

Ref. No.: MUM/SEC/206-11/2021

November 27, 2020

To,

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot C/1
G Block, Bandra Kurla Complex,
Mumbai – 400 051

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

Dear Sir/Madam,

Subject: Intimation of receipt of in-principle approval of the Insurance Regulatory and Development Authority of India to the Draft Scheme of Arrangement between ICICI Lombard General Insurance Company Limited and Bharti AXA General Insurance Company Limited and their respective shareholders and creditors under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

We refer to (i) our letter dated August 21, 2020 informing about the Outcome of Board Meeting of the Company held on the same day, approving the Scheme of Arrangement among ICICI Lombard General Insurance Company Limited (**“Resulting Company”**) and Bharti AXA General Insurance Company Limited (**“Demerged Company”**) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 and Sections 35 to 37 of the Insurance Act, 1938 (**“Scheme”**); (ii) our letter dated November 2, 2020 informing about the approval from the Competition Commission of India on November 2, 2020 to the proposed combination under sub-section (1) of Section 31 of the Competition Act, 2002; and (iii) our letter dated November 3, 2020 informing about the receipt of the Observation Letters from BSE Limited and the National Stock Exchange of India Limited dated November 2, 2020 and November 3, 2020 respectively in relation to the proposed Scheme.

In this regard, we would like to inform you that the Insurance Regulatory and Development Authority of India (“IRDAI”), vide its letter No. 459/F&A(NL)/Demerger/BhartiAXA-ICICILombard/278 dated November 27, 2020, has granted in-principle approval under Section 35 to 37 of the Insurance Act, 1938 read with IRDA (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011 with respect to the said transaction subject to the conditions specified in the letter. A copy of IRDAI letter is attached.

ICICI Lombard General Insurance Company Limited

IRDA Reg. No. 115

Mailing Address:

401 & 402, 4th Floor, Interface 11,
New Linking Road, Malad (West),
Mumbai - 400 064.

CIN: L67200MH2000PLC129408

Registered Office:

ICICI Lombard House, 414, Veer Savarkar Marg,
Near Siddhi Vinayak Temple, Prabhadevi,
Mumbai - 400 025.

Toll free No. : 1800 2686

Alternate No.: +918655222666 (Chargeable)

Email: customersupport@icicilombard.com

Website: www.icicilombard.com



The Company is progressing applications for receipt of approvals from other concerned regulators for the transaction.

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: 2020.11.27
18:22:31 +05'30'
Vikas Mehra
Company Secretary

ICICI Lombard General Insurance Company Limited

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भारतीय बीमा विनियामक और विकास प्राधिकरण
INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY OF INDIA

Reference:459/F&A(NL)/Demerger/BhartiAXA-ICICILombard/278

Dated: 27th November, 2020

Mr. Bhargav Dasgupta, Chief Executive Officer, ICICI LOMBARD General Insurance Co. Ltd, ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi Mumbai – 400025.	Mr. Sanjeev Srinivasan Chief Executive Officer Bharti AXA General Insurance Co. Ltd. 19th floor, Parinee Crescenzo, 'G' block, Bandra Kurla Complex, Opposite MCA Club, Bandra (E), Mumbai – 400051
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Sirs,

विषय: भारती एक्सा जनरल इंश्योरेंस कंपनी लिमिटेड के सामान्य बीमा व्यवसाय का आईसीआईसीआई लोम्बार्ड जनरल इंश्योरेंस कंपनी लिमिटेड में विलय के लिए सिद्धांत रूप में अनुमोदन के लिए आवेदन।

Subject: Application for “in-principle” approval for Demerger of general insurance business of Bharti AXA General Insurance Co. Ltd. to ICICI Lombard General Insurance Co. Ltd.

This is with regard to your application dated 26th August, 2020, for “in-principle” approval for demerger of general insurance business of Bharti AXA General Insurance Co. Ltd. (Bharti AXA) to ICICI Lombard General Insurance Co. Ltd. (ICICI Lombard) by way of scheme of arrangement.

Part A: Approval

The Authority had examined the application and sought certain documents/information for further processing of the application. Post submission of the required documents/information, the Authority hereby grants “In-principle” approval under section 35 to 37 read with IRDA (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011 for demerger of general insurance business undertaken by Bharti AXA to ICICI Lombard. In consideration thereof, ICICI Lombard shall issue

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1,82,35,659 equity shares to Bharti General Ventures Private Limited and 1,75,20,535 equity shares by ICICI Lombard to Societe Beaujon.

