ICICI Lombard General Insurance Company Limited

Our Company was incorporated at Mumbai on October 30, 2000 as ICICI Lombard General Insurance Company Limited, a public limited company under the Companies Act, 1956, as amended. Our Company obtained the certificate of commencement of business on January 11, 2001 issued by the Registrar of Companies, Mumbai (the "**RoC**"). For details relating to change in the registered office of our Company, see "History and Certain Corporate Matters" on page 191.

Registered Office: ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai 400 025; **Tel**: (91 22) 6196 1100; **Fax**: (91 22) 6196 1323;
Corporate Office: 15th Floor, Tower B, Peninsula Business Park, Lower Parel, Mumbai 400013; **Tel**: (91 22) 6196 1100; **Fax**: (91 22) 6196 1323;
Contact Person: Vikas Mehra, Company Secretary and Compliance Officer
E-mail: investors@icicilombard.com; **Website**: https://www.icicilombard.com
Corporate Identity Number: U67200MH2000PLC129408
IRDAI Registration Number: 115 **Date of Registration**: August 3, 2001

OUR PROMOTER: ICICI BANK LIMITED

PUBLIC OFFER OF UP TO 86,247,187 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED (OUR "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, THROUGH AN OFFER FOR SALE OF UP TO 31,761,478 EQUITY SHARES BY ICICI BANK LIMITED ("ICICI BANK" OR THE "PROMOTER SELLING SHAREHOLDER") AND UP TO 54,485,709 EQUITY SHARES BY FAL CORPORATION ("FAL" OR THE "INVESTOR SELLING SHAREHOLDER" AND TOGETHER WITH THE PROMOTER SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS"), AGGREGATING UP To ₹ [●] MILLION ("OFFER"), INCLUDING A RESERVATION OF UP TO 4,312,359 EQUITY SHARES FOR PURCHASE BY ICICI BANK SHAREHOLDERS (AS DEFINED IN "DEFINITIONS AND ABBREVIATIONS") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING UP TO ₹ [●] MILLION ("ICICI BANK SHAREHOLDERS RESERVATION PORTION"). THE OFFER WOULD CONSTITUTE 19.00% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL AND THE NET OFFER SHALL CONSTITUTE 18.05% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS ("GCBRLMs") AND THE BOOK RUNNING LEAD MANAGERS ("BRLMs") AND WILL BE ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS, ALL EDITIONS OF JANSATTA AND MUMBAI EDITION OF NAVSHAKTI (WHICH ARE ENGLISH, HINDI AND MARATHI NEWSPAPERS, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE THE REGISTERED OFFICE OF OUR COMPANY IS LOCATED), EACH WITH WIDE CIRCULATION AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a press release, and also by indicating the change on the websites of the GCBRLMs and the BRLMs and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("**SCSBs**"), Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"). The Offer is being made in accordance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI Regulations**"), wherein not more than 50% of the Net Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**"), provided that our Company and the Selling Shareholders may, in consultation with the GCBRLMs and the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. All potential investors, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account which will be blocked by the SCSBs, to participate in this Offer. For details, see "Offer Procedure" on page 440.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times the face value of the Equity Shares and the Cap Price is [●] times the face value of the Equity Shares. The Offer Price (determined by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, as stated under "Basis for Offer Price" on page 117) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 22.

DISCLAIMER CLAUSE OF THE INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA ("IRDAI")

The IRDAI does not undertake any responsibility for the financial soundness of our Company or for the correctness of any of the statements made or opinions expressed in this connection. Any approval by the IRDAI under the IRDAI Issuance of Capital Regulations (as defined in "Definitions and Abbreviations") shall not in any manner be deemed to be or serve as a validation of the representations by our Company in the offer document. The Offer has not been recommended or approved by IRDAI, nor does IRDAI guarantee the accuracy or adequacy of the contents / information in this Red Herring Prospectus. It is to be distinctly understood that this Red Herring Prospectus should not in any way be deemed or construed to have been approved or vetted by IRDAI.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders severally and not jointly, accepts responsibility for the statements specifically made by such Selling Shareholder in this Red Herring Prospectus to the extent that the statements pertains to such Selling Shareholder and the respective portion of the Equity Shares offered by it in the Offer.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for listing of the Equity Shares pursuant to letter bearing number DCS/IPO/CS/IP/323/2017-18 dated July 27, 2017 and letter bearing number NSE/LIST/14252 dated July 28, 2017, respectively. For the purposes of the Offer, the Designated Stock Exchange shall be BSE Limited. A copy of this Red Herring Prospectus and the Prospectus shall be delivered for registration to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 490.

GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS

DSP Merrill Lynch Limited Ground Floor, A Wing, One BKC G Block, Bandra Kurla Complex Bandra (East) Mumbai 400 051 Tel: (91 22) 6632 8000 Fax: (91 22) 6776 2343 E-mail: dg.icicilombard_ipo@baml.com Investor grievance e-mail: dg.india_merchantbanking@baml.com Website: http://www.ml-india.com/ Contact person: Soham H. Bhattbhatt SEBI registration number: INM000011625	**ICICI Securities Limited*** ICICI Centre, H.T. Parekh Marg Churchgate Mumbai 400 020 Tel: (91 22) 2288 2460 Fax: (91 22) 2282 6580 E-mail: icicilombard.ipo@icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Website: www.icicisecurities.com Contact person: Prem D'cunha / Govind Khetan SEBI registration number: INM000011179	**IIFL Holdings Limited*** 10th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Tel: (91 22) 4646 4600 Fax: (91 22) 2493 1073 E-mail: icicilombard.ipo@iiflcap.com Investor grievance e-mail: ig.ib@iiflcap.com Website: www.iiflcap.com Contact person: Ankur Agarwal / Manali Jain SEBI registration number: INM000010940

BOOK RUNNING LEAD MANAGERS | **REGISTRAR TO THE OFFER**

CLSA India Private Limited 8/F Dalamal House Nariman Point Mumbai 400 021 Tel: (91 22) 6650 5050 Fax: (91 22) 2284 0271 E-mail: icicilombard.ipo@citicclsa.com Investor grievance e-mail: investor.helpdesk@clsa.com Website: www.india.clsa.com Contact person: Sarfaraz Agboatwala SEBI registration number: INM000010619	**Edelweiss Financial Services Limited** 14th Floor, Edelweiss House Off. C.S.T. Road, Kalina Mumbai 400 098 Tel: (91 22) 4009 4400 Fax: (91 22) 4086 3610 E-mail: icicilom.ipo@edelweissfin.com Investor grievance e-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact person: Nishita John/Pradeep Tewani SEBI registration number: INM0000010650	**JM Financial Institutional Securities Limited** 7th Floor, Cnergy Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Tel: (91 22) 6630 3030 Fax: (91 22) 6630 3330 E-mail: icicilombard.ipo@jmfl.com Investor grievance e-mail: grievance.ibd@jmfl.com Website: www.jmfl.com Contact person: Prachee Dhuri SEBI registration number: INM000010361	**Karvy Computershare Private Limited** Karvy Selenium Tower B, Plot 31-32 Gachibowli, Financial District Nanakramguda Hyderabad 500 032 Tel: (91 40) 6716 2222 Fax: (91 40) 2343 1551 E-mail: einward.ris@karvy.com Investor grievance e-mail: icicilombard.ipo@karvy.com Website: www.karisma.karvy.com Contact person: Mr. M. Murali Krishna SEBI registration number: INR000000221

BID/OFFER PROGRAMME

BID/OFFER OPENS ON**	September 15, 2017**
BID/OFFER CLOSES ON	September 19, 2017

** In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI Regulations, ICICI Securities Limited and IIFL Holdings Limited will be involved only in marketing of the Offer.*

***Our Company and the Selling Shareholders may, in consultation with the GCBRLMs and the BRLMs, consider participation by Anchor Investors in accordance with the SEBI Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meanings provided below. References to any legislation, act, regulation, rules, guidelines, policies, circulars, notifications or clarifications shall be to such legislation, act, regulation, rules, guidelines, policies, circulars, notifications or clarifications as amended.

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI Regulations, the Companies Act, the SCRA, the Depositories Act, the Insurance Act and the rules and regulations made thereunder, unless the context otherwise indicates or implies.

General Terms

Term	Description
our Company / the Company / we / us / our	ICICI Lombard General Insurance Company Limited, a company incorporated under the Companies Act, 1956 and having its registered office at ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai 400 025

Company Related Terms

Term	Description
Amended and Restated Joint Venture Agreement	The amended and restated joint venture agreement dated March 8, 2016 entered into among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company read with (i) the amendment agreement dated April 11, 2016 entered into among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company, and (ii) the termination agreement dated July 3, 2017 entered into among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company
AoA / Articles of Association	The articles of association of our Company, as amended
Appointed Actuary	The appointed actuary of our Company
Board / Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Class of Business	General insurance business
Corporate Office	The corporate office of our Company located at 15th Floor, Tower B, Peninsula Business Park, Lower Parel, Mumbai 400 013
CRISIL Report	Report titled “Analysis of general insurance industry in India” issued by CRISIL Research in August, 2017
Debenture Redemption Reserve / DRR	Reserve required to be created by companies issuing debentures to protect investors against the possibility of default by such company
Debentures	The unsecured, subordinated, fully paid-up, listed, redeemable, non-convertible debentures of our Company having face value of ₹ 10,00,000 each
Deed of Assignment	The deed of assignment executed on July 13, 2017 between Northbridge Financial Corporation and our Company
Director(s)	The director(s) of our Company
Equity Shares	The equity shares of our Company of face value of ₹10 each
ESOS Scheme	ICICI Lombard Employees Stock Option Scheme, 2005 of our Company (as amended from time to time)
Fairfax	Fairfax Financial Holdings Limited, a Canadian based holding company which, through its

