



Ref No.: MUM/SEC/241-01/2021

January 19, 2020

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

To,  
Vice President  
Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor, Plot C/1,  
G Block, Bandra-Kurla Complex  
Bandra (East), Mumbai – 400051

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

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 nine months ended December 31, 2020**

In compliance with above mentioned Regulation, please find enclosed the Investors Presentation on the Audited Financial Results for the quarter and nine months ended December 31, 2020.

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  
Mailing Address:  
401 & 402, 4th Floor, Interface 11,  
(Chargeable)  
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 2666  
Alternate No.: +91 8655222666  
Email: [customersupport@icicilombard.com](mailto:customersupport@icicilombard.com)  
Website: [www.icicilombard.com](http://www.icicilombard.com)

**9M2021**

**Performance Review**

# Agenda

- Company Strategy
- Financial Performance
- Update- Scheme of Arrangement
- ESG Initiatives
- Industry Overview



# Agenda

- **Company Strategy**
- Financial Performance
- Update- Scheme of Arrangement
- ESG Initiatives
- Industry Overview

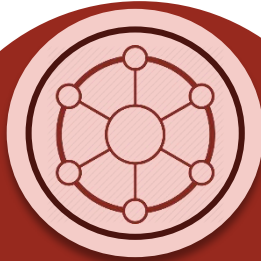


# ICICI General – Pillars of Strength



## 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 9M2021 (GDPI basis): 7.2%



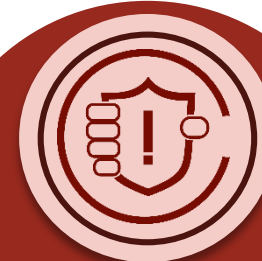
## Diverse products and multi-channel distribution

- Comprehensive and diverse product portfolio
- Individual Agents\* 55,615
- 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
- Dedicated “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

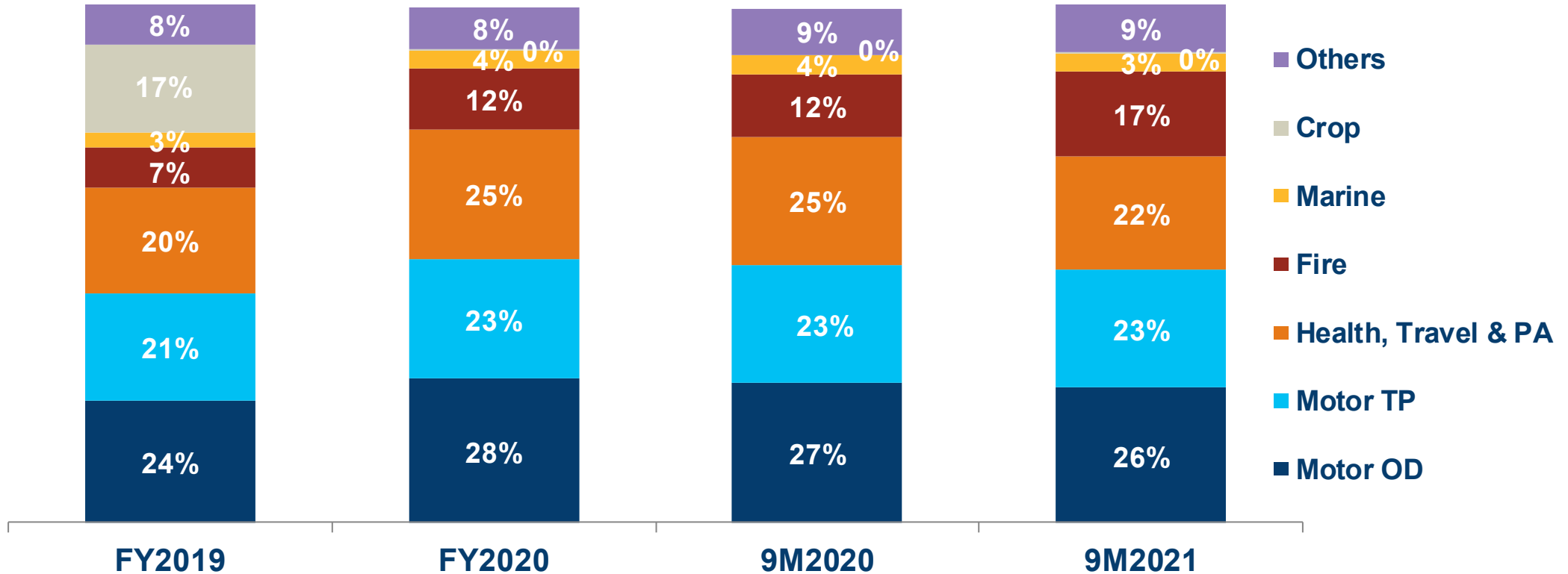
- Maintain high level of Solvency against regulatory minimum requirement of 1.50x
- Solvency 2.76x as at December 31, 2020