Part B: Conditions of Approval

The approval, as granted in Part A above, shall be subject to compliance of the following:

1. Submission of:
 - a. Copy of order of NCLT approving the proposed scheme of arrangement;
 - b. Copy of the extract of the Special Resolution passed at the general body meeting of ICICI Lombard to approve the proposed demerger;
 - c. The Insurers shall file the amendment(s), if any, in the Implementation Agreement within a period of 30 days from the date of issue of this letter.
2. Immediately after the said demerger, Bharti AXA shall:
 - a. Surrender its Certificate of Registration;
 - b. Remove the word "General Insurance" from its name;
 - c. Amend its Object Clause to exclude insurance related business;

The process relating to compliance with the above shall be initiated by Bharti AXA within 30 days of the Order of the Authority giving the final approval for the said demerger.
3. Post demerger, ICICI Bank shall continue to hold not less than 48.11% stake in ICICI Lombard, post issuance of equity shares to the shareholders of Bharti AXA;
4. The applicants shall submit, in detail, the steps taken to notify the policyholders regarding change of name, office addresses, contract details etc.
5. The Applicants shall provide an option to the Policyholders of both Bharti AXA and ICICI Lombard for refund of pro-rata premium in case of cancellation of the policy due to the said demerger.



6. The applicants shall take all statutory/regulatory approvals as may be applicable to the proposed transaction and shall comply with all applicable laws including taxation laws.
7. The insurance operations, right up to the final demerger and also subsequently thereof, shall be carried out in compliance with all requirements of the Insurance Act, 1938, the Rules and Regulations framed there under except the dispensations, if any, granted by the Authority.
8. The cost of proposed demerger including implication of the income tax, if any, etc. shall be charged to shareholders' fund only.
9. Nothing contained in the Scheme of Arrangement, Implementation Agreements or any other documents filed with the Authority shall have an overriding effect on the provisions of the Insurance Act, 1938 and Rules/Regulations/Circulars etc., framed there under.
10. The applicants as well as their joint venture partners shall ensure, at all times, compliance with:
 - a. Provisions of Insurance Act, 1938, Rules, Regulations, Orders, Circulars, Guidelines etc. framed thereunder;
 - b. Total foreign investment to be computed in accordance with Rule 2 (P) of Indian Insurance Companies (Foreign Investment) Rules, 2015 as amended from time to time;
 - c. Requirements of "Indian Owned & Controlled" at all times;
 - d. FEMA Regulations as may be applicable;
 - e. Rules/Regulations/Circulars/Conditions etc. prescribed by other Regulatory bodies including RBI, SEBI, CCI, BSE, NSE etc.;
 - f. Tax laws of India including Income Tax Act, 1961.



11. In due course, the applicants shall:

- a. Submit, in detail, the steps taken to notify the policyholders regarding (i) change of name and office addresses and merger of operating offices; and (ii) Proposed demerger of general insurance business of Bharti AXA to ICICI Lombard
- b. Submit detailed order of Competition Commission of India;
- c. Inform policyholders/stakeholders of the developments as per the requirements of the Regulations and any other directions, as may be issued by the Authority in this regard.
- d. Comply with provisions of section 35(3) and 36 of the Insurance Act, 1938;
- e. Comply with the Regulations 7 of the IRDA (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011.

12. The applicants shall:

- a. Cause copies of proposed scheme to be kept open for inspection by policyholders and upload the same on their respective websites;
- b. Publish the statement of nature and terms of scheme in at least one national daily newspaper and one vernacular newspaper;
- c. Give notice to every policyholder of Bharti AXA and ICICI Lombard regarding the proposed demerger resulting in transfer of General Insurance Business undertaken by Bharti AXA to ICICI Lombard;

13. ICICI Lombard shall submit sensitivity and scenario analysis providing future business projections and highlighting capital requirements in next 5 years, within 2 weeks from the date of this letter;

14. The insurers shall ensure the adequacy of reserves in light of any impact due to change in retention levels in the reinsurance arrangement post integration vis-à-vis the past reinsurance arrangements. The selected approach for reinsurance treaties shall be on prudent basis.