Term	Description
	subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management
Group Companies	The companies which are covered under the applicable accounting standards and also other companies as considered material by our Board, as identified in "Our Group Companies" on page 221
ICICI Bank	ICICI Bank Limited, a company incorporated under the provisions of the Companies Act, 1956
ICICI Corporate Insurance Agency Agreement	The corporate insurance agency agreement dated April 1, 2016 entered into among our Company and ICICI Bank. Although our engagement with ICICI Bank does not provide for exclusive distribution of our products, currently, it exclusively distributes our non-life insurance products in India. The agreement entered into with ICICI Bank is valid until March 31, 2019
ICICI Group	ICICI Bank, its subsidiaries and associates
ICICI Trademark Licensing Agreement	The trademark licensing agreement dated July 6, 2017 entered into between ICICI Bank and our Company
Joint Auditors / Joint Statutory Auditors	Chaturvedi & Co, Chartered Accountants and PKF Sridhar & Santhanam LLP, Chartered Accountants
Key Management Personnel	The key management personnel of our Company in terms of the SEBI Regulations, the Companies Act, 2013 and the IRDAI Corporate Governance Guidelines and as identified in "Our Management" on page 206
MoA / Memorandum of Association	The memorandum of association of our Company, as amended
Original Joint Venture Agreement	The joint venture agreement dated October 4, 2000 entered into among ICICI Bank (then known as ICICI Limited), Fairfax, Lombard Canada Ltd., Lombard General Insurance Company of Canada, Lombard Insurance Company and Zenith Insurance Company read with the amendment agreement dated October 30, 2015 entered into among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company
Promoter	The promoter of our Company is ICICI Bank. For details, see "Our Promoter and Promoter Group" on page 215
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations. For details, see "Our Promoter and Promoter Group" on page 219
Registered Office	The registered office of our Company located at ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai 400 025
Restated Financial Statements	The financial information prepared by the management of our Company from its audited financial statements for Fiscals 2013, 2014, 2015, 2016, 2017, for the three months ended June 30, 2017 and for the three months ended June 30, 2016 (prepared in accordance with Indian GAAP and the IRDAI Preparation of Financial Statements Regulations) and examined by the Joint Auditors in accordance with the requirements of (a) Section 26(1)(b) of Chapter III of the Companies Act, 2013 read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014; (b) relevant provisions of the SEBI Regulations; and (c) relevant provisions of the IRDAI Issuance of Capital Regulations
RoC / Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Shareholders	The shareholders of our Company

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, the transfer of the respective portion of Equity Shares offered by each Selling Shareholder pursuant to the Offer to the successful Bidders

Term	Description
Allotment Advice	A note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations and this Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Anchor Investor Bid / Offer Period	One Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders to make Bids, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Bankers to the Offer	Escrow Collection Bank, Refund Bank and Public Offer Account Bank
Basic Earnings Per Share / Basic EPS	Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "Offer Procedure" on page 469
Bid	An indication to make an offer during the Bid / Offer Period by a Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid / Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI Regulations. The term "Bidding" shall be construed accordingly
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of the English national newspaper Financial Express, all editions of the Hindi national newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation

Term	Description
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of the English national newspaper Financial Express, all editions of the Hindi national newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation
Bid / Offer Period	Except in relation to any Bids received from Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●]
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e. Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	The book building process, as provided in Schedule XI of the SEBI Regulations, in terms of which the Offer is being made
BRLMs / Book Running Lead Managers	The book running lead managers to the Offer, being CLSA, Edelweiss and JM Financial
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN / Confirmation of Allocation Note	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, being ₹ [●] per Equity Share, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
CDP / Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
CLSA	CLSA India Private Limited
Cut-off Price	The Offer Price finalised by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs Only Retail Individual Bidders and ICICI Bank Shareholders Bidding under the ICICI Bank Shareholders Reservation Portion (subject to the Bid Amount being up to ₹ 200,000) are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Investors and ICICI Bank Shareholders applying for the Bid Amount above ₹ 200,000 under the ICICI Bank Shareholders Reservation Portion are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father / husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other

Term	Description
	website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC
Designated Intermediaries	The members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE Limited
DRHP / Draft Red Herring Prospectus	The draft red herring prospectus dated July 14, 2017 issued in accordance with the SEBI Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer together with the notice to investors dated August 22, 2017
DSPML	DSP Merrill Lynch Limited
Edelweiss	Edelweiss Financial Services Limited
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and this Red Herring Prospectus will constitute an invitation to purchase the Equity Shares
Escrow Account	The account opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NEFT / RTGS / direct credit in respect of the Bid Amount when submitting a Bid
Escrow Agreement	The escrow agreement dated September 5, 2017 entered into among our Company, the Selling Shareholders, the GCBRLMs, the BRLMs, the Registrar to the Offer and the Bankers to the Offer for *inter alia,* collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof
Escrow Collection Bank	A bank, which is a clearing member and registered with SEBI as a banker to an offer and with whom the Escrow Account has been opened, in this case being ICICI Bank
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, being ₹ [●] per Equity Share, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
GCBRLMs / Global Co-ordinators and Book Running Lead Managers	The global co-ordinators and book running lead managers to the Offer, being DSPML, I-Sec and IIFL
GID / General Information Document	The General Information Document prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI suitably modified and included in "Offer Procedure" on page 450
ICICI Bank Shareholders	Individuals and HUFs who are the public equity shareholders of ICICI Bank, our Promoter and one of our Group Companies, (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines and American Depository Receipt holders of ICICI Bank) as on the date of this Red Herring Prospectus
ICICI Bank Shareholders Reservation Portion	Reservation of up to 4,312,359 Equity Shares of the face value of ₹10 each aggregating to ₹ [●] million in favour of the ICICI Bank Shareholders

Term	Description
IIFL	IIFL Holdings Limited
Investor Selling Shareholder	FAL Corporation
I-Sec	ICICI Securities Limited
JM Financial	JM Financial Institutional Securities Limited
Maximum RIB Allottees	The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or 819,349 Equity Shares which shall be available for allocation to Mutual Funds only
Net Offer	The Offer less the ICICI Bank Shareholders Reservation Portion
NIIs / Non-Institutional Investors	All Bidders that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	Portion of the Net Offer being not less than 15% of the Net Offer or 12,290,225 Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India as defined under FEMA and includes NRIs, FVCIs and FPIs
Non-Resident Indians	A non-resident Indian as defined under the FEMA Regulations
Offer	The offer for sale of up to 86,247,187 Equity Shares by the Selling Shareholders at the Offer Price aggregating up to ₹ [●] million in terms of this Red Herring Prospectus. The Offer comprises the Net Offer and the ICICI Bank Shareholders Reservation Portion
Offer Agreement	The offer agreement dated July 14, 2017 entered into among our Company, the Selling Shareholders, the GCBRLMs and the BRLMs pursuant to which certain arrangements are agreed to in relation to the Offer
Offer Price	The final price at which the Equity Shares will be Allotted to ASBA Bidders in terms of this Red Herring Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, on the Pricing Date
Price Band	The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price), including any revisions thereof. The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, and will be advertised, at least five Working Days prior to the Bid / Offer Opening Date, in all editions of the English national newspaper Financial Express, all editions of the Hindi national newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, will finalise the Offer Price
Promoter Selling Shareholder	ICICI Bank
Prospectus	The prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI Regulations, containing, *inter alia*, the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information including any addenda or corrigenda thereto
Public Offer Account	The account opened, in accordance with Section 40 of the Companies Act, 2013, with the Public Offer Bank to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date
Public Offer Bank	The bank with whom the Public Offer Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts has been opened, in this case being ICICI Bank
QIB Portion / QIB Category	The portion of the Net Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer or 40,967,413 Equity Shares which shall be allocated to QIBs (including Anchor Investors)

Term	Description
QIBs / QIB Bidders / Qualified Institutional Buyers	The qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
Refund Account	The account opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank	ICICI Bank
Registered Brokers	The stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar to the Offer or Registrar	Karvy Computershare Private Limited
Retail Portion	The portion of the Net Offer being not less than 35% of the Net Offer or 28,677,190 Equity Shares which shall be available for allocation to RIBs in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s). QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
RHP / Red Herring Prospectus	This red herring prospectus dated September 6, 2017 issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI Regulations, which does not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto. This red herring prospectus has been registered with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
RIBs / Retail Individual Bidders	The individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs) and does not include NRIs (other than Eligible NRIs)
RTAs / Registrar and Share Transfer Agents	The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
SCSB(s) / Self Certified Syndicate Bank(s)	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time
Selling Shareholders	ICICI Bank and FAL
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement namely Karvy Computershare Private Limited
Share Escrow Agreement	The share escrow agreement dated September 5, 2017 entered into among our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat accounts of the Allottees
Specified Locations	The Bidding centres where the Syndicate shall accept Bid cum Application Forms
Syndicate / Members of the Syndicate	The GCBRLMs, the BRLMs and the Syndicate Members
Syndicate Agreement	The syndicate agreement dated September 5, 2017 entered into among our Company, the Selling Shareholders, the GCBRLMs, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Members	The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely India Infoline Limited, Edelweiss Securities Limited and JM Financial Services Limited
Underwriters	[●]

Term	Description
Underwriting Agreement	The underwriting agreement to be entered into among our Company, the Selling Shareholders and the Underwriters on or after the Pricing Date, but prior to filing the Prospectus with the RoC
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such
Working Day	All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; (b) Bid/Offer Period, "Working Day" shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

Technical / Insurance Industry related Terms / Abbreviations

Term	Description
Accident Year / AY	AY is the fiscal year in which a claim event occurred (regardless of when the claim was reported or the loss was recorded)
Accretion of discount / amortisation of premium	Premium/ discount refers to the price paid for a bond as against the par value of the bond. This discount or premium is spread over the remaining life of the bond and is called accretion or amortisation, respectively
Acquisition Cost	Costs that vary with, and are primarily related to, the acquisition of new, and renewal of insurance contracts. These include, amongst others, commissions and policy issue expenses
Adjuster/Surveyor	An independent professional appointed by an insurer which seeks to determine the extent of its liability with respect to a claim that is submitted
Agent tied to an insurance company	An agent of an insurance company who receives or agrees to receive payment by way of commission or other remuneration in consideration of his soliciting or procuring insurance business related to the issuance, continuance, renewal or revival of insurance policies
All risk insurance policy	A type of insurance policy that covers a broad range of risks, including risks that are not explicitly excluded in the policy contract
Allocated Loss Adjustment Expenses / ALAE	Claim-related expenses that are directly attributable to a specific claim
Available Solvency Margin / ASM	Available solvency margin means the excess of value of assets of an insurance company over the value of its liabilities, with certain further prescribed adjustments by the IRDAI
Broker	A licensed person/firm who arranges insurance contracts with insurance companies and/ or reinsurance companies on behalf of his clients for remuneration
Cashless facility	A facility extended by an insurance company to the insured where the payments of the costs of treatment/repair availed by the insured in accordance with the policy terms and conditions are directly made to the network provider by the insurance company
Certificate of registration	Certificate granted by the IRDAI under the IRDA (Registration of Indian Insurance Companies) Regulations, 2000, registering an insurance company to transact the classes of business specified therein
Claim Incurred (net)	Claim incurred (net) are gross incurred claims less all claims recovered from reinsurers related to those gross incurred claims. The gross claims incurred comprise of claims paid, settlement costs, wherever applicable and change in the outstanding provision for claims at the period end
Claim Reserves	The reserves in respect of the claims which have already occurred. It is determined as the aggregate of outstanding claim reserves and incurred but not reported claim reserves
Combined ratio	The combined ratio is a measure of profitability of a non-life insurance company's underwriting business. The combined ratio is the sum of the loss ratio and the net expense ratio
Corporate agent	Any entity, as prescribed by the IRDAI, that holds a valid certificate of registration for solicitation and servicing any of life, general and health insurance business
Cover	An insurance contract whether in the form of a policy or a cover note or a certificate of insurance or any other form as approved by IRDAI to evidence the existence of an insurance contract