# Key Highlights

<b>Particulars</b> <b>(₹ billion)</b>	<b>FY2019</b> <b>Actual</b>	<b>FY2020</b> <b>Actual</b>	<b>9M2020</b> <b>Actual</b>	<b>9M2021</b> <b>Actual</b>
Gross Written Premium	147.89	135.92	103.61	107.60
Gross Direct Premium Income (GDPI)	144.88	133.13	101.32	105.25
GDPI Growth	17.2%	-8.1%	-7.9%	3.9%
GDPI Growth (excluding crop)	20.5%	10.5%	13.2%	4.3%
Combined Ratio*	98.8%	100.4%	100.5%	99.1%
Profit after Tax	10.49	11.94	9.12	11.27
Return on Average Equity	21.3%	20.8%	21.8%	22.4%
Solvency Ratio	2.24x	2.17x	2.18x	2.76x
Book Value per Share	117.11	134.97	128.76	159.86
Basic Earnings per Share	23.11	26.27	20.07	24.81

# Comprehensive Product Portfolio

## Product Mix



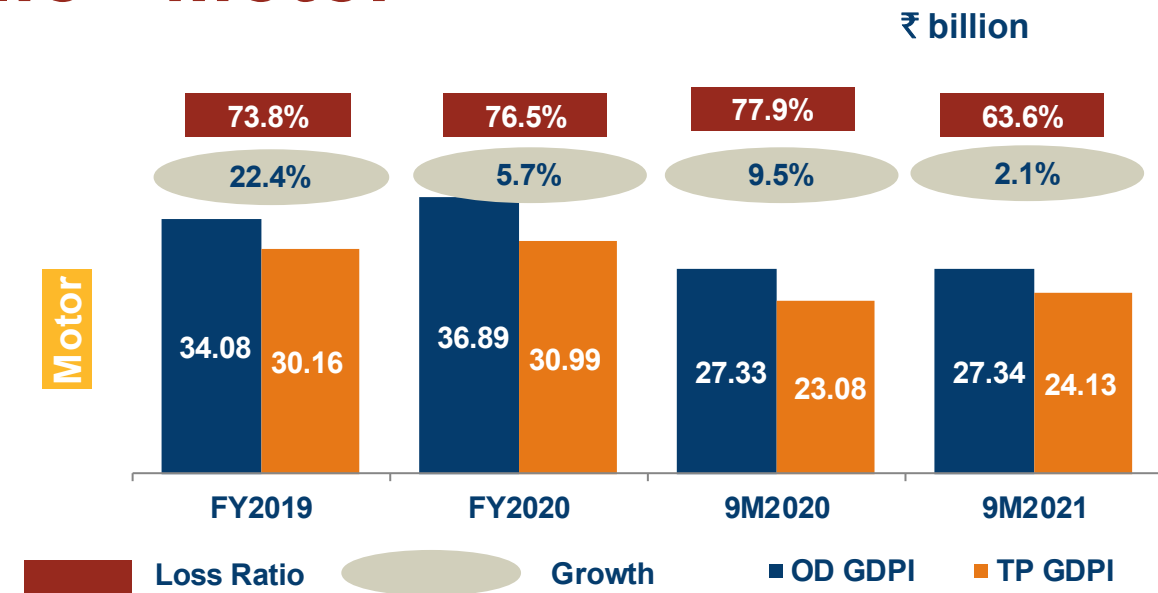
- Diversified product mix– motor, health, travel & personal accident, fire, marine and others
- SME business growth was 36.6% for 9M2021 (36.0% for Q32021)

# Comprehensive Product Portfolio - Motor

## Motor GDPI Mix

Type	9M2020	9M2021
Private car	55.9%	57.4%
Two Wheeler	29.6%	27.3%
Commercial Vehicle	14.5%	15.3%