15. ICICI Lombard shall forward, the consolidated RI programme and retention policy, immediately upon finalization, to the Authority along with the details of all the treaties as per the IRDAI (Re-insurance) Regulations, 2018. Further, the Authority shall be kept informed about changes, as and when initiated, in the reinsurance programme(s)/treaties.
16. An option to raise a complaint with Bharti AXA in IGMS shall continue to be available to its existing policyholders. All grievances registered with Bharti AXA shall be attended by the respective entity before the said demerger and by ICICI Lombard, post the said demerger;
17. ICICI Lombard shall ensure that the relocated/merged/closed branches are within a reasonable distance from the existing branch so as to ensure minimal inconvenience to the existing policyholders.
18. The undertakings/commitments/submission made by the applicants shall be adhered to including but not limited to:
- a. Filing necessary applications, as applicable, with the IRDAI for integration of branches and products;
 - b. Giving option to policyholders of Bharti AXA and ICICI Lombard to port their policies, wherever portability is allowed;
 - c. Having separate Appointed Actuary and other KMPs for Bharti AXA and ICICI Lombard until the completion of the said demerger;
19. The applicants shall ensure compliance with the stipulations of other Regulators subject to compliance with applicable Regulations/Circulars/Guidelines issued or conditions imposed by the Authority;
20. Till the said demerger, all claim/obligation/liabilities of policy contract shall be processed by the respective companies, as per the terms and conditions of the policy issued by it without any interruption / restriction. Post the said demerger, the same shall be processed by ICICI Lombard.

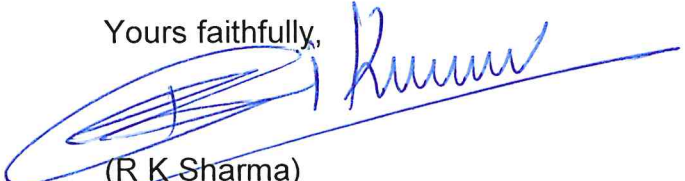


21. The request for change in (i) registered office address, if any; and (ii) address of communication of any of the applicant companies, shall be in compliance with IRDAI (Places of Business) Regulations, 2015;
22. Ensure compliance with Guidelines for Corporate Governance for Insurers in India, 2016 and other applicable Regulations/Circulars/Guidelines etc:
- a. with regard to constitution/reconstitution of the Board, Committees and Management of Bharti AXA and/or ICICI Lombard;
 - b. Payment of sitting fees/reimbursement of expenses/remuneration to the directors/KMPs;
 - c. All other provisions as may be applicable.
23. With regard to expenses of management of, the applicants shall ensure compliance with IRDAI (Expenses of Management of Insurers Transacting General or Health Insurance Business) Regulations, 2016.
24. With regard to Other Forms of Capital, the applicants shall ensure:
- a. Compliance of IRDAI (Other Forms of Capital) Regulations, 2015 and other applicable provisions;
 - b. Compliance of the terms of deed/agreement etc. on which the fund have been raised by Bharti AXA.
25. Till the completion of the demerger, the applicants shall:
- a. Compute and furnish solvency return in accordance with the IRDAI (Assets, Liabilities and Solvency Margin of General Insurance) Regulations, 2016;
 - b. Ensure that the solvency ratio of Bharti AXA and ICICI Lombard, is above control level, at all times;
 - c. Ensure that promoters of respective companies infuse necessary funds, in proportion to their holding, to meet the solvency and/or business requirements.



26. Promoter of ICICI Lombard shall furnish an undertaking to the effect that it shall infuse such capital in ICICI Lombard, in proportion to its holding in the company, to meet its business and/or solvency requirements, post the demerger;
27. The Authority shall also be kept informed of all developments in the matter, including but not limited to:
- a. Progress made in the completion of the Conditions Precedent to the Implementation Agreement;
 - b. Process of demerger at periodic intervals till the completion of the exercise and the integrations proposed there under.
28. The interests of the Policyholders' is paramount and shall be protected for the existing Policyholders of both the entities during the entire process leading up to the demerger and post demerger also.
29. The approvals, as above, shall be valid for a period of 1 year from the date of this communication.
30. The Authority reserves the right to review its approvals / impose such conditions as may be deemed fit.

Yours faithfully,



(R K Sharma)
General Manager