July 20, 2026

To,

The Manager	The Manager
Listing Department	Listing Department
BSE Limited	**National Stock Exchange of India Limited**
Phiroze Jeejeebhoy Towers	Exchange Plaza, 5th Floor, Plot C/1
Dalal Street	G Block, Bandra Kurla Complex,
Mumbai – 400 001	Mumbai – 400 051

Scrip code: Equity (BSE: 540716/ NSE: ICICIGI)

Dear Sir/Madam,

Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript of earnings conference call for the quarter ended June 30, 2026

This is further to our letter dated July 7, 2026 and July 15, 2026, please note that the Company had hosted an earnings conference call with investor(s) and analyst(s) on Wednesday, July 15, 2026 to discuss the financial performance of the Company for the quarter ended June 30, 2026.

In this regard, please find attached transcript of the earnings conference call with investor(s) and analyst(s) for the quarter ended June 30, 2026.

The above information will also be made available on the Company's website at www.icicilombard.com.

You are requested to kindly take the same on your records.

Thanking you.

Yours Sincerely,

For ICICI Lombard General Insurance Company Limited

Vikas Mehra
Digitally signed by Vikas Mehra
Date: 2026.07.20 16:17:04 +05'30'

Vikas Mehra
Company Secretary

Encl. As above

ICICI Lombard General Insurance Company Limited
Earnings Conference Call for the quarter ended June 30, 2026

July 15, 2026

Management:

Mr. Sanjeev Mantri – MD & CEO, ICICI Lombard

Mr. Gopal Balachandran – CFO, ICICI Lombard

Mr. Anand Singhi – Chief - Corporate, International, Bancassurance (KRG) & Government Business, ICICI Lombard

Mr. Girish Nayak – Chief Enterprise AI & Technology, ICICI Lombard

Mr. Sandeep Goradia – Chief Retail Business Strategy & Solutions Team, ICICI Lombard

Mr. Gaurav Arora – Chief Commercial Lines & Motor (Underwriting & Claims), ICICI Lombard

Mr. Girish Sehgal - Chief Health UW & Claims, Customer Service & Operations, ICICI Lombard

Q1FY2027 Earnings Call Script

Moderator: Good evening, ladies and gentlemen, a very warm welcome to ICICI Lombard General Insurance Company Ltd's Q1 FY2027 Earnings Conference call.

From the senior management we have with us today, Mr. Sanjeev Mantri - MD & CEO of the company, Mr. Gopal Balachandran - CFO, Mr. Anand Singhi - Chief - Corporate, International, Banca (KRG) & Government Business, Mr. Girish Nayak – Chief Enterprise AI & Technology, Mr. Sandeep Goradia – Chief - Retail, Business Strategy & Solutions Team, Mr. Gaurav Arora – Chief Commercial Lines & Motor (Underwriting & Claims), and Mr. Girish Sehgal - Chief Health UW & Claims, Customer Service & Operations.

Please note that any statements, comments are made in today's call that may look like forward looking statements are based on information presently available to the management and do not constitute an indication of any future performance as future involves risks and uncertainties which could cause results to defer materially from the current views being expressed. As a reminder all participants' lines will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * then 0 on your touchtone phone.

I now hand the conference over to Mr. Sanjeev Mantri – MD & CEO, ICICI Lombard General Insurance Company Limited. Thank you and over to you, Sir.

Sanjeev Mantri: Good evening to each one of you. Thank you for joining the earnings conference call of ICICI Lombard General Insurance Company Limited for Q1 FY2027.

I would like to commence with an overview of the economic and industry trends which have shaped the operating environment over the past few months, coupled with insights on our company performance and our key initiatives. Following that, our Chief Financial Officer Mr. Gopal Balachandran, will take you through the Company's financial performance for the period ended Q1 FY2027.

The domestic economic momentum remained steady, with real GDP expanding by 7.8% Year on Year (YoY) in Q4 FY2026 and 7.7% for FY2026, supported primarily by private consumption and fixed investment in spite of a challenging global environment.

Moving into Q1 FY2027, high-frequency indicators point to sustained economic momentum despite geopolitical and trade-related uncertainties. Consumption remained resilient, reflected by growth in passenger vehicle sales, aided by GST-led affordability gains, higher spending ability after a healthy harvest season and conducive financing conditions. GST collections remained healthy, while advance-tax collections recorded strong double-digit growth, indicating continued momentum in economic activity.

India has recorded the highest ever first quarter retail vehicle sales of 7.8 million, which is indicative of the favourable demand factors.

Furthermore, as per data from VAHAN, passenger vehicle registrations increased by 21.3% year-on-year, two-wheeler registrations grew by 13.8% and commercial vehicles reported a growth of 14.1%. Rural markets remained strong, with tractors also witnessing healthy demand reporting a growth of 21.8%.
Bank credit growth remained strong during the quarter, with overall credit expanding mid –teens year-on-year. The latest available sectoral data indicate broad-based financing demand, with credit to large corporates improving and MSME loans also growing at over 20%. Services sector growth was supported by strong lending to NBFCs, commercial real estate and trade, while vehicle loans also recorded healthy growth. These trends point to sustained momentum across business investment, financial intermediation and household demand.

India's sound macroeconomic fundamentals and resilient domestic financial system provide buffers against external shocks. However, the impact of El Nino conditions on the monsoon and continuing geopolitical tensions are risks which may influence growth momentum.

I will now talk about a recent judgement delivered on June 11, 2026 by the Honourable Supreme Court of India which has recognised the economic value of unpaid domestic work performed by homemakers while determining compensation under the Motor Vehicles Act. This judgement provides for compensation under a distinct head, "Loss of Domestic Care," based on a monthly income of ₹ 30,000, with periodic increases to reflect inflation and socio-economic changes. Based on a preliminary assessment of the impact of this judgement, the Motor TP loss ratio of the industry is expected to increase in the range of 12% to 15%. Given the significance of the Judgement impacting Motor TP portfolio of the industry, an upward revision of Motor TP premium rates becomes both necessary and urgent in order to restore premium adequacy. That being said, the General Insurance Council has also filed a revision petition seeking review of the order.