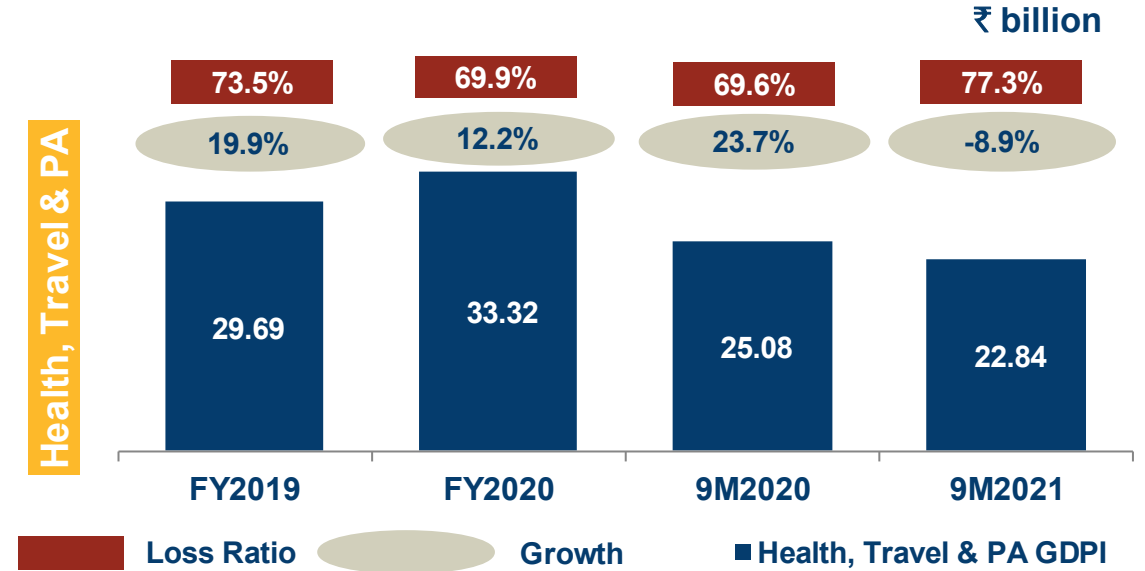
- Loss cost driven micro-segmentation resulting in focus on relatively profitable segment
- Advance premium at December 31, 2020 : ₹ 31.97 billion (₹ 31.60 billion at September 30, 2020)
- **Withdrawal of Long Term Motor Package Policy by IRDAI:** Effective August 1, 2020, option to avail long term **Own Damage** cover has been discontinued
- **Motor Vehicle Act :** Proposed reduction in time limit of claim intimation to 6 months
  - Expecting shortening of claims settlement cycle, selective increase in fines for traffic violations
- **Standalone OD Policy:** Effective September 1, 2019 Standalone OD policies are now being issued for Private car & Two-Wheeler





# Comprehensive Product Portfolio – Health, Travel & PA

Health, Travel & PA GDPI Mix		
Type	9M2020	9M2021
Individual	22.5%	24.9%
Group – Others	40.0%	23.2%
Group Employer-Employee	37.4%	51.9%
Mass	0.1%	0.0%



- Individual health indemnity business grew by 25.7% for 9M2021 ( 17.0% for Q32021)
- Reduction in sourcing from Corporate Agent - Banks and Others led to lower growth in Group – Others business for 9M2021
- IL Take Care for customer engagement & servicing of health, motor and travel customers
  - More than 344 K+ downloads till 9M2021 ( 300 K+ downloads in 9M2021)
  - Launched Complete health insurance product, for wider coverage and price revision launched in November 2020 for new customers and from January 2021 onwards for renewals

# Comprehensive Product Portfolio – P&C

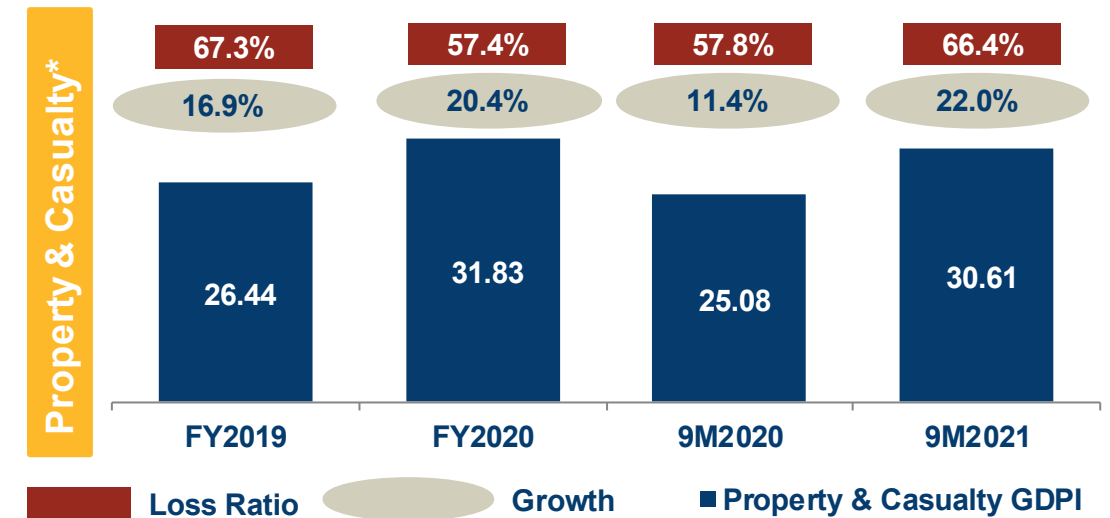
₹ billion

- Market share in commercial lines

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

Product	9M2020	9M2021
Fire	10.0%	11.0%
Engineering	12.4%	13.6%
Marine Cargo	15.3%	16.3%
Liability	16.1%	16.0%

- 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
- Net impact of cyclone and flood losses of ₹ 1.09 billion for 9M2021 ( ₹ 0.61 billion for 9M2020)
  - Net impact of cyclone and flood losses of ₹ 0.32 billion for Q32021 ( NIL for Q32020)



