	69,805,520	56,795,679
Share application money-pending allotment		3,261	2,145
Fair value change account			
Shareholders funds		1,630,484	(948,118)
Policyholders funds		5,174,631	(3,338,180)
Borrowings	7	4,850,000	4,850,000
Total		86,009,841	61,906,189
Application of funds			
Investments - Shareholders	8	74,356,807	58,595,714
Investments - Policyholders	8A	234,565,042	204,671,553
Loans	9	-	-
Fixed assets	10	6,268,342	6,765,814
Deferred tax asset (Refer note 5.2.15)		3,498,557	3,063,067
Current assets			
Cash and bank balances	11	2,276,495	326,362
Advances and other assets	12	72,013,045	96,998,375
Sub-Total (A)		74,289,540	97,324,737
Current liabilities	13	240,994,775	249,798,046
Provisions	14	65,973,672	58,716,650
Sub-Total (B)		306,968,447	308,514,696
Net current assets (C) = (A - B)		(232,678,907)	(211,189,959)
Miscellaneous expenditure (to the extent not written off or adjusted)	15	-	-
Debit balance in profit and loss account		-	-
Total		86,009,841	61,906,189
Significant accounting policies and notes to the financial statements	16		

The schedules referred to above & notes to accounts form an integral part of the financial statements

As per our attached report of even date

For and on behalf of the Board

For **Chaturvedi & Co.**
Chartered Accountants
Firm Regn No.: 302137E

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Regn No.: 003990S/S200018

Lalita D. Gupte
Chairperson

Sandeep Batra
Director

SN Chaturvedi
Partner
Membership No: 040479
ICAI UDIN: 21040479AAAACJ7270

R. Suriyanarayanan
Partner
Membership No: 201402
ICAI UDIN: 21201402AAAAAN7680

Ashvin Parekh
Director

Bhargav Dasgupta
Managing Director & CEO

Alok Kumar Agarwal
Executive Director

Sanjeev Mantri
Executive Director

Mumbai, April 17, 2021

Vikas Mehra
Company Secretary

Gopal Balachandran
Chief Financial Officer

Profit and Loss Account

For the year ended March 31, 2021

FORM B - PL | IRDAI Registration No. 115 dated August 3, 2001

(₹ in 000's)

Particulars	Schedule	Year ended March 31, 2021	Year ended March 31, 2020
1. Operating Profit / (Loss)			
(a) Fire Insurance		2,375,523	951,423
(b) Marine Insurance		(98,891)	354,672
(c) Miscellaneous Insurance		17,277,817	14,134,757
2. Income from Investments			
(a) Interest, Dividend & Rent – Gross (Refer note 5.2.5)		4,361,414	3,894,712
(b) Profit on sale / redemption of investments		1,159,659	1,113,490
Less : Loss on sale / redemption of investments		(474,793)	(363,755)
3. Other income			
(a) Interest income on tax refund		122,069	150,946
(b) Profit on sale / discard of fixed assets		1,756	4,742
(c) Recovery of bad debts written off		-	-
Total (A)		24,724,554	20,240,987
4. Provisions (Other than taxation)			
(a) For diminution in the value of investments (Refer note 5.2.29)		(669,145)	1,201,518
(b) For doubtful debts		110,384	474,533
(c) For future recoverable under reinsurance contracts		-	-
(d) Others		-	-
5. Other expenses			
(a) Expenses other than those related to Insurance Business			
(i) Employees' remuneration and other expenses		50,964	39,133
(ii) Managerial remuneration (refer note 5.1.12)		108,687	108,170
(iii) Directors' fees and profit commission		15,050	16,445
(iv) CSR Expenditure (Refer note 5.2.17)		292,549	242,421
(v) Interest on Non-convertible Debentures		399,773	400,482
(vi) Expense related to Investment property		9,188	9,698
(vii) Listing fees / other charges		1,610	1,509
(viii) Contribution to Policyholders Funds towards Excess EOM (refer note 5.1.10)		4,357,440	750,773
(ix) Demerger expenditure (Refer note 5.2.27)		414,734	-
(b) Bad debts written off		92,275	7,438
(c) Loss on sale / discard of fixed assets		1,510	9,930
(d) Penalty (Refer note 5.1.15)		-	10,071
Total (B)		5,185,019	3,272,121
Profit before tax		19,539,535	16,968,866
Provision for taxation:			
(a) Current tax / MAT payable		5,244,477	5,081,766
(b) Deferred tax (Income) / Expense (Refer note 5.2.15)		(435,490)	(50,470)
Profit after tax		14,730,548	11,937,570
Appropriations			
(a) Interim dividends paid during the period		1,818,348	1,590,533
(b) Final dividend paid		-	1,590,460
(c) Dividend distribution tax		-	653,862
(d) Debenture redemption reserve		-	34,643
(e) Transfer to general reserves		-	3,869,498
Balance of Profit / (Loss) brought forward from last year		40,453,090	32,385,018
Balance carried forward to Balance sheet		53,365,290	40,453,090
Basic earnings per share of ₹ 10 face value (Refer note 5.2.14)		₹ 32.41	₹ 26.27
Diluted earnings per share of ₹ 10 face value (Refer note 5.2.14)		₹ 32.27	₹ 26.19
Significant accounting policies & notes to accounts	16		

The schedules referred to above & notes to accounts form an integral part of the financial statements

As per our attached report of even date

 For **Chaturvedi & Co.**
Chartered Accountants
Firm Regn No.: 302137E

SN Chaturvedi
Partner
Membership No: 040479
ICAI UDIN: 21040479AAAACJ7270

 For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Regn No.: 003990S/S200018

R. Suriyanarayanan
Partner
Membership No: 201402
ICAI UDIN: 21201402AAAAAN7680

For and on behalf of the Board

Lalita D. Gupte
Chairperson

Ashvin Parekh
Director

Alok Kumar Agarwal
Executive Director

Vikas Mehra
Company Secretary

Sandeep Batra
Director

Bhargav Dasgupta
Managing Director & CEO

Sanjeev Mantri
Executive Director

Gopal Balachandran
Chief Financial Officer

Mumbai, April 17, 2021

Revenue Account

For the year ended March 31, 2021

FORM B - RA | IRDAI Registration No. 115 dated August 3, 2001

(₹ in 000's)

Particulars	Schedule	Fire	
		2020-21	2019-20
1. Premiums earned (net)	1	4,813,392	2,735,818
2. Profit on sale / redemption of investments		123,976	90,831
Less : Loss on sale/redemption of investments		(51,146)	(29,112)
3. Others -			
Foreign exchange gain / (loss)		46	(8,700)
Investment income from pool (Terrorism and Nuclear)		248,812	185,057
Contribution from Shareholders Funds towards excess EOM (refer note 5.1.10)	-	-	-
Miscellaneous Income		8,504	1,496
4. Interest, Dividend & Rent – Gross (Refer note 5.2.5)		469,822	327,560
Total (A)		5,613,406	3,302,950
1. Claims Incurred (net)	2	3,067,922	1,751,576
2. Commission (net)	3	(1,110,192)	(285,721)
3. Operating expenses related to insurance business	4	1,280,153	885,672
4. Premium deficiency		-	-
Total (B)		3,237,883	2,351,527
Operating Profit / (Loss) C = (A - B)		2,375,523	951,423
APPROPRIATIONS			
Transfer to Shareholders' Account		2,375,523	951,423
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
Total (C)		2,375,523	951,423
Significant accounting policies and notes to accounts	16		

We certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly, have been recognised in the Revenue Accounts as an expense in accordance with Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016.

The schedules referred to above & notes to accounts form an integral part of the financial statements

As per our attached report of even date

For **Chaturvedi & Co.**
Chartered Accountants
Firm Regn No.: 302137E

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Regn No.: 003990S/S200018

SN Chaturvedi
Partner
Membership No: 040479
ICAI UDIN: 21040479AAAACJ7270

R. Suriyanarayanan
Partner
Membership No: 201402
ICAI UDIN: 21201402AAAAAN7680

Mumbai, April 17, 2021

(₹ in 000's)

Marine		Miscellaneous		Total	
2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
2,601,528	2,563,182	92,725,020	88,736,170	100,139,940	94,035,170
46,215	51,374	3,631,982	3,456,921	3,802,173	3,599,126
(19,066)	(16,466)	(1,498,368)	(1,107,970)	(1,568,580)	(1,153,548)
1,617	703	2,876	38,190	4,539	30,193
-	-	65,891	62,660	314,703	247,717
-	-	4,357,440	750,773	4,357,440	750,773
3,839	1,032	142,356	36,138	154,699	38,666
175,136	185,268	13,763,889	12,466,650	14,408,847	12,979,478
2,809,269	2,785,093	113,191,086	104,439,532	121,613,761	110,527,575
2,168,047	1,672,704	63,472,164	65,091,489	68,708,133	68,515,769
304,254	325,893	6,815,278	3,599,763	6,009,340	3,639,935
435,859	431,824	25,625,827	21,613,523	27,341,839	22,931,019
-	-	-	-	-	-
2,908,160	2,430,421	95,913,269	90,304,775	102,059,312	95,086,723
(98,891)	354,672	17,277,817	14,134,757	19,554,449	15,440,852
(98,891)	354,672	17,277,817	14,134,757	19,554,449	15,440,852
-	-	-	-	-	-
-	-	-	-	-	-
(98,891)	354,672	17,277,817	14,134,757	19,554,449	15,440,852

For and on behalf of the Board

Lalita D. Gupte
Chairperson

Ashvin Parekh
Director

Alok Kumar Agarwal
Executive Director

Vikas Mehra
Company Secretary

Sandeep Batra
Director

Bhargav Dasgupta
Managing Director & CEO

Sanjeev Mantri
Executive Director

Gopal Balachandran
Chief Financial Officer

Schedule

forming part of the financial statements

SCHEDULE – 1 | Premium Earned (net)

Particulars	Fire	Marine						
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor-Total	Worksmen's Compensation
	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
Premium from direct business written-net of GST	21,577,881	3,916,215	871,059	4,787,274	36,845,887	33,353,347	70,199,234	807,402
Add: Premium on reinsurance accepted	878,347	127,916	6,581	134,497	221,138	-	221,138	-
Less: Premium on reinsurance ceded	16,582,818	1,420,989	849,195	2,270,184	2,021,760	1,787,964	3,809,724	165,025
Net premium	5,873,410	2,623,142	28,445	2,651,587	35,045,265	31,565,383	66,610,648	642,377
Adjustment for change in reserve for unexpired risks	1,060,018	44,827	5,232	50,059	2,760,893	2,130,945	4,891,838	10,059
Total premium earned (net)	4,813,392	2,578,315	23,213	2,601,528	32,284,372	29,434,438	61,718,810	632,318

Particulars	Fire	Marine						
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor-Total	Worksmen's Compensation
	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
Premium from direct business written-net of GST	15,501,798	3,964,267	881,617	4,845,884	36,887,772	30,988,546	67,876,318	726,161
Add: Premium on reinsurance accepted	711,292	141,589	14,265	155,854	219,681	-	219,681	-
Less: Premium on reinsurance ceded	12,484,281	1,560,589	866,850	2,427,439	5,566,464	1,640,251	7,206,715	120,393
Net premium	3,728,809	2,545,267	29,032	2,574,299	31,540,989	29,348,295	60,889,284	605,768
Adjustment for change in reserve for unexpired risks	992,991	19,234	(8,117)	11,117	534,182	(842,906)	(308,724)	42,236
Total premium earned (net)	2,735,818	2,526,033	37,149	2,563,182	31,006,807	30,191,201	61,198,008	563,532

(₹ in 000's)

Miscellaneous									Total
Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
569,966	3,896,537	1,081,921	3,305,701	26,907,790	364,047	325,499	6,207,660	113,665,757	140,030,912
22,122	284,983	112,618	562	1,341,798	-	-	176,295	2,159,516	3,172,360
339,079	2,847,242	965,580	494,716	5,055,361	342,441	251,016	3,230,306	17,500,490	36,353,492
253,009	1,334,278	228,959	2,811,547	23,194,227	21,606	74,483	3,153,649	98,324,783	106,849,780
93,829	176,202	18,839	(1,552,394)	1,942,347	(1,104)	5	20,142	5,599,763	6,709,840
159,180	1,158,076	210,120	4,363,941	21,251,880	22,710	74,478	3,133,507	92,725,020	100,139,940

Miscellaneous									Total
Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	
2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
530,626	3,136,056	854,476	5,017,099	28,302,877	477,622	107,115	5,752,401	112,780,751	133,128,433
-	376,280	123,095	10,684	1,068,130	-	-	130,300	1,928,170	2,795,316
292,077	2,349,561	752,267	782,298	9,117,413	447,832	89,812	3,446,736	24,605,104	39,516,824
238,549	1,162,775	225,304	4,245,485	20,253,594	29,790	17,303	2,435,965	90,103,817	96,406,925
37,893	148,737	48,083	(75,812)	1,953,007	752	-	(478,525)	1,367,647	2,371,755
200,656	1,014,038	177,221	4,321,297	18,300,587	29,038	17,303	2,914,490	88,736,170	94,035,170

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 2 | Claims Incurred (net)

(₹ in 000's)

Particulars	Fire	Marine						
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor-Total	Worksmen's Compensation
	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
Claims paid- Direct	6,352,804	2,832,778	55,542	2,888,320	22,144,630	7,594,626	29,739,256	216,572
Add: Re-insurance accepted	97,667	48,627	6,862	55,489	46,405	-	46,405	
Less: Re-insurance ceded	4,786,031	867,853	47,229	915,082	2,443,066	1,186,699	3,629,765	10,838
Net Claims paid	1,664,440	2,013,552	15,175	2,028,727	19,747,969	6,407,927	26,155,896	205,734
Add: Claims outstanding at the end of the year (net of reinsurance)	4,170,327	1,528,615	202,242	1,730,857	6,491,627	106,702,638	113,194,265	933,399
Less: Claims outstanding at the beginning of the year (net of reinsurance)	2,766,845	1,428,390	163,147	1,591,537	6,174,654	92,581,361	98,756,015	730,767
Total claims incurred (Net)	3,067,922	2,113,777	54,270	2,168,047	20,064,942	20,529,204	40,594,146	408,366

Particulars	Fire	Marine						
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor-Total	Worksmen's Compensation
	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
Claims paid- Direct	6,883,069	2,532,839	428,524	2,961,363	24,524,634	10,648,651	35,173,285	271,244
Add: Re-insurance accepted	133,958	49,013	1,610	50,623	-	-	-	-
Less: Re-insurance ceded	5,847,384	670,931	359,136	1,030,067	3,621,611	2,217,409	5,839,020	14,216
Net Claims paid	1,169,643	1,910,921	70,998	1,981,919	20,903,023	8,431,242	29,334,265	257,028
Add: Claims outstanding at the end of the year (net of reinsurance)	2,766,845	1,428,390	163,147	1,591,537	6,174,654	92,581,361	98,756,015	730,767
Less: Claims outstanding at the beginning of the year (net of reinsurance)	2,184,912	1,640,686	260,066	1,900,752	5,719,231	75,535,263	81,254,494	651,737
Total claims incurred (Net)	1,751,576	1,698,625	(25,921)	1,672,704	21,358,446	25,477,340	46,835,786	336,058

(₹ in 000's)

Miscellaneous									Total
Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
106,211	1,480,258	246,380	1,181,844	18,674,307	232,962	20,930,793	1,859,458	74,668,041	83,909,165
-	194,126	202,206	5,418	922,501	-	-	3,799	1,374,455	1,527,611
88,034	1,150,577	102,812	98,457	2,825,872	221,105	15,396,103	895,642	24,419,205	30,120,318
18,177	523,807	345,774	1,088,805	16,770,936	11,857	5,534,690	967,615	51,623,291	55,316,458
320,318	952,820	509,330	2,258,359	6,540,113	59,985	619,425	2,621,579	128,009,593	133,910,777
243,040	808,369	662,625	2,289,382	4,389,379	43,854	6,071,286	2,166,003	116,160,720	120,519,102
95,455	668,258	192,479	1,057,782	18,921,670	27,988	82,829	1,423,191	63,472,164	68,708,133

Miscellaneous									Total
Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	
2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
216,141	1,046,801	126,677	1,293,240	15,941,188	213,282	6,592,466	2,675,831	63,550,155	73,394,587
-	38,866	116,397	755	1,064,374	-	92	-	1,220,484	1,405,065
75,990	722,154	136,227	206,475	2,182,898	188,944	5,893,994	1,370,601	16,630,519	23,507,970
140,151	363,513	106,847	1,087,520	14,822,664	24,338	698,564	1,305,230	48,140,120	51,291,682
243,040	808,369	662,625	2,289,382	4,389,379	43,854	6,071,286	2,166,003	116,160,720	120,519,102
217,650	758,844	628,794	2,301,020	4,476,142	41,547	6,750,707	2,128,416	99,209,351	103,295,015
165,541	413,038	140,678	1,075,882	14,735,901	26,645	19,143	1,342,817	65,091,489	68,515,769