Term	Description
Crop cutting experiment / CCE	A crop cutting experiment is a physical harvest of sampled plots to estimate the crop yields of a location. The sampled plots are identified by the agricultural statistics department of a state using a stratified random survey method
Directors and Officers Liability	Directors and Officers liability coverage protects directors or officers of a corporation from liability arising out of the performance of their professional duties on behalf of the corporation
Dividend Cover	A measure of the ability of an insurance company to pay its dividend. It is calculated as operating profit after tax divided by the total dividend paid for a particular financial year
Excess of loss reinsurance (also known as non-proportional reinsurance)	A type of reinsurance transaction pursuant to which the reinsurer, subject to a specified limit, indemnifies the ceding insurer against the amount of loss in excess of a specified retention amount
Expenses of Management	All expenses in the nature of operating expenses including commission, brokerage and remuneration to the insurance agents, intermediaries and insurance intermediaries which are charged to the revenue account, but does not include the charges against profits such as income tax and wealth tax and other taxes like service tax borne by the insurer and other charges which are levied against the profit, as defined in the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting life insurance business) Regulations, 2016
Expenses ratio	Expenses ratio means operating expenses related to insurance business divided by net written premium
Facultative Reinsurance	Reinsurance transacted and negotiated on an individual risk basis. The ceding insurer has the option to offer the individual risk to the reinsurer and the reinsurer retains the right to accept or reject the risk
Fair value change account	Unrealised gains/ losses arising due to changes in the fair value of listed equity shares and mutual funds
First notice of loss / FNOL	The initial report made to an insurer following a loss, theft, or damage of an insured asset. The FNOL is normally the first step in the processing of a claim
Gross Direct Premium Income (GDPI)	Gross Direct Premium Income is the total premium received before taking into account reinsurance assumed and ceded
Gross Written Premium / GWP	Gross Written Premium is the sum of GDPI and reinsurance inward premium accepted
Incurred but not enough reported/ IBNER	IBNER is a reserve reflecting expected changes (increases and decreases) in the estimates of reported claims as on the accounting date
Incurred But Not Reported Claim Reserves / IBNR	Includes IBNER, estimate for reopened claims, provision for incurred but not reported claims, provision for claims in transit as on the accounting date and ALAE
Indian Motor Third Party Insurance Pool / IMTPIP	The IMTPIP was a multilateral arrangement for insurance set up by the IRDAI in respect of third-party claims against commercial vehicles, the losses or gains from which were shared by all Indian non-life insurance companies in proportion to their overall market share. The IMTPIP was effective from April 1, 2007 to March 31, 2012
Indian Motor Third-party Declined Risk Pool / IMTPDRP	The IMTPDRP was an arrangement for insurance, set up by the IRDAI, in respect of standalone third-party claims against commercial vehicles that insurers "declined" to keep on their books. The losses or gains from such pool were shared by Indian non-life insurance companies that failed to meet a certain quota of third-party insurance policies underwritten. The IMTPDRP was effective from April 1, 2012 to March 31, 2016
Inland Marine	Coverage for property that may be in transit, held by a bailee, at a fixed location, or a movable good that is often at different locations
Insurance underwriting	The process by which an insurance company examines risk and determines whether the insurer will accept the risk or not, classifies those accepted and determines the appropriate rate for coverage provided
Intermediary	Entities like insurance brokers, re-insurance brokers, insurance consultants, individual/corporate agents, third-party administrators, surveyors, loss assessors and any other entities as may be specified by the IRDAI for undertaking insurance related activities
Investment Income	Investment income will include, income taken to revenue account and profit and loss account (interest, profit/loss on sale, accretion of discount, amortization of premium, dividend earned during the period) and taken to financial statements pertaining to all the securities held under that category during that period
Investment leverage	Investment leverage is the ratio of total investment assets (net of borrowings) to net worth.
I-Partner	An information technology platform extended to intermediaries, more specifically agents for booking insurance policies
Kharif	Kharif refers to the season which lasts from April to October and the crops that are cultivated and harvested in such season

Term	Description
Loss ratio	Loss ratio is the ratio of claims incurred (net) to NEP
Loss Reserves	Loss reserves are the reserves (or provision) for outstanding claims, IBNR and IBNER
Modified National Agricultural Insurance Scheme / MNAIS	The Modified National Agriculture Insurance Scheme was functioning as a component of National Crop Insurance Programme (NCIP). This scheme provides insurance coverage and financial support to the farmers in the event of failure of crops and subsequent low crop yield
Monoline insurer	A monoline insurer is a non-life insurer having a license to carry out a specific line of business. Eg: health insurance including travel and personal accident insurance or agriculture/crop insurance
Net earned premiums / NEP	Net written premium adjusted by the change in unexpired risk reserve for the period
Net expense ratio	Net expense ratio is the ratio of the sum of operating expenses related to insurance business and commission paid (net) to the NWP
Net Promoter Score / NPS	The Net Promoter Score is an index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. It is used as a proxy for gauging the customer's overall satisfaction with a company's product or service and customers' loyalty to the brand. Surveyed customers are asked to rate the company on a scale of 0-10 in terms of how likely they are to recommend the company to others. Respondents are grouped as follows: Promoters – Those who give a rating of 9-10 Passives – Those who give a rating of 7-8 Detractors - Those who give a rating of 0-6 NPS = % Promoters - % Detractors
Net worth	Net worth represents the shareholders' funds and is computed as sum of share capital, reserves and surplus, net of miscellaneous expenditure and debit balance in the profit and loss account
Net written premium / NWP	GWP less premium on reinsurance ceded
Non-Life insurance density	The ratio of overall GDPI in the non-life insurance industry to the population of a country
Non-life insurance penetration	Overall GDPI in the non-life insurance industry as a percentage of gross domestic product of a country
Non-Life Insurance Penetration	Non-life Insurance penetration refers to GDPI as a percentage of Gross Domestic Product of India
Obligatory cession	The portion of risk that Indian non-life insurance companies are required by law to cede to General Insurance Corporation of India (GIC Re).
Outstanding Claim Reserves / OS Reserves	The provision made in respect of all outstanding reported claims as on the accounting date. OS Reserves include ALAE
Over-the-counter (OTC) products	Pre-defined products with standardized price, terms and conditions offered to customers
Place of Business	A regional office, a zonal office, a divisional office, branch office or any subordinate office or any other office by whatever name called set up within India or a 'representative or a liaison office of Indian insurers' or a 'foreign branch office of Indian insurer' set up outside India by the insurers registered in India
Policyholders' Funds	The policyholders funds shall be the sum of (a) estimated liability for outstanding claims including incurred but not reported and incurred but not enough reported (b) unexpired risk reserve ("**URR**") (c) catastrophe reserve (d) premium deficiency (e) other liabilities net off other assets. "Other liabilities" comprise of (i) premium received in advance (ii) unallocated premium (iii) balance due to other insurance companies (iv) due to others members of third party pool ("**IMTPIP**"), if applicable and (v) Sundry creditors (due to policyholders). Other assets comprise of (i) outstanding premium (ii) due from other entities carrying on insurance business including re-insurers (iii) balance with terrorism pool (if applicable) and (iv) balance with motor third party pool, if any (if applicable)
Portability	The right accorded to an individual health insurance policyholder (including family cover), to transfer the credit gained for pre-existing conditions and time bound exclusions, from one insurer to another or from one plan to another plan of the same insurer
Pradhan Mantri Fasal Bima Yojana / PMFBY	A Government of India programme under which the central and state governments subsidise the purchase of yield-based crop insurance for farmers. The PMFBY was

Term	Description
	launched in April 2016 and covers food crops, oilseeds and commercial and horticultural crops
Premium Deficiency Reserve	The reserve held in excess of the unearned premium reserve, which allows for any expectation that the unearned premium reserve will be insufficient to cover the cost of claims and related expenses incurred during the period of unexpired risk
Premium ceded	Premium on reinsurance ceded is the premium in relation to the risk that we cede to our reinsurers
Probable Maximum Loss (PML)	The maximum loss that an insurer would be expected to incur on a policy. The probable maximum loss represents an internal determination of the worst-case scenario for an insurer
Proportional reinsurance	A type of reinsurance transaction pursuant to which the reinsurer and the ceding insurer share a defined percentage of the premiums and liabilities of certain underlying insurance. The reinsurer also typically pays the ceding reinsurer a commission
Rabi	Rabi refers to the season which typically lasts from mid-November to April/May and the crops that are cultivated and harvested in such season
Rashtriya Swasthya Bima Yojana / RSBY	A Government of India programme under which the central and state governments provide health insurance to low income households and certain defined categories of unorganised workers
Reinsurance	Reinsurance is a transaction whereby one company, the reinsurer, agrees to indemnify another insurance company, the reinsured against all or part of the loss that the latter sustains under a policy or policies that it has issued, in return for a premium
Reinsurance ceded/accepted	Reinsurance means an insurance contract between one insurance company (cedant) and another insurance company (reinsurer) to indemnify against losses on one or more contracts issued by the cedant in exchange for consideration. The consideration paid/ received is termed as reinsurance ceded/accepted. The intent of reinsurance is for an insurance company to reduce the risks associated with underwritten policies by spreading risks across alternative institutions
Reserving Triangle	A table showing development of estimated ultimate loss amount and the corresponding outstanding reserves for each accident year over the subsequent periodic valuations
Retained risk	The amount of liability for which an insurance company will remain responsible after accounting for its reinsurance arrangements
Retention limit	The maximum amount of risk retained by an insurer, beyond which the insurer cedes the risk to reinsurers
Retrocession	Retrocession is the ceding of reinsurance accepted to another reinsurer
Rider	The add-on benefits which are in addition to the benefits under a basic policy
RSM / Required Solvency Margin	Shall be the higher of the amounts of RSM 1 and RSM 2 for each line of business ("**LOB**") separately. RSM 1 means required solvency margin based on net premiums, and shall be determined as 20% of the amount which is the higher of (a) the gross premiums multiplied by a factor specified for each LOB and (b) the net premiums. RSM 2 means required solvency margin based on net incurred claims and shall be determined as 30% of the amount which is the higher of (a) the gross incurred claims multiplied by a factor specified for each LOB and (b) the net incurred claims
S&P or equivalent international rating	A rating from S&P or the S&P rating that corresponds to the rating from A.M. Best, Fitch or Moody's in the following table:

S&P	Fitch	Moody's	A.M. Best
AAA	AAA	Aaa	A++
AA+	AA+	Aa1	
AA	AA	Aa2	A+
AA-	AA-	Aa3	
A+	A+	A1	
A	A	A2	A
A-	A-	A3	A-
BBB+	BBB+	Baa1	B++
BBB	BBB	Baa2	
BBB-	BBB-	Baa3	
BB+	BB+	Ba1	