# Digital Opportunities

## Service Excellence



### Policy Issuance

**15.7 Mn** Policies sourced

**97.5%** issued electronically  
(96.5% in FY2020)



### Claims & Servicing

**1.1 Mn** Claims honored

**41.0%** in December 2020,  
Motor OD claims through  
InstaSpect (24.5% in March  
2020)



### Headcount Productivity

**15.3%** 12 year CAGR

## Automation and Scale



### Next Gen Solutions

Cloud deployment

Big Data & Customer  
experience management



### AI and ML Solutions

**63.1%** cashless  
authorization through AI for  
GHI in December 2020 (31.0%  
in March 2020)

**66.0%** STP of motor break-  
in from Self Inspection app  
through AI in December 2020  
(40.6% in March 2020)



### Work from Home

Enabled for all our  
headcount

Enhanced Data & End point  
Security

# 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
- Conservative level of catastrophe (CAT) protection

## Investments

- Tighter internal exposure norms as against regulatory limits
- Invest high proportion of Debt portfolio 84.9% 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

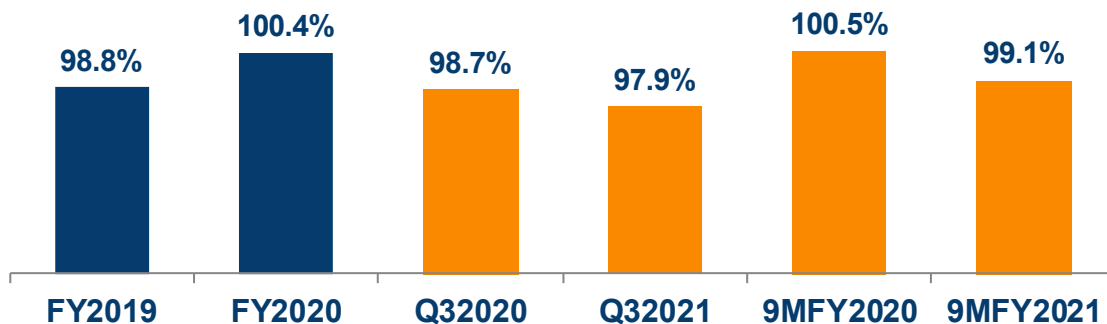
- Company Strategy
- **Financial Performance**
- Update- Scheme of Arrangement
- ESG Initiatives
- Update- COVID-19
- Industry Overview



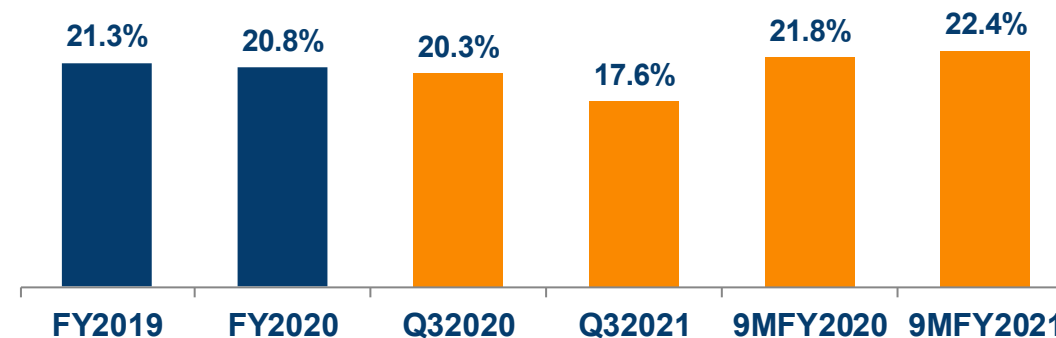
# Financial performance

₹ billion

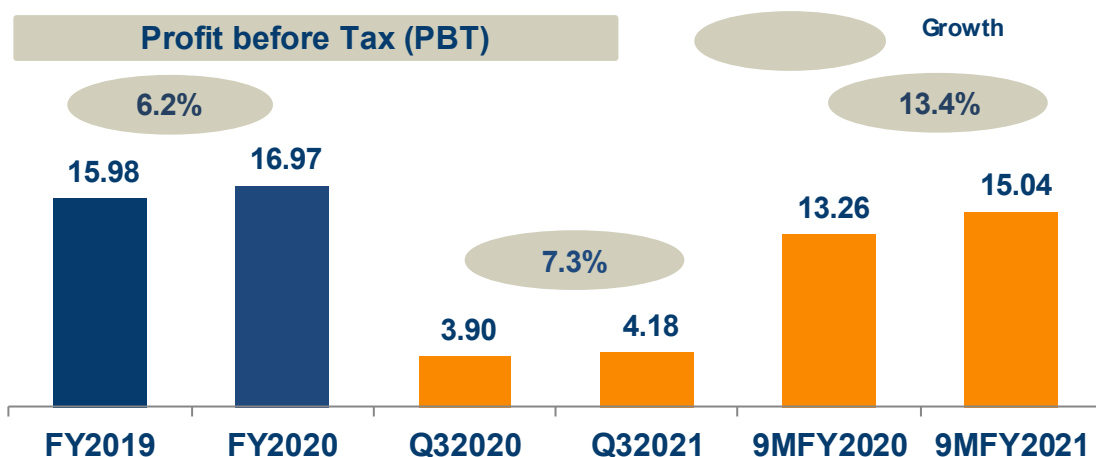
Combined ratio\* (%)