Keeping with our prudent and conservative reserving practices, the Company has made an assessment of the impact of the judgement on its Motor TP portfolio and has made the requisite provisions in its financials for Q1 FY2027. Gopal, will cover the specifics when he speaks on the financials later.

Let me now dwell upon the industry performance for the quarter ended June 30, 2026. The General Insurance Industry reported a Gross Direct Premium Income (GDPI) growth of 10.9% for the period Q1FY2027.

Speaking of specific segments within the industry:

- The Commercial segment reported a de-growth of 8.6% in Q1 FY2027, driven by significant pricing pressure, particularly in the Fire insurance business. As we had indicated during our last investor call, the April renewal cycle witnessed exceptional competitive pricing, with rate reductions being the sharpest at the beginning of the quarter. This resulted in an overall de-growth of 27.8% in the Fire line of business during the referred period Q1FY2027.

  While the Competitive intensity remained elevated, for June 2026, the overall de-growth was 22.5% in the fire line of business, better than the preceding months in Quarter 1.

- As articulated in my opening remarks, the motor segment has seen good tailwinds since September 2025. The growth for the segment stood at a healthy 13.9% for Q1 FY2027 vis-à-vis 8.7% in Q1FY2026 & 10.0% in Q4FY2026.
- Health continues to be the fastest-growing segment for the GI industry and has contributed 47.3% of the overall insurance premium for Q1FY2027, supported by greater awareness of health risks and protection needs, expanding distribution and continued product innovation. The Health segment, reported robust growth of 20.1% for Q1FY2027. Within Health Insurance, the Group Health line of business grew by 14.0% for Q1 FY2027, while Retail Health recorded growth of 31.6%.

Speaking on the Underwriting performance of the Industry:

Overall, the Combined ratio (CoR) for the industry, deteriorated to 117.8% for FY2026 from 112.6% for FY2025. ICICI Lombard's Combined Ratio stood at 103.4% for FY2026 as against 102.8% for FY2025, thereby demonstrating a gap of over 14 percentage points between the Combined Ratio of ICICI Lombard in comparison to that of the industry.

I would particularly like to highlight the resilience of our Motor insurance portfolio. The industry continued to operate in an intensely competitive environment during FY2026, placing significant pressure on underwriting profitability. Consequently, the industry-combined ratio for the Motor segment deteriorated to 128.0% in FY2026 from 123.7% in FY2025.

Against this backdrop, ICICI Lombard's Motor combined ratio moved marginally to 106.6% in FY2026 from 105.3% in FY2025, reflecting the strength of our underwriting and portfolio management capabilities. Importantly, we maintained our market leadership during the year without compromising underwriting quality.

As a result, the differential between the industry's combined ratio and ours widened to 21.4% in FY2026 from 18.4% in FY2025.

Furthermore, an aspect which is noteworthy from a long term perspective is that if we look at the period since COVID, this differential outperformance between the Industry and ICICI Lombard Combined Ratios for Motor insurance stood at 10.3% in FY2020 which has further widened to 21.4% in FY2026. This sustained outperformance reflects the effectiveness of our risk selection, pricing and claims management practices, and reinforces the strength of our operating model.

I will now proceed to present our Company's performance across key business segments for Q1FY2027.

The Company reported a growth of 7.5% in Gross Direct Premium Income (GDPI), for Q1FY2027, compared to the industry growth of 10.9% for the same period.

- Within our commercial lines segment, we have maintained a disciplined and calibrated approach, focusing our growth exclusively on segments which align with our core risk management principles. Given the extreme levels of competitive intensity, we witnessed a de-growth of 13.8% for the period ended Q1FY2027 in this segment.

  While we continue to manage our large corporate portfolio through adequate risk governance, we have increased our focus on the SME in commercial lines segment, leveraging our distribution scale. Consequent to this, our proportion of SME business, in the commercial lines segment, has increased to 33.6% in Q1FY2027 from 28.4% in Q1FY2026.

  We had leadership position in the Engineering and Marine Cargo lines of business for Q1FY2027.

- In the Motor segment, we grew in line with the industry at 14.0%, thereby maintaining our market leadership position with a market share of 10.5%. Our growth in new vehicle sales, at 33.6% on a unit basis, significantly outperformed the industry growth of 14.9%.

  Our portfolio mix for Private Car, Two-wheeler and Commercial Vehicle stood at 49.8%, 28.7% and 21.5% respectively, for Q1FY2027.

- In the Health segment, for Q1FY2027, we grew by 24.9% as against the industry growth of 20.1%,

    - Our Retail Health business, continued to demonstrate strong growth of 69.5% for Q1FY2027, significantly outpacing the industry growth of 31.6% for Q1FY2027. Consequently, our market share has improved to 4.5% in Q1FY2027 from 3.5% in Q1FY2026. I am pleased to share that our contribution from long term book in new retail health business continues to gain traction and stood at 53.4% for Q1FY2027 vis-à-vis 31.8% for Q1FY2026.

    - The Group Health segment recorded a growth of 16.3% for Q1FY2027, with our market share being 10.3% for Q1FY2027 compared to 10.1% for Q1 FY2026.

Our commitment to profitable growth has been consistent over the years. Although market dynamics may affect results in certain quarters, we remain well-positioned to manage cyclical fluctuations and deliver long-term value.