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<tr><th>Term</th><th>Description</th></tr>
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<tr><td>BB</td><td>BB</td><td>Ba2</td><td>B+</td></tr>
<tr><td>BB-</td><td>BB-</td><td>Ba3</td><td></td></tr>
<tr><td>B+</td><td>B+</td><td>B1</td><td>B</td></tr>
<tr><td>B</td><td>B</td><td>B2</td><td>B-</td></tr>
<tr><td>B-</td><td>B-</td><td>B3</td><td></td></tr>
<tr><td>CCC+</td><td>CCC</td><td>Caa</td><td>C++</td></tr>
<tr><td>CCC</td><td>DD</td><td>Ca</td><td>C+</td></tr>
<tr><td>CCC-</td><td>SR</td><td>C</td><td></td></tr>
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<tr><td>Salvage</td><td>Value recoverable from sale of scrap/recovered material arising from claim</td></tr>
<tr><td>Shareholders’ Funds</td><td>Shareholders’ funds comprise of share capital plus all reserves and surplus (except revaluation reserve and fair value change account) as at the balance sheet date, represented by investments of funds held in business beyond solvency margin</td></tr>
<tr><td>Solvency Ratio (Solvency)</td><td>The ratio of available solvency margin to the required solvency margin</td></tr>
<tr><td>Technical reserves</td><td>Technical reserves means reserve for unexpired risks plus premium deficiency reserve plus reserve for outstanding claims (including IBNR and IBNER)</td></tr>
<tr><td>Third Party Administrators / TPA</td><td>A company registered with IRDAI, and engaged by an insurer, for a fee or remuneration, by whatever name called and as may be mentioned in the agreement, for providing health services as mentioned under the Insurance Regulatory and Development Authority of India (Third Party Administrators - Health Services) Regulations, 2016</td></tr>
<tr><td>Third-party loss / TP loss</td><td>A loss suffered by a person(s) other than the insured or insurer who has incurred losses or is entitled to receive payment due to acts or omissions of the insured</td></tr>
<tr><td>Treaty</td><td>A reinsurance contract in which a reinsurance company agrees to accept all of a particular type of risk from the ceding insurance company. Reinsurers in a treaty contract are obliged to accept all risks outlined in the contract</td></tr>
<tr><td>Underwriting Balance Ratio</td><td>Computed as underwriting profit or loss divided by net premium for the respective class of business</td></tr>
<tr><td>Underwriting Results</td><td>Underwriting profit or loss which is computed as net premium earned less net claims incurred less net commission less operating expenses related to insurance business</td></tr>
<tr><td>Unearned Premium Reserve / UPR</td><td>An amount representing that part of the premium written which is attributable and to be allocated to the succeeding accounting periods</td></tr>
<tr><td>Unexpired Risk Reserve / URR</td><td>Reserves in respect of the liabilities for unexpired risks and determined as the aggregate of unearned premium reserve and premium deficiency reserve</td></tr>
<tr><td>Weather Based Crop Insurance Scheme (WBCIS)</td><td>Weather Based Crop Insurance Scheme is an index based insurance cover which aims to mitigate the hardship of the insured farmers against the likelihood of financial loss by providing protection against variation in specified weather indices such as rainfall, humidity, temperature etc. or a combination of these factors</td></tr>
</table>

Conventional and General Terms / Abbreviations

Term	Description
₹ / Rs./ Rupees/ INR	Indian Rupees
AGM	Annual general meeting
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS / Accounting Standards	The Accounting Standards issued by the Institute of Chartered Accountants of India
Bn / bn	Billion
BSE	BSE Limited
CAGR	Compounded annual growth rate
Category I Foreign Portfolio Investors	The FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Foreign Portfolio	The FPIs who are registered as “Category II foreign portfolio investors” under the SEBI

Term	Description
Investors	FPI Regulations
Category III Foreign Portfolio Investors	The FPIs who are registered as "Category III foreign portfolio investors" under the SEBI FPI Regulations
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act	The Companies Act, 2013 and Companies Act, 1956, as applicable
Companies Act, 1956	The Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made thereunder
Competition Act	The Competition Act, 2002
CrPC	The Code of Criminal Procedure, 1973
Debenture Trustees Regulations	Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director identification number
DIPP	The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
DP / Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository participant identification
EGM	Extraordinary general meeting
EPS	Earnings per share
Erstwhile OCB / Overseas Corporate Body	A company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty percent by NRIs and includes overseas trust in which not less than 60% beneficial interest is held by NRIs directly or indirectly but irrevocably and which was in existence on the date of commencement of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the relevant regulations issued under FEMA
ESOP	Employee stock options
FDI	Foreign direct investment
FDI Policy	The Consolidated Foreign Direct Investment Policy notified by the DIPP under D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017
FEMA	The Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
Financial Year / Fiscal / FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIR	First information report
Foreign Investment Rules	The Indian Insurance Companies (Foreign Investment) Rules, 2015
FPI(s)	The foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General anti-avoidance rules
GDP	Gross domestic product
GIC Re	General Insurance Corporation of India is the national reinsurer wholly owned by the

Term	Description
	Government of India.
GoI or Government	Government of India
GST	Goods and services tax
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
Income Tax Act	The Income-tax Act, 1961
Ind AS	Indian Accounting Standards
India	Republic of India
Indian GAAP	Generally accepted accounting principles in India
Insurance Act	The Insurance Act, 1938
IPC	The Indian Penal Code, 1860
IPO	Initial public offering
IRDA Act	The Insurance Regulatory and Development Authority Act, 1999
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Control Guidelines	The guidelines on “Indian owned and controlled” issued by the IRDAI on October 19, 2015
IRDAI Corporate Governance Guidelines	The Corporate Governance Guidelines for Insurers in India, 2016 issued by IRDAI
IRDAI Expenses of Management Regulations	The Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016
IRDAI Investment Regulations	The Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
IRDAI Issuance of Capital Regulations	The Insurance Regulatory and Development Authority of India (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015
IRDAI Preparation of Financial Statements Regulations	The Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002
IRDAI Registration of Corporate Agents Regulations	The Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015
IRDAI Transfer of Equity Shares Regulations	The Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulations, 2015
IST	Indian Standard Time
IT	Information technology
Listed Indian Insurance Companies Guidelines	The Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016
Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
MAT	Minimum alternate tax
Mn / mn	Million
Mutual Fund(s)	The mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. / NA	Not applicable
NAV	Net asset value
NEFT	National Electronic Fund Transfer

Term	Description
Negotiable Instruments Act	The Negotiable Instruments Act, 1881
NR	Non-resident
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price / earnings ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
RoNW	Profit after tax for the period divided by the net worth as at the period end
RTGS	Real time gross settlement
SCRA	The Securities Contracts (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
SICA	Erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
U.S. / US / USA / United States	United States of America
U.S. Securities Act	U.S. Securities Act, 1933
UK	United Kingdom
US GAAP	Generally accepted accounting principles in the United States of America
USD / US$	United States Dollars
VAT	Value-added tax
VCFs	The venture capital funds as defined in and registered with SEBI under the SEBI VCF Regulations

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to "India" in this Red Herring Prospectus are to the Republic of India and all references to the "U.S.", "US", "USA" or "United States" are to the United States of America and all references to the "U.K." or "UK" are to the United Kingdom.

Unless stated otherwise, all references to page numbers in this Red Herring Prospectus are to the page numbers of this Red Herring Prospectus.

Financial Data

Unless stated otherwise, the financial information in this Red Herring Prospectus is derived from our Restated Financial Statements as of, for the three months ended June 30, 2017 and for the three months ended June 30, 2016 and Fiscals ended March 31, 2017, 2016, 2015, 2014 and 2013. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder and restated under the SEBI Regulations.

In this Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal for all amounts in ₹ billion and one or two decimal in case of ₹ million (as appropriate). All percentage figures have been rounded off to one or two decimal (as appropriate) place except certain elements like investment yield and financial ratios which are rounded off to second decimal place and accordingly there may be consequential changes in this Red Herring Prospectus. Further, percentage figures are computed on basis of figures denominated in ₹ million.

Our Company's financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. References in this Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles and auditing standards has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and investors should consult their own advisors regarding such differences and their impact on our Company's financial data. See "Risk Factors" on page 59 for risks involving differences between Indian GAAP and other accounting principles and auditing standards and risks in relation to Ind AS. The degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Indian GAAP, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, the Companies Act, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder, the SEBI Regulations and practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. See "Risk Factors - Risks Relating to the Indian Insurance Industry - Our financial statements and the presentation of our performance metrics differ significantly from those of non-insurance companies and may be difficult to understand or interpret" on page 57.

In accordance with the IRDAI Issuance of Capital Regulations, our Company has obtained a certificate dated September 1, 2017 from the Joint Auditors in relation to (i) the liabilities being determined in the manner prescribed under the Insurance Regulatory and Development Authority (Assets, Liabilities and Solvency Margins of Insurers) Regulations, 2000 and the Insurance Regulatory and Development Authority of India (Assets, Liabilities, and Solvency Margin of General Insurance business) Regulations, 2016, as applicable and such liabilities being fair and reasonable, and (ii) the liabilities include the incurred but not reported (IBNR) and the incurred but not enough reported (IBNER) reserves as determined by the appointed actuary of our Company in accordance with the applicable IRDAI regulations.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 22, 151 and 324, respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

Currency and Units of Presentation

All references to:

- "Rupees" or "₹" or "INR" or "Rs." or "Re" are to Indian Rupee, the official currency of the Republic of India; and
- "USD" or "US$" are to United States Dollar, the official currency of the United States.

Except otherwise specified, our Company has presented certain numerical information in this Red Herring Prospectus in "million", "billion" and "trillion" units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

Exchange Rates

This Red Herring Prospectus contains conversion of certain other currency amounts into Rupees that have been presented solely to comply with the SEBI Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, details with respect to the exchange rate between the Rupee and other currencies:

(*in* ₹)

Currency	As on June 30, 2017	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015	As on March 31, 2014	As on March 31, 2013
1 US$*	64.74	64.84	66.33	62.59	60.10(1)	54.39(2)

* *Source: RBI reference rate*

(1) *Exchange rate as on March 28, 2014, as RBI reference rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.*

(2) *Exchange rate as on March 28, 2013, as RBI reference rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively.*

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from publicly available information as well as various industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this Red Herring Prospectus is reliable, it has not been independently verified by us, our Directors, our Promoter, the Selling Shareholders or the GCBRLMs or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. Accordingly, investment decisions should not be based solely on such information. For details of risks in relation to the CRISIL Report (which has been commissioned by us for the purposes of this Red Herring Prospectus), see "Risk Factors – Risks Relating to our Business - This Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research" on page 49.

CRISIL Research, a division of CRISIL Limited ("CRISIL") has taken due care and caution in preparing this report ("Report") based on the information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of this Report. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. ICICI Lombard General Insurance Company Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL Research operates independently of, and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Ltd ("CRIS"), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval.

