



Ref. No.: MUM/SEC/120-08/2021

August 21, 2020

To,
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot C/1
G Block, Bandra Kurla Complex,
Mumbai-400051

Scrip Code: Equity (BSE: 540716/ NSE: ICICIGI); Debt (BSE: 954492/ NSE: ILGI26)

Dear Sir/Madam,

Subject: Outcome of the Board Meeting held on August 21, 2020 with respect to the Scheme of Arrangement among ICICI Lombard General Insurance Company Limited and Bharti AXA General Insurance Company Limited and their respective shareholders and creditors

In compliance with Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") read with Securities and Exchange Board of India ("SEBI") Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 we wish to inform you that the Board of Directors of ICICI Lombard General Insurance Company Limited at its Meeting held on August 21, 2020, have, inter alia, considered and 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**" or "**Resulting Company**") and their respective shareholders and creditors ("**Scheme**").

The aforesaid Scheme is prepared pursuant to Sections 230 to 232, other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder and 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 (i.e., the business of providing non-life insurance products and related services pursuant to registration number 0139 issued by the IRDAI on June 27, 2008) of the Demerged Company into the Company as a going concern.

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

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CIN: L67200MH2000PLC129408

Registered Office:

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Toll Free No. : 1800 2686

Alternate No.: +919655222666 (Chargesable)

Email: customersupport@icicilombard.com

Website: www.icicilombard.com



It may be noted that the proposed Scheme has been reviewed and recommended by the Audit Committee for approval of the Board. The Board of Directors of the Company at its Meeting held on August 21, 2020, based on the recommendation of the Audit Committee have approved the proposed Scheme subject to all applicable statutory and regulatory approvals including from Insurance Regulatory and Development Authority, Competition Commission of India, Stock Exchanges, SEBI, shareholders and creditors of the companies involved in the Scheme and the relevant jurisdictional benches of the National Company Law Tribunal.

Pursuant to Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/4/2015 dated September 9, 2015 we have enclosed details of the Scheme in **Annexure 1**. The Company is entering into an implementation agreement for giving effect to the Scheme, highlights whereof are enclosed herewith in **Annexure 2**. A press release in relation to the Scheme is also enclosed herewith as **Annexure 3**.

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

Thanking you.

Yours faithfully,

For ICICI Lombard General Insurance Company Limited

Vikas Mehra
Digitally signed by
Vikas Mehra
Date: 2020.08.21
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Vikas Mehra
Company Secretary

Encl: as above

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ANNEXURE 1 - DEMERGER

S. No.	Particulars	Details
1.	Brief details of the division to be demerged	The proposed Scheme provides for the transfer of the General Insurance Business of the Demerged Company (i.e. the business of providing non-life insurance products and related services pursuant to registration number 0139 issued by the IRDAI on June 27, 2008) from the Demerged Company into the Resulting Company by way of demerger.
2.	Turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year/ based on financials of the last financial year	Not applicable as the Scheme involves demerger of a business from an unlisted company into a listed company.
3.	Rationale for demerger	The demerger and vesting of the General Insurance Business (as referred above) of Demerged Company into the Resulting Company, results in the following benefits: (a) Demerger is in the commercial interest of the Demerged Company and the Resulting Company, given as part of the demerger, the Demerged Company wants to retain, and Resulting Company does not intend to acquire, the Residual Undertaking (<i>more particularly defined in the Scheme</i>) which includes immoveable property owned by the Demerged Company, brands used by and/or licensed to the Demerged Company and bonds issued by ICICI Bank Limited and held by the Demerged Company;

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S. No.	Particulars	Details
		(b) Demerger of the General Insurance Business and consolidation with the Resulting Company will help expand the business of the Resulting Company in the growing Indian market thereby creating greater value for the shareholders/ stakeholders of both the Demerged Company and the Resulting Company; (c) Demerger of the General Insurance Business and consolidation with the Resulting Company would aid in future growth of premiums by leveraging on the distribution strength and capabilities; (d) The Scheme is beneficial for and in the interest of the policyholders as the demerger creates a more robust and financially strong Resulting Company that can offer a wider product suite, more access points and comprehensive services to customers post completion of the Scheme; (e) The increased knowledge, experience and expertise is expected to improve business operations and thereby improve overall customer satisfaction; (f) Demerger of the General Insurance Business and consolidation with the Resulting Company is expected to create greater economies of scale thereby lowering the average costs and enhancing company profitability, which directly benefits shareholders and policyholders; and (g) Demerger of the General Insurance Business and consolidation with the Resulting Company is expected to bring in greater efficiency in funds management and unfettered access to cash flow generated by the business which can be deployed more efficiently to fund organic and inorganic growth opportunities. The Scheme is in the best interests of the shareholders, employees and the creditors of each of the parties.
4.	Brief details of change in shareholding pattern (if any) of all entities.	Considering the shareholding pattern of the Resulting Company as on June 30, 2020, the pre and post demerger shareholding pattern of the Resulting Company is as under:

