



Ref No.: MUM/SEC/14-05/2021

May 3, 2020

To,  
General Manager  
Listing Department  
**BSE Limited**  
Phiroze Jeejeebhoy Tower,  
Dalal Street, Fort  
Mumbai – 400001  
Scrip Code: 540716

To,  
Vice President  
Listing Department  
**The National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor, Plot C/1,  
G Block, Bandra-Kurla Complex  
Mumbai – 400051  
NSE Symbol: ICICIGI

Dear Madam/Sir,

**Disclosure under Regulation 30 read with Schedule III and Regulation 46(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Sub: Ref: Investor Presentation- Audited Financial Results for the quarter and financial year ended on March 31, 2020**

In compliance with above mentioned Regulation, please find enclosed the Investors Presentation on the Audited Financial Results for the quarter and financial year ended March 31, 2020 of the Company.

The above information is being made available on the Company's website [www.icicilombard.com](http://www.icicilombard.com)

You are requested to kindly take the same on records.

Yours Sincerely,

ICICI Lombard General Insurance Company Limited

Vikas Mehra  
Company Secretary

**ICICI Lombard General Insurance Company Limited**

**IRDA Reg. No. 115**

**CIN: L67200MH2000PLC129408**

**Mailing Address:**

**Registered Office:**

**Toll free No. : 1800 2686**

401 & 402, 4th Floor, Interface 11, ICICI Lombard House, 414, Veer Savarkar Marg,

**Alternate No.:** +918655222666 (Chargeable)

New Linking Road, Malad (West), Near Siddhi Vinayak Temple, Prabhadevi,

**Email:** customersupport@icicilombard.com

Mumbai - 400 064.

Mumbai - 400 025.

**Website:** www.icicilombard.com



# Performance Review FY2020

# Agenda

- Response to COVID-19
- Company Strategy
- Financial Performance
- Industry Overview



# Agenda

- **Response to COVID-19**
- Company Strategy
- Financial Performance
- Industry Overview



# Response to COVID-19

## Customers

- Continuous communication with customers through emails, tele-calling, SMS and Social Media Platforms undertaken to reassure
  - Renewal of motor & health policies
  - Claims servicing through e-mails, scan documents etc.
- Dedicated product- Covid-19 benefit cover
- ILTakeCare with 'tele-consult' feature in our mobile app for harnessing health ecosystem

## Distribution

- Channel partners were already enabled digitally to acquire, retain and service customers. Adoption rates have seen a significant increase
  - Enabled Technological tools- Robo calling and CRM tools for motor dealer partners to enhance retention
  - On-boarding of POS and agents is continuing digitally
- Online webinars, conducted by our senior leaders for corporates
  - Virtual risk inspections (VRA) -customer site inspections undertaken via video streaming.
  - Knowledge support to agents /channel partners

# Response to COVID-19

## Employees

- Work from Home enabled to ensure safety and well-being of our employees across the organization, well before the lockdown
- Accelerated our efforts towards upskilling our employees. Leveraged technology to provide e-learning programs, self-consumption videos & virtual live training events
- Employee centric policy for conveyance and mobile / data reimbursements
- Deployed Platforms such as 'Santulan' for online counselling, for employees requiring special assistance

## Community

- Proposed contribution towards 'PM Cares fund" by Company & Employees
- Free Covid-19 testing for the underprivileged in partnership with reputed diagnostic brands
- Provided Personal Protection Equipment or PPE to the medical staff treating Covid-19 patients at government hospitals

## Regulator / Authority

- Insurance as an essential service.
- Announced several measures including relaxations
  - On claims payment - simplified claim procedures, health claim authorization within two hours etc.
  - On premium payment - extended payment date for renewal of Motor TP & Health policies



# Agenda

- Response to COVID-19
- **Company Strategy**
- Financial Performance
- Industry Overview

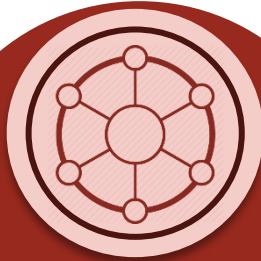


# ICICI General – Pillars of Strength



## Consistent Market Leadership and growth

- Leading private sector non-life insurer in India since FY2004 (GDPI basis)
- 12 years GDPI CAGR: 12.3%
- Market share FY2020 (GDPI basis): 7.0%



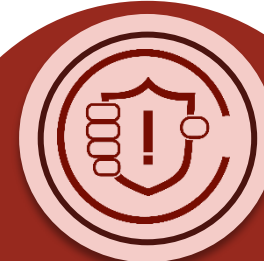
## Diverse products and multi-channel distribution

- Comprehensive and diverse product portfolio
- Individual Agents\* 47,548
- Expanding distribution network to increase penetration in Tier 3 and Tier 4 cities
  - Number of Virtual Offices: 840



## Excellence in Customer service and Technology

- Leveraging on Artificial Intelligence, Machine Learning, IoT etc. throughout the customer life cycle
- Carved out “digital arm” to improve speed of delivery



## Risk Management

- Profitable growth using risk selection and data analytics
- Maintain robust reserves
- Prudent investment management



## Capital Conservation

- Maintain high level of Solvency against regulatory minimum requirement of 1.50x
- Solvency 2.17x as at March 2020