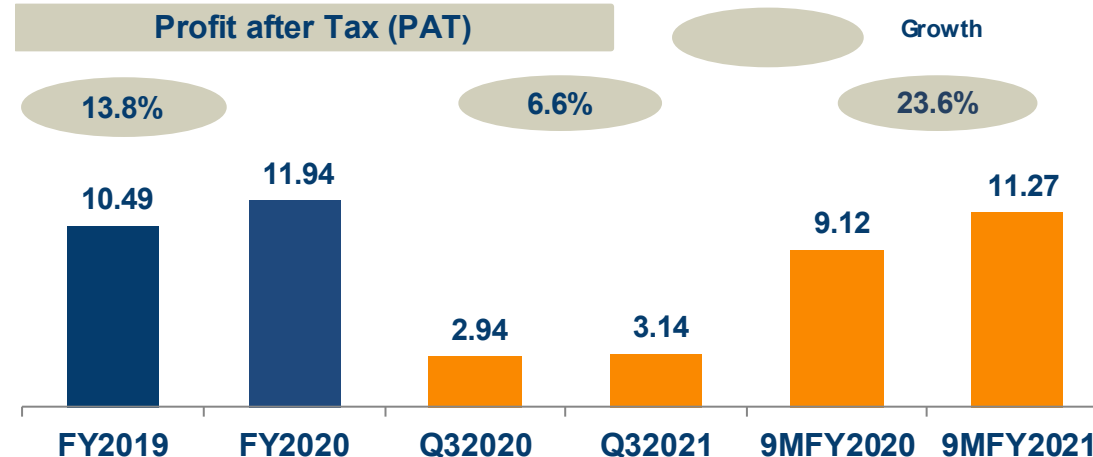
Return on average Equity (ROAE) (%)



Profit before Tax (PBT)



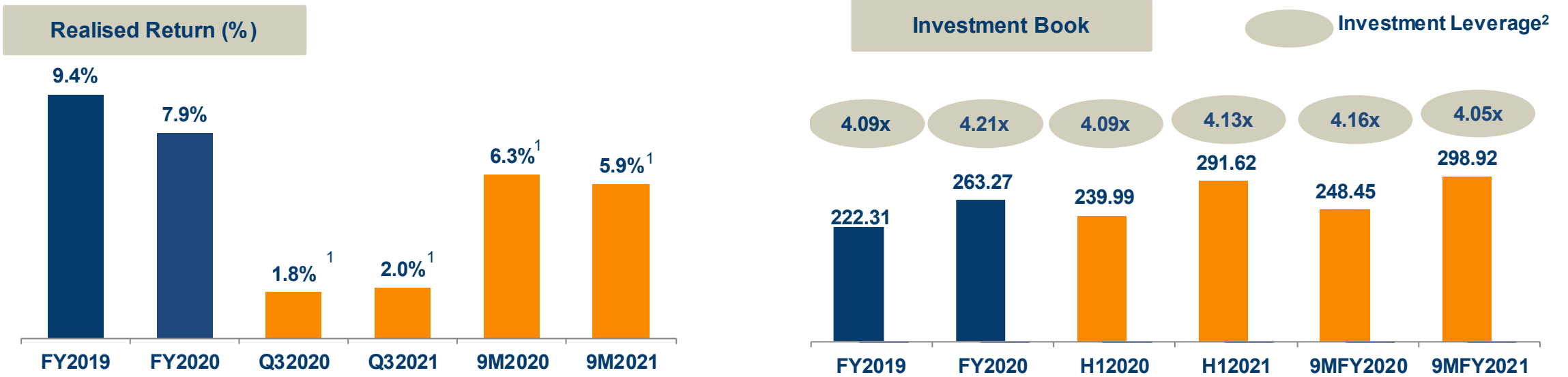
Profit after Tax (PAT)



- Excluding the impact of cyclone and flood losses Combined ratio for Q32021 & 9M2021 was 96.6% & 97.7% respectively, whereas for Q32020 & 9M2020 was 98.7% & 99.5% respectively
- Effective tax rate for 9M2021 & 9M2020 was 25.0% & 31.2% respectively.