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 3 | Commission (net)

Particulars	Fire	Marine			Motor-OD	Motor-TP	Motor-Total	Workmen's Compensation
		Marine-Cargo	Marine-Others	Marine-Total				
	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
Commission paid								
-Direct	1,651,697	389,030	9,022	398,052	6,899,823	323,612	7,223,435	105,132
Add: Commission on re-insurance accepted	103,040	17,468	197	17,665	75,083	-	75,083	
Less: Commission on re-insurance ceded	2,864,929	86,323	25,140	111,463	937,775	55,981	993,756	23,425
Net Commission	(1,110,192)	320,175	(15,921)	304,254	6,037,131	267,631	6,304,762	81,707

Particulars	Fire	Marine			Motor-OD	Motor-TP	Motor-Total	Workmen's Compensation
		Marine-Cargo	Marine-Others	Marine-Total				
	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
Commission paid								
-Direct	839,470	362,889	13,363	376,252	7,020,328	270,548	7,290,876	97,050
Add: Commission on re-insurance accepted	76,098	22,149	1,999	24,148	35,007	-	35,007	-
Less: Commission on re-insurance ceded	1,201,289	52,938	21,569	74,507	1,520,064	90,308	1,610,372	19,750
Net Commission	(285,721)	332,100	(6,207)	325,893	5,535,271	180,240	5,715,511	77,300

SCHEDULE – 3 A | Commission Paid - Direct

(₹ in 000's)

Particulars	2020-21	2019-20
Agents	2,028,576	1,771,656
Brokers	7,820,574	7,217,466
Corporate agency	2,066,523	2,680,192
Motor Insurance Service Providers	540,560	503,504
Point of Sale	353,717	268,682
Insurance Marketing Firm	2,249	1,040
Web Aggregator	3,896	16,370
Micro Insurance Commission	-	615
Common Service Center	17,638	7,050
Referral	-	-
Total	12,833,733	12,466,575

(₹ in 000's)

Miscellaneous									Total
Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
41,981	326,782	14,834	269,665	2,214,315	36,421	181	551,238	10,783,984	12,833,733
3,398	45,444	11,737	132	117,787	-	-	21,612	275,193	395,898
16,537	580,624	14,108	179,568	2,083,417	48,932	7,227	296,305	4,243,899	7,220,291
28,842	(208,398)	12,463	90,229	248,685	(12,511)	(7,046)	276,545	6,815,278	6,009,340

Miscellaneous									Total
Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	
2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
25,770	259,431	15,482	482,853	2,580,632	43,134	(1,793)	457,418	11,250,853	12,466,575
-	59,454	8,132	2,051	130,329	-	-	11,399	246,372	346,618
33,590	382,790	11,064	397,980	4,908,333	67,276	(25,906)	492,213	7,897,462	9,173,258
(7,820)	(63,905)	12,550	86,924	(2,197,372)	(24,142)	24,113	(23,396)	3,599,763	3,639,935

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 4 | Operating expenses related to insurance business

Particulars	Fire	Marine						
		Marine- Cargo	Marine- Others	Marine- Total	Motor- OD	Motor- TP	Motor- Total	Workmen's Compensation
	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
Employees' remuneration & welfare benefits	604,226	210,438	1,535	211,973	1,782,108	1,807,270	3,589,378	76,622
Travel, conveyance and vehicle running expenses	18,375	3,931	17	3,948	54,301	57,268	111,569	1,996
Training expenses	4,859	1,746	17	1,763	23,058	23,441	46,499	631
Rents, rates & taxes*	51,280	21,671	226	21,897	301,295	272,772	574,067	5,945
Repairs & maintenance	27,789	7,902	63	7,965	151,057	147,014	298,071	4,337
Printing & stationery	3,991	1,764	18	1,782	28,512	26,122	54,634	484
Communication	21,911	7,060	67	7,127	107,073	104,450	211,523	2,697
Legal & professional charges	136,053	40,574	393	40,967	457,348	469,384	926,732	8,059
Auditors' fees, expenses etc								
(a) as auditor	1,289	576	6	582	7,693	6,928	14,621	141
(b) as adviser or in any other capacity, in respect of								
(i) Taxation matters	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-
(c) in any other capacity	164	72	1	73	320	318	638	8
Advertisement and publicity	60,691	14,698	116	14,814	449,129	550,658	999,787	12,032
Interest & bank charges	9,569	3,767	10	3,777	175,304	173,916	349,220	1,719
Others								
(a) Business support services	6,674	2,422	21	2,443	30,545	38,399	68,944	562
(b) Sales promotion	287,954	96,454	246	96,700	5,056,335	4,799,175	9,855,510	49,946
(c) Miscellaneous expenses	2,387	745	7	752	7,427	7,885	15,312	154
Depreciation / Amortisation	42,941	19,093	203	19,296	531,475	480,559	1,012,034	4,391
GST on premium account	-	-	-	-	-	-	-	-
Total	1,280,153	432,913	2,946	435,859	9,162,980	8,965,559	18,128,539	169,724

* Rent expense is net of rental income of ₹ 4,792 thousand (previous period ₹ 3,038 thousand)

(₹ in 000's)

Miscellaneous									Total
Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	
2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21	2020-21
29,629	128,818	13,127	262,392	2,167,274	12,504	13,579	230,691	6,524,014	7,340,213
726	3,703	326	8,135	65,773	142	603	7,179	200,152	222,475
253	1,081	127	2,320	20,541	13	523	2,787	74,775	81,397
2,437	11,541	1,938	28,051	215,734	263	194	26,519	866,689	939,866
1,697	6,250	1,115	18,305	146,748	283	681	15,437	492,924	528,678
193	899	150	2,672	20,732	21	70	2,168	82,023	87,796
1,068	4,645	679	33,495	110,536	198	442	15,592	380,875	409,913
3,830	29,655	3,416	53,424	416,419	40,187	5,154	79,045	1,565,921	1,742,941
58	293	50	617	5,091	5	16	691	21,583	23,454
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
6	35	8	57	548	1	10	106	1,417	1,654
4,903	10,317	930	247,228	563,929	95	405	82,059	1,921,685	1,997,190
513	2,180	122	12,214	82,653	14	44	5,161	453,840	467,186
247	1,331	209	2,728	25,598	24	2,656	7,637	109,936	119,053
12,988	65,525	1,306	329,806	1,171,207	346	704	179,751	11,667,089	12,051,743
76	392	73	1,216	6,601	7	10	1,728	25,569	28,708
1,826	9,779	1,530	20,010	165,046	183	564	21,972	1,237,335	1,299,572
-	-	-	-	-	-	-	-	-	-
60,450	276,444	25,106	1,022,670	5,184,430	54,286	25,655	678,523	25,625,827	27,341,839

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 4 | Operating expenses related to insurance business

Particulars	Fire	Marine						
		Marine-Cargo	Marine-Others	Marine-Total	Motor-OD	Motor-TP	Motor-Total	Workmen's Compensation
	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
Employees' remuneration & welfare benefits	399,831	203,508	1,978	205,486	1,604,143	1,675,161	3,279,304	69,181
Travel, conveyance and vehicle running expenses	36,410	16,222	157	16,379	142,951	162,621	305,572	7,224
Training expenses	5,566	3,212	38	3,250	29,142	27,705	56,847	788
Rents, rates & taxes*	39,153	25,570	287	25,857	328,078	292,796	620,874	6,424
Repairs & maintenance	20,657	9,946	98	10,044	146,580	146,374	292,954	3,936
Printing & stationery	3,913	2,594	28	2,622	35,941	34,448	70,389	658
Communication	17,326	8,201	84	8,285	102,713	101,776	204,489	2,691
Legal & professional charges	96,385	35,761	460	36,221	402,596	407,312	809,908	8,138
Auditors' fees, expenses etc								
(a) as auditor	876	598	7	605	7,410	6,876	14,286	143
(b) as adviser or in any other capacity, in respect of								
(i) Taxation matters	-	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-
(c) in any other capacity	53	37	1	38	134	133	267	4
Advertisement and publicity	49,001	23,599	273	23,872	436,120	485,692	921,812	5,991
Interest & bank charges	7,209	4,692	50	4,742	147,756	161,868	309,624	1,355
Others								
(a) Business support services	4,650	2,252	23	2,275	23,591	22,868	46,459	705
(b) Sales promotion	173,986	71,232	232	71,464	3,064,167	2,829,171	5,893,338	51,921
(c) Miscellaneous expenses	2,766	1,749	24	1,773	17,610	17,618	35,228	321
Depreciation / Amortisation	27,890	18,698	213	18,911	333,895	311,754	645,649	4,306
GST on premium account	-	-	-	-	-	-	-	-
Total	885,672	427,871	3,953	431,824	6,822,827	6,684,173	13,507,000	163,786

* Rent expense is net of rental income of ₹ 3,038 thousand (previous period ₹ 19,624 thousand)

(₹ in 000's)

Public/ Product Liability	Engineering	Aviation	Personal Accident	Health Insurance	Credit Insurance	Crop/ Weather Insurance	Others	Total - Miscellaneous	Total
									2019-20
2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20	2019-20
25,240	126,278	12,633	434,703	2,012,293	11,795	5,364	214,782	6,191,573	6,796,890
2,674	11,380	1,131	33,527	158,135	949	1,707	32,181	554,480	607,269
357	1,794	259	5,573	29,077	36	14	3,006	97,751	106,567
2,646	12,205	2,242	47,374	230,033	340	(2,578)	(5,125)	914,435	979,445
1,457	6,402	1,189	31,443	133,064	217	275	15,235	486,172	516,873
264	1,202	226	5,939	28,027	48	79	3,151	109,983	116,518
1,038	5,230	789	65,310	107,414	302	179	14,530	401,972	427,583
4,294	27,116	3,159	65,526	352,194	25,897	1,923	75,537	1,373,692	1,506,298
59	273	53	997	4,756	7	4	567	21,145	22,626
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
4	14	4	27	198	1	1	42	562	653
3,341	12,224	1,929	172,933	498,941	256	215	46,729	1,664,371	1,737,244
553	2,316	359	22,533	78,675	50	22	5,355	420,842	432,793
229	1,409	169	7,360	23,395	33	61	3,425	83,245	90,170
10,409	57,821	1,568	939,471	1,258,444	407	936	165,315	8,379,630	8,625,080
180	778	166	4,283	15,275	22	182	3,738	60,173	64,712
1,801	8,785	1,521	29,427	144,122	235	162	17,489	853,497	900,298
-	-	-	-	-	-	-	-	-	-
54,546	275,227	27,397	1,866,426	5,074,043	40,595	8,546	595,957	21,613,523	22,931,019

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 5 | Share Capital

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Authorised Capital		
475,000,000 (previous year : 475,000,000) Equity Shares of ₹ 10 each	4,750,000	4,750,000
Issued Capital		
454,594,504 (previous year : 454,466,264) Equity Shares of ₹ 10 each	4,545,945	4,544,663
Subscribed Capital		
454,594,504 (previous year : 454,466,264) Equity Shares of ₹ 10 each	4,545,945	4,544,663
Called up Capital		
454,594,504 (previous year : 454,466,264) Equity Shares of ₹ 10 each	4,545,945	4,544,663
Less : Calls unpaid		-
Add : Equity Shares forfeited (Amount originally paid up)	-	-
Less : Par value of Equity Shares bought back	-	-
Less : (i) Preliminary Expenses to the extent not written off	-	-
(ii) Expenses including commission or brokerage on underwriting or subscription of shares	-	-
Total	4,545,945	4,544,663

Note: Of the above, 235,843,806 shares are held by the holding company, ICICI Bank Limited (previous year: 253,843,806 shares)

SCHEDULE – 5A | Pattern of shareholding [As certified by the management]

Shareholder	At March 31, 2021		At March 31, 2020	
	Number of Shares	% of holding	Number of Shares	% of holding
Promoters				
- Indian (ICICI Bank Limited)	235,843,806	51.88%	253,843,806	55.85%
Others				
- Indian	85,957,424	18.91%	93,833,746	20.65%
- Foreign	132,793,274	29.21%	106,788,712	23.50%
Total	454,594,504	100.00%	454,466,264	100.00%

SCHEDULE – 6 | Reserves and Surplus

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
1. Capital Reserve	-	-
2. Capital Redemption Reserve	-	-
3. Share Premium (refer note 4.16)		
Opening balance	15,731,803	15,700,346
Additions during the period	97,641	31,457
Deductions during the period- share issue expenses	-	-
Closing balance	15,829,444	15,731,803
4. General Reserves		
Opening balance	333,642	333,642
Additions during the period	-	-
Deductions during the period	-	-
Closing balance	333,642	333,642
Less: Debit balance in Profit and Loss Account	-	-
Less: Amount utilized for Buy-back	-	-
5. Catastrophe Reserve	-	-
6. Other Reserves	-	-
Debenture Redemption Reserve (refer note 5.2.18)		
Opening balance	277,144	242,501
Additions during the period	-	34,643
Deductions during the period	-	-
Closing balance	277,144	277,144
7. Balance of Profit in Profit and Loss Account	53,365,290	40,453,090
Total	69,805,520	56,795,679

SCHEDULE – 7 | Borrowings

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Debentures/Bonds (refer note 5.2.18)	4,850,000	4,850,000
Banks	-	-
Financial Institutions	-	-
Others	-	-
Total	4,850,000	4,850,000

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 8 | Investments - Shareholders

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Long term investments		
1. Government securities and Government guaranteed bonds including Treasury Bills	27,579,250	17,460,636
2. Other Approved Securities	-	-
3. Other Investments		
(a) Shares		
(i) Equity (note 3 below)	8,831,195	4,309,416
(ii) Preference	79,065	78,741
(b) Mutual Funds	-	-
(c) Debentures/ Bonds (note 4 below)	10,916,821	12,740,842
(d) Investment Properties-Real Estate (note 5 below)	249,288	236,056
(e) Other Securities	3,956,854	3,371,203
4. Investments in Infrastructure and Housing	15,339,673	13,968,776
Total Long Term Investments	66,952,146	52,165,670
Short term investments		
1. Government securities and Government guaranteed bonds including Treasury Bills	390,771	1,741,043
2. Other Approved Securities (note 6 below)	2,100,409	2,193,888
3. Other Investments		
(a) Shares		
(i) Equity	-	-
(ii) Preference	3,170	-
(b) Mutual Funds	1,255,863	1,720,359
(c) Debentures/ Bonds	2,058,412	221,364
(d) Other Securities	585,710	-
4. Investments in Infrastructure and Housing	1,010,326	553,390
Total Short Term Investments	7,404,661	6,430,044
Total	74,356,807	58,595,714

Notes:

- Aggregate book value of investments (other than listed equities) is ₹ 64,598,914 thousand (previous year: ₹ 53,950,215 thousand).
- Aggregate market value of investments (other than listed equities) is ₹ 66,354,292 thousand (previous year: ₹ 55,234,842 thousand).
- Includes investments qualifying for Infrastructure and Housing investments of ₹ 297,639 thousand (previous year ₹ 234,789 thousand).
- Includes investments in Perpetual Bonds of ₹ 3,888,442 thousand (previous year ₹ 3,589,957 thousand).
- Investment Properties-Real Estate is shown at cost less accumulated depreciation of ₹ 35,892 thousand (previous year: ₹ 27,418 thousand). The fair value of Real Estate is ₹ 311,470 thousand (previous year: ₹ 287,763 thousand) which is based on a valuation report.
- Short term other approved securities includes Certificate of Deposits amounting to ₹ 475,926 thousand, Fixed deposits amounting to ₹ 359,388 thousand, Commercial Paper amounting to ₹ 348,725 and TREPS amounting to ₹ 796,589 thousand (previous year: Certificate of Deposits amounting to ₹ 1,168,513 thousand, Fixed deposits amounting to ₹ 752,610 thousand, Commercial Paper amounting to ₹ 217,428 thousand and TREPS amounting to ₹ 55,337 thousand).
- Investment assets have been allocated in the ratio of policyholders and shareholders funds (refer note 4.8 in Schedule 16)