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S. No.	Particulars	Details				
		Particulars	Pre demerger		Post demerger	
			No. of shares	%	No. of shares	%
		Promoter	23,58,43,806	51.89	23,58,43,806	48.11
		Public	21,86,31,148	48.11	25,43,87,342	51.89
		Total	45,44,74,954	100.00	49,02,31,148	100.00
		There shall be no change in shareholding pattern of the Demerged Company pursuant to the Scheme. As on June 30, 2020, the shareholders of the Demerged Company are Bharti General Ventures Private Limited (" Bharti ") and Société Beaujon (société par actions simplifiée) (" AXA "), who hold 51% and 49% respectively.				
5.	In case of cash consideration – amount or otherwise share exchange ratio	As consideration for the demerger, the shareholders of Demerged Company i.e. Bharti and AXA shall be issued and allotted equity shares of the Resulting Company of INR 10 each fully paid up under the Scheme, as follows: Bharti: 1,82,35,659 equity shares AXA: 1,75,20,535 equity shares				
6.	Whether listing would be sought for the resulting entity.	The equity shares of the Resulting Company are already listed on BSE Ltd. and National Stock Exchange of India Limited. The new shares to be issued and allotted by the Resulting Company as consideration under the Scheme shall be listed and admitted to trading on BSE Ltd. and National Stock Exchange of India Limited subject to the Resulting Company obtaining all approvals from relevant authorities for the same.				

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ANNEXURE 2 – DETAILS OF AGREEMENT

S. No.	Particulars	Details
1.	Name(s) of parties with whom the agreement is entered	Company, Bharti General Ventures Private Limited (“ Bharti ”), Bharti AXA and Societe Beaujon (société par actions simplifiée) (“ AXA ”), Bharti AXA General Insurance Company Limited (“ Demerged Company ”) and Bharti Overseas Private Limited (“ BOPL ”)
2.	Purpose of entering into the agreement	To set out the manner of implementation of the Scheme, and the rights and obligations of the respective parties in relation to the transactions proposed under the Scheme.
3.	Shareholding, if any, in the entity with whom the agreement is executed	None
4.	Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.	The Implementation Agreement is being entered into to ensure co-operation between parties for undertaking the transactions proposed under the Scheme which contemplates demerger of the General Insurance Business from the Demerged Company to the Company. There are no special rights being granted to Bharti or AXA, upon effectiveness of the Scheme, in their capacity as shareholders of the Company. Both Bharti and AXA will be categorized as public shareholders of the Company. As also set out in the Scheme, the Implementation Agreement provides for certain steps to be taken, from execution of Implementation Agreement till the allotment of shares pursuant to the Scheme, by the Demerged Company for it to remain

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S. No.	Particulars	Details
		compliant with regulatory solvency margin requirements. The Implementation Agreement contains customary terms for a transaction of this nature, including representations, warranties, indemnities and non-compete covenants from the relevant parties.
5.	Whether the said parties are related to the promoter/promoter group/group companies in any manner. If yes, nature of relationship	Bharti and AXA are promoters of the Demerged Company. Neither the Demerged Company, BOPL, Bharti nor AXA are related parties of the Resulting Company.
6.	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	Not applicable.
7.	In case of issuance of shares to the parties, details of issue price, class of shares issued	Other than the issuance of shares as set out in the Scheme, no shares are being issued under the Implementation Agreement.
8.	Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc.	None.

For ICICI Lombard General Insurance Company Limited

Vikas

Mehra

Vikas Mehra

Company Secretary

Digitally signed by Vikas Mehra
Date: 2020.08.21 23:49:41
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PRESS RELEASE

ICICI Lombard and Bharti AXA sign definitive agreements to combine their non-life insurance businesses

- ₹164.47 Bn annual premium on a combined basis with market share of ~ 8.7%¹
- Proposed transaction to propel combined entity to #3 ranking among non-life insurers
- Strategic partnership between ICICI Lombard – one of the largest private sector non-life insurers in India, Bharti - one of India's leading business groups with diversified interests and AXA - a large well-reputed global insurer
- Opportunity for combined entity to leverage Bharti AXA's growing distribution platform through existing partnerships and augmentation of agency force
- Value creation for all stakeholders with operating leverage and synergies

Mumbai, August 21, 2020: The Board of Directors of ICICI Lombard General Insurance Company Ltd. ("ICICI Lombard") and Bharti AXA General Insurance Company Ltd. ("Bharti AXA") at their respective meetings held today, approved entering into definitive agreements for demerger of Bharti AXA's non-life insurance business into ICICI Lombard through a Scheme of Arrangement.

Based on the share exchange ratio recommended by independent valuers and accepted by the respective boards of ICICI Lombard and Bharti AXA, the shareholders of Bharti AXA shall receive 2 shares of ICICI Lombard for every 115 shares of Bharti AXA held by them as on the date on which the Scheme of Arrangement is approved by the Board of Directors of ICICI Lombard and Bharti AXA.