# Robust Investment Performance

₹ billion



- Investment portfolio mix<sup>3</sup> for 9M2021 : Corporate bonds 43.4%, G-Sec 38.4% and equity 10.9%
- Strong investment leverage
- Unrealised gain of ₹ 19.06 billion as on December 31, 2020
  - Unrealised gain on equity<sup>4</sup> portfolio at ₹ 6.07 billion
  - Unrealised gain on other than equity<sup>4</sup> portfolio at ₹ 12.99 billion

<sup>1</sup> Absolute Returns

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

<sup>3</sup> Investment portfolio mix at cost

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

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- Company Strategy
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# Update- Scheme of Arrangement

## Regulatory Filings & Approvals

CCI approved the combination under sub section (1) section 31 of Competition Act 2002 on November 2, 2020

BSE Limited and NSE Limited, issued their 'No adverse observation/ No-objection', on the proposed scheme on November 2, 2020 and November 3, 2020 respectively

Received in-principle approval from IRDAI on November 27, 2020

Application filed before NCLT (Mumbai), for seeking directions for convening meeting of Equity shareholders and dispensation of creditors meeting with respect to Scheme of Arrangement, on December 3, 2020

NCLT (Mumbai) vide its order dated December 18, 2020 directed the Company, inter alia, to convene the meeting of its Equity Shareholders, to consider and approve the Scheme of arrangement and dispensed with the creditors meeting

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# Safeguarding environment



## An overarching Policy on Environment Management

### **Becoming energy efficient**

- Adapting methods to conserve energy and prevent emissions from time to time
- Installing energy efficient products to reduce energy consumption

### **Reduce, Reuse, and Recycle**

- Incorporating processes that promote reduction in use of paper
- Reusable glasses and plates
- Promoting recycling

### **Saving on water**

- Engaging in rainwater harvesting and groundwater recharging
- Implementing drip irrigation for gardens
- Installing sensor based water dispensers

### **Protecting the environment**

- Switching to bio-degradable alternatives
- Ecofriendly mode to procure water
- Taking green measures for communication
- Reducing carbon footprint by integrating digital tools for sourcing and servicing of customers

# Contributing the Social Way



## Addressing customer needs

- Providing best-in-class experience
- AI-based solutions and digital claim forms for instant renewals/claims
- Usage of cognitive computing to fasten claim processing and reducing overall response time
- Providing end to end digital solutions



## Creating value for employees

- Hiring from diverse skill sets
- Building capabilities in knowledge, skills and competencies
- Building an inclusive culture and an enabling environment to perform and grow
- Driving a performance culture through differentiation and linkage to rewards



## Enabling community awareness and development

- Aiming at community well-being with healthcare, road safety and wellness programs
- “Caring Hands” providing spectacles for children with poor vision
- “Ride to Safety” raising awareness for road safety
- “Niranjali” to educate children on safe drinking water

# Strong Governance



## Robust Structure

- Optimum mix of Executive/Non-Executive Directors as per Policy on Board Diversity
- Performance evaluation of Board, Committees, Chairperson, Individual Directors
- Succession plan in place for senior management positions
- ERM framework for managing key risks



## Code of conduct

- Conducting business with highest standards of compliance and ethics
- Zero tolerance approach towards Fraud
- Policies like Prohibition of Insider Trading, Anti-Money Laundering
- Encouraging to report concerns through Whistle Blower Policy



## Data privacy

- Detecting, preventing, mitigating cyber security issues
- Enforcing leading practices and controls through Cyber security Policy
- Focused approach to cyber security with the triad of Confidentiality, Integrity and Availability (CIA) at the core of the information security framework
- Training employees and distributors in effective data handling

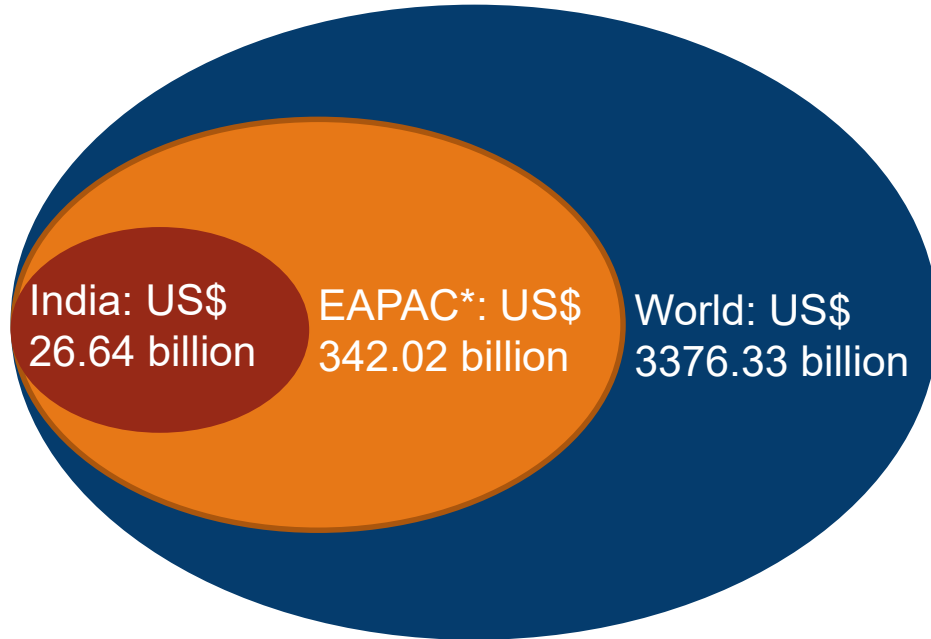
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# India Non - life Insurance Market - Large Addressable Market