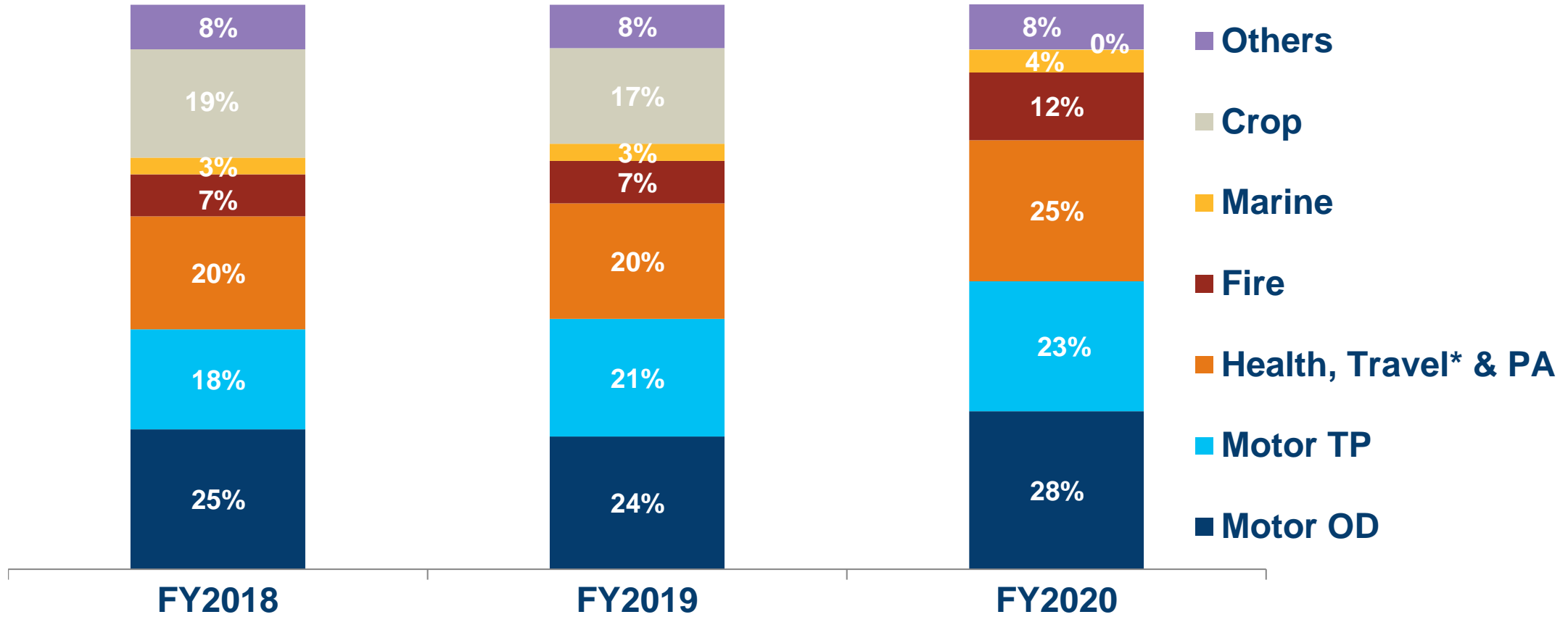


# Key Highlights

<b>Particulars</b> <b>(₹ billion)</b>	<b>FY2018</b> <b>Actual</b>	<b>FY2019</b> <b>Actual</b>	<b>FY2020</b> <b>Actual</b>
Gross Written Premium	126.00	147.89	135.92
Gross Direct Premium Income (GDPI)	123.57	144.88	133.13
GDPI Growth	15.2%	17.2%	-8.1%
GDPI Growth (excluding crop)	16.5%	20.5%	10.5%
Combined Ratio*	100.2%	98.8%	100.4%
Profit after Tax	8.62	10.49	11.94
Return on Average Equity	20.8%	21.3%	20.8%
Solvency Ratio	2.05x	2.24x	2.17x
Book Value per Share	100.04	117.11	134.97
Basic Earnings per Share	19.01	23.11	26.27

# Comprehensive Product Portfolio

## Product Mix



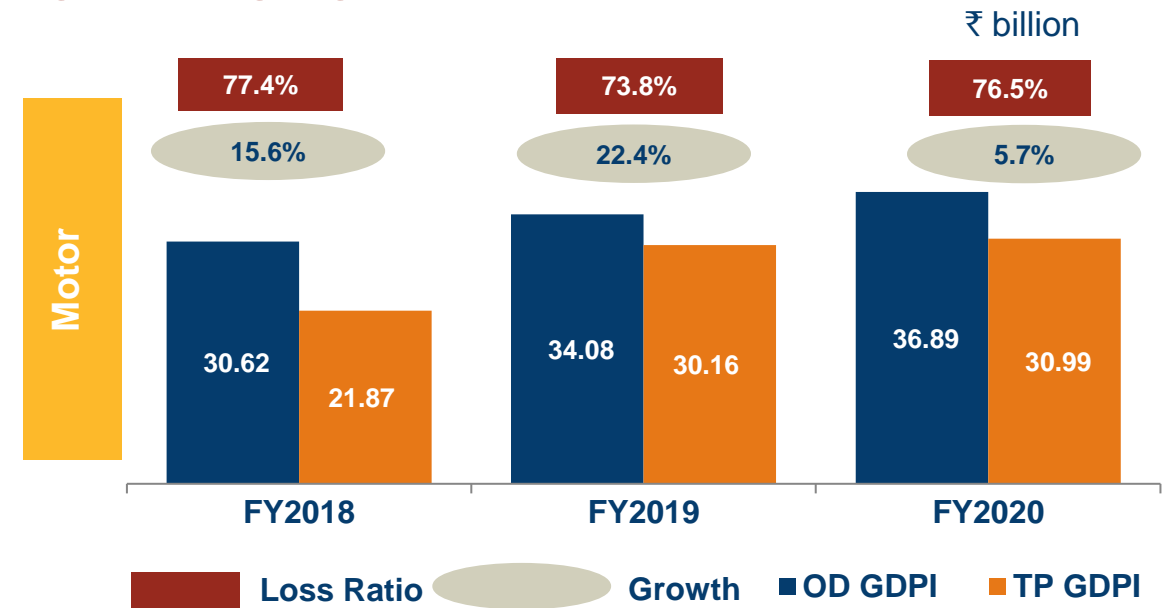
- Diversified product mix– motor, health, travel & personal accident, fire, marine and others
- SME business growth was 29.0% for FY2020

# Comprehensive Product Portfolio - Motor

## Motor GDPI Mix

Type	FY2019	FY2020
Private car	50.0%	56.7%
Two-wheeler	27.2%	28.5%
Commercial Vehicle	22.8%	14.8%