Our 'One IL, One Team' philosophy continues to foster collaboration and operational excellence, enabling a unified approach across the organization. As part of this philosophy, would now apprise you of certain key initiatives:

- Our **IL TakeCare** app, a one-stop solution for insurance and wellness needs, achieved **22.1 million downloads as at June 30, 2026**, reflecting growing customer engagement and digital adoption. The gross written premium earned from the IL take care app during the period Q1FY2027 was ₹ 1,545.3 Mn as compared to ₹ 932.0 Mn for Q1FY2026. There has also been > 50% YoY increase in leads originating from this platform. The total number of health and travel claims serviced through the IL Take Care App witnessed an uptick by approximately 20% and reached 168,521 claims for Q1 FY2027 vis-à-vis 141,116 claims for Q1 FY2026.

- We continue to improve our efficiency levels in Motor claims. **Our Preferred Partner Network (PPN)** serviced 75.6% of our non-OEM claims for Q1 FY2027 vis-à-vis 74.6% for Q1 FY2026. The sustained increase reflects our continued focus on channelling claims through high-quality network partners and deepening network effectiveness. Our NPS score for Motor claims remained consistent at 69 for FY 2026. I would also like to highlight that, as part of our efforts to leverage India's Digital Public Infrastructure, ICICI Lombard has started the use of the Account Aggregator framework in our motor claims process.

- In the health segment, 99.0% of our total **claims were paid within 30 days** for Q1FY2027. For FY2026, we recorded an NPS of 73 for Health claims, demonstrating strong satisfaction levels and reinforcing our position as a customer-centric organization.

- **IL Sahayak** has further strengthened on-ground claims support for our Health customers with our customer coverage improving over the previous year. As a part of their feedback, in Q1 FY2027 - 93.0% of the customers surveyed rated their experience as exemplary (≥4.5/5) highlighting the support provided during claims processing and assistance with hospital coordination. The **number of customers** assisted through the IL Sahayak initiative stood at approximately 30,000 for Q1 FY2027.

- Q1 FY2027 marked continued progress in our transformation towards a unified, digital-first service model under the **One IL, One Call Centre** vision. Our focus remains on delivering seamless, intuitive, and scalable customer experiences while improving operational efficiency through technology-led servicing. Customer engagement remained robust during the quarter, with a clear acceleration in digital adoption. Digital interactions reached 624K in Q1 2027, compared to 214K in the corresponding period last year, increasing digital contribution from 36.0% in Q1 FY2026 to 69.0% in Q1 FY2027 during the quarter and further improving to 71.0% in June 2026. This significant shift reflects growing customer preference for self-service and conversational channels, while also reducing dependence on traditional servicing models. Our differentiated service initiatives, which we had spoken about in a previous earnings call, have resulted in increase of our Call Centre NPS to 76 in Q1 FY2027 from 60 in Q1 FY2026.

I will now request Gopal to take you through the financial numbers for Q1 FY2027.

Gopal Balachandran: Thanks Sanjeev, and good evening to each one of you. I will now give you a brief overview of the financial performance of the recently concluded quarter. We have uploaded the 'Results Presentation' on our website. You can access it as we walk you through the performance numbers.

With effect from October 1, 2024, Long-term Products are accounted on a 1/n basis, as mandated by IRDAI. **All numbers mentioned are on a 1/n basis, unless stated otherwise.** Please refer our investor presentation for further details.

- Gross Direct Premium Income (GDPI) of the Company, was at ₹ 83.18 billion in Q1 FY2027 compared to ₹ 77.35 billion in Q1 FY2026, a growth of 7.5%, as against the industry growth of 10.9%. On an "n" basis, GDPI of the Company grew by 8.5% for Q1 FY2027, as against the industry growth of 10.7%.

  Our GDPI growth during the quarter was primarily driven by growth in retail lines.

- Combined ratio (CoR) stood at 107.2% in Q1 FY2027 compared to 102.9% in Q1 FY2026.

- On an "n" basis, the Combined ratio stood at 106.1% in Q1 FY2027 compared to 102.2% in Q1 FY 2026.

    - During the quarter, we have incurred two large losses under the fire segment to the tune of ₹ 0.63 billion, impacting the CoR by 1.0%.

    - As articulated by Sanjeev in his opening remarks on the judgement of the Honourable Supreme court impacting the Motor TP portfolio, we have considered an impact of ₹ 1.65 Bn in our reserves. This had an additional impact on our combined ratio of 2.8%.

  - Excluding the impact of the above, the Combined ratio for Q1 FY2027 stood at 102.3% as against 102.2% for Q1 FY2026

- Investment income was at ₹ 11.74 billion in Q1 FY2027 as against ₹ 12.88 billion in Q1 FY2026.

    - Our capital gains (net of impairment on investment assets) stood at ₹ 1.83 billion in Q1 FY2027 compared to ₹ 3.80 billion in Q1 FY2026
    - On the investments side, during the quarter, the overall debt portfolio yield increased to 7.58% (for FY2026: 7.46%) and the portfolio duration increased to 5.53 years (for FY2026: 5.13 years)

- Profit before tax (PBT) de-grew by 46.1% to ₹ 5.36 billion in Q1 FY2027 compared to ₹ 9.94 billion in Q1 FY2026.

- Consequently, Profit after tax (PAT) de-grew by 46.0% to ₹ 4.03 billion in Q1 FY2027 compared to ₹ 7.47 billion in Q1 FY2026.

    - Excluding the impact of the two large losses in Fire segment and the judgement of the Honourable Supreme Court on the Motor TP portfolio, the PAT de-grew by 23.0% and stood at ₹ 5.75 billion in Q1 FY2027.

- Return on Average Equity (ROAE) was at 9.6% in Q1 FY2027 compared to 20.5% in Q1 FY2026.

    - Return on Average Equity (RoAE), excluding the impact of the two large losses in Fire segment and the judgement of the Honourable Supreme Court on the Motor TP portfolio, was 13.6%.

- Solvency ratio was at 2.71x as at June 30, 2026 as against 2.67x as at March 31, 2026 which was higher than the minimum regulatory requirement of 1.50x.

As I conclude, I would like to re-assure that we remain focused on our strategy of driving profitable growth and sustainable value creation for all our stakeholders, while ensuring that the interest of the industry and our policyholders is at the forefront.