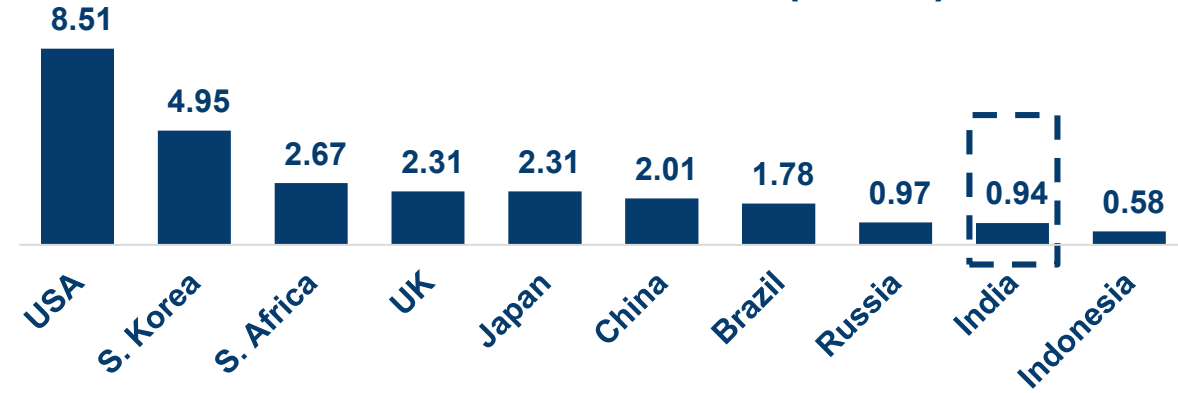
## Massive growth opportunity in non-life premiums



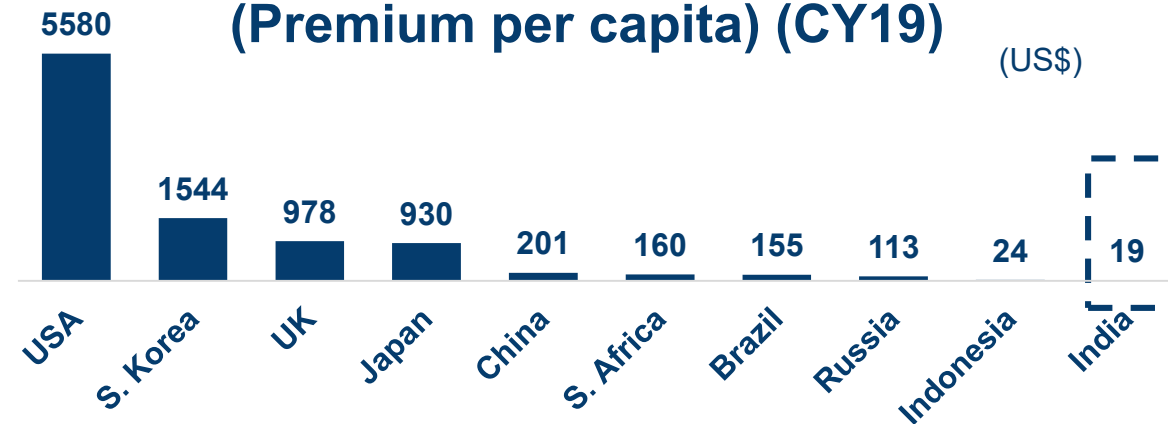
- 4th largest non-life insurance market in Asia and 15th largest globally
- Non-life Insurance penetration in India was around 1/4th of Global Average in 2019
- Operates under a “cash before cover” model