SCHEDULE – 8A | Investments - Policyholders

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Long term investments		
1. Government securities and Government guaranteed bonds including Treasury Bills	87,529,865	61,419,698
2. Other Approved Securities	-	-
3. Other Investments		
(a) Shares		
(i) Equity (note 3 below)	28,028,074	15,158,841
(ii) Preference	250,935	276,981
(b) Mutual Funds	-	-
(c) Debentures/ Bonds (note 4 below)	34,647,347	44,817,307
(d) Investment Properties-Real Estate (note 5 below)	791,181	830,355
(e) Other Securities	11,836,067	11,058,319
4. Investments in Infrastructure and Housing	48,684,408	49,136,700
Total Long Term Investments	211,767,877	182,698,201
Short term investments		
1. Government securities and Government guaranteed bonds including Treasury Bills	1,240,214	6,124,309
2. Other Approved Securities (note 6 below)	6,666,189	7,717,241
3. Other Investments		
(a) Shares		
(i) Equity	-	-
(ii) Preference	10,059	-
(b) Mutual Funds	3,282,370	5,406,520
(c) Debentures/ Bonds	6,532,900	778,672
(d) Other Securities	1,858,901	-
4. Investments in Infrastructure and Housing	3,206,532	1,946,610
Total Short Term Investments	22,797,165	21,973,352
Total	234,565,042	204,671,553

Notes:

- Aggregate book value of investments (other than listed equities) is ₹ 203,595,985 thousand (previous year: ₹ 188,333,565 thousand).
- Aggregate market value of investments (other than listed equities) is ₹ 209,166,997 thousand (previous year: ₹ 192,849,313 thousand).
- Includes investments qualifying for Infrastructure and Housing investments of ₹ 944,635 thousand (previous year ₹ 825,898 thousand).
- Includes investments in Perpetual Bonds of ₹ 12,340,975 thousand (previous year ₹ 12,628,065 thousand).
- Investment Properties-Real Estate is shown at cost less accumulated depreciation of ₹ 113,913 thousand (previous year ₹ 96,446 thousand). The fair value of Real Estate is ₹ 988,530 thousand (previous year ₹ 1,012,237 thousand) which is based on a valuation report.
- Short term other approved securities includes Certificate of Deposits amounting to ₹ 1,510,474 thousand, Fixed deposits amounting to ₹ 1,140,612 thousand, Commercial Paper amounting to ₹ 1,106,769 thousand and TREPS amounting to ₹ 2,528,182 thousand (previous year Certificate of Deposits amounting to ₹ 4,110,372 thousand, Fixed deposits amounting to ₹ 2,647,390 thousand, Commercial Paper amounting to ₹ 764,827 thousand and TREPS amounting to ₹ 194,652 thousand).
- Investment assets have been allocated in the ratio of policyholders and shareholders funds (refer note 4.8 in Schedule 16)

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 9 | Loans

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Security wise classification		
Secured		
(a) On mortgage of property		
(aa) In India	-	-
(bb) Outside India	-	-
(b) On Shares, Bonds, Govt. Securities	-	-
(c) Others	-	-
Unsecured	-	-
Total	-	-
Borrower wise classification		
(a) Central and State Governments	-	-
(b) Banks and Financial Institutions	-	-
(c) Subsidiaries	-	-
(d) Industrial Undertakings	-	-
(e) Others	-	-
Total	-	-
Performance wise classification		
(a) Loans classified as standard		
(aa) In India	-	-
(bb) Outside India	-	-
(b) Non-performing loans less provisions		
(aa) In India	-	-
(bb) Outside India	-	-
Total	-	-
Maturity wise classification		
(a) Short Term	-	-
(b) Long Term	-	-
Total	-	-

Note:- There are no loans subject to restructuring (previous year ₹ NIL).

SCHEDULE – 10 | Fixed Assets

Particulars	Cost/GrossBlock			March 31, 2021
	April 01, 2020	Additions	Deductions	
Goodwill	-	-	-	-
Intangibles - Computer Software	6,300,857	396,823	226,989	6,470,691
Land-Freehold	2,411,770	-	-	2,411,770
Leasehold Property	-	-	-	-
Buildings	498,235	-	-	498,235
Furniture & Fittings	1,014,065	85,574	31,253	1,068,386
Information Technology Equipment	624,940	206,404	16,209	815,135
Vehicles	157,858	18,321	4,287	171,892
Office Equipment	763,402	65,872	13,992	815,282
Others	-	-	-	-
Total	11,771,127	772,994	292,730	12,251,391
Capital Work in Progress (including advances) (Refer note 1 below)				
Grand total	11,771,127	772,994	292,730	12,251,391
Previous year	9,087,406	3,055,961	372,240	11,771,127

Note: 1. Net of provision for doubtful advances of ₹ 244 thousand (Previous year : ₹ 2,983 thousand)

SCHEDULE – 11 | Cash and Bank Balances

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Cash (including cheques, drafts and stamps)	29,300	21,702
Balances with scheduled banks :		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)*	17,840	1,590
(bb) Others	-	-
(b) Current Accounts #	2,229,355	303,070
(c) Others	-	-
Money at Call and Short Notice		
(a) With Banks	-	-
(b) With other institutions	-	-
Others	-	-
Total	2,276,495	326,362

* Other than Fixed Deposits forming part of Investment assets which is reflected under Schedule 8 and Schedule 8A - Investments

* Includes Fixed Deposit of ₹ 1,000 thousand (previous year ₹ 1,500 thousand) placed with SBI bank for issuance of bank guarantee and Fixed Deposit of ₹ 6,750 thousand (previous year Nil) placed with Yes bank for issuance of bank guarantee (refer note 5.1.2)

Includes unpaid dividend accounts of ₹ 3,238 thousands (previous year ₹ 1,765 thousand).

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 10 | Fixed Assets

(₹ in 000's)

Depreciation/Amortisation				Net Block	
April 01, 2020	For the year ended	OnSales/ Adjustments	March 31, 2021	March 31, 2021	March 31, 2020
-	-	-	-	-	-
3,712,169	879,284	226,989	4,364,464	2,106,227	2,588,688
-	-	-	-	2,411,770	2,411,770
-	-	-	-	-	-
104,827	19,205	-	124,032	374,203	393,408
535,424	126,540	30,731	631,233	437,153	478,641
436,250	141,378	16,126	561,502	253,633	188,690
69,573	32,119	1,939	99,753	72,139	88,285
270,633	81,558	12,835	339,356	475,926	492,769
-	-	-	-	-	-
5,128,876	1,280,084	288,620	6,120,340	6,131,051	6,642,251
				137,291	123,563
5,128,876	1,280,084	288,620	6,120,340	6,268,342	6,765,814
4,606,792	880,272	358,188	5,128,876	6,765,814	

SCHEDULE – 12 | Advances and Other Assets

(₹ in 000's)

Particulars	At March 31, 2021		At March 31, 2020	
Advances				
Reserve deposits with ceding companies		-		-
Application money for investments		-		-
Prepayments		156,631		149,956
Advances to Directors / Officers		-		-
Advance tax paid and taxes deducted at source (net of provision for tax)		-		1,367,205
Others				
- Sundry Advances & Deposits	649,723		901,851	
- Provision for doubtful debts	(7,290)		(7,291)	
- Surplus in Gratuity fund (refer note 5.1.11)	43,142		-	
- Advance to employees against expenses	115	685,690	5	894,565
Total (A)		842,321		2,411,726
Other Assets				
Income accrued on investments/deposits		7,306,452		6,876,566
Outstanding premiums	2,314,546		18,826,033	
Less : Provisions for doubtful debts	1,336,296	978,250	1,263,428	17,562,605
Agents' balances		-		-
Foreign Agencies' balances		-		-
Due from other entities carrying on Insurance business (net) (including reinsurers)	59,815,998		67,948,858	
Less : Provisions for doubtful debts	734,918	59,081,080	696,939	67,251,919
Due from subsidiaries / holding company		-		-
Assets held for unclaimed amount of policyholders	3,154,982		2,365,177	
Add: Investment income accruing on unclaimed amount (refer note no. 5.2.13)	435,889	3,590,871	371,164	2,736,341
Others				
- GST paid in advance / unutilised credit (net of liability)		-	115,446	
- Unsettled investment contract receivable	172,217		-	
- Margin deposit	41,800		41,300	
- Sundry receivable	22,037		22,179	
Less: Provision for doubtful debts	(21,983)	214,071	(19,707)	159,218
Total (B)		71,170,724		94,586,649
Total (A+B)		72,013,045		96,998,375

Schedules (Contd.)

forming part of the financial statements

SCHEDULE – 13 | Current Liabilities

(₹ in 000's)

Particulars	At March 31, 2021		At March 31, 2020	
Agents' Balances		116,880		43,709
Balances due to other insurance companies (net)		3,716,893		19,283,318
Deposits held on re-insurance ceded		154,762		175,208
Premiums received in advance		32,404,595		30,511,459
Unallocated premium		8,676,288		9,838,942
Sundry creditors		6,152,077		4,264,684
Due to subsidiaries/ holding company		195,114		77,383
Claims outstanding (gross)		182,845,031		180,073,743
Due to Officers / Directors		-		-
Unclaimed amount of policyholders (refer note no. 5.2.13)	3,154,237		2,329,177	
Add: Investment income accruing on unclaimed amount (refer note no. 5.2.13)	435,889	3,590,126	371,164	2,700,341
Others:				
- Statutory Dues	657,613		426,077	
- Salary Payable	1,079		26,178	
- Collections - Environment Relief fund (refer note no. 5.2.8)	863		278	
- Book Overdraft	751,621		999,441	
- Employee rewards	1,268,110		1,047,370	
- Deposits	60,581		58,120	
- Dividends payable	3,238		1,765	
- Interest accrued but not due on Borrowings	270,770		270,030	
- GST Liability	129,134	3,143,009	-	2,829,259
Total		240,994,775		249,798,046

SCHEDULE – 14 | Provisions

(₹ in 000's)

Particulars	At March 31, 2021		At March 31, 2020	
Reserve for unexpired risk	65,091,427		58,381,587	
Less: Unabsorbed enrollment costs - Government Schemes	-	65,091,427	-	58,381,587
Reserve for premium deficiency		-		-
For taxation (less advance tax paid and taxes deducted at source)		345,936		-
For proposed dividends		-		-
For dividend distribution tax		-		-
Others				
- Gratuity (refer note 5.1.11)		-	80,597	
- Long term performance pay (refer note 5.1.11)	41,940		127,773	
- Accrued leave (refer note 5.1.11) & (refer note 5.2.26)	494,369		126,693	
- For future recoverable under reinsurance contracts	-	536,309	-	335,063
Total		65,973,672		58,716,650

SCHEDULE – 15 | Miscellaneous expenditure (To the extent not written off or adjusted)

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Discount allowed on issue of shares/ debentures	-	-
Others	-	-
Total	-	-



SCHEDULE - 16

Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2021

1 BACKGROUND

ICICI Lombard General Insurance Company Limited ('the Company') was incorporated on October 30, 2000. The Company obtained Regulatory approval to undertake General Insurance business on August 3, 2001 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.

The equity shares of the Company are listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') from September 27, 2017.

2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared and presented on a going concern basis in accordance with Generally Accepted Accounting Principles followed in India under the historical cost convention, unless otherwise specifically stated, on the accrual basis of accounting, and comply with the applicable accounting standards specified in section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Amendment Rules, 2016 dated March 30, 2016 to the extent applicable, and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), Insurance Regulatory and Development Authority of India Act, 1999, the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions prescribed by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this behalf, the provisions of the Companies Act, 2013 (to the extent applicable) (the "Act") in the manner so required and current practices prevailing within the insurance industry in India.

The management evaluates, all recently issued or revised accounting pronouncements, on an ongoing basis. The Financial Statements are presented in Indian rupees rounded off to the nearest thousand.

3 USE OF ESTIMATES

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date, reported amounts of revenues and expenses for the period ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue recognition

Premium income

Premium including reinsurance accepted (net of Goods & Service Tax) other than for Long term (with term more than one year) motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 is recorded on receipt of complete information, for the policy period at the commencement of risk. For Crop insurance, the premium is accounted based on management estimates that are progressively actualised on receipt of information. For installment cases, premium is recorded on installment due dates. Reinstatement premium is recorded as and when such premiums are recovered. Premium earned including reinstatement premium and re-insurance accepted is recognised as income over the period of risk or the policy period based on 1/365 method whichever is appropriate on a gross basis, other than instalment premiums received for group health policies, wherein, the instalment premiums are recognised over the balance policy period. Any

subsequent revisions to premium as and when they occur are recognised over the remaining period of risk or policy period, as applicable.

In case of long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018, premium received (net of Goods & Service Tax) for third party liability coverage is recognised equally over the policy period at the commencement of risk on 1/n basis where 'n' denotes the term of the policy in years and premium received for Own damage coverage is recognised in accordance with the movement of Insured Declared Value (IDV) over the period of risk, on receipt of complete information. Reinstatement premium is recorded as and when such premiums are recovered. Premium allocated for the year is recognised as income earned based on 1/365 method, on a gross basis. Reinstatement premium is allocated on the same basis as the original premium over the balance term of the policy. Any subsequent revisions to premium as and when they occur are recognised on the same basis as the original premium, over the balance term of the policy.

Adjustments to premium income arising on cancellation of policies are recognised in the period in which it is cancelled. Adjustments to premium income for corrections to area covered under Crop insurance are recognised in the period in which the information is confirmed by the concerned Government/nodal agency.

Income from reinsurance ceded

Commission on reinsurance ceded is recognised as income in the period of ceding the risk.

Sliding scale commission under reinsurance treaties, wherever applicable, is determined at every balance sheet date as per terms of the respective treaties. Any changes in the previously accrued commission is recognised immediately and any additional accrual is recognised on confirmation from reinsurers. Such commission is combined with commission on reinsurance ceded.

Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of profits as confirmed by reinsurers and combined with commission on reinsurance ceded.

Income earned on investments

Interest and rental income on investments are recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities and non-convertible preference shares is recognised over the holding/maturity period on a constant yield basis.

Dividend income is recognised when the right to receive dividend is established. Dividend income in respect of listed equity shares is recognised on ex-dividend date.

Realised gain/loss on securities, which is the difference between the sale consideration and the carrying value in the books of the Company, is recognised on the trade date. In determining the realised gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of listed equity shares and mutual fund units, the profit or loss on sale also includes the accumulated changes in the fair value previously recognised in the fair value change account.

Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

4.2 Premium received in advance

This represents premium received during the period, where the risk commences subsequent to the balance sheet date and in case of long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 premium allocated to subsequent periods.

4.3 Reinsurance premium

Insurance premium on ceding of the risk other than for long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 is recognised simultaneously along with the insurance premium in accordance with reinsurance arrangements with the reinsurers.

In case of long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018, Reinsurance premium is recognised on the insurance premium allocated for the year simultaneously along with the recognition of the insurance premium in accordance with the reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which they are cancelled. Adjustments to reinsurance premium for corrections to area covered under Crop insurance are recognised simultaneously along with related premium income.

4.4 Reserve for unexpired risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable to, and is to be allocated to succeeding accounting periods. For Fire, Marine Cargo and Miscellaneous business it is calculated on a daily pro-rata basis except in the case of Marine Hull business it is computed at 100% of net premium written on all unexpired policies on the balance sheet date.

4.5 Claims

Claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognised on the date of intimation based on internal management estimates or on estimates from surveyors/insured in the respective revenue account(s).

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/ payable to co-insurers/reinsurers and salvage to the extent there is certainty of realisation and includes provision for solatium fund. Salvaged stock is recognised at estimated net realisable value based on independent valuer's report.

Estimated liability for outstanding claims is determined by the management on the basis of ultimate amounts likely to be paid on each claim based on the past experience and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates are progressively revalidated on availability of further information.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed / Panel Actuary of the Company. The actuarial estimate is derived in accordance with relevant IRDAI regulations and Guidance Note GN 21 issued by the Institute of Actuaries of India.

4.6 Acquisition costs

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred except for commission on long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018.

In case of long term motor insurance policies for new cars and new two wheelers sold on or after September 1, 2018 commission is expensed at the applicable rates on the premium allocated for the year.

4.7 Premium deficiency

Premium deficiency is recognised at segmental revenue account level when the sum of expected claim costs and related expenses and maintenance costs (related to claims handling) exceed the reserve for unexpired risks. The premium deficiency is calculated and duly certified by the Appointed / Panel Actuary.

4.8 Investments

Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc., if any, and exclude interest accrued up to the date of purchase.

(A) Classification

- Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose off within twelve months are classified as 'short term investments'.
- Investments other than 'short term investments' are classified as 'long term investments'.

Investments that are earmarked, are allocated separately to policyholder's or shareholder's, as applicable; balance investments are segregated at Shareholder's level and Policyholder's level notionally based on policyholder's funds and shareholder's funds at the end of period as prescribed by IRDAI.

(B) Valuation

Investments are valued as follows:

Debt securities and Non – convertible preference shares

All debt securities including government securities, non-convertible and redeemable preference shares and Additional Tier 1 perpetual bonds are considered as 'held to maturity' and accordingly stated at amortised cost determined after amortisation of premium or accretion of discount on a constant yield basis over the holding period/maturity.

Equity shares and Convertible preference shares

Listed equities and convertible preference shares at the balance sheet date are stated at fair value, being the last quoted closing price on the National Stock Exchange and in case these are not listed on National Stock Exchange, then based on the last quoted closing price on the Bombay Stock Exchange.