The proposed transaction provides a meaningful opportunity for ICICI Lombard to consolidate its market leading position in the non-life insurance sector, becoming the third largest non-life insurer. The combined entity shall have a market share of ~ 8.7% on pro-forma basis. Through this proposed transaction, ICICI Lombard shall be able to augment its distribution strength with Bharti AXA's existing distribution partnerships. The combined entity shall also benefit from continued partnerships with Bharti Enterprises, one of India's leading business groups with diversified interests, and AXA, a large well-reputed global insurer.

The proposed transaction is expected to result in value creation for all stakeholders through meaningful revenue and operational synergies. Policyholders are also expected to gain from an enhanced product suite and deeper customer connect touch points. Employees of the combined business will also benefit via greater opportunities across functions and geographies.

The closing of the proposed transaction is subject to various conditions precedent, including regulatory approvals from the Insurance Regulatory and Development Authority of India, Competition Commission of India, The Securities and Exchange Board of India, Stock Exchanges, Reserve Bank of India, NCLT and approval of shareholders of both ICICI Lombard and Bharti AXA, amongst others. Upon obtaining

¹ Market share among non-life insurers on pro-forma basis (based on FY2020 flash report published by IRDAI)

all approvals, when the scheme becomes effective, the non-life insurance business will be demerged from Bharti AXA into ICICI Lombard.

Commenting on the announcement, Mr. Bhargav Dasgupta, MD & CEO of ICICI Lombard General Insurance said, “This is a landmark step in the journey of ICICI Lombard and we are confident that this transaction would be value accretive for our shareholders. We are excited by the capabilities and strengths that Bharti AXA will add to our franchise. The company has a talented employee base with a strong cultural fit, and we look forward to welcoming them to the ICICI Lombard family. We would also like to reassure Bharti AXA’s policyholders and channel partners of seamless business continuity and maintaining highest standards of customer service.”

Mr. Rakesh Bharti Mittal, Chairman of Bharti AXA General Insurance said, “We are delighted that the partnership between Bharti and AXA has been successful in laying down a solid foundation in the domestic insurance landscape. Over the past few years, our business demonstrated consistent growth, forged productive partnerships and increased the distribution footprint significantly. We are confident that the proposed amalgamation of our business with ICICI Lombard will bring greater business synergies and create value for all stakeholders.”

Transaction Advisors:

Ernst & Young LLP (EY) acted as the exclusive M&A advisor to ICICI Lombard.

AZB & Partners acted as the legal advisor to ICICI Lombard. Cyril Amarchand Mangaldas acted as legal advisor to Bharti and Talwar Thakore & Associates acted as legal advisor to AXA.

BDO Valuation Advisory LLP and MKSA & Associates recommended the share exchange ratio for the demerger of Bharti AXA into ICICI Lombard. Ernst & Young Merchant Banking Services LLP provided fairness opinion to the Board of ICICI Lombard.

About ICICI Lombard General Insurance:

ICICI Lombard General Insurance is one of the largest private sector non-life insurer in India based on gross direct premium income in fiscal 2020 (Source: IRDAI). The company offers customers a comprehensive and well-diversified range of products, including motor, health, fire, personal accident, marine, engineering and liability insurance, through multiple distribution channels. More details are available at www.icicilombard.com

About Bharti AXA General Insurance:

Bharti AXA General Insurance is a joint venture between Bharti, one of India’s leading business groups with interests in telecom, agriculture business and retail, and AXA, one of the world’s leading insurance and asset management company. The joint venture company has a 51% stake from Bharti and 49% stake of AXA. The company has pan-India presence through its 152 branches and offers insurance solutions for motor and two-wheeler, health and critical illness, property and student, individual and family travel. More details are available at www.bharti-axagi.co.in

About AXA Group:

AXA Group is a worldwide leader in insurance and asset management, with 160,000 employees serving 108 million clients in 57 countries. In 2019, IFRS revenues amounted to Euro 103.53 billion and underlying earnings to Euro 6.45 billion. AXA had Euro 969.36 billion in assets under management as of December 31, 2019. More details are available at www.axa.com/en/

About Bharti Enterprises:

Bharti Enterprises is one of India’s leading business groups with diversified interests in telecom, financial services, real estate, hospitality, agri and food. Bharti has been a pioneering force in the Indian telecom sector with many

firsts and innovations to its credit. Bharti Airtel, the group's flagship company, is a leading global telecommunications company with operations in 18 countries across Asia and Africa. Airtel ranks amongst the top three mobile service providers globally in terms of subscribers. Bharti has JVs with AXA, a world leader in Life Insurance and General Insurance. The group has a JV – FieldFresh Foods – with Del Monte Pacific Ltd. that offers a range of food and beverage products under the Del Monte brand in India and select SAARC countries. Other business ventures of the group include: Bharti Infratel – a leading provider of telecom tower and related infrastructure in India; Bharti Realty – a wholly owned real estate company primarily focused on premium commercial real estate; SB Energy – a JV with SoftBank Group for Renewable Energy.

For further details, please contact:

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