## Significantly underpenetrated

### Premium as a % of GDP (CY19) (US\$)

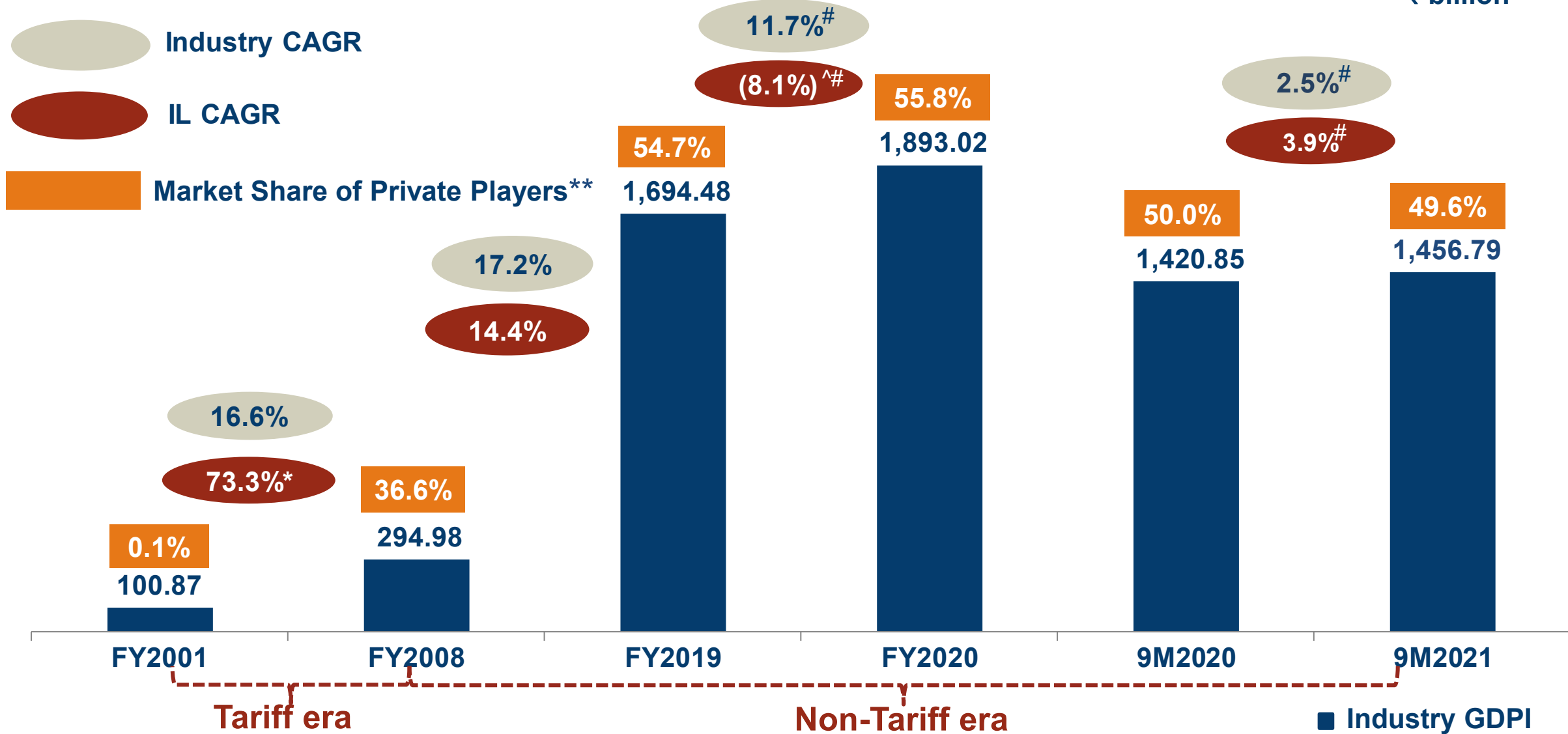


### Non-Life Insurance Density (Premium per capita) (CY19) (US\$)



# Industry has witnessed steady growth

₹ billion



**Tariff era**

**Non-Tariff era**

■ Industry GDP

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

\*IL CAGR FY2003 – FY2008

\*\*Excluding Standalone Health Insurers

^ Due to cautious approach on underwriting crop segment

#Growth





**Thank you**

# Annexure



# Loss Ratio

Particulars	FY2019	FY2020	Q32020	Q32021	9M2020	9M2021
Motor OD	59.2%	68.9%	68.8%	63.2%	69.6%	61.7%
Motor TP	90.8%	84.4%	81.8%	65.5%	86.3%	65.7%
Health, Travel & PA	73.5%	69.9%	69.6%	74.6%	69.6%	77.3%
Crop	106.5%	110.6%	110.4%	112.5%	111.3%	111.2%
Fire	83.2%	64.0%	50.1%	56.5%	67.8%	73.9%
Marine	84.0%	65.3%	68.2%	79.7%	64.3%	79.9%
Engineering	37.1%	40.7%	34.5%	37.6%	38.4%	65.6%
Other	55.2%	51.8%	55.6%	43.4%	52.1%	49.4%
<b>Total</b>	<b>75.3%</b>	<b>72.9%</b>	<b>71.7%</b>	<b>65.9%</b>	<b>73.8%</b>	<b>67.5%</b>

# Abbreviations:

**AI** - Artificial Intelligence

**AY** – Accident Year

**CAGR** – Compounded Annual Growth Rate

**CCI** – Competition Commission of India

**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

**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

**NCLT**- National Company Law Tribunal

**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

**SEBI** – Securities Exchange Board of India

**SOP**-Standard Operating Procedures

**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
Cyclone Amphan*	2020	1,000.00	15.00	4.8%
Maharashtra, Gujarat, Karnataka, Kerala & other states Floods	2019	709.70**	20.00	3.4%
Cyclone Fani	2019	120.00	12.25	2.5%
Kerala floods	2018	300.00	25.00	2.7%
Chennai floods	2015	150.00	49.40	7.5%
Cyclone Hudhud	2014	715.00	41.60	2.2%
J&K floods	2014	388.05	15.60	2.6%
North-east floods	2014	393.30	15.60	***

\* estimates based on market sources

\*\*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

Other sources : Google search & estimates

# 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					

# 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.