Definitions

For definitions, see "Definitions and Abbreviations" on page 3. In "Main Provisions of Articles of Association" on page 480, defined terms have the meaning given to such terms in the Articles of Association. In "Statement of Tax Benefits" on page 119, defined terms have the meaning given to such terms in the Statement of Tax Benefits. In "Financial Statements" on page 233, defined terms have the meaning given to such terms in the Financial Statements.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue", "seek to" or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans, prospects or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our Company's exposure to market risks, general economic and political conditions in India which have an impact on our Company's business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and other changes in our industry. Certain important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- failure to maintain our market position, sustain our growth, develop new products or target new markets;
- termination of, or any adverse change to, our relationships with motor vehicle manufacturers and distributors, bank partners, or their performance;
- termination of, or any adverse change to, our ability to attract or retain agents, both corporate and individual, and key sales employees;
- reliance on a limited number of insurance products for most of our GDPI and profitability;
- modification and/or change in laws or regulations, governmental, political or other changes may restrict or limit the sale or marketing of insurance products, changes in customer affiliation or preference towards non-life insurance, or failure to maintain the right portfolio mix of profitable products;
- decline in investment yield;
- any adverse change in reinsurance arrangements;
- changes in the regulatory environment in which we operate or change in regulations; and
- adverse financial market and economic conditions in India.

For further discussion on factors that could cause the actual results to differ from the expectations, see "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 22, 151 and 324, respectively. By their nature, certain market risk related disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectation reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoter, the Selling Shareholders, the GCBRLMs, the BRLMs nor any of their respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI Regulations, our Company, will ensure that investors in India are informed of material developments from the date of this Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholders will ensure that investors are informed of material developments in relation to statements and undertakings made by the Selling Shareholders in this Red Herring Prospectus until the time of grant of listing and trading permission by the Stock Exchanges.

SECTION II: RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, or the industry and segments in which we currently operate in India. In addition, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If anyone or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to extensive regulatory environments that may differ significantly from one jurisdiction to another. In making an investment decision, prospective investors must rely on their own examinations of us and the terms of the Offer, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. For further details, see "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 151 and 324, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. If our business, results of operations or financial condition suffers, the price of the Equity Shares and the value of your investments therein could decline.

This Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Red Herring Prospectus. For further details, see "Forward-Looking Statements" on page 21.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.

<u>INTERNAL RISKS</u>

RISKS RELATING TO OUR BUSINESS

1. ***Our loss reserves are based on estimates as to future claims liabilities and if they prove inadequate, it could lead to further reserve additions and materially adversely affect our results of operations.***

   We are required to establish a liability in our accounts for the unpaid portion of ultimate costs (including loss adjustment expenses) of claims that have been 'incurred but not reported' (IBNR) and 'incurred but not enough reported' (IBNER) as at the end of each reporting period.

   There are several possible methods for the determination of this ultimate cost. The method most appropriate in a particular case will depend on the nature of the business and the claims development pattern. The provisions for IBNR and IBNER are calculated separately for each year of occurrence and are aggregated to arrive at the total amount to be provided, by line of business. Our methodology is consistent with regulatory guidelines, which do not permit discounting of reserves or negative provisions for any particular year of occurrence.

   The process of establishing the liability for unpaid losses and loss adjustment expenses is complex, as it takes into consideration many variables that are subject to the outcome of future events. Reserves do not represent an exact calculation of liability. Reserves represent estimates, generally involving actuarial projections at a given time, of what we expect the ultimate settlement of claims will cost. Estimates are based on assessments of known facts and circumstances, assumptions related to the ultimate cost to settle such claims, estimates of future trends in claims severity and frequency, changing judicial pronouncements, and other factors. These variables are affected by both internal and external events, including changes in claims handling procedures, economic inflation, unpredictability of court decisions, risks inherent in major litigation and legislative changes. Many of these items may not be directly quantifiable particularly on a prospective basis. As a result, informed subjective estimates and judgments about our ultimate exposure to losses are an integral component of our loss reserving process. Significant reporting lags may exist between the occurrence of an insured event and the time it is actually reported. We adjust our reserve estimates regularly as experience develops and further claims are reported and settled.

   Due to the inherent uncertainty in estimating reserves for losses and loss adjustment expenses, we cannot give any guarantee that the ultimate liability will not exceed amounts reserved. If our estimated reserves turn out to be inadequate, it could have a material and adverse effect on our financial condition and results of operations.

A significant proportion of our reserves are for motor third-party liability, which tend to involve longer periods of time for the reporting and settlement of claims. This may increase the inherent risk and uncertainty associated with our loss reserve estimates.

One of the significant factors involved in estimating future claims liability is the effect of inflation on claims. The anticipated effect of inflation is implicitly considered when estimating liabilities for unpaid losses and loss adjustment expenses. Estimates of the ultimate value of all unpaid losses are based in part on the development of average paid losses, which reflects inflation. Inflation is also reflected in the case estimates established on reported open claims, which, when combined with paid losses, form another basis for the derivation of estimates of reserves for all unpaid losses. We also consider specific factors that may impact losses, such as changing trends in medical costs, minimum wages and other economic indicators, and changes in legislation and social attitudes that may affect the decision to file a claim or the magnitude of court awards. There is no precise method for subsequently evaluating the adequacy of the consideration given to inflation, since claim settlements are affected by many factors.

As a result of all the above, our loss reserves may not be adequate to meet our future claim liabilities, which could require us to make provisions for additional reserves and materially adversely affect our financial condition and results of operations.

2. Catastrophic events, including natural disasters, could materially increase our liabilities for claims by policyholders, result in losses in our investment portfolios, and have a material adverse effect on our business, financial condition and results of operations.

Our fire, engineering, crop/weather, motor and health insurance businesses expose us to risks of liabilities for insurance claim payments relating to catastrophic events, which are covered by our insurance. Catastrophes can be caused by various natural hazards, including earthquakes, typhoons, floods, drought, windstorms, hailstorms, severe weather and forest fires. Catastrophes may also be man-made, such as terrorist attacks, explosions and industrial or engineering accidents. Certain catastrophes are covered by our insurance, *i.e.*, insurable catastrophes. In addition, our health insurance business is exposed to the risk of catastrophes such as a pandemic or other event that causes a large number of hospitalizations. Neither the likelihood, timing, nor the severity of a future catastrophe/pandemic can be predicted. For example, in fiscal 2016, the city of Chennai and the surrounding region experienced severe floods, leading to increased claims in the region.

Catastrophes could also result in losses in our investment portfolios, due to, among others, the failure of our counterparties to perform their obligations or significant volatility or disruption in the financial markets, and could in turn have a material adverse effect on our business, financial condition, results of operations and prospects. We have experienced, and are likely to in the future experience, losses related to catastrophic events that could materially reduce our revenues and net income. The extent of our losses from catastrophes is a function of their frequency and severity.

The frequency and severity of catastrophes covered by our insurance are inherently unpredictable. Although we establish reserves after an assessment of potential losses relating to catastrophes covered by our insurance that have taken place, we cannot assure you that such reserves would be sufficient to pay for all related claims.

In addition, although we enter into catastrophic reinsurance arrangements to reduce our catastrophe loss exposure, due to limitations in the underwriting capacity and terms and conditions of the reinsurance market as well as inherent difficulties in assessing our exposure to catastrophes, such reinsurance may not be sufficient to adequately cover our losses.

We purchase reinsurance coverage based on probable maximum loss (PML) amounts which are calculated internally based on our experience and are lower than the sum assured, for each policy we write. If our estimates of PML are incorrect and/or if there is a loss in excess of the corresponding PML amount, we would have inadequate reinsurance coverage and may suffer outsized losses.

In addition, we may be unable to purchase a reinstatement for catastrophic reinsurance at reasonable prices in a hardening reinsurance market, or at all, after the occurrences of severe catastrophes, which would expose us to losses in case of future catastrophes in the same policy period. Also, we may be unable to obtain adequate reinsurance in future years for multi-year products that we offer. If we do not have adequate reinsurance coverage and a catastrophe occurs, it could have a material adverse effect on our business.

Certain emerging claim areas, like business interruption and cyber security, also may not have adequate reinsurance available. Catastrophic losses in such areas could materially and adversely affect our financial condition and results of operations.

As a result of all of risks mentioned above, if catastrophic events covered by our insurance occur with greater frequency and severity than has historically been the case, or multiple catastrophic events occur in a year, claims arising therefrom could materially reduce our profits and cash flows and materially and adversely affect our financial condition and results of operations.

3. ***We, some of our Directors, our Promoter and certain Group Companies are involved in certain legal and other proceedings.***

We, some of our Directors, our Promoter and certain Group Companies are currently involved in a number of legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters and actions by regulatory/statutory authorities against us and our Directors, our Promoter and Group Companies as on the date of this Red Herring Prospectus have been set out below. Further, the summary of the outstanding matters also includes (i) other outstanding matters pending as on the date of this Red Herring Prospectus against ICICI Bank, where the amount involved exceeds ₹ 5,094.0 million and Group Companies (other than ICICI Bank) where the amount involved exceeds ₹ 311.0 million, (ii) other outstanding matters pending against us as on the date of this Red Herring Prospectus where the amount involved exceeds ₹ 311.0 million, and (iii) all outstanding litigation involving our Directors as on the date of this Red Herring Prospectus where an adverse outcome could materially and adversely affect our business, operations, financial position or reputation.

Litigation involving us:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters against the company	24	-
Civil Matters	1	223.2
Direct tax matters	5	230.2
Indirect tax matters	18	4,374.5
Action by regulatory/ statutory authorities	5	6.5
Writ petitions filed by the company	7	-
Writ peitions filed against the company	72	5.8
Restraining and debarment order	2	145.2
Labour cases	3	20.0
Public Interest Litigation	8	0
Ombudsman Awards	12	0.9
Other matters exceeding ₹ 311.0 million	7	8,894.9
FIR filed by the Company	107	-

Litigation involving our Directors:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	36	-
Civil matters	1	20.0
Direct tax matters	-	-
Indirect tax matters	-	-

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Action by regulatory/ statutory authorities	37	-
Other matters	-	-

Litigation involving our Promoter:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	15	-
Direct tax matters	123	37,628.5
Indirect tax matters	249	6,265.6
Actions taken by regulatory/statutory authorities	31	24.18
Other matters exceeding ₹ 5,094.0 million	7	56,091

Litigation involving I-Sec:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	2	0.61
Direct tax matters	21	1,420.0
Indirect tax matters	11	273.0
Action by regulatory/ statutory authorities	9	-
Other matters exceeding ₹ 311.0 million	-	-

Litigation involving ICICI Prudential Life Insurance Company Limited:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters (including matters against senior management)	82	-
Direct tax matters	11	13,852.2
Indirect tax matters	26	10,720.3
Action by regulatory / statutory authorities	12	14.57
Other matters exceeding ₹ 311.0 million	-	-

Litigation involving ICICI Securities Primary Dealership Limited:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	-	-
Direct tax matters	-	-
Indirect tax matters	1	0.64
Action by regulatory/ statutory authorities	19	0.5
Other matters exceeding ₹ 311.0 million	-	-

Litigation involving ICICI Prudential Asset Management Company Limited:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	-	-
Direct tax matters	2	95.3
Indirect tax matters	3	8.8
Action by regulatory/ statutory authorities	15	-
Other matters exceeding ₹ 311.0 million	-	-

Litigation involving ICICI Venture Funds Management Company Limited:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	2	-
Direct tax matters	1	24
Indirect tax matters	4	255.8
Action by regulatory/ statutory authorities	-	-
Other matters exceeding ₹ 311.0 million	1	USD 103.6 million

Litigation involving ICICI Home Finance Company Limited:

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	2	-
Direct tax matters	6	3,839

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Indirect tax matters	3	490.8
Action by regulatory/ statutory authorities	-	-
Other matters exceeding ₹ 311.0 million	-	-

Litigation involving ICICI Prudential Pension Funds Management Company Limited

Nature of the cases	No. of cases outstanding	Amount involved (₹ in millions)
Criminal matters	-	-
Direct tax matters	1	0.05
Indirect tax matters	-	-
Action by regulatory/ statutory authorities	-	-
Other matters exceeding ₹ 311.0 million	-	-

Note: The amounts indicated above (wherever quantifiable) are approximate amounts.