- Loss cost driven micro-segmentation resulting in focus on relatively profitable segment
- Advance premium as at March 31, 2020 - ₹ 30.25 billion (₹ 13.24 billion as at March 31, 2019)
- **Long Term Motor Policy:** FY2020 is 1st full year of Long term new Private Car & Two Wheeler (2W)
  - Penetration : Private car for FY2020 - 19.0% (FY2019 – 3.6%)  
Two Wheeler for FY2020 -15.8% (FY2019 – 28.8%)
- **Motor Vehicle Act :** Reduction in time limit of claim intimation to 6 months
  - Expecting shortening of claims settlement cycle, selective increase in fines for traffic violations
- **Stand-alone OD Regulation:** Effective September 1, 2019 for the 1st renewal of new vehicle sold last year
  - Standalone OD policies are now being issued for Pvt car & 2W
- **Product launched:** - 3 products under Regulatory Sandbox approval

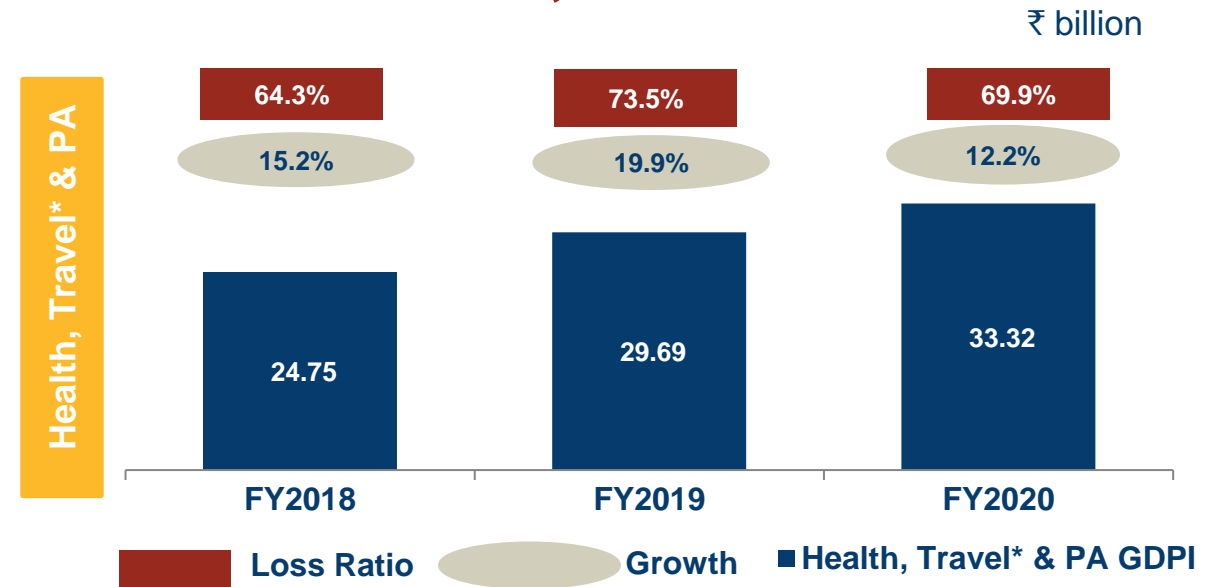


# Comprehensive Product Portfolio – Health, Travel & PA

## Health, Travel\* & PA GDPI Mix

Type	FY2019	FY2020
Individual	27.2%	24.9%
Group – others	34.3%	37.3%
Group Employer-Employee	38.0%	37.7%
Mass	0.5%	0.1%

- Retail indemnity new business grew by 69.9% for FY2020
- Muted disbursement by NBFC's and HFC's led to lower growth in benefit business for FY2020
- Cautious approach to underwrite government health scheme
- IL Take Care launched for customer engagement & servicing of health customers
  - More than 50K downloads in FY2020, way forward to be extended to other retail lines
- Product launched
  - Covid-19 benefit product
  - Arogya Sanjeevani effective April 1, 2020
  - 2 products under Regulatory Sandbox approval



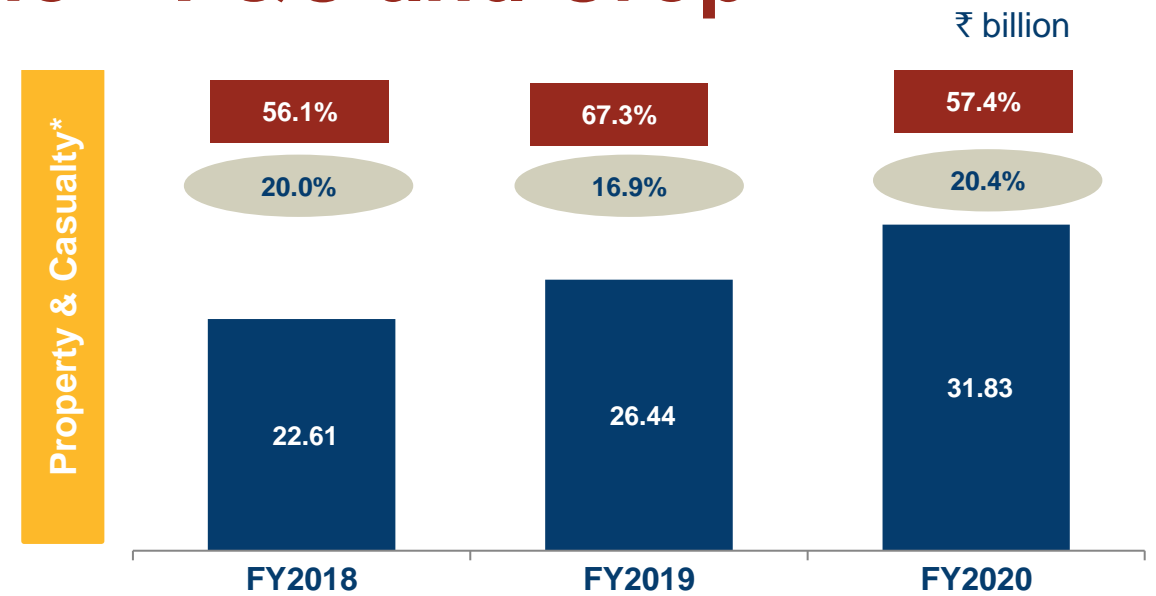
# Comprehensive Product Portfolio – P&C and Crop