Thank you.

Moderator: Thank you very much. We will now begin with the question and-answer session. Our first question comes from the line of Sanketh Godha with Avendus Spark. Please go ahead.

Sanketh Godha: Yes, thank you. Thank you for the opportunity. So, my first question is on this TP reserve itself. So, this ₹ 165 crore what you provided is only for the business what you have done in 1Q. So, which means this ₹ 165 crore kind of a number, if you do the same amount of business every quarter, will be a repeat number, just to want a clarification on that side. And given the judgement is retrospective, so for the back book, did you provide anything with respect to the Supreme Court judgement or do you think MAD is good enough to take care of that amount?

Gopal Balachandran: Yes, thanks, Sanketh.

And before I kind of answer on the specifics, let me just put this in context. I think when you look at Motor third-party as a book, as what we have always been saying, has been a book which obviously exhibits a long tail of claims development over years. And then, of course, we have also seen that this part of the portfolio typically gets influenced by what you get to see as judgements coming in from courts at different points of time. And this is right through the years since we all have been in operations. Over the years, I think we have obviously seen various judgements coming in from time to time, which has kind of possibly laid down what should be the norms so far as settlement of Motor third-party claims liability is concerned.

So, therefore, to that extent, any judgement coming in from, in this case, the highest court of India, I think we have seen also in the past when some of these judgements have come at different points of time, way back, if I remember it, going back to let us say 2008, 2009. And very recently, since we listed, some of you may recollect, we also had a couple of Supreme Court judgements coming through in 2021, more so in Quarter 4 of that year. Even at that point of time, I think what we have kind of largely done is, which we have again spoken about our reserving approach.

In general, I think what we generally factor in is to be prudent and conservative whenever such events come to light. And that is the reason why we always say that Motor TP in specific always has to be kind of looked at with a lens of conservatism in terms of reserving that you carry. And that is also reflected if you will see our specific reserving triangle disclosure outcomes in the context of Motor third-party over years.

So, in the light of that, I think pretty much similar thought process is what we have exhibited when you look at even for the Quarter 1, that is when we have seen this judgement coming through in the month of June. So, we have continued to follow prudence. We have continued to exhibit conservatism in so far as the outcome of this judgement, as we expect, as a preliminary assessment at this point of time.

As we also mentioned in the opening transcript, I think at this point of time, the General Insurance Council has also kind of filed a revision petition against the judgement. Obviously, it is subjudice at this point of time. And obviously, we will wait and see in terms of how the impact plays out.

So, therefore, to the first question of yours, in terms of how do we see the impact of this play through in the subsequent quarters, I think we will also be influenced by in terms of what do we see as an outcome of maybe the revision petition, that is one. Second, I think we have also been kind of talking through in so far as the entire industry is concerned. This is a market impacting event. And therefore, to that extent, I think we have also been kind of talking about clear need for a revision in the Motor third-party pricing. So, hence, to that extent, I think obviously, this will suitably get represented through the industry body and hence, which is why again, we put that also as a part of the opening transcript to say that therefore, there is clearly a need for a revision in third-party price change. So, again, that is another factor in terms of how things will possibly play out when you look at the portfolio that you kind of write for the future.

And the third, in general, when you look at not specific again, in the context of this judgement alone, Sanketh, I think even otherwise, I think when you look at there, as we always have said that there are always

ways through which you can always kind of create efficiencies in managing the overall motor book. And that will be true even for the third-party portfolio as well. So, hence, again, there is an element of variability that gets attached. So, therefore, it will be too difficult for us to really say that whether nothing is going to happen in so far as the future quarters are concerned and therefore, will you continue to see the same impact for the subsequent quarters. So, since there is a lot of variability, that is the reason why we said we will wait for how some of these events play through and obviously, to that extent, we will kind of calibrate what it entails to your first point on the future impact of the judgement playing through. To the historic book, I think obviously, Sanketh, I think when we have kind of called out, which is exactly what we keep saying, I think when we kind of provide for reserves, that is the point that I made, I think obviously, we build in for margin for uncertainties and these margins are exactly for reasons for maybe events which may not be unknown at the time when we are kind of providing for these reserving estimates. So, we have factored in, I think when we have provided for this, as I said, a prudent and conservative number at this point of time, this is a holistic assessment of the exposures that we have till 30th of June. I think this a conservative claim reserve of ₹ 1.65 billion in our numbers in Q1.

Sanjeev Mantri: So, and if I may also add, see, this verdict has come on June 11th and we are barely a month down, really very early days, but it has come from the highest court and we have to respect the judgement whichever way it comes. Gopal briefly spoke about the fact that we have been subjected to multiple judgements and if you look back in time in terms of history from 2009, there was a Sarla Verma case which redefined the future prospect of Salaried Class, then 2012 there was Santosh Devi, National Insurance came in 2017, then in the recent past which you just referred to, there was Satinder Kaur which came in 2020 and also in 2021, Kirti case came in.

So, there have been multiple cases which have come in the past which has redefined it. Past book, as things stand, and we are very confident in terms of saying that our reserving philosophy is holding us good, so there is no impact. It is only the sources of Quarter 1 that we have taken, but I would also be candid enough to admit that the factors which Gopal has just covered, this is purely on prudency as well as on a conservative basis, which is the way we have always conducted ourselves in Motor and in particular this time we spoke about why we have been able to do what we are on Motor and what has been in summation our performance vis-à-vis the market, but if there is a risk evident, it is important that we call it out, but while that is there, we are also equally equipped to manage it and a multiplication of 1.65 into the next three quarters would be unfair. We will have to wait for the situation as it evolves, we also will keep you all abreast of what it is.

Sanketh Godha: But sir, for example, General Insurance Council loses on review petition and hypothetically assumes there is no price hike for next three quarters, then is it fair to say that if you conduct the same quality of business what you conducted in 1Q, then this ₹ 1.65 crore is a more kind of a base number for every quarter?