Additionally, we are often subjected to policyholders' complaints and lawsuits, including criminal complaints against us and our employees as well as public interest litigations. Such lawsuits are costly to defend against and can materially affect our financial condition, even if we are successful in defending them or effectively redress such complaints. Such lawsuits include proceedings as part of the claims process wherein, in the event of an unfavourable outcome, our ultimate liability may be significantly high, especially in respect of claims made under our motor third-party liability product, which subject us to unlimited liability. See "—Regulation of motor insurance, changes in demand for motor vehicles and any change in the regulatory framework of motor insurance in India could have a material adverse effect on our business, financial condition, results of operations and prospects" on page 36. We are also involved in disagreements with government agencies including a dispute with the government of Bihar in connection with our participation in the Weather Based Crop Insurance Schemes ("**WBCIS**"). If we are unsuccessful in defending these suits or settling these complaints or disputes, we may have to pay significant damages or receive lesser premium after adjustment of any penalties imposed. Even if we are successful in defending them, our reputation could be materially harmed. We are also exposed to the risk of complaints and/or litigation being filed by customers, which may result in adverse publicity or direct financial losses due to actual or purported breaches of promise or wrongful denial of claims. We cannot provide any assurance that such complaints or suits will be decided in our favour. In addition, even if we are successful in defending such cases, we will be subject to legal and other costs relating to such litigation and complaints, and such costs could be substantial. Further, we can give no assurances that similar proceedings or complaints will not be initiated in the future. If any of the above scenarios were to occur, they could materially and adversely affect our business, results of operations, financial condition, prospects and our reputation. Further, even if we take steps to maintain an effective grievance redressal system, in relation to our policyholders complaints, denial and repudiation of claims, and fraud by our employees and agents, we may not be able to effectively redress such complaints in a timely manner, which could adversely affect our results of operations, financial condition, prospects and reputation.

We have a practice of providing for the possible liability that may accrue upon adjudication of litigations initiated against us, on the basis of legal opinions received from our lawyers/advocates conducting/handling the litigation on our behalf. The opinions so rendered are based on the best judgement of such lawyers/advocates, which may differ from our actual liability upon adjudication of the litigations. Further, there may be litigations against us that we are unaware of and hence, have not been provided for by us.

In determining our provisions for income taxes and our accounting for tax-related matters in general, we are required to exercise judgment. We regularly make estimates where the ultimate tax determination is uncertain. From time to time we may become subject to tax audits, tax litigation or similar proceedings, the result of which may be materially different from that reflected in our financial statements. The assessment of additional taxes, interest and penalties in connection with such proceedings could be materially adverse to our current and future results of operations and financial condition.

For further details, see "Outstanding Litigation and Material Developments" from page 356. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against us or our Directors, our Promoter or Group Companies, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

4. ***If we do not meet solvency ratio requirements, we could be subject to regulatory actions and could be forced to stop transacting any new business or change our business strategy or slow down our growth.***

Under the Insurance Act, every insurer is required to maintain (at all times) an excess of value of assets over the amount of liabilities of, not less than 50% of the amount of minimum capital as prescribed therein. IRDAI further specifies a level of solvency margin known as control level of solvency on the breach of which IRDAI is authorized to take action as prescribed therein (including requiring such insurer to submit a financial plan to IRDAI, indicating a plan of action to correct the deficiency within a specified period not exceeding six months). The control level of solvency specified by IRDAI is the minimum solvency ratio of 1.50x.

If our share capital and profit do not continue to support the growth of our business in the future, or if the statutorily required solvency margin increases, or if our financial condition or results of operations deteriorate, or for other reasons we cannot comply with the statutory solvency ratio requirements, we may need to raise additional capital in order to meet such requirements.

Our ability to obtain additional capital from external sources in the future is subject to a variety of uncertainties, including but not limited to, our future financial condition, results of operations, cash flow, government regulatory approvals, changes in regulations relating to capital raising activities, our credit rating, general market conditions for capital raising activities, and other economic and political conditions in and outside India.

Also, we may not be able to obtain additional capital in a timely manner or on acceptable terms or at all. Failure by us to meet the solvency ratio requirements may have a material adverse effect on our business, financial condition, results of operations and prospects, including leading to a risk of default of interest payment on our Debentures as the IRDAI may not permit us to make interest payments on such Debentures if the solvency ratio is below the control level of solvency.

Our solvency regime is different from those of other countries. Therefore our solvency ratio might not be comparable to that of insurance companies in other countries with which an investor in the Equity Shares might be familiar.

Our capital requirement is determined through the framework prescribed in IRDAI's Asset Liability and Solvency Margin Regulations 2016 (the "**ALSM Regulation**"). As per the Insurance Act (Amendment) 2015, insurance companies licensed to operate in India are required to maintain a control level of solvency at all times. The solvency margin is determined by dividing available solvency margin by required solvency margin.

The present framework of determination is a factor-based approach with factors and computational methodology prescribed in the ALSM Regulation.

However internationally, there is a concerted movement by regulators to move away from a factor-based approach to a risk-based approach for the determination of an insurance company's capital. Any such shift by the IRDAI to adopt a risk-based approach, could potentially affect our capital requirements and consequently our capital position, which in turn could lead to the need for a capital infusion. We cannot assure you that we will be able to obtain such capital infusion on terms we consider fair, or at all, and the failure to obtain such capital infusion can lead to the curtailment of our operations.

5. ***We are involved in insuring assets and other works of the government or participating in government-sponsored insurance programmes and the government or its agencies have in the past and may in the future initiate investigations /enquiries and/or issue prohibitory orders against us, which could materially adversely affect our business, financial condition, results of operations and cash flow.***

In the course of our business, we are party to contracts with the central / state governments and participate in various government undertakings such as government-sponsored mass insurance programmes. In all such insurance programmes, the government or its agencies may initiate investigations/enquiries against any insurer as a consequence of complaints and/or allegations of any irregularity or performance of such insurer, and as a result, the government or its agencies may prohibit the insurer from participating in such government contracts partially or fully. In the past there have been three such prohibitory orders against us:

- pursuant to an enquiry by the Central Bureau of Investigation against our Company, the Ministry of Textiles, Office of the Development Commissioner (Handicrafts) through letter dated February 15, 2014, has debarred our Company from participating in any schemes implemented by the Development Commissioner (Handicrafts) until further notice. Since our participation was based on government requests for tenders and the Ministry of Textiles, Office of the Development Commissioner (Handicrafts) has not issued any further tender requests with respect to the insurance programmes, since the debarment, we believe that there has not been an immediate financial impact from the restraining order;

- the State of Kerala through letters dated September 19, 2016 and September 29, 2016, which debarred us from bidding under the RSBY programme for a period of one year. In fiscal 2017, a policy issued under the RSBY programme for the State of Kerala accounted for 1.7% of our GDPI. The State of Kerala has also imposed a penalty of ₹ 145.2 million through the abovementioned letters towards not meeting the performance criteria as prescribed in the tender conditions. We have preferred an appeal with the National Grievance Redressal Committee constituted under the scheme, against the imposition of such penalty; and

- the decision of the government of Bihar not to allow us to participate in the tender process in the PMFBY programme for Kharif 2017 season, owing to the dispute with respect to settlement of claims under the WBCIS programme for Kharif 2013 season. However, in this matter, the High Court of Patna through an order dated July 5, 2017 has allowed us to file a bid within a week of the date of this order. The Government of Bihar had directed us to pay additional claims amounting to ₹ 1,007.4 million pursuant to the different standards of weather adversity calculations. Further, the Government of Bihar has approached the Collector's office and initiated a recovery notice of ₹ 1,007.4 million in February 2016 under Section 7 of the Public Demands Recovery Act, 1914. Consequently, we have filed a writ of certiorari before the High Court of Patna in July 2016 and the High Court has stayed the recovery proceedings relating to the additional amount claimed by Government of Bihar. The matter is currently pending in the High Court of Patna.

Further, from public sources, it has come to our knowledge that the Comptroller and Auditor General of India ("**CAG**") has submitted a Report on Performance Audit Report of Agriculture Crop Insurance Schemes for the period between fiscal 2012 and fiscal 2016 to the Parliament of India on July 21, 2017 ("**CAG Report**"). The CAG Report includes certain observations with respect to the implementation of agriculture crop schemes by, among others, several non-life insurers including our Company. The observations in the CAG Report pertaining to us include, among others, allegations of purported activities relating to the non-refund of certain premiums to non-loanee farmers in the state of Rajasthan, the wrongful evaluation by the Agriculture Department of state of Rajasthan of certain of our bids, the failure to perform any work despite selection by the state of Haryana, and the non-receipt of certain claim amounts from us by certain banks in the state of Haryana**.** Although the CAG Report was submitted for discussion purposes to the Parliament of India and no governmental investigations or prohibitory orders have been initiated or ordered against us, we can give no assurances that the government or its agencies will not initiate such action in the future.

For details in relation to the prohibitory orders described above that remain outstanding, see "Outstanding Litigation and Material Developments" from page 365. As long as we are involved in insuring assets and other works of the government or participating in government-sponsored insurance programmes, we are exposed to such prohibitory, debarment or restraining orders either for limited period or permanently as well as audits and investigations by governmental agencies such as CAG. Any such adverse orders or governmental audits or investigations could materially adversely affect our business, financial condition, results of operations and cash flow.

6. A significant portion of our business comes from working with the government which subjects us to risks which could result in litigation, penalties and sanctions including early termination, suspension and removal from the approved panel of insurers.