Mutual funds (Other than venture capital fund)

Mutual fund investments are stated at fair value, being the closing net asset value at balance sheet date.

Investment Properties – Real Estate

Investment Properties- Real Estate are stated at historical cost less accumulated depreciation (calculated at the same rate as applicable for Fixed Assets- Buildings).

Investments other than those mentioned above are valued at cost.

(C) Fair Value Change Account

In accordance with the Regulations, unrealised gain/loss arising due to changes in fair value of listed equity shares, convertible preference shares and mutual fund investments are taken to the 'fair value change account'. This balance in the fair value change account is not available for distribution, pending realisation.

(D) Impairment of Investments

The Company assesses at each Balance Sheet date whether any impairment has occurred in respect of investment in equity, units of mutual fund, investment in venture fund/alternative investment fund (AIF) and investment properties. The impairment loss, other than considered temporary, if any, is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit & loss account and the investment is restated to that extent. The previously impaired loss is also reversed on disposal / realisation of securities and results thereon are recognised.

4.9 Fixed assets, Intangibles and Impairments

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price, purchase tax and any cost directly attributable to bringing the asset to its working condition for its intended use.

Depreciation on assets purchased/disposed off during the year is provided on pro rata basis with reference to the date of additions/deductions.

Depreciation on fixed assets is provided on straight-line method using the rates based on the economic useful life of assets as estimated by the management/limits specified in Schedule II of the Companies Act, 2013 as below:

Nature of Fixed Assets	Management Estimate of Useful Life in years	Useful life as per the limits prescribed in Schedule II of the Companies Act, 2013 in years
Building	60.00	60.00
Information Technology equipment – Servers & Networks	3.00	6.00
Information Technology equipment – Others	3.00	3.00
Furniture & Fittings	6.67	10.00
Office Equipment	10.00	5.00
Vehicles	5.00	8.00

In case of Office Equipment, the management estimate of the useful life is higher and for Information Technology equipment (Servers & Networks), Furniture & Fitting and Vehicles, the management estimate of the useful life is lower than that prescribed in Schedule II of the Companies Act, 2013. This is based on the consistent practices followed, past experience and is duly supported by technical advice.

Depreciation on Furniture & Fittings and Office Equipment in leased premises is recognised on a straight-line basis over the primary period of lease or useful life as determined by management, whichever is lower.

All assets including intangibles individually costing up to ₹ 5,000 are fully depreciated/amortised in the year in which they are acquired.

Management reviews its estimate of useful life at each Balance sheet date.

Capital work in progress

Capital work in progress includes assets not ready for the intended use and are carried at cost, comprising direct cost and related incidental expenses.

Intangibles Assets

Intangible assets comprising computer software are stated at cost less accumulated amortisation. Computer software including improvements are amortised over a period of 4 years, being the management's estimate of the useful life of such intangibles.

Management reviews its estimate of useful life at each Balance sheet date

Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognised in the profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed, and the asset is restated to that extent.

4.10 Operating Lease

Leases, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item, are classified as operating lease.

Payments made towards assets/premises taken on operating lease are recognised as an expense in the revenue account(s) and profit and loss account over the lease term on straight-line basis. Initial direct costs incurred specifically for an operating lease are charged to the revenue account(s) and profit and loss account.

4.11 Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognised in the period in which the employee renders the related service. These benefits include salaries, bonus, and compensated absences. All short term employee benefits are accounted on undiscounted basis.

Long term employee benefits

Provident fund and other contributions

This is a defined contribution scheme and contributions payable to the Regional Provident Fund Authority are provided on the basis of prescribed percentage of salary and are charged to revenue account(s) and profit and loss account.

The Company also makes contributions to Employee's State Insurance Corporation and Employee Deposit Linked Insurance Schemes which are charged to the revenue account(s) and profit and loss account, in the year the contributions are made.

Gratuity

Gratuity, which is a defined benefit scheme, is provided on the basis of actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account. The actuarial valuation has been carried out using the Projected Unit Credit Method.

Accrued leave

Compensated absences are provided based on actuarial valuation including actuarial gains/losses at balance sheet date and are recognised in the revenue account(s) and profit and loss account. The actuarial valuation has been carried out using the Projected Accrued Benefit Method which is same as the Projected Unit Credit Method in respect of past service.

Long Term Performance Pay

Long Term Performance Pay is provided based on actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account. The actuarial valuation has been carried out using the Projected Unit Credit Method.

Employee Stock Option Scheme ("ESOS")

The Company follows the intrinsic method for computing the compensation cost, for options granted under the scheme(s). The difference if any, between the intrinsic value being the fair market price and the grant price, is the compensation cost which is amortised over the vesting period of the options.

The fair market price is the latest closing price, immediately prior to the grant date, on the stock exchange on which the shares of the company are listed. If the shares are listed on more than one stock exchange, then, the stock exchange where there is highest trading volume on the said date is considered.

4.12 Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of the transaction. Foreign exchange denominated monetary assets and liabilities are restated at the rates

prevalent at the date of the balance sheet. The gains/losses on account of restatement and settlement are recognised in the revenue account(s) and profit and loss account.

The premium or discount arising at the inception of a forward exchange contract, not intended for trading or speculation purpose, is amortised as expense or income as the case may be over the life of the contract. Exchange difference on account of change in rates of underlying currency at the expiry of the contract period is recognised in the revenue account(s) and profit and loss account. Any profit or loss arising on cancellation or roll-over of such a forward exchange contract is recognised as income or expense for the contract period.

4.13 Borrowings

Borrowing costs are charged to the Profit and Loss account in the period in which they are incurred.

4.14 Grants

The Company recognises grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Grants related to assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the assets concerned in arriving at their book value. Grants related to revenue are recognised over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis. Such grants are deducted in reporting the related expense.

Unspent balances of grants are carried forward to the subsequent years under the head "Current Liabilities" for adjustment against expenses in those years.

A grant that becomes refundable is treated as an extraordinary item. The amount of such refundable grant related to revenue is applied first against any unamortised deferred credit remaining in respect of the grant. To the extent that the amount refundable exceeds any such deferred credit, or where no deferred credit exists, the amount is charged immediately to the profit and loss account.

The amount refundable related to a specific fixed asset is recorded by increasing the book value of the asset. Where the book value of the asset is increased, depreciation on the revised book value is provided.

4.15 Taxation

Current tax

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ("MAT") credit if applicable is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the year.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

Goods and Service Tax

Goods and Service Tax ("GST") collected (net of refunds) is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority. Unutilized GST credits, if any, are carried forward under "Other Assets" and disclosed in Schedule 12 for adjustment in subsequent periods. At the end of every reporting period, the company assesses whether the unutilized GST credits are eligible for carrying forward as per the related legal provisions. Any ineligible GST credit is expensed on such determination. GST liability to be remitted to the appropriate authority is disclosed under "Others - GST Liability" in Schedule 13.

GST on capital assets is included in the acquisition cost of such assets.

4.16 Share issue expenses

Share issue expenses are adjusted against share premium account.

4.17 Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax by weighted average number of equity shares outstanding during the reporting period.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic earnings per share and also weighted average number equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered. Dilutive potential equity shares are deemed to be converted as at the beginning of the period unless issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value, being average of closing rate quoted on the last day of each week during the last six months period at BSE Limited. Dilutive potential equity shares are determined independently for each period presented.

4.18 Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

Show Cause Notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent asset are neither recognised nor disclosed in the financial statements.

4.19 Cash and cash equivalents

Cash & cash equivalent include cash and cheques in hand, bank balances, stamps on hand and fixed deposits (other than fixed deposits forming part of investment portfolio as per IRDAI investment regulations) with original maturity of three months or less which are subject to insignificant risk of changes in values.

5. NOTES TO ACCOUNTS

5.1 Statutory disclosures as required by IRDAI

5.1.1 Contingent liabilities

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Partly-paid up investments	-	-
Claims, other than those under policies, not acknowledged as debt	-	-
Underwriting commitments outstanding	NA	NA
Guarantees given by or on behalf of the Company	-	-
Statutory demands/liabilities in dispute, not provided for (Refer note-1 & 2 below)	8,305,412	4,569,652
Reinsurance obligations to the extent not provided for in accounts	-	-
Others : (Refer note-3 below)	49,016	48,180

Note: (1) The Company has disputed the demand raised by Income Tax Authorities of ₹ 290,327 thousand (previous year: ₹ 290,327 thousand), the appeals of which are pending before the appropriate Authorities. This excludes Income Tax demand related to Assessment Year 2003-04, 2005-06, 2006-07 & 2008-09 in respect of which the Company has received favorable appellate order, which is pending for effect to be given by the Assessing Authority.

(2) Includes disputed refund / demand (including interest and penalty) of ₹ 8,015,085 thousand (previous year: ₹ 4,279,325 thousand) from Service Tax Authorities / Goods & Service Tax Authorities / Jammu and Kashmir Sales Tax, the appeals of which are pending before the appropriate Authorities. Further, ₹ 173,102 thousand has been paid at the time of filing CESTAT appeal as per the provisions of the Finance Act, 1994.

(3) Others include:

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Relating to refund of premium on policies issued under the RSBY scheme (net of claims outstanding).	Nil	1,884
Relating to penalty / penal interest towards non-meeting operational guidelines (OG) of Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme.	12,500	13,100
Relating to property tax (including interest)	36,516	33,196
Total	49,016	48,180

- 5.1.2 The assets of the Company are free from all encumbrances except for fixed deposits of ₹ 7,750 thousand (previous year: ₹ 1,500 thousand) (Included in short term deposit account in Schedule – 11) for issuing bank guarantees.

5.1.3 Capital Commitments

Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹ 274,482 thousand (previous year: ₹ 455,421 thousand).

- 5.1.4 Commitment in respect of loans is ₹ NIL (previous year: ₹ NIL) and investments is ₹ 445,477 thousand (previous year: ₹ 973,076 thousand).

5.1.5 Claims

Claims, less reinsurance, paid to claimants in/outside India are as under:

(₹ in 000's)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
In India	84,155,545	73,441,237
Outside India	1,281,231	1,358,415

Ageing of gross claims outstanding is set out in the table below:

(₹ in 000's)

Particulars	As at March 31, 2021	As at March 31, 2020
More than six months	55,877,749	49,777,161
Others	126,967,282	130,296,582

Claims settled and remaining unpaid for more than six months is ₹ NIL (previous year: ₹ NIL).

Claims where the claim payment period exceeds four years:

As per circular F&A/CIR/017/May-04, the claims made in respect of contracts where claims payment period exceeds four years, are required to be recognised on actuarial basis. Accordingly, the Appointed Actuary has certified the fairness of the liability assessment, assuming 'NIL' discount rate.

In this context, the following claims have been valued on the basis of a contractually defined benefit amount payable in monthly installments.

Product Name: Personal protect

(₹ in 000's)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Count	Amount	Count	Amount
Intimated	192	215,700	307	301,655
Paid*	1,864	113,424	3,583	110,791
Outstanding	373	366,405	379	414,213

* each monthly installment is considered as separate paid instance.

5.1.6 Premium

(A) All premiums net of Re-insurance are written and received in India.

(B) No premium income is recognized on varying risk pattern.

5.1.7 Sector wise details of the policies issued are given below:

Sector	For the year ended March 31, 2021					For the year ended March 31, 2020				
	GDPI ₹ in 000's	No. of Policies (in nos)	% of Policy	No. of Lives (in nos)	% of GDPI	GDPI ₹ in 000's	No. of Policies (in nos)	% of Policy	No. of Lives (in nos)	% of GDPI
Rural	12,362,322	3,354,542	15.44	-	8.83	9,405,553	2,870,624	10.95	-	7.07
Social	1,376,366	0	0.00	4,798,812	0.98	17,316	0	0.00	7,460,320	0.01
Urban	126,292,224	18,378,534	84.56	-	90.19	123,705,564	23,351,415	89.05	-	92.92
Total	140,030,912	21,733,076	100.00		100.00	133,128,433	26,222,039	100.00		100.00

5.1.8 Extent of risks retained and reinsured is set out below (excluding excess of loss and catastrophe reinsurance)

Particulars	Basis	For the year ended March 31, 2021		For the year ended March 31, 2020	
		Retention	Ceded	Retention	Ceded
Fire	Value at risk	30%	70%	28%	72%
Marine – Cargo	Value at risk	70%	30%	66%	34%
Marine – Hull	Value at risk	6%	94%	6%	94%
Miscellaneous	Value at risk				
- Engineering	Value at risk	37%	63%	38%	62%
- Motor	Value at risk	95%	5%	90%	10%
- Workmen's Compensation	Value at risk	81%	19%	85%	15%
- Public Liability	Value at risk	52%	48%	52%	48%
- Personal Accident	Value at risk	86%	14%	85%	15%
- Aviation	Value at risk	29%	71%	31%	69%
- Health	Value at risk	82%	18%	68%	32%
- Credit Insurance	Value at risk	6%	94%	6%	94%
- Crop / Weather Insurance	Value at risk	27%	73%	27%	73%
- Others	Value at risk	58%	42%	56%	44%

5.1.9 (A) Investments

Value of contracts in relation to investments for:

- Purchases where deliveries are pending ₹ NIL (previous year: ₹ NIL); and
- Sale where payments are due ₹ 172,217 thousand (previous year: ₹ NIL).

Historical cost of investments that are valued on fair value basis is ₹ 42,424,765 thousand (previous year: ₹ 32,382,285 thousand).

(₹ in 000's)

Particulars	As at March 31, 2021	As at March 31, 2020
Equity Shares	37,888,165	25,269,785
Mutual Funds	4,536,600	7,112,500
Total	42,424,765	32,382,285

All investments are made in accordance with Insurance Act, 1938 and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 and are performing investments.

(B) Allocation of investment income

Investment income which is directly identifiable is allocated on actuals to revenue account(s) and profit and loss account as applicable. Investment income which is not directly identifiable has been allocated on the basis of the ratio of average policyholder's investments to average shareholder's investments, average being the balance at the beginning of the year and at the end of the reporting year.

Further, investment income across segments within the revenue account(s) has also been allocated on the basis of segment-wise policyholders funds.

5.1.10 Allocation of expenses

Allocation / apportionment of Operating Expenses is based on the Organisational Structure of the Company comprising off Business, Service and Support Groups. Business comprises of Wholesale Business Group, Retail Business Group (including Sub Groups) and Government Business Group. Expenses incurred by Business Group are direct in nature. Service Group comprises of Customer Service Group which consists of Underwriting and Claims Group, created based on product segments. Support Group consists of Investments, Operations, Legal, Finance and Accounts, Reinsurance, Technology etc. Expenses incurred by Service and Support Groups are indirect in nature.

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

- Direct expenses pertaining to Business Group that are directly identifiable to a product segment are allocated on actuals and other direct expenses are apportioned in proportion to the net written premium of the product within the Business Group. However, in case of retail business group, the other expenses of its sub group are apportioned based on the net written premium contributed by the respective sub group;
- Expenses pertaining to Service Group are apportioned directly to the product to which it pertains. In case of multiple products, expenses are apportioned in proportion to the net written premium of the multiple products;
- Expenses pertaining to Support Group and any other expenses, which are not directly allocable, are apportioned on the basis of net written premium in each business class.

In accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, operating expenses in excess of segmental limits of ₹ 503,921 thousand in Health – Retail (previous year: ₹ 744,013 thousand), ₹ 26,631 thousand in Miscellaneous – Retail (previous year: ₹ NIL), ₹ 3,826,888 thousand in Motor (previous year: ₹ NIL) and ₹ NIL in Health - Government (previous year: ₹ 6,760 thousand) is reported as income under revenue account under separate sub-line item to Others as "Contribution from Shareholders Funds towards Excess EOM" and reported as allowable expenses under Other Expenses in Profit & Loss account under separate sub-line item as "Contribution to Policyholders Funds towards Excess EOM" .