Gopal Balachandran: So Sanketh, I would again just kind of push in the fact that let us say there is an element of variability attached, which is the reason why I called out each of those elements before kind of responding to your specific point and honestly, we obviously had expected this to come from all of you. So, that is the reason why we will have to kind of play as it comes through as what even Sanjeev was saying - just a month back is when we have seen this judgement come out.

We will also have to see in terms of how ground level adoption of the order plays out. So, there are multiple variables which gets attached in so far as the future quarters are concerned and any which ways we will be kind of reaching out and obviously be talking to you in subsequent quarters as well and we will obviously keep giving updates in terms of where do we land.

Sanjeev Mantri: It is another significant development which you are appraising, nothing more than that and we have taken that into the Quarter 1 financial because it is prudent and we have always been conservative, but beyond that it will evolve and trust me the industry combined is 128 Sanketh. I mean you know that there will be things which will intervene 110% to make it better than where it stands and if that is the case then it will play out over time.

Moderator: Thank you. Our next question comes from the line of Prayesh Jain with Motilal Oswal Financial Services Ltd. Please go ahead.

Prayesh Jain: Hi, just clarifying this point again what Sanketh was asking. So, the ₹ 165 crore reserve is only for the business written in Q1 or is for standing Motor vehicle business?

Gopal Balachandran: So, Prayesh just to kind of again clarify I think which is what I kind of explained and I am just reiterating. I think we have done a holistic assessment of all the exposures that we have on the books as at June 30. This includes not only just the book that has been underwritten for Quarter 1, we have also looked at the book that we have underwritten even for in terms of the exposures that we have for the past periods and I am just reiterating basis all of that from a prudence and conservatism standpoint. I think the Quarter 1 financials has a claim reserve impact of ₹ 1.65 billion and again I would just reiterate I think for us this is exactly why this book requires industry to make sure that they are appropriately reserved. That is very, very critical. Otherwise, you could end up in situations as what we have seen. The reserving triangle disclosures for pretty much many players in the market possibly reflecting otherwise and hence it is very, very important and particularly when sort of events like this happens, you just have to make sure that you kind of reflect the prudence and conservatism in your reserving approach that we have consistently followed and that is the reason why we also gave reference to some of our earlier instances.

So, to that extent, this judgement coming in from courts according to us, I do not think it is for us, I would say is something that we have seen regularly coming through over years. The approach and consistency with which we have kind of dealt with it is what we have kind of reflected. Even in the past which is what I said when such judgements came, we did a fair assessment of let us say what could be the potential implications at those respective times and I distinctly remember, since I called out post listing in 2021, and all of you should actually go back to the transcript that exists and we had specifically called out to say that we have kind of considered for the impact of those judgements in the period in which the judgements had come through and hence to that extent it is pretty much on the similar lines is what we have done even now.

Prayesh Jain: So, hypothetically if in Q2 you do not have any price hike or any reversal of this, ideally the loss ratios will normalize, right? Is that a fair way to think?

Gopal Balachandran: So, which is what I kind of responded to even Sanketh's point. I think at this point of time, I think these are just initial days. I think we will have to wait and see how some of these variables play out for the future and then we will be able to come back and specifically speak or maybe start talking about what are we seeing as an update.

Sanjeev Mantri: And also, Prayesh, one way or the other, if this is what the new normal is as you said, then the cost of acquisition also may change. It will redefine multiple things at multiple levels because at this juncture where the industry is, leave aside it does not matter where Lombard is, there is already not much of elasticity. So, even the behavior on ground will change.

So, it will find its way but what has already got canned, which is Quarter 1, is what Gopal is referring to and talking about. See, another one was can it be simply absorbed, right, and nothing will happen and industry can be keeping it business as usual. We do believe that this deserves the attention at multiple levels. So, we have gone ahead and taken this call. But to think that nothing will be done on every single front and business as usual also would not be fair.

Moderator: Thank you. Our next question comes from the line of Madhukar with JP Morgan. Please go ahead.

Madhukar: Hi, thank you for taking my questions. So, just two questions. One, on this provisioning, because it is retrospective in nature, do you consider only sort of the open cases or does this mean that even cases that were previously closed can be sort of reopened and you would be required to pay additional compensation?

Second question is, if we were to exclude the two major Fire loss incidents, what would be the loss ratio in the Fire segment and how much additional sort of loss ratio are we seeing on a normalized basis because of lower rates in Fire?

Gopal Balachandran: So, maybe I will take in the reverse order first because I think possibly we have tried to respond on the third-party reserving and I will come back on that. So, on Fire, Madhukar, I think, so again let me just put this in context.

So, just on the large losses on the Fire segment, let me put this in context. And again, this is not something that I am speaking only for the first time. In general, I think if you look at our approach to writing commercial lines, has been to kind of look at underwriting profitable risk selection. So, that has been clearly the thought process and that is also evident in that sense when you looked at the overall book on commercial lines or even if you look at Fire as a category, relative to the industry growth, I think obviously we have had to kind of let go market share. So, therefore that is the thought process with which we have been kind of underwriting the overall commercial lines book. Large losses if you ask us, the thought process is very clear in terms of what do we want to underwrite. Having said that, I think these were two large losses that impacted the book quite significantly and therefore, Madhukar, to answer your point on what could have been the loss ratio, the reason for calling it out is the reason why we kind of reflected on why we should be calling that out separately and that is the reason if you look at in general, Fire loss ratios for us historically, we have never seen a loss ratio in exceedance of 100% plus.

So, that kind of speaks the impact what possibly what these two large claims kind of led to which is absolutely okay with us. I think that is the nature of the business that we are in. But if you were to kind of exclude the two, the loss ratios will be pretty much in the range within which we have kind of historically operated at.