- Accretion of market share in commercial lines

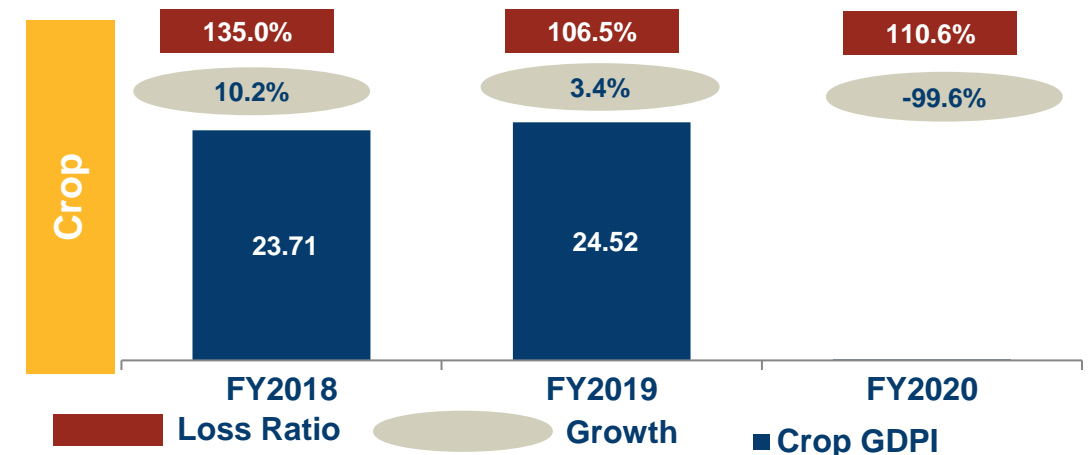
## Property & Casualty (P&C) Market Share

Product	FY2019	FY2020
Fire	9.3%	9.8%
Engineering	11.5%	11.9%
Marine Cargo	13.9%	14.9%
Liability	14.7%	15.5%

- Increase in reinsurance rates for other sectors (rates for 8 sectors increased w.e.f. March 2019) under fire segment w.e.f. January 1, 2020
- Higher retention on account of increase in rates
- No new tender won in the crop segment in FY2020



■ Loss Ratio    ● Growth    ■ Property & Casualty GDPI



■ Loss Ratio    ● Growth    ■ Crop GDPI

# Digital Initiatives

## Service Excellence

### Policy Issuance

Policies sourced - 26.2 mn

96.5% issued electronically



### Claims & Servicing

Claims honored - 1.8 mn

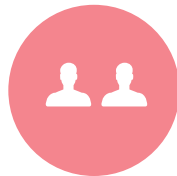
24.5%\* Motor OD claims through InstaSpect



### Employee Productivity

12 years CAGR 15.3%

Employee hackathon



## Automation & Scale

### Next Gen Solutions

Cloud deployment

Micro services architecture



### AI and ML Solutions

31%\* cash less authorization through AI

40% STP\*\* of motor break-in from Self Inspection app through AI



### Work from Home

9K+ headcount enabled

Enhanced Data & End point Security



\*exit rate as at March 2020

\*\*STP - Straight through processing



# Risk Management

## Underwriting

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

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## Reinsurance

- Spread of risk across panel of quality re-insurers
- Current panel of reinsurers\* rated 'A-' or above\*\*
- Conservative level of catastrophe (CAT) protection
  - Net impact of catastrophic losses ₹ 0.61 billion for FY2020 (₹ 0.25 billion for FY2019)

## Investments

- Tighter internal exposure norms as against regulatory limits
- Invest high proportion of Debt portfolio 81.7% in sovereign or AAA rated securities\*\*\*
  - All Debt securities are rated AA & above
- Zero instance of default in Debt portfolio since inception

## Reserving

- IBNR utilization improving trend indicates robustness of reserves
- Disclosing reserving triangles in Annual report since FY2016

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# Agenda

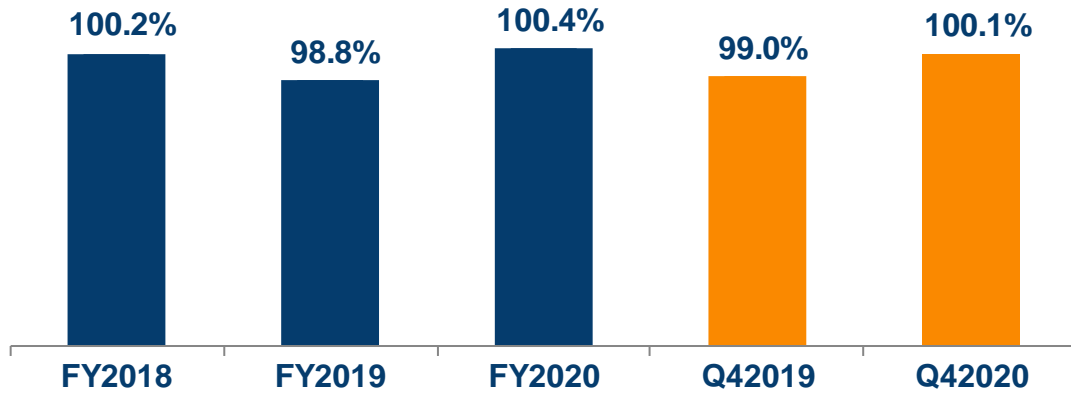
- Response to COVID-19
- Company Strategy
- **Financial Performance**
- Industry Overview