In fiscal 2017 and the three months ended June 30, 2017, 22.1% and 22.5% of our GDPI was derived from central and state government contracts/programmes, respectively, in relation to crop/weather, mass health and mass personal accident insurance. These contracts/programmes present a number of risks, including:

- delayed or non-payment of obligations by the central and state governments, due to funding issues or otherwise, which in certain cases have resulted in significant delays in payment;

- changes to government policies or regulations;

- risks inherent to government tenders such as lower pricing, long tender process and uncapped damages;

- investigations by various law enforcement agencies upon allegations of misconduct or irregularities;

- the ability of competitors to protest tender awards;

- civil and criminal actions and penalties, including regulatory sanctions, due to non-adherence to the terms of the contract;

- termination of contracts, forfeiture of profits, suspension of payments, fines and removal from the approved panel of insurers due to non-adherence to terms of the contract;

- complaints and other legal proceedings filed by beneficiaries of such government programmes;

- increased damage to reputation and possible active involvement of civic representatives, including on account of repudiation of claims, due to publicity of such contracts/programmes by media;

- any penal action effected in one product/jurisdiction may affect or have consequences on other products/jurisdictions; and

- restrictions on bidding for future tenders.

An adverse decision against us in any of these proceedings may result in additional litigation which may have a material adverse effect on us.

As of June 30, 2017, the outstanding premium receivable for a period greater than three years from the central or state governments was ₹ 1.76 billion, out of which ₹ 1.09 billion and ₹ 0.36 billion pertain to the states of Bihar and Uttar Pradesh, respectively. If the premium is not received from these state governments, we may be required to make provisions on account of non-receipt of such receivables in our books. The outstanding receivable from the government of Uttar Pradesh pertains to the RSBY programme implemented by us in fiscal 2013 and 2014. We (and some other insurers) are in dispute with the government of Uttar Pradesh in connection with the quantification and qualification of enrolment of some of the beneficiaries of the programme. The government of Uttar Pradesh has withheld ₹ 0.36 billion in premium payments to us on account of this dispute. We (along with the other insurers) have filed an appeal with the State Grievance Redressal Committee of the government of Uttar Pradesh in accordance with the terms of the tender.

Any of the above could materially adversely affect our business, financial condition, results of operations and cash flow.

7. There are certain risks related to our crop/weather insurance offering that could have a material adverse effect on our business, financial condition, results of operations and prospects.

In fiscal 2015, 2016, 2017 and the three months ended June 30, 2017, we derived 4.1%, 7.3%, 20.1% and 21.8%, respectively, of our GDPI from crop/weather insurance products. We offer crop/weather insurance primarily under the PMFBY and the Restructured Weather Based Crop Insurance Scheme (the "**RWBCIS**") programmes. We face certain risks in connection with our crop/weather insurance offering, which could have a material adverse effect on our business, financial condition, results of operations and prospects. These include:

- *Reduction in government support.* The crop/weather insurance market has grown in the recent past on account of significant subsidies from the central and state governments pursuant to the introduction of PMFBY. If the government reduces its support for the programme, the market for crop/weather insurance will likely shrink accordingly.

- *Reputation risk*. The PMFBY, as a widespread government programme, is highly publicised, intensely scrutinized and receives significant media attention. Any dispute, accusation or litigation against us, even if we are legally in the right, could lead to significant negative publicity and hurt our reputation and brand. For example, as per the terms of the programme, our liability with respect to the risk does not commence until we receive the government's share of the premium, even if the farmer pays their share of the premium. Repudiation of any claim made prior to receipt of such government share of the premium may still lead to negative publicity. Furthermore, the Government of India has recently heightened its scrutiny of its programmes on a retrospective basis and any failure to respond or satisfy regulatory questions or requests for information or other demands could lead to negative publicity or even penal actions.

- *Tender-based award*. The PMFBY insurance contracts are typically awarded on a tender basis by the states. As such, we are unable to control the number and geographical spreads of the business that we receive due to the nature of the tender process. This subjects us to concentration risk and increased risk of losses in case of adverse weather conditions/catastrophes. In addition, competitors may contest tender awards making the process more expensive. The government may also restrain us from bidding for the tender due to any reason.

- *Selection and pricing risk*. While we have been active in the crop/weather insurance segment since fiscal 2006, we have had a significant increase in business over the past three fiscal years. Since it is a relatively new market at a substantial level, we have a limited data set to substantiate our assumptions based on which we bid for a tender, which increases selection and pricing risk. If we misprice the risk or are unable to select better risks to underwrite, we may suffer significantly higher claims.

- *Reinsurance risk*. We obtain a major portion of our crop/weather reinsurance from General Insurance Corporation of India ("**GIC Re**"), which is generally unavailable at suitable prices from other reinsurers. In addition to the traditional risks with reinsurance, we face an increased amount of credit risk due to the concentration of our reinsurance with one entity. Further, certain PMFBY tenders are for tenures longer than one year. In such cases, we run the risk of having to agree to insure the crops without having reinsurance guaranteed for future years.

- *Non-payment/delay in payment*. A major portion of the premium received pursuant to PMFBY policies are borne by the central and state governments. While the PMFBY guidelines provide for the early settlement of such premium upon receipt of invoices by the government, in practice, there have been delays in payment of such premiums. In addition, there is a risk of non-payment of such receivables in the case of a dispute between us and the government.

- *Penalties for not adhering to contractual terms*. We may be subject to civil and criminal actions, penalties, regulatory sanctions, termination of contracts, forfeiture of profits, suspension of payments, and removal from the approved panel of insurers in case of an assertion from the government that we did not adhere to the terms of the contract.

- *Potential for higher claims and disputes*. Claims are determined by yield data in crop cutting experiments (CCE). We are unable to monitor every CCE to confirm underwritten risks and if the CCE are not conducted as prescribed by the government, or if CCE data is inaccurately captured or incomplete, it can lead to higher claims and disputes. Additionally, in accordance with the PMFBY programme, the claim assessment is carried out by government officials and we are only allowed to act as co-observers.

- *Compliance issues*. Since most of the purchasers of insurance under the PMFBY are borrowers of regional or rural banks, we have to necessarily rely on such banks for know your customer ("**KYC**") requirements. The internal controls and standards of such banks are not uniform and we may end up providing insurance to parties we would not otherwise work with.

- *Fraud risk*. We may face fraud in the form of incorrect enrolment of a beneficiary who does not qualify for the government subsidy, fraud by collusion of intermediaries, and laxity of diligence by banks when they issue loans which are linked to such crop/weather insurance.

- *Political risks*. PMFBY and RWBCIS are social welfare programmes involving a sizeable number of farmers. The involvement and activism of local civic representatives, especially in the claims process, cannot be ruled out and could impact the level of claims payments.

- *Tax risks*. The PMFBY and RWBCIS programmes are exempted from erstwhile service tax and the GST. Since such programmes are exempted from taxation, we are required to disallow certain indirect tax credits in relation to our crop/weather insurance business. Any growth in our crop/weather insurance segment in the future is likely to reduce the tax credits available to us which would impact the profitability.

8. Our business, financial condition, results of operations and prospects may be materially and adversely affected if we are not able to maintain our market position, sustain our growth, develop new products or target new markets.

We design and distribute a range of insurance products, including motor, health, crop/weather, marine, liability, fire and engineering. Our ability to design and distribute appropriate products to our target customer segments through our multiple distribution channels on a timely basis affects our performance. Our capital requirements, pricing assumptions, level of reserves and profitability vary from product to product. Hence, changes in the product mix for new business may impact the results of our operations.

We are focused on certain products to maintain our growth and improve our profitability. If we fail to increase or maintain the proportion of certain profitable products in our portfolio, if we are unable to maintain the profitability of such products, or if we are unable to maintain our overall levels of growth, our market position, results of operations and profitability may be adversely affected.

We have experienced significant growth in the number of policies sold and GDPI. We were the largest private sector non-life insurer in India, based on GDPI of ₹ 107.25 billion in fiscal 2017. For details, see "Industry Overview" from page 127. For the three months ended June 30, 2017, our GDPI was ₹ 33.21 billion. The Indian non-life insurance sector is highly competitive, price sensitive and may be subject to consolidation. As a result of consolidation, competitors may emerge that are larger in scale and/or have other competitive advantages. We may not be able to sustain our growth in light of competitive pressure or other factors.

Our growth also depends on our ability to develop new products and product add-ons/extensions, expanding in target markets and consumer segments with the perspective of growing market share and profitability. There may be scenarios wherein the newly launched products may not generate anticipated returns from the market or may have negative impact on the returns and may be withdrawn. Business models may not succeed in the market and technological and other costs incurred towards automating and developing new customer-friendly interfaces may not yield desired results.

Expansion in new markets could also lead to a change in existing risk exposures, and the data and models we use to manage such exposures may not be as sophisticated or effective as those we use in existing markets or with existing products. This, in turn, could lead to losses in excess of our expectations.

Any slowdown in our growth, whether in absolute terms or relative to trends in the non-life insurance industry in India, could adversely affect our market share. Any of these events could materially and adversely affect our business, financial condition, results of operations and prospects.

9. Our reliance on motor vehicle manufacturers and ICICI Bank and other key distribution partners subjects us to a concentration risk, and the termination of, or any adverse change to, our relationships with motor vehicle manufacturers and ICICI Bank and such other key distribution partners, or their performance, may have a material adverse effect on our business, financial condition, results of operations and prospects.

A significant proportion of our GDPI is derived from sales to the customers of agents/intermediaries affiliated with motor vehicle manufacturers ("**MVMs**"). For instance, a broker representing the leading car manufacturer, accounted for 8.5%, 8.8%, 8.1% and 7.3% of our GDPI in fiscal 2015, 2016, 2017, and the three months ended June 30, 2017 respectively. Similarly, a corporate agent representing the leading two wheeler manufacturer, accounted for 7.9%, 7.5%, 5.9% and 5.0% of our GDPI in fiscal 2015, 2016, 2017 and the three months ended June 30, 2017 respectively. The agreement entered into with this corporate agent is valid until March 31, 2019. Our agreement with them can be terminated by either party after a notice period of ninety days.

Any disruption/termination of such relationships could substantially reduce our GDPI and our future growth opportunities.

We also have bank partner relationships with various banks, including ICICI Bank, which is a key distribution partner for our products. ICICI Bank accounted for 7.2%, 6.5%, 6.0% and 5.3% of our GDPI in fiscal 2015, 2016, 2017, and the three months ended June 30, 2017 respectively. Although our engagement with ICICI Bank does not provide for exclusive distribution of our products, currently, it exclusively distributes our non-life insurance products in India. The agreement entered into with ICICI Bank is valid until March 31, 2019. Our agreement with ICICI Bank can be terminated by either party after a notice period of two weeks.

Under the IRDAI Registration of Corporate Agents Regulations (i) a corporate agent (general) is permitted to have arrangements with a maximum of three general insurers to solicit, procure and service their insurance products; such corporate agents are permitted to solicit, procure and service retail lines of non-life insurance products and commercial lines of such insurers having a total sum insured not exceeding ₹ 50.0 million per risk for all insurances combined, and (ii) a corporate agent (health) is permitted to have arrangements with a maximum of three health insurers to solicit, procure and service their insurance products. Accordingly, ICICI Bank may act as a corporate agent of our competitors. Any disruption in relationships with our bank partners through termination or otherwise including any change in the exclusivity with ICICI Bank (such as ICICI Bank deciding, as is permitted under its agreement with us and relevant Indian regulators, to distribute the products of other non-life or health insurers) could substantially reduce our GDPI and our future growth opportunities. Furthermore, a lack of experienced representatives at branches of our bank partners could significantly reduce our product sales.