And if you go over years, again I say the reason I am not giving you a specific number is because any specific year can also get impacted by some of these events or it could be impacted by a catastrophic loss, which is why over years when you look at Fire as a line of business, generally the loss ratio range that we have operated is between 65% to 70% on an average over years. That is the range. In some years it could be higher, some years it could be lower. So, that could be possibly the range within which you could possibly see the outcome play out. So, that is in response to your second one.

On the first point, again the reason why I put that in context on Motor third party with reference to some of the earlier judgements, that is exactly what we also keep looking at as to what happens whenever some of these judgements do come from time to time.

Does this impact open exposures or does that in that sense have some bearing when it comes to let us say specific closed cases? In general, I think what we have observed is since the matter has reached possibly a finality when it comes to closure versus court orders, I think those cases typically do not come up for a change. That is generally the experience is what we have seen. And therefore, to answer your point, it is largely confined to, as I said, some of the open exposures for us.

Madhukar: Thank you. Thanks and all the best.

Moderator: Thank you. Our next question comes from the line of Rishi Jhunjhunwala with IIFL. Please go ahead.

Rishi Jhunjhunwala: Yes, thanks for the opportunity. Again, going back on that Motor TP provision, I would like to just simply understand that if nothing changes for us from here on, assuming everything else remains the same, on an ongoing basis, the Motor TP loss ratios get extended or expanded by how many basis points? If nothing else changes, I understand that there are dynamics around possibly price hikes and other things as well, but theoretically, how much it goes up by on an ongoing basis?

Gopal Balachandran: Unfortunately, Rishi, that is the point, right? I think because there is a lot of variability, I think to be honest, to say that nothing will change also is something we do not think is likely to exist. There will definitely be actions on ground, which is the reason why I said this is an industry-impacting event, and therefore, collectively, as an industry, we will obviously kind of see as to what is it that can kind of play through insofar as some of the future book is concerned.

It will be a little unfair for us to kind of give you to say that nothing changes on ground when you look at Q2, Q3 or Q4. Our sense is whenever such events – again, I will kind of reflect back. I think obviously the industry has kind of come together. The industry has kind of made suitable representations, which is what is desired, and obviously then we have kind of seen the outcome of it play through over periods. I think maybe we will leave it there, and which is where I said this is not just the end of the call that we do. We will obviously kind of come back, and every quarter in any which ways, we will give an update in terms of where do we see things playing out.

Rishi Jhunjhunwala: Sir, I understand about the future thing, but say for 1Q, for the business written in 1Q, how much the extra loss ratio was accounted for, because I guess you have done it for the retrospective effect, right?

Gopal Balachandran: So, which is what we have kind of called out. I think the reason why I kind of spoke about the approach to reserving being prudent and conservative in general over years, which is what we have kind of followed, and at all points of time, even in the past, we have always spoken about when we kind of provide for an ultimate loss number or an ultimate loss ratio at the time when we write the risk, we always build an element of prudence, and that prudence is effectively something that takes care of any uncertain events kind of getting played out. So, therefore, to answer your point, for the book, which could be the past book, this margin of safety that we kind of build in, I think is sufficient enough for us to kind of possibly observe at this point of time a preliminary assessment of the impact of this judgement.

And hence, I think what we have kind of largely considered is for the book that has been written in Q1, which entails that incremental claim reserves of ₹ 1.65 crore.

Sanjeev Mantri: So, you know, I think Rishi, and for everyone else before this, Madhukar, Prayesh, Sanketh, who put this question, let me just give you one quick update in terms of the lay of the land.

What is the concept of a Motor book? Motor book typically, you know, comprises of OD and TP. OD is at an industry level 40% and TP 60%. If you see most players, which are there, would have a book which is heavily skewed towards third-party, and the logic is very simple. OD is driven by high service requirement, and it really tests you because frequency in private car and all can go up to 25%. So, you are pretty much involved essentially. But ICICI Lombard, while being also a leader, has a split of 50-50. Our market share and our growth has been driven by efficiencies on the own damage side in a big way. And third party is just about 50% of our book. So, if you split the book in that direction and see how ICICI Lombard can counter it there are multiple ways. We don't want to get into the details as yet because it is fair to say what Gopal said that it is in a way to say this is what the event is. We are recognizing it. We are putting it across. Rest assured that there is no way industry will leave it where it is or ICICI Lombard will leave it where it is. And that's not why we exist here, right? So, there is enough and more that will get done in course of time. And also, as the judgement settles in, review petition is part of it. TP hike has been a regular piece. There are multiple things which are happening. It's a significant development.

And we could have actually gone ahead with nothing and just spoken about it. But that wouldn't have meant much. We have gone ahead on a prudent basis, taken this call and put this right now as a mark of what it stands for.

Our past book, as things stand, again, it's nebulous, but we are certain that can take the shock because of the MAD which I think Sanketh spoke about when he spoke first in the call. So, this is where the math's is. And we do see it evolving in course of time.

Moderator: Thank you. Our next question comes from the line of Nidhesh from Investec. Please go ahead.

Nidhesh Jain: Thanks for the opportunity. Sir, what is driving this intense competitive intensity in Fire? Is it deregulation of pricing which we witnessed, I think, 12, 18 months back? Or is it reinsurers' pricing which is driving that? And how do you see this competitive intensity in Fires panning out, let's say, from a medium-term perspective? The current pricing is rational or you think that pricing will see an upward movement from a medium-term perspective?

Similarly, on Motor, we keep on saying that the combined ratio of industry is 120 plus, 128, but industry continues to remain very, very aggressive. So, what it will take for them to become rational in terms of pricing and the Motor side also?

Gopal Balachandran: So, let me again just put this in context. I think if you look at the ability of players to continue to lose on underwriting is purely a function of the extent to which they would want to continue to keep writing business growth. And just on that point, when you look at again from an overall industry standpoint, and this is basis public disclosures, if you look at the overall solvency of the industry as a whole, which used to be roughly at about 1.75x at end of March '25, this number has come down to 1.56x at March '26. So, clearly, I think there is a significant drop in terms of use of capital exactly for the adverse movement in combined that the industry has experienced. If you look at again the combined for the overall industry as a whole across all segments put together, there has been an adverse change to the extent of 500 basis points, roughly about 112% to 117%. So, hence the ability of players to continue to kind of lose capital, in our sense, I do not think is something that is something that can be sustained. And this is exactly what we had kind of called out earlier.