5.1.11 Employee Benefit Plans

(A) Defined contribution plan

(₹ in 000's)

Expenses on defined contribution plan	For the year ended March 31, 2021	For the year ended March 31, 2020
Contribution to staff provident fund	301,600	276,860

(B) Defined benefit plan

Gratuity

The Company has a defined gratuity benefit plan payable to every employee on separation from employment. The Company makes the contribution to an approved gratuity fund which is maintained and managed by ICICI Prudential Life Insurance Company Limited.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits of the Company is given below:

(₹ in 000's)

Reconciliation of Benefit Obligations and Plan Assets	For the year ended March 31, 2021	For the year ended March 31, 2020
Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	915,718	730,679
Current Service Cost	119,619	93,723
Interest Cost	57,000	53,418
Actuarial Losses / (Gain)	(24,917)	72,350
Liabilities assumed on Acquisition	-	3,074
Benefits Paid	(29,923)	(37,526)
Closing Defined Benefit Obligation	1,037,497	915,718
Change in the Fair Value of Assets		
Opening Fair Value of Plan Assets	835,121	699,131
Expected Return on Plan Assets	61,192	50,464
Actuarial Gains / (Losses)	65,830	(31,446)
Contributions by Employer	148,419	154,498
Assets acquired on acquisition	-	-
Benefits paid	(29,923)	(37,526)
Closing Fair Value of Plan Assets	1,080,639	835,121
Expected Employer's contribution Next Year	100,000	100,000

(₹ in 000's)

Reconciliation of Present Value of the obligation and the Fair Value of the Plan Assets	At March 31, 2021	At March 31, 2020
Fair Value of Plan Assets at the end of the year	(1,080,639)	(835,121)
Present Value of the defined obligations at the end of the year	1,037,497	915,718
Liability recognised in the balance sheet	-	80,597
Asset recognised in the balance sheet	43,142	-
Assumptions		
Discount Rate	5.75% p.a.	5.90% p.a.
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Retirement Age	58.00	58.00
Attrition Rate	10% - 26%	10% - 26%
Expected Rate of Return on Plan Assets	7.00% p.a.	7.50% p.a.
Salary Escalation Rate	8.00% p.a.	9.00% p.a.

Investment Pattern of Gratuity Funds:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Amount (₹ in 000's)	%	Amount (₹ in 000's)	%
Group Balanced Fund	841,561	77.88	624,895	74.83
Group Debt Fund	106	0.01	88	0.01
Group Short Term Debt Fund	238,972	22.11	210,138	25.16
Total Funds*	1,080,639	100.00	835,121	100.00

*The funds are maintained and managed by ICICI Prudential Life Insurance Company Limited.

(₹ in 000's)

Expenses to be recognised in statement of Profit and Loss Account	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Service Cost	119,620	93,723
Interest on Defined Benefit Obligation	57,000	53,418
Expected return on Plan Assets	(61,192)	(50,464)
Net Actuarial Losses / (Gains) recognised in year	(90,747)	103,796
Past Service Cost	-	-
Losses / (Gains) on "Curtailements & Settlements"	-	-
Losses / (Gains) on "Acquisition/ Divestiture"	-	-
Effect of limit	-	-
Total included in Employee Benefit Expense	24,681	200,473

Experience adjustments of five years is given below

(₹ in 000's)

Particulars	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
Defined Benefit Obligation	1,037,497	915,718	730,679	607,582	540,390
Plan assets	1,080,639	835,121	699,131	523,527	542,670
Surplus / (Deficit)	43,142	(80,597)	(31,548)	(84,055)	2,280
Exp. Adj on Plan Liabilities	25,261	19,853	48,064	28,632	44,699
Exp. Adj on Plan Assets	65,830	(31,446)	5,699	(5,063)	18,732

Accrued Leave

The Company has a scheme for accrual of leave for employees. The leave policy revised during the year permits the eligible employees to carry forward a portion of the unutilized accrued compensated absences, and utilize it in future service periods or receive cash compensation on separation. In addition, the unutilized accrued leave absences for the previous financial year would be paid annually to the employees, subject to a ceiling. The liability of accrued leave is determined on the basis of Actuarial Valuation carried out at the year end.

(₹ in 000's)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance	126,693	92,805
Add: Liabilities assumed on Acquisition	-	2,926
Add / (Less): Provision for the year	367,676	30,962
Less: Benefits paid	-	-
Closing balance	494,369	126,693
Assumptions		
Discount Rate	5.75% p.a.	5.90% p.a.

Long Term Performance Pay

The Company has schemes for Long Term Performance incentive plan. The plan is a discretionary deferred compensation plan with a vesting period of three years. The Company has determined the liability on the basis of Actuarial valuation.

(₹ in 000's)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening balance	127,773	224,847
Less: Amount paid	(86,525)	(124,975)
Add / (Less): Provision for the year	692	27,901
Closing balance	41,940	127,773
Assumptions		
Discount Rate	-	4.90% p.a.

5.1.12 Remuneration to Managerial and Key Management Persons

(A) The details of remuneration paid to MD & CEO and two Wholetime Directors' as per the terms of appointment are as under:

(₹ in 000's)

Particulars (see note below)	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and allowances	146,417	144,579
Contribution to provident and other funds	5,855	5,855
Perquisites	1,417	2,735

Managerial remuneration in excess of ₹ 15,000 thousand, for each Managerial personnel has been charged to profit and loss account. Additionally, the Directors are granted options pursuant to Company's Employees Stock Option Scheme.

(B) The details of remuneration paid to other Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 and as per the terms of appointment of Company are as under:

(₹ in 000's)

Particulars (see note below)	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and allowances	156,047	184,397
Contribution to provident and other funds	5,973	5,728
Perquisites	1,635	3,069

Note: Provision towards gratuity, leave accrued and Long Term Performance Pay are determined actuarially on an overall basis and accordingly have not been considered for the above disclosures. Additionally, the KMP's based on entitlements are granted options pursuant to Company's Employees Stock Option Scheme and ICICI Bank's Employees Stock Option Scheme.

5.1.13 (A) Share Capital

During the year the Company has allotted 128,240 equity shares (previous year: 156,320 equity shares) under ESOS raising ₹ 98,923 thousand (previous year: ₹ 33,020 thousand).

During the year the Company has not made any preferential allotment (previous year: ₹ NIL).

(B) Share Application

At March 31, 2021 the Company has received share application money under ESOS of ₹ 3,261 thousand (previous year: ₹ 2,145 thousand) against which shares are yet to be allotted.

5.1.14 Outsourcing, business development and marketing support expenses

Expenses relating to outsourcing, business development and marketing support are:

(₹ in 000's)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Outsourcing expenses	1,899,715	1,973,229
Business development		
- Sales promotion	12,051,743	8,625,080
- Business support services	119,053	90,170
Marketing support	1,997,190	1,737,244

5.1.15 Details of penal actions taken by various Govt. authorities during year ended March 31, 2021:

(₹ in 000's)

Sr No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority	- (-)	- (10,000)	- (10,000)	- (-)
2	Service Tax Authorities	- -	- -	- -	- (-)
3	Income Tax Authorities	- (-)	- (-)	- (-)	- (-)
4	Any other Tax Authorities	- (-)	- (-)	- (-)	- (-)
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	- (-)	- (-)	- (-)	- (-)
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 2013	- (-)	- (-)	- (-)	- (-)
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	- (-)	- (-)	- (-)	- (-)
8	Securities and Exchange Board of India	- (-)	- (-)	- (-)	- (-)
9	Competition Commission of India	- (-)	- (-)	- (-)	- (-)
10	Any other Central/State/Local Govt/ Statutory Authority (Tariff Advisory Committee)	- (-)	- (71)	- (71)	- (-)

Figure in brackets pertain to year ended March 31, 2020

5.1.16 Summary of Financial Statements for five years:

(₹ in 000's)

Particulars	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2016-17
Operating Result					
Gross direct premium	140,030,912	133,128,433	144,882,275	123,568,546	107,251,960
Net premium income #	106,849,780	96,406,925	95,385,568	78,447,557	65,947,994
Income from investments (net) @	16,642,440	15,425,056	13,355,190	11,267,503	10,012,329
Other income	4,831,381	1,067,349	655,436	278,607	446,568
Total income	128,323,601	112,899,330	109,396,194	89,993,667	76,406,891
Commissions (net) (including brokerage)	6,009,340	3,639,935	2,229,052	-2,839,545	-4,341,303
Operating expenses	27,341,839	22,931,019	20,139,702	21,118,673	19,820,372
Net incurred claims & other outgoes	68,708,133	68,515,769	63,081,176	53,147,238	49,543,315
Change in unexpired risk reserve	6,709,840	2,371,755	11,632,090	9,330,209	4,311,952
Operating Profit/(Loss)	19,554,449	15,440,852	12,314,174	9,237,092	7,072,555
Non - Operating Result					
Total income under shareholder's account (net of expenses)	(14,914)	1,528,014	3,669,990	2,725,239	2,028,459
Profit/(Loss) before tax	19,539,535	16,968,866	15,984,164	11,962,331	9,101,014
Provision for tax	4,808,987	5,031,296	5,491,538	3,344,574	2,082,175
Profit/(Loss) after tax	14,730,548	11,937,570	10,492,626	8,617,757	7,018,839
Miscellaneous					
Policy holder's account:					
Total funds	235,983,903	215,778,910	172,154,124	134,006,827	107,240,107
Total investments					
Yield on investments		Not applicable as investments are not earmarked			
Shareholder's account:					
Total funds	74,351,465	61,340,342	53,204,606	45,411,629	37,252,943
Total investments					
Yield on investments		Not applicable as investments are not earmarked			
Paid up equity capital	4,545,945	4,544,663	4,543,099	4,539,483	4,511,507
Net worth**	74,351,465	61,340,342	53,204,606	45,411,629	37,252,943
Total assets	392,978,288	370,420,885	334,026,207	297,496,589	233,508,755
Yield on total investments (annualised)	8%	8%	9%	9%	10%
Earnings per share (₹)	32.41	26.27	23.11	19.01	15.66
Book value per share (₹)	163.56	134.97	117.11	100.04	82.57
Total dividend (excluding dividend tax wherever applicable)	1,818,348	3,180,993	2,270,104	679,988	1,571,008
Dividend per share (₹)	4.00	7.00	5.00	1.50	3.50

Net of Reinsurance

@ Includes Profit Net of Losses on sale / redemption of investments and at gross interest, Dividend & Rent

** Shareholders funds / Net worth = (Share capital + Reserve & Surplus) – (Miscellaneous Expenditure + Debit balance in profit & loss account)

5.1.17 Ratio Analysis:

(A) For ratios at March 31, 2021 refer Annexure 1a and 1b and for March 31, 2020 refer Annexure 2a and 2b

(B) Solvency Margin:

(₹ in 000's)

Solvency Margin	At March 31, 2021	At March 31, 2020
Required solvency margin under IRDAI Regulations (A)	25,188,400	25,721,100
Available solvency margin (B)	72,973,000	55,747,200
Solvency ratio actual (times) (B/A)	2.90	2.17
Solvency ratio prescribed by Regulation	1.50	1.50

5.1.18 Employee Stock Option Scheme (ESOS)

The Company instituted the ESOS Scheme pursuant to the resolutions passed by our Board and Shareholders on April 26, 2005 and July 22, 2005, respectively. The Company had granted Stock options to employees in compliance with the Securities and Exchange Board of India (Employee stock option scheme and employee stock purchase scheme) guidelines, 1999. Pursuant to the ESOS Scheme, no eligible employee could, in aggregate be granted in a financial year, options greater than 0.1% of the issued equity share capital of the Company and the aggregate of options granted to the eligible employees under the ESOS Scheme was capped at 5% of the issued capital of our Company as on the date of such grants. ESOS Scheme was further amended pursuant to the resolutions passed by the Board and Shareholders on June 9, 2017 and July 10, 2017, respectively, to approve the amendment in the ESOS Scheme for, inter alia, aligning it with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. Further, the exercise price was finalized by the Board Nomination and Remuneration Committee in concurrence with the Board based on an independent valuer's report. During the year ended March 31, 2020 and March 31, 2021, the Company has granted options under the ESOS scheme in compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and is set out below.

The salient features of the scheme are stated below:

Scheme	Performance ESOPs (2010):	Performance ESOPs(2018):	Special ESOPs (2018)	Performance ESOPs (2019):	Performance ESOPs (2020):
Date of Grant	April 19, 2010	July 17, 2018	July 17, 2018	April 18, 2019	May 10, 2020
No. of Options granted (in 000's)	2,312	947	1,583	2,346	2,526
Grant Price (In ₹)	114	715.15	715.15	1,086.85	1,235.15
Graded Vesting Period					
1 st Year	20% of the option	30% of the option	0% of the option	30% of the option	30% of the option
2 nd Year	20% of the option	30% of the option	0% of the option	30% of the option	30% of option
3 rd Year	30% of the option	40% of the option	50% of the option	40% of the option	40% of option
4 th Year	30% of the option	-	50% of the option	-	-
5 th Year	-	-	-	-	-
Maximum term of option granted	Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting	5 years from the date of grant.		5 years from the date of vesting.	
Mode of settlement	Equity				

The estimated fair value is computed on the basis of Black-Scholes option for Performance ESOP (2020) issued during the year ended March 31, 2021. 987,780 options (previous year: 284,010) are vested during the year ended March 31, 2021 and ₹ 98,923 thousand (previous year: ₹ 33,020 thousand) was realised by exercise of options.

The company follows intrinsic value method and hence there was no charge in the Revenue Accounts and Profit and Loss Account. Had the Company followed the fair value method for valuing its options for the year ended, the charge to the Revenue Accounts and Profit and Loss Account would have been higher by ₹ 760,185 thousand (previous year ₹ 597,308 thousand) and profit after tax would have been lower by ₹ 677,585 thousand (previous year ₹ 446,978 thousand). Consequently, the Company's basic and diluted earnings per share would have been ₹ 30.92 (previous year ₹ 25.29) and ₹ 30.79 (previous year ₹ 25.21) respectively.

The weighted average price of options exercised during the year ended March 31, 2021 is ₹ 780.1 (previous year: ₹ 220.7).

A summary of status of Company's Employee Stock Option Scheme in terms of option granted, forfeited and exercised by the employees and Wholetime Directors is given below:

(₹ in 000's)

Particulars	Other than Wholetime Directors'		Wholetime Directors'	
	At March 31, 2021	At March 31, 2020	At March 31, 2021	At March 31, 2020
Outstanding at the beginning of the year	4,148	2,408	476	236
Add: Granted during the year	2,057	2,010	469	336
Less: Forfeited / lapsed during the year	(17)	(208)	-	-
Less: Exercised during the year	(118)	(62)	(10)	(96)
Outstanding at the end of the year	6,070	4,148	935	476
Exercisable at the end of the year	904	208	156	10

The weighted average remaining contractual life of options outstanding at the end of the year is as follows:

Exercise Price (in ₹)	At March 31, 2021		At March 31, 2020	
	Option Outstanding (in 000's)	Weighted avg remaining contractual life (in years)	Option Outstanding (in 000's)	Weighted avg remaining contractual life (in years)
114	-	-	4	0.1
715.15	781	2.3	876	3.3
715.15	1,492	2.3	1,492	3.3
1,086.85	2,206	3.1	2,252	4.1
1,235.15	2,526	4.1	-	-
Total	7,005	3.2	4,624	3.7

5.2 Other disclosures

5.2.1 Basis used by the Actuary for determining provision required for IBNR/IBNER

IBNR (including IBNER) liability as of March 31, 2021 for all lines of business has been estimated by the Appointed Actuary in compliance with the guidelines issued by IRDAI from time to time and the applicable provisions of the Guidance Note 21 issued by the Institute of Actuaries of India.

Pursuant to IRDAI regulation of Asset, Liabilities, and Solvency margin of General Insurance Business Regulations 2016 (IRDAI/Reg/7/119/2016 dated April 7, 2016); claim reserves are determined as the aggregate amount of Outstanding Claim Reserve and Incurred but Not Reported (IBNR) claim reserve for 28 stipulated lines of business.

Pursuant to Actuarial Practice Standard (APS) 33 issued by Institute of Actuaries of India (IAI) which is mandatory and effective from December 1, 2017, the peer review of statutory valuation of liabilities for March 31, 2021 has been carried out by an independent actuary.

5.2.2 Provision for Free Look period

The provision for Free Look period ₹ 265 thousand (previous year: ₹ 205 thousand) is duly certified by the Appointed Actuary.

5.2.3 Contribution to Terrorism Pool

The Company in accordance with the requirements of IRDAI has participated in contributing to the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and an overall limit of ₹ 20 billion.

In accordance with the terms of the agreement, GIC retrocedes, to the Company, terrorism premium to the extent of the Company's share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on intimation / confirmation received from GIC. Accordingly, reinsurance accepted, on account of the terrorism pool has been recorded only up to December 31, 2020 (previous year: December 31, 2019) as per the last confirmation received. The share of investment income for the year ended March 31, 2021 (Previous year: March 31, 2020) has been recognized on an estimate basis.

5.2.4 India Nuclear Insurance Pool

In view of the passage of the Civil Liability for Nuclear Damage Act, 2010, GIC Re as Indian Reinsurer initiated the formation of the India Nuclear Insurance Pool (INIP) along with other domestic non-life insurance companies by pooling the capacity to provide insurance covers for nuclear risks. INIP is an unregistered reinsurance arrangement among its members i.e. capacity providers without any legal entity. GIC Re and 11 other non-life insurance companies are Founder Members with their collective capacity of ₹ 15,000,000 thousand. GIC Re is also appointed as the Pool Manager of the INIP. The business underwritten by the INIP will be retroceded to all the Member Companies including GIC Re in proportion of their capacity collated. Out of the total capacity of ₹ 15,000,000 thousand of the INIP, the capacity provided by the Company is ₹ 1,000,000 thousand. The Company has recorded its share of the premium retrocession, commission and interest income upto September 30, 2020 (previous period: September 30, 2019) as per the latest available statements. The share of investment income for the year ended March 31, 2021 (previous year: March 31, 2020) has been recognized on an estimate basis.