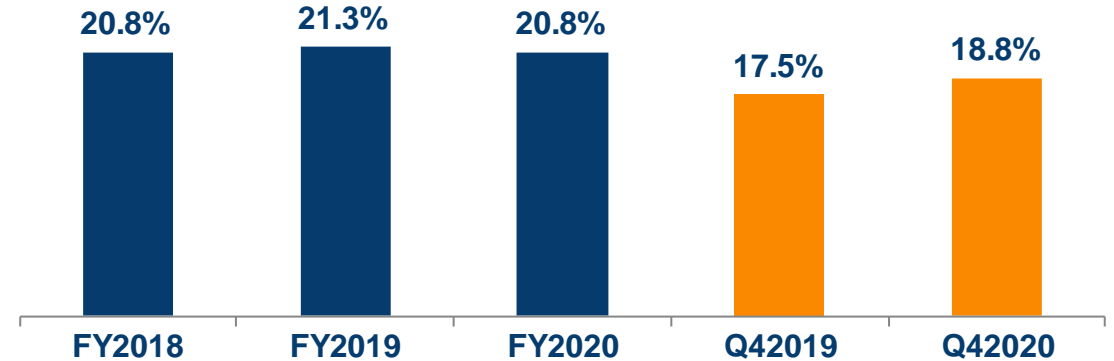
# Financial performance

₹ billion

Combined ratio (%)\*

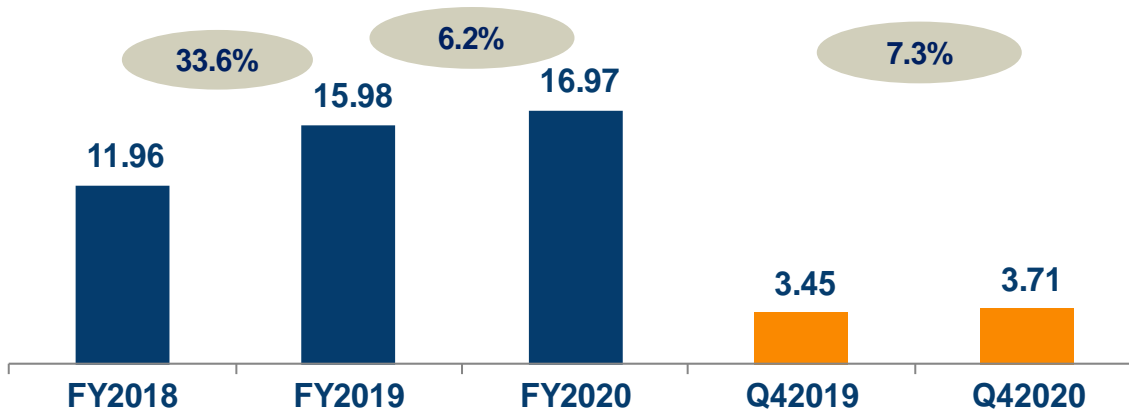


Return on average Equity (ROAE) (%)



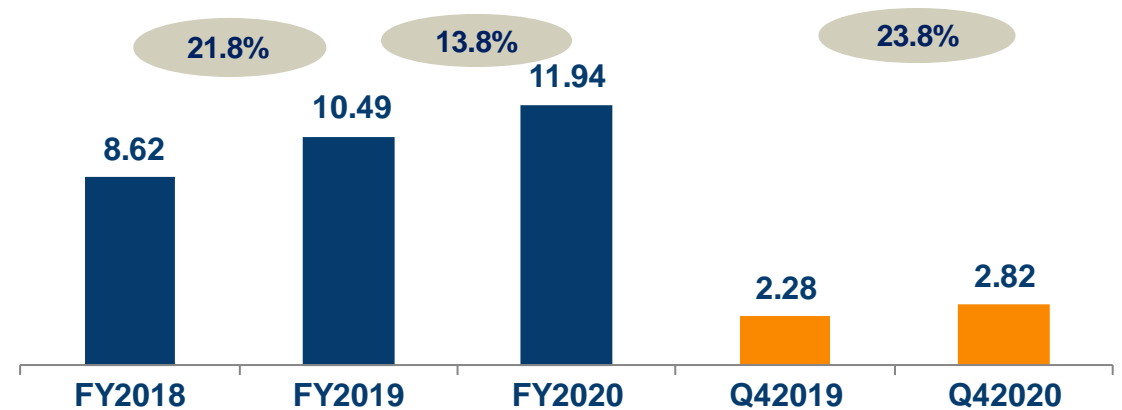
Profit before Tax (PBT)

Growth



Profit after Tax (PAT)

Growth

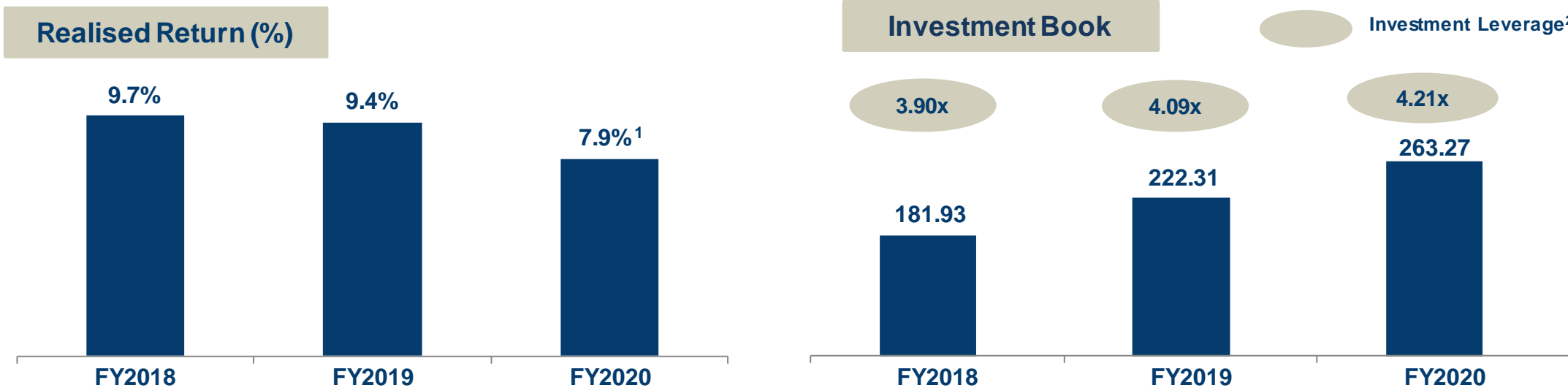


● PAT for Q42020 and FY2020 includes effect of lower effective tax rate. Effective tax rate for Q4FY2020 and FY2020 is 23.9% and 29.7% respectively