What we have seen and which is again all of you can see basis again public disclosures, some of the companies which went very aggressive, you can clearly see basis monthly numbers. They are kind of starting to kind of pull back. And that is again reflective in the month-on-month change. So, hence our view is that I do not think this is something that can be a sustaining one.

And more so with some of the earlier points that we spoke, the ability of the players to be able to absorb in the light of their ability to kind of where they are on solvency, I think honestly those players will have to kind of recalibrate in terms of what do they want to do.
On Fire, I think in specific unlike let us say the retail lines, Fire is far more as we all know, it kind of requires scale. It requires definitely solvency and it requires a very strong reinsurance support. And more importantly, it also requires a great brand for to kind of underwrite the risk.

And all of those factors is something that we have been able to have. And this is something that we spoke even in the April call. As in to say at this point of time, what we are clearly seeing a relative soft reinsurance renewals that played through for the whole industry as a whole. And hence to that extent, I think there has been this competitive pressure. I am sure you would have seen, Nidhesh, when you would have seen for Quarter 1, particularly on Fire, the industry de-growth was about 27% vis-à-vis that, I think we de-grew by about 32%. But just for the month of June, if you would have looked at, I think the industry de-growth was about 22%. And we actually had a comeback. I think our de-growth was about 18%.

So, this clearly speaks in terms of the momentum that we are possibly able to see coming back. And that is also the reason why we also called out in some of the economic activity indicators that are being seen. Clearly, I think we are seeing a lot of positive green shoots play out.

So, hence, whether we will see a similar kind of price aggression for the rest of the year, honestly, we do not think the same level of price aggression will subsist. Having said that, Q1 is obviously a very big quarter when you look at the commercial lines and particularly for Fire. So, whether we will be able to see a full comeback of the de-growth for the rest of the year may not be so. But definitely what we are seeing is maybe a relative reduction to the extent of price aggression that one has seen in Q1.

Niddesh Jain: Sure sir. That is from my side.

Moderator: Thank you. Our next question comes from the line of Rahil Shah with HSBC. Please go ahead.

Rahil Shah: Hello. Thank you for the opportunity. Sir, two questions from my end. So, first on Motor, how much TP hike can offset this pressure, assuming the government goes ahead with the price hike? So, how much hike can offset this impact? And second is on the Health side, there has been increase in the loss ratio given in 1Q we also had the GST benefit on the claims. So, what explains that? Yes, so these are my two questions.

Gopal Balachandran: So, which is why we called out. So, once, again, all of you are aware, the industry has not seen a third-party price change since the last few years. And therefore, that itself kind of, as what we have been saying as an industry, possibly requires a revision of pricing.

And coupled with, let's say, the judgement, I think, as what we called out, as a preliminary assessment, we think the industry gets impacted on its loss ratio by 12% to 15%. So, when you put both of this together, that's the minimum in terms of what one would normally expect a price change to get affected at. And that's something that we would expect as an industry to play through. So, that's one.

To your point on Health loss ratios, I think that's purely a function of what we are, again, seeing in the overall market. Again, it is not something specific in the context of ICICI Lombard. Across the industry, what we have seen is normally some of these elevated claim incidences is something that we see in Quarter 2, because it's largely kind of linked to, let's say, some of the monsoon-related stuff. But in this, and some of you will possibly kind of refresh, even in Q1 last year, when you looked at the retail book, I think we actually had an elevated loss number. So, that was also contributed by, let's say, increased claim incidences. So, even the same thing is what we have seen even in Q1 of this year. Across the industry, a possible increase in the overall Health claim incidences, and hence that's something that we are kind of of keeping a watch on in terms of how things are likely to play out for the rest of the quarters.

Rahil Shah: Okay. So, just a follow-up. So, on the Health front, 2Q the loss ratio can increase from this level also?

Gopal Balachandran: Again, it's something that we will have to wait and see. At this point of time, monsoons have not been as active as what you normally see in the initial month of July. So, we will have to wait and see how this plays out. And maybe once we announce numbers in October is when we will be able to tell you where do we see on the overall claim incidences for the industry.

Rahil Shah: Okay. Sure. Thanks.

Sanjeev Mantri: Our retail indemnity book has done pretty well because we have a very good new growth that is driving it. And we have been continuing to outstrip the market growth as far as the retail indemnity book is concerned. And we do believe that we should have, we don't want to predict the frequency per se because we can only work on a proactive basis with our customers and see what best can be done. But we are very hopeful that it should get better in the progressive quarters.

Rahil Shah: So, just on this comment, given the growth was strong and still we are seeing increase in loss ratio, so once, say, the growth normalized, then the increase would be even sharper, right?

Sanjeev Mantri: One thing is, of course, on the Health per se, the growth staying the course for few last four or five years, we always thought it would get moderate, but I don't see that playing out. There's a bulk of India which is still not insured. So, that growth part, from our standpoint, will stay. And there are elements by which, if at all it gets where it is, there are price, which we can resort in terms of hike and economies of large scale can also play out with the growth. So, there are solutions to every single aspect of this. It is not that we have been tied down. The regulator has been very supportive in terms of creating a conducive atmosphere. A lot of work is going on at multiple fronts - hospitals, common empanelment, and the industry itself is involved on all these initiatives in a very significant way. So, we would see the convergence of all of this playing out in ensuing quarters.