5.2.5 Interest, Rent and Dividend income

Interest, Dividend & Rent income is net of interest expense of ₹ NIL (previous year: ₹ 1,277 thousand) on account of REPO transactions.

5.2.6 Re-insurance accepted

The results of reinsurance accepted are accounted as per last available statement of accounts / confirmation from reinsurers.

5.2.7 Contribution to Solatium fund

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at General Insurance Council meeting held on February 4, 2005 and as per letter no. HO/MTD/Solatium Fund/2010/482 dated July 26, 2010 from The New India Assurance Co. Ltd. (Scheme administrator), the Company has provided 0.1% of the total Motor TP premium of the Company towards solatium fund.

5.2.8 Environment Relief

During the year, an amount of ₹ 5,790 thousand (previous year ₹ 5,458 thousand) was collected towards Environment Relief Fund for public liability policies and an amount of ₹ 5,205 thousand (previous year ₹ 5,401 thousand) has been transferred to "United India Insurance Company Limited, Environment Fund Account" as per Notification of Environment Relief Fund (ERF) scheme under the public liability Insurance Act, 1991 as amended. The balance amount of ₹ 863 thousand (previous year ₹ 278 thousand) has been disclosed under the head current liabilities in schedule 13.

5.2.9 Leases

In respect of premises taken on operating lease, the lease agreements are generally mutually renewable / cancelable by the lessor / lessee.

Non Cancelable operating lease

The detail of future rentals payable are given below:

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
a. not later than one year	-	308
b. later than one year and not later than five years	-	-
c. later than five years	-	-

An amount of ₹ NIL (previous year: ₹ 3,162 thousand) towards said lease payments has been recognised in the statement of revenue account.

5.2.10 Micro, Small and Medium scale business enterprises

As per the provisions of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) the Micro and Small Enterprises have been identified by the Company from the available information. Based on information available with the Company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 is as follows:

(₹ in 000's)

Sr No.	Particulars	As at March 31, 2021	As at March 31, 2020
i.	The principal amount remaining unpaid to any supplier as at the end of the year	93,688	23,828
ii.	Interest due on the above amount	-	-
iii.	The amount of interest paid by in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
iv.	Amounts of the payment made to the supplier beyond the appointed day during the year.	80,079	-
v.	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006	1,279	6,724
vi.	Amount of interest accrued and remaining unpaid at the end of the year	1,426	147
vii.	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

5.2.11 Segmental reporting

Primary reportable segments

The Company's primary reportable segments are business segments, which have been identified in accordance with AS 17 – Segment Reporting read with the Regulations. The income and expenses attributable to the business segments are allocated as mentioned in paragraph 5.1.9 & 5.1.10 above. Segment revenue & results have been disclosed in the Revenue accounts.

Segmental Assets & Liabilities to the extent identifiable to business segment :

(₹ in 000's)

Segment	Year	Current Assets	Current Liabilities		Provisions
		Outstanding Premium	Claims Outstanding	Premium Received in Advance	Reserve for unexpired risk
Fire	FY 2020-21	45,209	22,398,703	12,948	3,254,856
	FY 2019-20	23,446	19,458,908	4,497	2,194,838
Engineering	FY 2020-21	1,326	3,944,765	2,503	904,349
	FY 2019-20	20,723	4,066,521	1,429	728,147
Marine Cargo	FY 2020-21	1,441	3,081,888	11,544	604,167
	FY 2019-20	-	2,716,754	1,127	559,339
Marine Hull	FY 2020-21	-	5,012,217	-	52,985
	FY 2019-20	-	3,182,291	-	47,753
Motor OD	FY 2020-21	-	8,122,480	3,688,041	19,086,197
	FY 2019-20	-	7,874,168	5,438,032	16,323,971
Motor TP	FY 2020-21	-	111,700,721	28,603,147	17,749,508
	FY 2019-20	-	97,664,895	25,010,384	15,619,896
Workmen Compensation	FY 2020-21	-	1,016,557	6,057	259,242
	FY 2019-20	-	808,502	5,553	249,183
Public/Product Liability	FY 2020-21	-	665,939	1,073	210,422
	FY 2019-20	-	495,362	137	116,593
Personal Accident	FY 2020-21	-	3,747,273	2,271	4,133,811
	FY 2019-20	5,135	3,904,868	459	5,684,847
Aviation	FY 2020-21	-	1,523,752	-	119,478
	FY 2019-20	-	1,737,914	-	100,638
Health	FY 2020-21	150,232	9,113,461	69,233	14,086,382
	FY 2019-20	269,175	6,697,430	47,535	12,145,393
Credit Insurance	FY 2020-21	-	827,383	1,300	6,390
	FY 2019-20	-	557,381	1,200	7,494
Crop/Weather Insurance	FY 2020-21	780,042	4,395,230	-	5
	FY 2019-20	17,244,126	25,289,446	-	-
Others	FY 2020-21	-	7,294,662	6,478	4,623,635
	FY 2019-20	-	5,619,303	1,106	4,603,495
Total Amount	FY 2020-21	978,250	182,845,031	32,404,595	65,091,427
	FY 2019-20	17,562,605	180,073,743	30,511,459	58,381,587

Secondary reportable segments

There are no reportable geographical segments since the Company provides services only to customers in the Indian market or Indian interests abroad and does not distinguish any reportable regions within India.

5.2.12 Related party

Party where control exists

Holding Company:

ICICI Bank Limited

Other related parties

Fellow Subsidiaries / Associates / Other related entities:

Name of the Related Party	Relationship
ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary
ICICI Securities Limited	Fellow Subsidiary
ICICI Home Finance Company Limited	Fellow Subsidiary
ICICI Venture Funds Management Company Limited	Fellow Subsidiary
ICICI Prudential Asset Management Company Limited	Fellow Subsidiary
ICICI Securities Primary Dealership Limited	Fellow Subsidiary
ICICI Strategic Investments Fund	Fellow Subsidiary
ICICI Bank UK PLC	Fellow Subsidiary
ICICI Equity Fund	Fellow Subsidiary
ICICI Securities Inc.	Fellow Subsidiary
ICICI Securities Holdings Inc.	Fellow Subsidiary
ICICI Trusteeship Services Limited	Fellow Subsidiary
ICICI Investment Management Company Limited	Fellow Subsidiary
ICICI International Limited	Fellow Subsidiary
ICICI Bank Canada	Fellow Subsidiary
ICICI Prudential Trust Limited	Fellow Subsidiary
ICICI Prudential Pension Funds Management Company Limited	Fellow Subsidiary

Key Management Personnel (KMP):

Bhargav Dasgupta, Managing Director & CEO
Alok Kumar Agarwal, Executive Director
Sanjeev Mantri, Executive Director

Relatives of KMP with whom transactions have taken place during the year:

Ansuman Dasgupta : Father of Bhargav Dasgupta
Brij Mohan Gupta : Brother of Alok Kumar Agarwal
Radhey Shyam Mantri : Father of Sanjeev Mantri

Details of transaction with related parties for the year ended March 31, 2021 are given below:

(₹ in 000's)

Particulars	ICICI Bank Ltd	ICICI Home Finance Co Ltd	ICICI Securities Primary Dealership Ltd	ICICI Prudential Life Insurance Co Ltd	ICICI Securities Ltd	Others	KMP & their relatives
	Holding Company	Fellow Subsidiary					
Insurance Premium	2,423,679	41,954	6,632	251,164	109,924	93,712	212
	(2,113,420)	(38,058)	(3,331)	(219,944)	(97,564)	(64,288)	(97)
Income from Investment	-	163,572	-	-	-	-	-
	(-)	(42,342)	(-)	(-)	(-)	(-)	(-)
Claim Paid / Claims Received	51,326	-	2,425	-16,189	29,199	28	-
	(95,598)	(-)	(1,737)	(-7,915)	(35,845)	(257)	(-)
Commission/ Brokerage	1,079,836	31,461	-	-	9,158	-	-
	(1,652,297)	(76,565)	(-)	(-)	(4,371)	(-)	(-)
Investment							
- Purchases	1,546,987	-	7,465,361	-	-	-	-
	(6,595,830)	(-)	(6,401,778)	(-)	(-)	(-)	(-)
- Sales	1,088,332	-	1,412,054	553,085	-	-	-
	(-)	(-)	(2,227,470)	(466,145)	(-)	(-)	(-)
Issue of Share capital	-	-	-	-	-	-	100
	(-)	(-)	(-)	(-)	(-)	(-)	(970)
Receipt of Share premium	-	-	-	-	-	-	7,052
	(-)	(-)	(-)	(-)	(-)	(-)	(9,788)
Premium paid	-	-	-	12,203	-	-	-
	(-)	(-)	(-)	(11,560)	(-)	(-)	(-)
Establishment & other expenditure	337,582	-	-	32,378	3,711	-	153,687
	(372,628)	(-1,871)	(-)	(27,728)	(3,844)	(-)	(153,170)
IPO Expenses Recovered	-	-	-	-	-	-	-
	(566)	(-)	(-)	(-)	(-)	(-)	(-)
Royalty expenses	119,376	-	-	-	-	-	-
	(104,926)	(-)	(-)	(-)	(-)	(-)	(-)
Dividend paid	872,622	-	-	-	-	-	3,698
	(1,776,907)	(-)	(-)	(23)	(-)	(-)	(7,000)

Figures in brackets are for the year ended March 31, 2020
Above amounts are excluding GST wherever applicable.

Balances with related parties at March 31, 2021, are given below:

(₹ in 000's)

Particulars	ICICI Bank Ltd	ICICI Home Finance Co Ltd	ICICI Securities Primary Dealership Ltd	ICICI Prudential Life Insurance Co Ltd	ICICI Securities Ltd	Others	KMP & their relatives
	Holding Company	Fellow Subsidiary					
Assets							
Cash, Bank Balances & Deposits*	1,262,644	-	-	-	-	-	-
	(-801,814)	(-)	(-)	(-)	(-)	(-)	(-)
Other assets/receivables**	-	2,150,308	-	13,747	-	-	-
	(-)	(2,150,235)	(-)	(11,954)	(-)	(-)	(-)
Liabilities							
Premium received in advance / Cash deposits	698,359	1,301	9,372	4,620	473	72,791	-
	(102,640)	(239)	(8,049)	(6,572)	(383)	(66,540)	(-)
Others liabilities/ Payables	571,421	1,275	-	-	2,502	7	-
	(684,020)	(28,529)	(-)	(-)	(747)	(4)	(-)

Figures in brackets are as at March 31, 2020

Above amounts are net of tax deducted at source wherever applicable.

* The above balance includes Book Overdraft balance

** Other assets / receivables pertaining to ICICI Home Finance Co Ltd are in the nature of Investments made and interest accrued thereon.

5.2.13 (a) Details of age-wise analysis of the unclaimed amount of the policyholders (excluding Income from Investment) for the year ended March 31, 2021

(₹ in 000's)

Particulars	Total Amount	0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	37-120 Months	More than 120 Months
Claims settled but not paid to the policyholders/ insured's due to any reasons except under litigation from the insured/ policyholders	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Sum due to the insured/ policyholders on maturity or otherwise	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Any excess collection of the premium/ tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	2,204,210 (1,348,820)	7,375 (2,916)	454,811 (390,133)	393,807 (280,092)	286,540 (169,100)	278,081 (173,579)	154,331 (90,264)	618,914 (236,508)	10,351 (6,228)
Cheques issued but not encashed by the policyholder/ insured	950,027 (980,357)	214,003 (216,445)	82,118 (92,770)	52,057 (66,365)	42,965 (21,777)	41,590 (25,650)	20,256 (18,151)	455,886 (512,961)	41,152 (26,238)
Grand Total	3,154,237 (2,329,177)	221,378 (219,361)	536,929 (482,903)	445,864 (346,457)	329,505 (190,877)	319,671 (199,229)	174,587 (108,415)	1,074,800 (749,469)	51,503 (32,466)

Figure in brackets pertain to year ended March 31, 2020

Movement in unclaimed amount of policy holders due

(₹ in 000's)

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Policy Dues	Income Accrued	Policy Dues	Income Accrued
Opening Balance	2,329,177	371,164	1,938,704	281,425
Add: Amount transferred to unclaimed amount	2,711,986	-	1,703,377	
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	40,971	-	15,417	
Add: Investment income	-	108,939	-	120,078
Less: Amount of claims paid during the period/year*	1,786,769	-	1,218,521	
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)	141,128	44,214	109,800	30,339
Closing Balance	3,154,237	435,889	2,329,177	371,164

*Amount of claims paid also includes policy issuance to the customer on identification of the details.

- (b) Premium refundable to beneficiaries/government in the case of Crop/Weather Insurance is considered for transfer to 'Unclaimed Amount of Policyholders Account' only on final determination of sown insured area and the consequential refund computation is duly confirmed by concerned government agencies.

5.2.14 Details of earning per share for the year ended March 31, 2021:

(₹ in 000's)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/(loss) available to equity shareholders ₹	14,730,548	11,937,570
Weighted average number of equity shares		
Number of shares at the beginning of the year	454,466	454,310
Share issued during the year	128	156
Total number of equity share outstanding at the end of the year	454,595	454,466
Weighted average number of equity shares outstanding during the year	454,505	454,415
Add : Effect of dilutive issues of options and share application pending allotment	1,938	1,437
Diluted weighted average number of equity shares outstanding during the year	456,442	455,852
Nominal value of equity shares ₹	10	10
Basic earnings per share ₹	32.41	26.27
Diluted earnings per share ₹	32.27	26.19

5.2.15 Deferred taxes

The major components of deferred tax are as under:

(₹ in 000's)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Timing differences on account of:		
Reserve for Unexpired Risks	2,548,685	2,180,396
Provision for escalation in lease rentals	56,844	50,142
Provision for Diminution in value of Investments	125,616	302,398
Leaves accrued	-	31,886
Provision for doubtful debts	526,026	498,245
Demerger Expenses	104,380	-
Impact of Section 43B	137,006	-
Total	3,498,557	3,063,067
Net deferred tax asset / (liability)	3,498,557	3,063,067
Deferred tax expense / (income) recognised in the Profit and Loss A/c	(435,490)	(50,470)

5.2.16 REPO / Reverse repo / TREPS Lending / Borrowing transactions

REPO / Reverse repo transaction:

(₹ in 000's)

Particulars	For the year ended March 31, 2021			
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding at March 31, 2021
Securities sold under repo (At cost)				
Government Securities	- (207,024)	- (1,045,797)	- (670,335)	- (-)
Corporate Debt Securities	- (-)	- (-)	- (-)	- (-)
Securities purchased under reverse repo (At cost)				
Government Securities	99,921 (49,921)	4,299,648 (49,921)	884,449 (49,921)	499,931 (-)
Corporate Debt Securities	- (-)	- (-)	- (-)	- (-)

Figure in brackets pertain to year ended March 31, 2020

TREPS Lending / Borrowing transaction:

(₹ in 000's)

Particulars	For the year ended March 31, 2021			
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding at March 31, 2021
Securities sold under TREPS (At cost)				
Government Securities	299,920 (249,967)	299,920 (1,999,945)	299,920 (788,454)	- (-)
Corporate Debt Securities	- (-)	- (-)	- (-)	- (-)
Securities purchased under TREPS (At cost)				
Government Securities	149,988 (6,499)	11,623,990 (8,826,386)	3,767,750 (1,556,706)	3,324,772 (249,984)
Corporate Debt Securities	- (-)	- (-)	- (-)	- (-)

Figure in brackets pertain to year ended March 31, 2020

5.2.17 CSR Expenditure

During the year ended March 31, 2021 the Company has incurred expenditure towards CSR activities which are as below;

- (a) Gross amount required to be spent by the company during the year was ₹ 290,096 thousand (previous year: ₹ 239,518 thousand).