● ROAE, PBT and PAT for Q42020 and FY2020 includes effect of impairment of ₹ 1.20 billion on investment in equity assets as per policy

# Robust Investment Performance

₹ billion



- Investment portfolio mix<sup>3</sup> for FY2020 : Corporate bonds 50.3%, G-Sec 32.9% and equity<sup>4</sup> 12.3%
- Strong investment leverage
- Unrealised gain of ₹ 1.52 billion<sup>1</sup> as on March 31, 2020
  - Unrealised loss on equity<sup>4</sup> portfolio at ₹ 4.29 billion<sup>1</sup>
  - Unrealised gain on other than equity portfolio at ₹ 5.81 billion

<sup>1</sup> Post impairment of ₹ 1.20 billion on investment in equity assets as per policy

<sup>2</sup> Total investment assets (net of borrowings) / net worth

<sup>3</sup> Investment portfolio mix arrived at considering Equity & mutual funds at market value

<sup>4</sup> Equity includes mutual funds

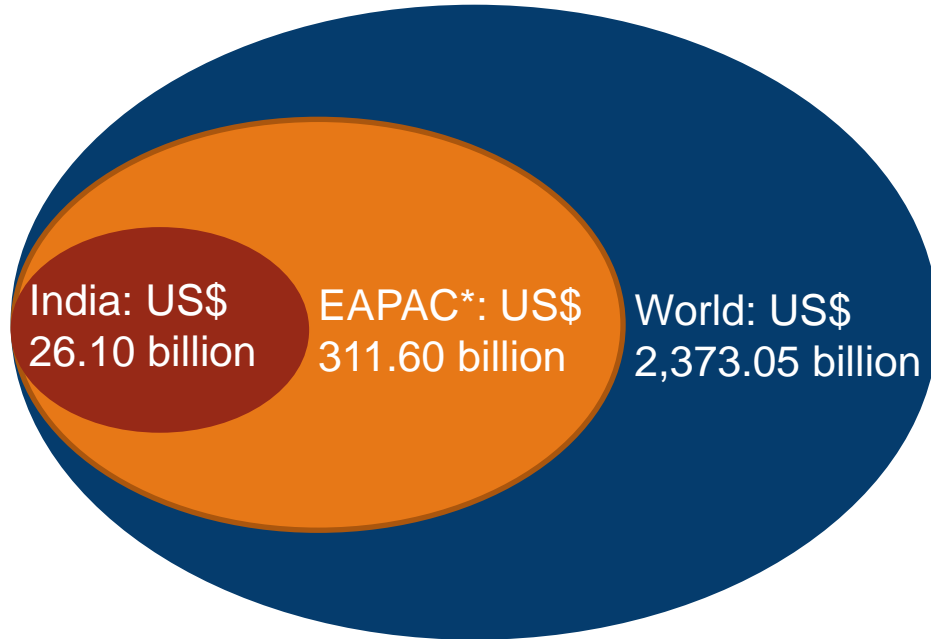
# Agenda

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- **Industry Overview**



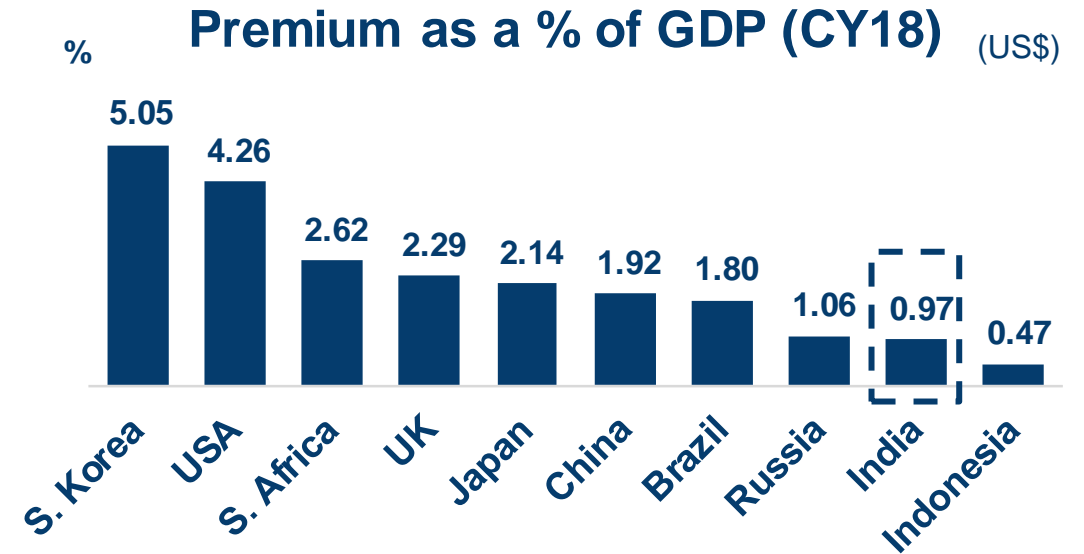
# India Non - life Insurance Market - Large Addressable Market

## Massive growth opportunity in non-life premiums

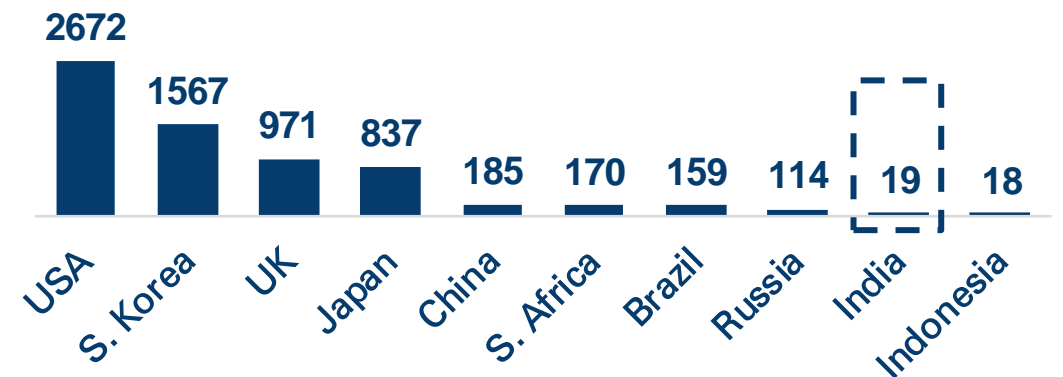


- 4th largest non-life insurance market in Asia and 15th largest globally
- Non-life Insurance penetration in India was around 1/3rd of Global Average in 2018
- Operates under a “cash before cover” model