Gopal Balachandran: Yes, I think I will just only add to say that, I think, which is what we also called out in our opening narrative as well. As in, on ground, I think some of our initiatives that we are taking from an ICICI Lombard standpoint, on making sure that the experience for the customer at the time of claim is superior, I think is what we kind of spoke on our "IL-Sahayak" initiative. I think that has done very well. I think the customer feedback in terms of an ICICI Lombard person present on ground helping the customer insofar as the claim experience, I think, has been very, very positive. So, those are the interventions that we would obviously kind of do on ground whenever we see possibly slightly elevated incidences getting played out. And to that extent, again, as what Sanjeev said, I think, again, there are factors which kind of influence our ability to kind of run the overall book.

Moderator: Thank you. We will now take one last question, which will be from the line of Avinash from Emkay Global. Please go ahead.

Avinash: Yes, good evening. Thanks for the opportunity. A couple of questions. One factual, this around ₹ 78 crore kind of arbitration tribunal award that has gone up, ₹ 78 crore plus whatsoever interest. Now, is there some kind of a provision you have for that, or will that charge come in Q2? I mean, how will that math work?

And the second would be, again, I'm going on a Motor. There was a recent interview of the chairman where he was kind of categorically named the product like Motor TP, where there is no case for commissions. Now, if that is the view, if anyway he is taking, do you think that a TP tariff hike looks realistic? Because he is first saying that, okay, look, there is no case for a commission in Motor TP. So, probably on the commission, of course, today would be anywhere between, 15%, 18%, 20% depending upon the different players. And related to that, this ₹ 165 crore kind of prudential, of course, now your reserving has been typically a lot prudent. As a result, we have seen kind of very strong reserve releases coming every year. So, there would be still some buffer, and you have taken this now. Does this mean that, okay, despite those buffers, you felt the need of this ₹ 165 crore that means the reserve release probably going to moderate from here onwards or probably going to be absent? Or you think that, okay, those typical reserve releases or the prudence reserving that has been released over the years, that remains separate, and this ₹ 165 crore is the assessment for this? Thanks.

Gopal Balachandran: So, let me go in the same sequence as what you asked. So, I think honestly maybe we could have covered as a part of the transcript on the arbitral award. But this is a filing that we did yesterday.

I think if you would have seen the filing, this is not something that pertains to the latest periods. This is a policy that dates back almost about seven, eight years back. It is just that we have got an arbitral award at this point of time. And obviously I think there are legal defenses available for us in terms of remedies that are available. And to that extent, obviously, we will kind of do that. So, that is one. So, hence, to that extent, is this a finality to the award that has come through? The short answer is no. And hence, to that extent, we will explore the legal remedies available. So, that is one.

Second, I think in terms of the impact, what has been awarded as a part of the tribunal judgement, obviously, I think, as I said, because this is not a new book, there are already kind of existing reserves. And mind you, whatever award that has been put out is on the gross basis. As what we have always said, I think we also do have appropriate reinsurance protection, particularly for addressing some of these losses. And hence, this award on the overall net P&L, we do not think it is going to be anything material. So, that is one.

Second, on the point on Motor third-party, and therefore, correspondingly, could there be any factor on how the commission regulations could get affected at various segments? Honestly, I think we will wait for the regulator to possibly spell it out, as in terms of what their thought processes are. And which is why even in the April call, we did say that whichever form the regulator comes out with revised mandate, I think from an ICICI Lombard standpoint, we think they will be extremely positive. So, hence, to that extent, I think we will wait for those regulations to come out before calling out as to what could be the potential impact of this.

On the third part, I think, again, in context, there is no change in the thought process of our reserving philosophy. So, therefore, that is the reason why in each of these questions that were being asked, me and Sanjeev, I think we time and again emphasized on the importance of prudence and conservatism. And so therefore, that approach remains. And that is the reason why we have kind of taken this claim reserve impact in Quarter 1 numbers. So, does that, for any reason, change any of our thought process on providing for margins, etc.? The short answer is no. So, we should continue to exhibit. I think we will continue to follow prudence, irrespective of whether it is Motor third-party portfolio or otherwise.

And as what we have seen over the years, our reserving triangle should logically continue to exhibit a favorable loss development over cycles.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Mr. Sanjeev Mantri for closing comments. Over to you, sir.

Sanjeev Mantri: So, great. I mean, thank you so much for joining in. For quite obvious reasons, we had bulk of it driven on a particular event. But frankly speaking, we are very excited as a company. India has sold maximum vehicles in last quarter, and that momentum is phenomenal. And we see a bigger play for us as an entity on the Motor side.

India is actually buying lot more Health insurance, which again is a big plus. And that is where we have been a challenger. And we see ourselves continue to stay invested and work along with all stakeholders to see how that business can keep going. So, there is so much of play. There is some bit of competition visible in commercial, but nothing is new about it. We didn't talk about it, but the reinsurance part also has to some extent played. And there has been capacities which have been made available, consequent to which it's gone where it is. But anything which is superfluously way above the normal or way below will have a tendency to correct. And eventually efficiencies of the organization will drive where they are.

And that's what ICICI Lombard has been able to prove over submissions of quarters and years. So, my belief is that we are in a very good exciting growth phase from a General Insurance sector perspective. And we are well-placed to make it work for us as an institution.

So, all the best. We look forward to connecting with you all over the space of next quarter. And we are obviously available for any clarification details required.

All the best. Thank you. Thank you so much.

Moderator: On behalf of ICICI Lombard General Insurance Company Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.

Safe Harbor: *Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'would' , 'indicating' , 'expected to' etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion in business, the impact of any acquisitions, technological implementation and changes, the actual growth in demand for insurance products and services, investment income, cash flow projections, our exposure to market risks, policies and actions of regulatory authorities; impact of competition; the impact of changes in capital, solvency or accounting standards, tax and other legislations and regulations in the jurisdictions as well as other risks detailed in the reports filed by ICICI Bank Limited, our holding company with the United States Securities and Exchange Commission. ICICI Bank and we undertake no obligation to update forward-looking statements to reflect events or circumstances after the date there.*