(b) Amount spent during the year is ₹ 292,549 thousand (previous year: ₹ 242,421 thousand). (₹ in 000's)

Sr. No.	Particulars	In cash	Yet to be paid in cash	Total
(i)	Construction/acquisition of any asset	- (-)	- (-)	- (-)
(ii)	On purposes other than (i) above	292,549 (242,421)	- (-)	292,549 (242,421)
	(a) Contribution to ICICI Foundation projects (Skill development & sustainable livelihoods; elementary education & healthcare)	102,700 (123,000)	- (-)	102,700 (123,000)
	(b) Ride to safety (helmet distribution to children)	85,881 (59,645)	- (-)	85,881 (59,645)
	(c) COVID-19 Initiatives	51,614 (-)	- (-)	51,614 (-)
	(d) Access to Healthcare: Sanitation and Healthcare (Preventive and Curative)	18,318 (5,357)	- (-)	18,318 (5,357)
	(e) Eye check-up camps for under privileged school children led by employees	14,014 (18,589)	- (-)	14,014 (18,589)
	(f) Contribution to General Insurance Council	- (35,830)	- (-)	- (35,830)
	(g) Healthy Village (To equip Primary Health Centres in rural areas with medical instruments to cater to the health-related needs of residents)	9,336 (-)	- (-)	9,336 (-)
	(h) Critical Illness (The Company would contribute an amount matching the customer's contribution towards treatment expenses of underprivileged patients suffering from critical illness)	5,901 (-)	- (-)	5,901 (-)
	(i) Contribution to Disaster Relief fund	4,785 (-)	- (-)	4,785 (-)

Figure in brackets pertain to year ended March 31, 2020

5.2.18 Terms of Borrowings

(A) Gist of the terms of issue are as follows:

Series	1/2016-2017
Type, Nature and Seniority of Instrument	Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures
Face Value (per security)	₹ 1,000,000
Issue Size	₹ 4,850,000 thousand
Issue Date / Date of Allotment	July 28, 2016
Redemption Date	July 28, 2026
Call option Date	July 28, 2021
Coupon Rate	8.25% per annum
Credit Rating	“AAA” by CRISIL and “AAA” by ICRA
Listing	Listed on WDM segment of NSE and BSE
Frequency of the Interest Payment	Annual

(B) Maturity Pattern from the date of issue:

(₹ in 000's)

Maturity buckets	Borrowings
1 to 5 years	-
Above 5 years	4,850,000
Total	4,850,000

(C) Debenture Redemption Reserve

The Company has been creating Debenture Redemption Reserve (DRR) on a straight-line basis. Pursuant to amendment vide Ministry of Corporate Affairs notification no. G.S.R. 574(E) dated August 16, 2019 of Companies (Share Capital and Debenture) Rules, 2014, the Company is not required to create any additional DRR. Accordingly the Company continues to hold the existing DRR of ₹ 277,144 thousand.

5.2.19 Outstanding Forward Exchange Contracts

As at March 31, 2021 there are no (previous year: ₹ NIL) outstanding forward exchange contracts.

5.2.20 Pending Litigations

The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. (Refer Note no. 5.1.1 for details on contingent liabilities)

5.2.21 (A) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law / accounting standard.

(B) As at March 31, 2021, the Company did not have any outstanding long term derivative contracts (previous year: ₹ NIL).

5.2.22 Investor Education & Protection Fund

For the year ended March 31, 2021, the company has transferred ₹ NIL (previous year: ₹ NIL) to the Investor Education & Protection Fund.

5.2.23 Disclosures on other work given to statutory auditors

Pursuant to clause 7.1(g) of Corporate Governance Guidelines issued by IRDAI on May 18, 2016, the additional work entrusted to the statutory auditors is given below:

(₹ in 000's)

Name of the Auditor	Services rendered	For the year ended March 31, 2021	For the year ended March 31, 2020
Chaturvedi & Co	Certification	895	525
	Tax Audit Fees	-	1,400
	Demerger Related Expenses	725	-
PKF Sridhar & Santhanam LLP	Certification	715	20
	Tax Audit Fees	1,500	-
	Demerger Related Expenses	725	-

5.2.24 Dividend

The Board has declared an interim dividend of ₹ 4.00 per equity share of face value of ₹ 10 each at its meeting held on March 5, 2021. The same has been accounted and paid during the current quarter ended March 31, 2021. The Board of directors has recommended a final dividend of ₹ 4.00 per equity share of face value of ₹ 10 each for the year ended March 31, 2021. The declaration and payment of final dividend is subject to requisite approvals.

5.2.25 The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess and provide for the impact of the CoViD-19 pandemic on the financial statements based on internal and external sources of information. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with the estimates as of the date of approval of the financial statements. The Company will continue to closely monitor any changes to the estimates basis future economic conditions. Further, the impact assessment done by the company does not indicate any adverse impact on its ability to continue as a going concern.

5.2.26 During the quarter ended June 30, 2020, the company had made certain changes to its Employee Privilege Leave plan, introducing an option to encash accumulated leave on separation from the Company. Consequently, the additional charge, computed actuarially for the year ended March 31, 2021 is ₹ 356,437 thousand.

5.2.27 Arrangement of Demerger

The Board of Directors of the Company at its Meeting held on August 21, 2020, have, inter alia, approved a Scheme of Arrangement amongst Bharti AXA General Insurance Company Limited ("Demerged Company" or "Bharti AXA") and ICICI Lombard General Insurance Company Limited ("Company") and their respective shareholders and creditors ("Scheme"), prepared pursuant to Sections 230 to 232, other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder and Section 35 to 37 and other applicable provisions of the Insurance Act, 1938 (read with the rules and regulations framed thereunder). The Scheme provides inter alia for the demerger of the general insurance business of the Demerged Company into the Company as a going concern with effect from the Appointed Date i.e. April 1, 2020 and, as consideration for the demerger, the issue of 35,756,194 equity shares of the Company to the shareholders of the Demerged Company once the Scheme becomes effective.

The Scheme is subject to, inter alia, applicable statutory and regulatory approvals including from Insurance Regulatory and Development Authority of India ("IRDAI"), Competition Commission of India, Stock Exchanges, Securities and Exchange Board of India, shareholders and creditors of the companies involved in the Scheme and the relevant jurisdictional benches of the National Company Law Tribunal ("NCLT") and will take effect when final approval is received from IRDAI in accordance with the Insurance Act, 1938 read with the Insurance Regulatory Development Authority (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011 and other rules and regulations framed thereunder.

The Company has received approval from (a) CCI, (b) an in-principle approval from IRDAI under Section 35 to 37 of the Insurance Act, 1938 read with IRDA (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011, (c) Observation letters issued by BSE Limited and National Stock Exchange of India Limited, enabling the Company to file the draft Scheme with NCLT. During the quarter ended March 31, 2021, the equity shareholders of the Company at its Meeting held on February 23, 2021, as per the directions of the NCLT, have approved the Scheme of Arrangement with requisite majority. The impact of the scheme shall be given in the Financial Statements as and when the scheme becomes effective. The expenditure relating to demerger has been charged to profit and loss account under 'Expenses other than those related to insurance business for year ended March 31, 2021 ₹ 414,734 thousands.

5.2.28 Code on Social Security, 2020

The Indian Parliament had approved the Code on Social Security, 2020 which could impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft Rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stake holders which are under active consideration by the Ministry. The Company will complete its evaluation once the Rules are notified and will give appropriate impact in the financial statements in the period in which the Code and related Rules becomes effective.

- 5.2.29** During the year ended March 31, 2021, the Company has reversed impairment on investments of ₹ 669,145 thousand (net of reversal of previously assessed impairment of ₹ 702,884 thousand as underlying securities were sold, and the resultant losses were recognised) (previous year ₹ 1,201,518 thousand).

For and on behalf of the Board

Lalita D. Gupte
Chairperson

Sandeep Batra
Director

Ashvin Parekh
Director

Bhargav Dasgupta
Managing Director & CEO

Alok Kumar Agarwal
Executive Director

Sanjeev Mantri
Executive Director

Vikas Mehra
Company Secretary

Gopal Balachandran
Chief Financial Officer

Mumbai, April 17, 2021

Annexure-1A Analytical Ratios

as at March 31, 2021

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor OD	Motor TP	Motor Total	Workmen compensation
1	Gross Direct Premium Growth Rate	5%	39%	-1%	-1%	-1%	0%	8%	3%	11%
2	Gross Direct Premium to Net Worth Ratio	1.88								
3	Growth rate of Net Worth	21%								
4	Net Retention Ratio	75%	26%	65%	3%	54%	95%	95%	95%	80%
5	Net Commission Ratio	6%	-19%	12%	-56%	11%	17%	1%	9%	13%
6	Expense of Management to Gross Direct Premium Ratio	29%								
7	Expense of Management to Net Written Premium Ratio	38%								
8	Net Incurred Claims to Net Earned Premium	69%								
9	Combined Ratio	100%								
10	Technical Reserves to Net Premium Ratio	2.32								
11	Underwriting balance Ratio	-0.02	0.33			-0.12				
12	Operating Profit Ratio	19%								
13	Liquid Assets to liabilities Ratio	13%								
14	Net earnings Ratio	15%								
15	Return on Net Worth Ratio	20%								
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	2.90								
17	NPA Ratio									
	Gross NPA Ratio	-								
	Net NPA Ratio	-								

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

1. GDPI = Premium from direct business written, NWP = Net written premium
2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debit balance in profit & loss account)
3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
4. Liquid asset= Short term investments + Cash and bank balances
5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency
6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Public/ Product Liability	Engineering	Aviation	PA	Health	Credit	Crop	Others	Total miscellaneous	Basis of calculations
7%	24%	27%	-34%	-5%	-24%	204%	8%	1%	(GDPI current year- GDPI previous year)/ GDPI previous year
									GDPI/ Net worth
									(Net worth current year- Net worth previous year) / Net worth previous year
43%	32%	19%	85%	82%	6%	23%	49%	85%	NWP / (GDPI + RI accepted)
11%	-16%	5%	3%	1%	-58%	-9%	9%	7%	Net commission / NWP
									Expenses of management/ GDPI
									Expenses of management/ NWP
									Net Incurred Claims / Net Earned Premium
									((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) /NWP))
									(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
								-0.03	(Underwriting profit/loss) / Net Earned Premium
									(Underwriting profit/loss + Investment income + Contribution from Shareholders Funds towards excess EOM) / Net Earned Premium
									Liquid Assets/ Policyholders liabilities
									Profit after tax/ Net Earned Premium
									Profit after tax/ Net Worth

Annexure-1B Equity Holding Pattern

as at March 31, 2021

1	No. of shares	454,594,504
2	Percentage of shareholding (Indian / Foreign)	70.8% / 29.2%
3	%of Government holding (in case of public sector insurance companies)	-
4	Basic and diluted EPS before extraordinary items (net of tax expense) for the period (₹)	32.41 & 32.27
5	Basic and diluted EPS after extraordinary items (net of tax expense) for the period (₹)	32.41 & 32.27
6	Book value per share (₹)	163.56

Annexure-2A Analytical Ratios

as at March 31, 2020

Sr. No.	Particular	Total	Fire	Marine Cargo	Marine Others	Marine total	Motor OD	Motor TP	Motor Total	Workmen compensation
1	Gross Direct Premium Growth Rate	-8%	43%	18%	-18%	9%	8%	3%	6%	21%
2	Gross Direct Premium to Net Worth Ratio	2.17								
3	Growth rate of Net Worth	15%								
4	Net Retention Ratio	71%	23%	62%	3%	51%	85%	95%	89%	83%
5	Net Commission Ratio	4%	-8%	13%	-21%	13%	18%	1%	9%	13%
6	Expense of Management to Gross Direct Premium Ratio	27%								
7	Expense of Management to Net Written Premium Ratio	37%								
8	Net Incurred Claims to Net Earned Premium	73%								
9	Combined Ratio	100%								
10	Technical Reserves to Net Premium Ratio	2.47								
11	Underwriting balance Ratio	-0.01	0.14			0.05				
12	Operating Profit Ratio	16%								
13	Liquid Assets to liabilities Ratio	12%								
14	Net earnings Ratio	13%								
15	Return on Net Worth Ratio	19%								
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	2.17								
17	NPA Ratio									
	Gross NPA Ratio	-								
	Net NPA Ratio	-								

Notes :

Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013

1. GDPI = Premium from direct business written, NWP = Net written premium

2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure - Debit balance in profit & loss account)

3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business

4. Liquid asset= Short term investments + Cash and bank balances

5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency

6. Underwriting profit/ (loss) = Net premium earned - Net claims incurred - Net commission - Operating expense

Public/ Product Liability	Engineering	Aviation	PA	Health	Credit	Crop	Others	Total miscellaneous	Basis of calculations
49%	10%	20%	-5%	16%	16%	-100%	-8%	-13%	(GDPI current year- GDPI previous year)/ GDPI previous year
									GDPI/ Net worth
									(Net worth current year- Net worth previous year) / Net worth previous year
45%	33%	23%	84%	69%	6%	16%	41%	79%	NWP / (GDPI + RI accepted)
-3%	-5%	6%	2%	-11%	-81%	139%	-1%	4%	Net commission / NWP
									Expenses of management/ GDPI
									Expenses of management/ NWP
									Net Incurred Claims / Net Earned Premium
									((Net Incurred Claims / Net Earned Premium) + ((Net Commission + Operating Expenses) /NWP))
									(Reserve for Unexpired Risk + Reserve for premium deficiency + Reserve for outstanding claims including IBNR and IBNER)/ NWP
								-0.02	(Underwriting profit/loss) / Net Earned Premium
									(Underwriting profit/loss + Investment income + Contribution from Shareholders Funds towards excess EOM) / Net Earned Premium
									Liquid Assets/ Policyholders liabilities
									Profit after tax/ Net Earned Premium
									Profit after tax/ Net Worth

Annexure-2B Equity Holding Pattern

as at March 31, 2020

1	No. of shares	454,466,264
2	Percentage of shareholding (Indian / Foreign)	76.5% / 23.5%
3	%of Government holding (in case of public sector insurance companies)	-
4	Basic and diluted EPS before extraordinary items (net of tax expense) for the period (₹)	26.27 & 26.19
5	Basic and diluted EPS after extraordinary items (net of tax expense) for the period (₹)	26.27 & 26.19
6	Book value per share (₹)	134.97

Receipts & Payment Account (Cashflow)

Direct basis

For the year ended March 31, 2021

(₹ in 000's)

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
A CASH FLOW FROM OPERATING ACTIVITIES				
1 Premium received from policyholders, including advance receipt	174,045,875		177,902,148	
2 Other receipts (including-environment relief fund & Terrorism Pool)	599,889		442,944	
3 Receipt / (payment) from/to re-insurer net of commissions & claims recovery"	(19,008,162)		(9,568,035)	
4 Receipt / (payment) from / to co-insurer net of claims recovery	5,876,206		4,176,184	
5 Payments of claims (net of salvage)	(86,549,063)		(77,169,691)	
6 Payments of commission and brokerage	(14,707,497)		(14,538,587)	
7 Payments of other operating expenses *2	(27,644,154)		(27,153,102)	
8 Preliminary and preoperative expense	-		-	
9 Deposits, advances & staff loans (net)	155,370		338,066	
10 Income tax paid (net)	(3,531,336)		(4,947,659)	
11 Goods and service tax paid	(11,501,383)		(15,153,828)	
12 Cash flows before extraordinary items		17,735,745		34,328,440
13 Cash flows from extraordinary operations		-		-
14 Net cash from operating activities		17,735,745		34,328,440
B CASH FLOW FROM INVESTING ACTIVITIES				
1 Purchase of fixed assets (including capital advances)	(790,157)		(3,032,485)	
2 Proceeds from sale of fixed assets	4,356	(785,801)	8,864	(3,023,621)
3 Purchase of investments	(134,325,517)		(130,571,070)	
4 Loans disbursed	-		-	
5 Sale of investments	96,911,584		93,134,437	
6 Repayments received	-		-	
7 Rent/interest/dividends received	18,344,309		15,215,505	
8 Investments in money market instruments & mutual fund (net)	6,236,648		(8,535,851)	
9 Other payments (Interest on IMTPIP)	-		-	
10 Other payments (Advance payment for purchase of real estate)	-		-	
11 Expenses related to investments	(50,964)		(39,133)	
12 Other (Deposit received on leasing of premises)-		(12,883,940)	(750)	(30,796,862)
13 Net cash from investing activities		(13,669,741)		(33,820,483)

(₹ in 000's)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
C CASH FLOW FROM FINANCING ACTIVITIES		
1 - Proceeds from issuance of share capital / application money (including share premium & net of share issue expenses)	100,038	35,166
2 - Proceeds from borrowing	-	-
3 - Repayments of borrowing	-	-
4 - Brokerage and other expenses on borrowings	-	-
5 - Interest / Dividends paid	(2,215,909)	(4,233,227)
6 Net cash from financing activities	(2,115,871)	(4,198,061)
D Effect of foreign exchange rates on cash and cash equivalents, net	-	-
E Net increase/(decrease) in cash and cash equivalents	1,950,133	(3,690,104)
1 Cash and cash equivalents at the beginning of the year	326,362	4,016,466
2 Cash and cash equivalents at end of the period* ¹	2,276,495	326,362