## Significantly underpenetrated



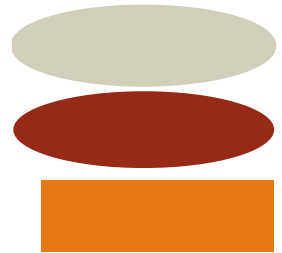
## Non-Life Insurance Density (Premium per capita) (CY18) (US\$)





# Industry has witnessed steady growth

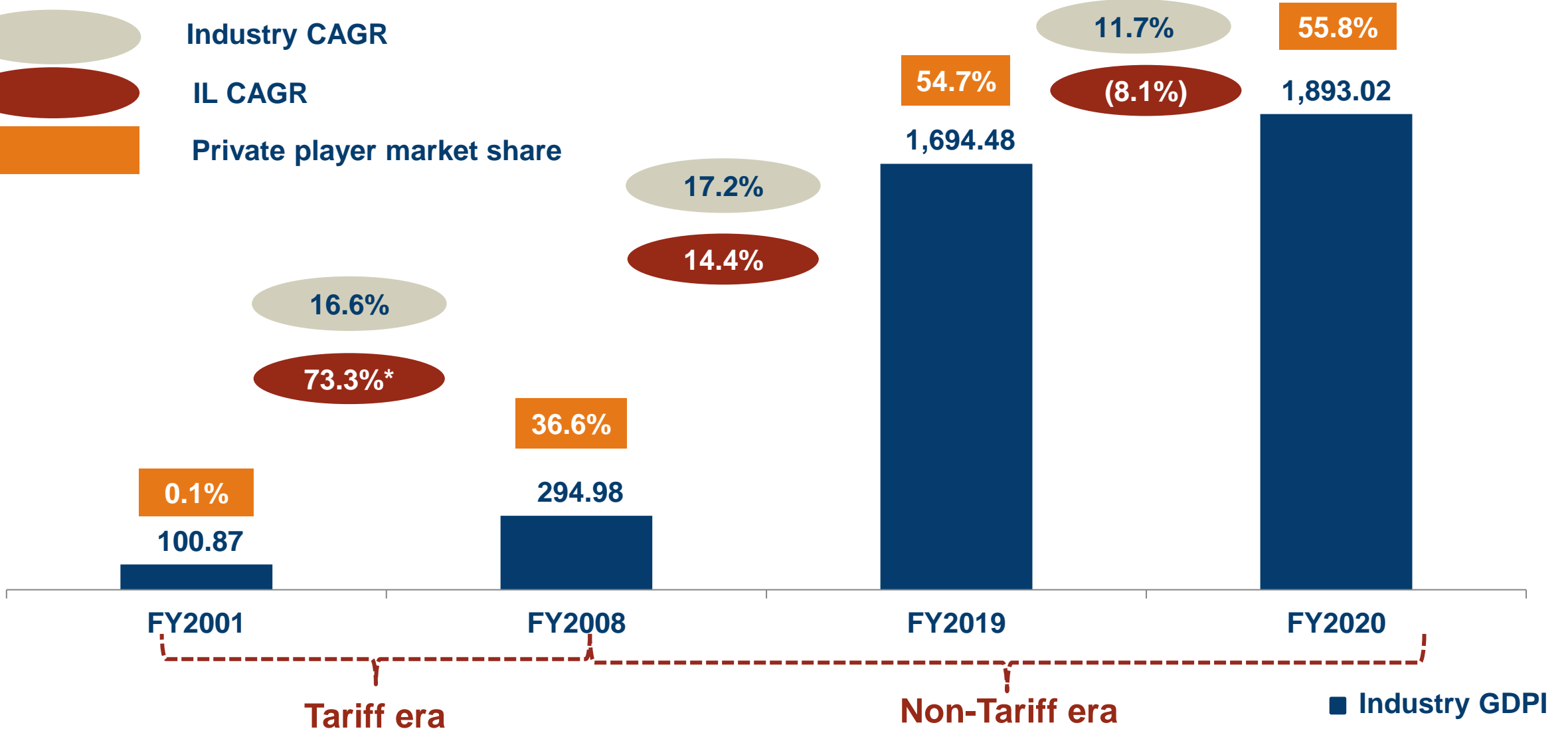
₹ billion



Industry CAGR

IL CAGR

Private player market share



12 years CAGR : Industry - 16.8%; IL - 12.3%



**Thank you**

# Annexure



# Loss Ratio

Particulars	FY2018	FY2019	FY2020	Q42019	Q42020
Motor OD	53.7%	59.2%	68.9%	61.5%	66.8%
Motor TP	107.1%	90.8%	84.4%	90.5%	78.5%
Health, Travel* & PA	64.3%	73.5%	69.9%	67.0%	70.8%
Fire	43.1%	83.2%	64.0%	83.1%	55.4%
Marine	54.2%	84.0%	65.3%	74.1%	67.7%
Engineering	24.0%	37.1%	40.7%	26.0%	46.9%
Other	71.6%	55.2%	51.8%	39.3%	50.8%
Crop	135.0%	106.5%	110.6%	69.6%	111.4%
<b>Total</b>	<b>76.9%</b>	<b>75.3%</b>	<b>72.9%</b>	<b>71.7%</b>	<b>69.9%</b>