*1 Cash and cash equivalent at the end of the period includes short term deposits of ₹ 17,840 thousand (previous period: ₹ 1,590 thousand) balances with banks in current accounts ₹ 2,229,355 thousand (previous period: ₹ 303,070 thousand) and cash including cheques and stamps in hand amounting to ₹ 29,300 thousand (previous period: ₹ 21,702 thousand)

*2 Includes payments towards Corporate Social Responsibility of ₹ 292,549 thousand (previous period: ₹ 242,421 thousand)

As per our attached report of even date

For **Chaturvedi & Co.**
Chartered Accountants
Firm Regn No.: 302137E

For **PKF Sridhar & Santhanam LLP**
Chartered Accountants
Firm Regn No.: 003990S/S200018

SN Chaturvedi
Partner
Membership No: 040479
ICAI UDIN: 21040479AAAACJ7270

R. Suriyanarayanan
Partner
Membership No: 201402
ICAI UDIN: 21201402AAAAAN7680

Mumbai, April 17, 2021

For and on behalf of the Board

Lalita D. Gupte
Chairperson

Sandeep Batra
Director

Ashvin Parekh
Director

Bhargav Dasgupta
Managing Director & CEO

Alok Kumar Agarwal
Executive Director

Sanjeev Mantri
Executive Director

Vikas Mehra
Company Secretary

Gopal Balachandran
Chief Financial Officer

Glossary

TECHNICAL TERMS/ABBREVIATIONS

Term	Description
Accident Year/AY	AY is the fiscal year in which a claim event occurred (regardless of when the claim was reported or the loss was recorded)
Accretion of discount/amortisation of premium	Premium/ discount refers to the price paid for a bond as against the par value of the bond. This discount or premium is spread over the remaining life of the bond and is called accretion or amortisation, respectively
Acquisition Cost	Costs that vary with, and are primarily related to, the acquisition of new, and renewal of insurance contracts. These include, amongst others, commissions and policy issue expenses
Adjuster/Surveyor	An independent professional appointed by an insurer which seeks to determine the extent of its liability with respect to a claim that is submitted
Agent tied to an insurance company	An agent of an insurance company who receives or agrees to receive payment by way of commission or other remuneration in consideration of his soliciting or procuring insurance business related to the issuance, continuance, renewal or revival of insurance policies
All risk insurance policy	A type of insurance policy that covers a broad range of risks, including risks that are not explicitly excluded in the policy contract
Allocated Loss Adjustment Expenses/ALAE	Claim-related expenses that are directly attributable to a specific claim
Available Solvency Margin/ASM	Available solvency margin means the excess of value of assets of an insurance company over the value of its liabilities, with certain further prescribed adjustments by the IRDAI
Broker	A licensed person/firm who arranges insurance contracts with insurance companies and/ or reinsurance companies on behalf of his clients for remuneration
Cashless facility	A facility extended by an insurance company to the insured where the payments of the costs of treatment/repair availed by the insured in accordance with the policy terms and conditions are directly made to the network provider by the insurance company
Certificate of registration	Certificate granted by the IRDAI under the IRDA (Registration of Indian Insurance Companies) Regulations, 2000, registering an insurance company to transact the classes of business specified therein
Claim Incurred (net)	Claim incurred (net) are gross incurred claims less all claims recovered from reinsurers related to those gross incurred claims. The gross claims incurred comprise of claims paid, settlement costs, wherever applicable and change in the outstanding provision for claims at the period end
Claim Reserves	The reserves in respect of the claims which have already occurred. It is determined as the aggregate of outstanding claim reserves and incurred but not reported claim reserves

Term	Description
Combined ratio	The combined ratio is a measure of profitability of a nonlife insurance company's underwriting business. The combined ratio is the sum of the loss ratio and the net expense ratio
Corporate agent	Any entity, as prescribed by the IRDAI, that holds a valid certificate of registration for solicitation and servicing any of life, general and health insurance business
Cover	An insurance contract whether in the form of a policy or a cover note or a certificate of insurance or any other form as approved by IRDAI to evidence the existence of an insurance contract
Crop cutting experiment/CCE	A crop cutting experiment is a physical harvest of sampled plots to estimate the crop yields of a location. The sampled plots are identified by the agricultural statistics department of a state using a stratified random survey method
Directors and Officers Liability	Directors and Officers liability coverage protects directors or officers of a corporation from liability arising out of the performance of their professional duties on behalf of the corporation
Dividend Cover	A measure of the ability of an insurance company to pay its dividend. It is calculated as operating profit after tax divided by the total dividend paid for a particular financial year
Dividend Payout Ratio/DPR	The DPR is the ratio of Dividend paid to Profit after tax for the period.
Excess of loss reinsurance (also known as nonproportional reinsurance)	A type of reinsurance transaction pursuant to which the reinsurer, subject to a specified limit, indemnifies the ceding insurer against the amount of loss in excess of a specified retention amount
Expenses of Management	All expenses in the nature of operating expenses including commission, brokerage and remuneration to the insurance agents, intermediaries and insurance intermediaries which are charged to the revenue account, but does not include the charges against profits such as income tax and wealth tax and other taxes like service tax borne by the insurer and other charges which are levied against the profit, as defined in the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting life insurance business) Regulations, 2016
Expenses ratio	Expenses ratio means operating expenses related to insurance business divided by NWP
Facultative Reinsurance	Reinsurance transacted and negotiated on an individual risk basis. The ceding insurer has the option to offer the individual risk to the reinsurer and the reinsurer retains the right to accept or reject the risk
Fair value change account	Unrealised gains/ losses arising due to changes in the fair value of listed equity shares and mutual funds
FIMMDA	Fixed Income Money Market and Derivatives Association of India

Glossary (Contd.)

Technical Terms/Abbreviations

Term	Description
First notice of loss/FNOL	The initial report made to an insurer following a loss, theft, or damage of an insured asset. The FNOL is normally the first step in the processing of a claim
Gross Direct Premium Income/GDPI	GDPI is the total premium received before taking into account reinsurance assumed and ceded
Gross Written Premium/GWP	GWP is the sum of GDPI and reinsurance inward premium accepted
Headcount	Headcount includes employees of ICICI Lombard and trainees
Incurred but not enough reported/ IBNER	IBNER is a reserve reflecting expected changes (increases and decreases) in the estimates of reported claims as on the accounting date
Incurred But Not Reported Claim Reserves/ IBNR	Includes IBNER, estimate for reopened claims, provision for incurred but not reported claims, provision for claims in transit as on the accounting date and ALAE
Indian Motor Third Party Insurance Pool/ IMTPIP	The IMTPIP was a multilateral arrangement for insurance set up by the IRDAI in respect of third-party claims against commercial vehicles, the losses or gains from which were shared by all Indian non-life insurance companies in proportion to their overall market share. The IMTPIP was effective from April 1, 2007 to March 31, 2012
Indian Motor Third-party Declined Risk Pool/ IMTPDRP	The IMTPDRP was an arrangement for insurance, set up by the IRDAI, in respect of standalone third-party claims against commercial vehicles that insurers “declined” to keep on their books. The losses or gains from such pool were shared by Indian non-life insurance companies that failed to meet a certain quota of third-party insurance policies underwritten. The IMTPDRP was effective from April 1, 2012 to March 31, 2016
Inland Marine	Coverage for property that may be in transit, held by a bailee, at a fixed location, or a movable good that is often at different locations
Insurance underwriting	The process by which an insurance company examines risk and determines whether the insurer will accept the risk or not, classifies those accepted and determines the appropriate rate for coverage provided
Intermediary	Entities like insurance brokers, re-insurance brokers, insurance consultants, individual/corporate agents, third-party administrators, surveyors, loss assessors and any other entities as may be specified by the IRDAI for undertaking insurance related activities
Investment Income	Investment income will include, income taken to revenue account and profit and loss account (interest, profit/loss on sale, accretion of discount, amortisation of premium, dividend earned during the period) and taken to financial statements pertaining to all the securities held under that category during that period

Term	Description
Investment leverage	Investment leverage is the ratio of total investment assets (net of borrowings) to net worth
I-Partner	An information technology platform extended to intermediaries, more specifically agents for booking insurance policies
Kharif	Kharif refers to the season which lasts from April to October and the crops that are cultivated and harvested in such season
Loss ratio	Loss ratio is the ratio of claims incurred (net) to NEP
Loss Reserves	Loss reserves are the reserves (or provision) for outstanding claims, IBNR and IBNER
Modified National Agricultural Insurance Scheme/MNAIS	The MNAIS was functioning as a component of National Crop Insurance Programme (NCIP). This scheme provides insurance coverage and financial support to the farmers in the event of failure of crops and subsequent low crop yield
Monoline insurer	A monoline insurer is a non-life insurer having a license to carry out a specific line of business. Eg: health insurance including travel and personal accident insurance or agriculture/crop insurance
Net earned premiums/NEP	Net written premium adjusted by the change in URR fo the period
Net expense ratio	Net expense ratio is the ratio of the sum of operating expenses related to insurance business and commission paid (net) to the NWP
Net Promoter Score/NPS	<p>The Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and customer's loyalty to the brand. Surveyed customers are asked to rate the company on a scale of 0-10 in terms of how likely they are to recommend the company to others. Respondents are grouped as follows:</p> <p>Promoters – Those who give a rating of 9-10 Passives – Those who give a rating of 7-8 Detractors - Those who give a rating of 0-6 $NPS = \% \text{ Promoters} - \% \text{ Detractors}$</p>
Net worth	Net worth represents the shareholders' funds and is computed as sum of share capital, reserves and surplus, net of miscellaneous expenditure and debit balance in the profit and loss account
Net written premium/NWP	GWP less premium on reinsurance ceded
Net Promoter Score	Net Promoter Score is a tool that is used to gauge the loyalty of a firm's customer relationships. It serves as an alternative to traditional customer satisfaction research and is claimed to be correlated with revenue growth. It's calculated by subtracting percentage of detractors from percentage of promoters.

Glossary (Contd.)

Technical Terms/Abbreviations

Term	Description
Non-Life insurance density	The ratio of overall GDPI in the non-life insurance industry to the population of a country
Non-Life Insurance Penetration	Non-life insurance penetration measures the level of development of the non-life insurance sector in the country. It indicates the overall Gross Direct Premium Income of non-life insurance industry as a percentage of Gross Direct Product of the country.
Obligatory cession	The portion of risk that Indian non-life insurance companies are required by law to cede to General Insurance Corporation of India (GIC Re)
Outstanding Claim Reserves/OS Reserves	The provision made in respect of all outstanding reported claims as on the accounting date. OS Reserves include ALAE
Over-the-counter (OTC) products	Pre-defined products with standardised price, terms and conditions offered to customers
Place of Business	A regional office, a zonal office, a divisional office, branch office or any subordinate office or any other office by whatever name called set up within India or a 'representative or a liaison office of Indian insurers' or a 'foreign branch office of Indian insurer' set up outside India by the insurers registered in India
Policyholders' Funds	The policyholders funds shall be the sum of (a) estimated liability for outstanding claims including IBNR and IBNER (b) unexpired risk reserve ("URR") (c) catastrophe reserve (d) premium deficiency (e) other liabilities net off other assets. "Other liabilities" comprise of (i) premium received in advance (ii) unallocated premium (iii) balance due to other insurance companies (iv) due to others members of third party pool ("IMTPIP"), if applicable and (v) Sundry creditors (due to policyholders). Other assets comprise of (i) outstanding premium (ii) due from other entities carrying on insurance business including re-insurers (iii) balance with terrorism pool (if applicable) and (iv) balance with motor third party pool, if any (if applicable)
Portability	The right accorded to an individual health insurance policyholder (including family cover), to transfer the credit gained for pre-existing conditions and time bound exclusions, from one insurer to another or from one plan to another plan of the same insurer
Pradhan Mantri Fasal Bima Yojana/PMFBY	A Government of India programme under which the central and state governments subsidise the purchase of yield-based crop insurance for farmers. The PMFBY was launched in April 2016 and covers food crops, oilseeds and commercial and horticultural crops
Premium Deficiency Reserve	The reserve held in excess of the UPR, which allows for any expectation that the unearned premium reserve will be insufficient to cover the cost of claims and related expenses incurred during the period of unexpired risk

Term	Description
Premium ceded	Premium on reinsurance ceded is the premium in relation to the risk that we cede to our reinsurers
Probable Maximum Loss/PML	The maximum loss that an insurer would be expected to incur on a policy. The probable maximum loss represents an internal determination of the worst-case scenario for an insurer
Proportional reinsurance	A type of reinsurance transaction pursuant to which the reinsurer and the ceding insurer share a defined percentage of the premiums and liabilities of certain underlying insurance. The reinsurer also typically pays the ceding reinsurer a commission
Rabi	Rabi refers to the season which typically lasts from mid-November to April/May and the crops that are cultivated and harvested in such season
Rashtriya Swasthya Bima Yojana/RSBY	A Government of India programme under which the central and state governments provide health insurance to low income households and certain defined categories of unorganised workers
Reinstatement premium	A prorated insurance or reinsurance premium charged for the reinstatement of the amount of a primary policy or reinsurance coverage limit that has been reduced or exhausted by loss payments under such coverages
Reinsurance	Reinsurance is a transaction whereby one company, the reinsurer, agrees to indemnify another insurance company, the reinsured against all or part of the loss that the latter sustains under a policy or policies that it has issued, in return for a premium
Reinsurance ceded/accepted	Reinsurance means an insurance contract between one insurance company (cedant) and another insurance company (reinsurer) to indemnify against losses on one or more contracts issued by the cedant in exchange for consideration. The consideration paid/ received is termed as reinsurance ceded/accepted. The intent of reinsurance is for an insurance company to reduce the risks associated with underwritten policies by spreading risks across alternative institutions
Reserving Triangle	A table showing development of estimated ultimate loss amount and the corresponding outstanding reserves foreach AY over the subsequent periodic valuations
Retained risk	The amount of liability for which an insurance company will remain responsible after accounting for its reinsurance arrangements
Retention limit	The maximum amount of risk retained by an insurer, beyond which the insurer cedes the risk to reinsurers
Retrocession	Retrocession is the ceding of reinsurance accepted to another reinsurer

Glossary (Contd.)

Technical Terms/Abbreviations

Term	Description
Rider	The add-on benefits which are in addition to the benefits under a basic policy
Required Solvency Margin/RSM	Shall be the higher of the amounts of RSM 1 and RSM 2 for each line of business ("LOB") separately. RSM 1 means required solvency margin based on net premiums, and shall be determined as 20% of the amount which is the higher of (a) the gross premiums multiplied by a factor specified for each LOB and (b) the net premiums. RSM 2 means required solvency margin based on net incurred claims and shall be determined as 30% of the amount which is the higher of (a) the gross incurred claims multiplied by a factor specified for each LOB and (b) the net incurred claims
Salvage	Value recoverable from sale of scrap/recovered material arising from claim
Senior Citizen Welfare Fund/SCWF	As part of the Finance Act 2015, the government has brought in the Senior Citizens' Welfare Fund Act, 2015 (SCWF). This mandates the transfer of unclaimed amounts of policyholders to the fund (SCWF) after a period of 10 years
Shareholders' Funds	Shareholders' funds comprise of share capital plus all reserves and surplus (except revaluation reserve and fair value change account) net of accumulated losses and Miscellaneous expenditure to the extent not written off as at the balance sheet date
Solatium fund	In 'Hit & Run' cases, accident victims are eligible for compensation through a Special Fund constituted in terms of Section 163 of the Motor Vehicles Act, 1988 called Solatium Fund
Solvency Ratio (Solvency)	The ratio of ASM to the RSM
Technical reserves	Technical reserves means reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER)
Third Party Administrators/TPA	A company registered with IRDAI, and engaged by an insurer, for a fee or remuneration, by whatever name called and as may be mentioned in the agreement, for providing health services as mentioned under the Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016
Third-party loss / TP loss	A loss suffered by a person(s) other than the insured or insurer who has incurred losses or is entitled to receive payment due to acts or omissions of the insured
Treaty	A reinsurance contract in which a reinsurance company agrees to accept all of a particular type of risk from the ceding insurance company. Reinsurers in a treaty contract are obliged to accept all risks outlined in the contract

Term	Description
Underwriting Balance Ratio	Computed as underwriting profit or loss divided by net premium for the respective class of business
Underwriting Results	Underwriting profit or loss which is computed as net premium earned less net claims incurred less net commission less operating expenses related to insurance business
Unearned Premium Reserve/UPR	An amount representing that part of the premium written which is attributable and to be allocated to the succeeding accounting periods
Unexpired Risk Reserve/URR	Reserves in respect of the liabilities for unexpired risks and determined as the aggregate of unearned premium reserve and premium deficiency reserve
Weather Based Crop Insurance Scheme/ WBCIS	WBCIS is an index based insurance cover which aims to mitigate the hardship of the insured farmers against the likelihood of financial loss by providing protection against variation in specified weather indices such as rainfall, humidity, temperature etc. or a combination of these factors

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