# Abbreviations:

**AI** - Artificial Intelligence

**AY** – Accident Year

**CAGR** – Compounded Annual Growth Rate

**CY** – Calendar Year

**EAPAC** – Emerging Asia Pacific Markets

**FY** – Financial Year

**G-Sec** – Government Securities

**GDP** – Gross Direct Product

**GDPI** – Gross Direct Premium Income

**GHI** – Group Health Insurance

**GIC** – The General Insurance Corporation of India

**GI Council** – General Insurance Council

**GWP** – Gross Written Premium

**HFC**- Housing Finance Company

**IBNR** – Incurred But Not Reported

**IL / ICICI General / Company** – ICICI Lombard

**IMTPIP** – Indian Third Party Insurance Pool

**IoT** – Internet of Things

**IRDAI** – Insurance Regulatory and Development Authority of India

**ML**- Machine Learning

**NBFC**- Non Banking Financial Company

**NEP** – Net Earned Premium

**NWP** – Net Written Premium

**OD** – Own Damage

**PA** – Personal Accident

**PAT** – Profit After Tax

**PBT** – Profit Before Tax

**P&C** – Property & Casualty

**POS** – Point of Sales

**ROAE** – Return on Average Equity

**STP** - Straight through processing

₹ - Indian Rupees

**TP** – Third Party

**US\$** - United State's dollar

**VO** – Virtual Office

# Impact of catastrophic events : Historical snapshot

₹ billion

Catastrophic Event	Year	Economic Losses	Insured Losses*	Our Share of Insured losses <sup>#</sup>
Maharashtra, Gujarat, Karnataka, Kerala & other states Floods	2019	709.70**	20.00	3.5%
Cyclone Fani	2019	120.00	12.25	2.5%
Kerala floods	2018	300.00	30.00	2.7%
Chennai floods	2015	150.00	49.40	6.2%
Cyclone Hudhud	2014	715.00	41.60	2.4%
J&K floods	2014	388.05	15.60	2.6%
North-east floods	2014	393.30	15.60	***
Cyclone Phailin	2013	292.50	6.50	3.1%
Uttarakhand floods	2013	73.45	33.80	1.2%

\*Source: Market sources, Google search & estimates

\*\*AON Global Catastrophe Report

\*\*\*There was no separate reporting of losses resulting from these floods since this did not rise to the level of a catastrophic event for us  
# on gross basis



# Reserving Triangle Disclosure – Total<sup>1</sup>

₹ billion

## Incurred Losses and Allocated Expenses (Ultimate Movement)

As at March 31, 2020	Prior	AY 11	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20
End of First Year	54.99	20.66	22.53	27.97	35.96	34.16	39.13	49.49	52.41	65.27	72.72
One year later	55.11	20.44	21.97	27.02	34.63	33.95	38.58	49.20	51.10	64.10	
Two years later	55.88	20.41	21.74	26.52	34.37	33.53	38.07	48.84	50.08		
Three years later	56.70	20.36	21.85	26.40	34.29	32.91	37.78	48.57			
Four years later	56.85	20.47	21.83	26.46	33.85	32.73	37.25				
Five years later	57.53	20.48	21.81	26.21	33.73	32.16					
Six years later	58.02	20.53	21.83	26.18	33.32						
Seven Years later	58.20	20.67	21.83	26.17							
Eight Years later	58.40	20.67	21.75								
Nine Years later	58.48	20.61									
Ten Years later	58.37										
Deficiency/ (Redundancy) (%)	6.2%	-0.2%	-3.5%	-6.5%	-7.3%	-5.9%	-4.8%	-1.9%	-4.4%	-1.8%	0.0%

## Unpaid Losses and Loss Adjusted Expenses

As at March 31, 2020	Prior	AY 11	AY 12	AY 13	AY 14	AY 15	AY 16	AY 17	AY 18	AY 19	AY 20
End of First Year	9.16	7.18	7.98	12.01	17.32	17.10	20.44	26.84	32.58	37.37	37.98
One year later	4.50	2.67	3.33	6.11	9.70	11.58	14.06	16.86	18.03	27.01	
Two years later	3.74	2.00	2.46	4.72	7.92	9.61	11.46	13.04	15.00		
Three years later	3.59	1.58	2.12	3.84	6.73	7.80	9.69	10.67			
Four years later	3.02	1.39	1.76	3.39	5.58	6.77	7.93				
Five years later	3.12	1.13	1.47	2.77	4.82	5.49					
Six years later	2.91	1.00	1.28	2.42	3.94						
Seven Years later	2.65	0.97	1.08	2.12							
Eight Years later	2.43	0.84	0.87								
Nine Years later	2.16	0.68									
Ten Years later	1.75										

# Reserving Triangle Disclosure – IMTPIP

₹ billion

## Incurred Losses and Allocated Expenses (Ultimate Movement)

As at March 31, 2020	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First Year						2.71
One year later					3.85	2.72
Two years later				4.49	3.85	2.73
Three years later			5.81	4.49	3.98	2.73
Four years later		6.16	5.81	4.63	4.12	2.74
Five years later	2.61	6.16	5.85	4.67	4.41	3.16
Six years later	2.61	6.46	5.96	4.99	5.12	3.17
Seven Years later	2.86	6.55	6.05	5.45	5.12	3.17
Eight Years later	2.95	6.69	6.55	5.45	5.12	
Nine Years later	3.00	6.98	6.55	5.45		
Ten Years later	3.09	6.98	6.55			
Eleven Years later	3.09	6.98				
Twelve Years later	3.09					
Deficiency/ (Redundancy) (%)	18.4%	13.2%	12.9%	21.3%	32.8%	16.8%

## Unpaid Losses and Loss Adjusted Expenses

As at March 31, 2020	AY 08	AY 09	AY 10	AY 11	AY 12	AY 13
End of First Year						2.67
One year later					3.41	2.30
Two years later				3.14	2.57	1.87
Three years later			3.17	2.38	1.98	1.37
Four years later		2.67	2.51	1.84	1.51	0.98
Five years later	0.86	2.05	2.03	1.32	1.22	1.13
Six years later	0.63	1.89	1.56	1.19	1.63	0.91
Seven Years later	0.72	1.50	1.26	1.31	1.29	0.71
Eight Years later	0.65	1.23	1.39	1.03	1.02	
Nine Years later	0.55	1.19	1.07	0.78		
Ten Years later	0.52	0.89	0.78			
Eleven Years later	0.43	0.63				
Twelve Years later	0.32					