We also rely on brokers for sales to corporate customers along with reliance on customers of agents/intermediaries affiliated with MVMs and our bank partners. Similar to corporate agents, the brokers we work with also work with our other competitors. The share of business that such brokers allocate to us depends upon the strength of our relationship with them and the appeal of our products amongst the customers of such brokers. If we fail to sustain and reinforce our relationship with such brokers, maintain the competitiveness of our products or establish relationships with and obtain new business from new brokers, our business, profitability, results of operations and prospects could be adversely impacted.

In addition, as the market becomes increasingly competitive, agents/intermediaries affiliated with MVMs, brokers or corporate agents could demand higher commission rates (although within the prescribed limits), which would increase our costs of sales and materially reduce our profitability. MVMs might also form their own insurance subsidiaries for purposes of directly providing motor insurance products to their customers, resulting in less reliance on our products and a decline in our motor insurance segment. The banks which distribute our insurance products are subject to banking supervision and regulation in India, while we are subject to insurance supervision and regulation. Regulatory changes affecting the relationship with our distribution partners or the distribution of insurance products could materially affect our relationship and arrangements with these bank partners, brokers or agents or restrict our ability to further expand such arrangements. For more details on the commissions payable, see "Regulations and Policies" on page 184 and 185.

Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

10. Any termination of, or any adverse change to, our ability to attract or retain our agents, both corporate and individual, and key sales employees, could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition to the distribution partners mentioned in the preceding risk factor we also distribute our products through other corporate agents, individual agents, brokers and dedicated sales professionals (collectively, "**Key Sales Resources**"). We compete with other insurance companies and similar financial institutions to attract and retain such Key Sales Resources. Our success in attracting and retaining such resources depends upon factors such as remuneration paid, range of our product offerings, pre and post-sale support provided, our reputation, our perceived stability, our financial strength, and the strength of the relationships we maintain with such intermediaries, agents and other professionals. If we fail to attract or retain such Key Sales Resources, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

Recruitment, training and deployment of Key Sales Resources demands and consumes considerable cost and effort. If we are unable to develop and maintain the pipeline of Key Sales Resources in a cost-effective manner, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

Under the IRDAI Registration of Corporate Agents Regulations, any of our existing corporate agents may act as a corporate agent of our competitors, subject to certain restrictions. Further, our corporate agents could sell a larger share of our competitors' products, which could have an adverse impact on our business, profitability and results of operations. In addition, we may be unable to work with corporate agents who already represent three non-life insurers.

A recent trend has seen the increase of intermediaries entering the non-life insurance business in response to larger numbers of customers desiring specialised and experienced intermediaries to manage their insurance requirements. The growing presence of intermediaries, while helping to optimize customer coverage and pricing, also drives increases in commissions and could potentially result in larger numbers of future claims materializing because of overall increased insurance coverage being provided, all of which could have a material adverse impact on our profitability, results of operations and prospects.

Our partnerships with MVMs and bank partners accounted for ₹ 16,967.0 million, ₹ 21,390.0 million, ₹ 34,664.0 million and ₹ 9,767.2 million in GDPI in fiscal 2015, 2016, 2017 and the three months ended June 30, 2017, respectively, which represented 25.4%, 26.4%, 32.3% and 29.4% of our overall GDPI for the same period, respectively. Our corporate agents (excluding business from MVMs and bank partners), brokers (excluding business from MVMs), individual agents and other dedicated sales professionals collectively accounted for ₹ 49,811.0 million, ₹ 59,517.0 million, ₹ 72,588.0 million and ₹ 23,441.4 million in GDPI, which represented 74.6%, 73.6%, 67.7% and 70.6% of our overall GDPI, for the same periods, respectively.

11. We rely on selected types of insurance for most of our GDPI and profitability. Any constraint in selling these products due to future regulatory changes restricting or limiting the sale or marketing of these products, changes in customer preference, or if we are unable to maintain the right portfolio mix of profitable products, could have a material adverse effect on our business, financial condition, results of operations and prospects.

In fiscal 2017, motor insurance, crop/weather insurance and health insurance accounted for 42.3%, 20.1% and 15.5% of our GDPI, respectively. For the three months ended June 30, 2017, motor insurance, crop/weather insurance and health insurance accounted for 36.5%, 21.8% and 14.9% of our GDPI, respectively. We cannot be certain that there will be no changes in regulations or customer preferences restricting or limiting the sale or marketing of these products in the future, or that in the event of such changes, we would be able to suitably redevelop our product strategy. If we are unable to anticipate market developments, develop and exploit opportunities and create new products, we might be significantly disadvantaged as compared to our competitors willing to offer more competitive products in case of such changes. Such changes or developments could have a material adverse effect on our business, financial condition, results of operations and prospects.

We significantly depend on a limited number of insurance products for our profitability which includes our motor, health, crop/weather, fire and engineering insurance products. Any change in our product mix, restriction or limitation to distribute our products could have material adverse effect on our business, financial condition, results of operations and prospects.

12. ***Differences between our actual claim payments and those assumptions and estimates used in the pricing of our products could have a material adverse effect on our business, financial condition, results of operations and prospects.***

We price our products based on our estimates of probability of loss and various costs and the judgment of our management. Our results of operations depend significantly upon the extent to which actual claims are consistent with the assumptions and estimates used in pricing our products. Such assumptions include many factors, such as frequency and severity of past claims, inflation, expenses, commissions, IBNR, profit margin.

Due to the nature of underlying risks and the uncertainties associated with the determination of liabilities for future policy claims, the amount which we will ultimately pay to settle our liabilities may differ from estimated amount, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Further, in recent years, we have launched various new products. The assumptions used in pricing such products involve an elevated degree of uncertainty, as they are often based on limited experience when compared to assumptions used for existing products.

Also, the models we use to value our expected claim payments themselves could be incorrect. As we increase the number and complexity of products we offer, the likelihood of an inaccuracy in our models may also increase.

Therefore, if our actual claim payments experience is significantly worse than our assumptions used in the pricing of our products, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

13. ***The actuarial valuations in respect of IBNR and IBNER are not required to be audited and if such valuation is incorrect, it could have an adverse effect on our financial condition.***

The actuarial valuation presented in our financial statements and elsewhere of liabilities that are 'incurred but not reported' (IBNR) and 'incurred but not enough reported' (IBNER) are performed by our Appointed Actuary. In India, the appointed actuary of an insurance company certifies such valuation and that in his/her opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Our auditors rely upon our Appointed Actuary's certificate and do not review or audit such valuation independently, which practice might differ from other jurisdictions. If the assumptions and/or models used to conduct such an actuarial valuation are incorrect, or if there is an error in a calculation, it could have an adverse effect on our financial condition, given that there is no independent assurance on the actuarial liabilities through an audit process. In the past five fiscal years, no materially incorrect actuarial valuations with outstanding liabilities have been found; however, we cannot assure you that there will be no instances of incorrect actuarial valuations in the future.

We continually monitor the actual claims payout for all our products and adjust our reserves accordingly. If we have to increase our reserves, our profits could be materially and adversely affected impacting our financial condition and results of operations in the period in which we make the determination, and this may lead to an increase in our pricing of certain products, which could have material adverse effect on our business, financial condition and results of operations.

14. ***Credit risks in our day-to-day operations, including in our reinsurance contracts, may expose us to significant losses.***

We are dependent on a number of parties like brokers and dealers, merchant bankers, stock exchanges, banks, and other intermediaries for our day-to-day operations. If any of these counterparties do not perform their obligations due to bankruptcy, lack of liquidity, downturns in the economy, operational failure, fraud or other reasons, and any collateral or security they provide proves inadequate to cover their obligations at the time of the default, we could suffer significant losses. We are also subject to the risk that our rights against these counterparties may not be enforceable in all circumstances.

We also cede a significant proportion of the risk we assume under the insurance policies to reinsurance companies, including GIC Re. Although reinsurance makes the reinsurer liable to us for the risk transferred, it does not discharge our liability to our policyholders. As a result, we are exposed to credit risk with respect to reinsurers. We cannot assure you that our reinsurers will pay the amounts owed to us now or in the future or that they will pay these amounts on a timely basis. See also "—We cede a significant percentage of our reinsurance to GIC Re. Any adverse change in our relationship with GIC Re could result in a material adverse effect on our business and results of operations" on page 35.

Therefore, a default of any counterparty's obligations, including any reinsurer's insolvency or non-payment under the terms of its reinsurance agreement with us, could have a material adverse effect on our business, financial condition and results of operations.

15. We cede a significant percentage of our reinsurance to GIC Re. Any adverse change in our relationship with GIC Re could result in a material adverse effect on our business and results of operations.

We are heavily reliant on our relationship with GIC Re for our reinsurance. In fiscal 2017, 67.0% of our reinsurance ceded was ceded to GIC Re. For certain types of reinsurance, including crop/weather insurance, all non-life insurers in India rely largely on GIC Re. If there is any adverse change in our business relationship with GIC Re, we may be unable to find alternative reinsurance at acceptable rates, or at all. Additionally, under the IRDAI's regulations, GIC Re, which is the only Indian re-insurer with the minimum credit rating required to gain this preferential status, has a right of first offer for all reinsurance ceded by an Indian non-life insurer. Hence, we may not have control over the amount of reinsurance we cede to GIC Re. The high concentration of our reinsurance with GIC Re subjects us to a high degree of credit risk exposure on such reinsurance.

If these risks materialise, it could result in a material adverse effect on our business and results of operations.

16. Regulatory and statutory actions against us or our distribution partners could cause us reputational harm and have a material adverse effect on our business, financial condition, results of operations and prospects.

Our constitution and operation is subject to extensive application of laws and is under active supervision of the IRDAI and other regulatory and/or statutory authorities of India. We are also subject to periodic examinations by the IRDAI and other statutory and government authorities of India. From time to time, we may be subjected to regulatory actions that might extend to caution, warning, penalty and/or cancellation of our license for doing business. We have received cautions, warnings and penalties from IRDAI due to non-compliance with various regulatory prescriptions. IRDAI conducted an onsite inspection of us from August 3, 2015 to August 14, 2015 and has issued an inspection report dated July 25, 2017 ("**IRDAI Inspection Report**") containing various observations from its inspection including purported non-compliance with (i) provisions pertaining to IRDAI Guidelines on Corporate Governance Circular No. IRDA/F&A/Cir/025/2009-10 dated August 5, 2009 (the "**Guidelines on Corporate Governance**"), (ii) unallocated premiums under IRDAI (Protection of Policy Holders' Interests) Regulations, 2002, and (iii) payments to corporate agents other than policy commissions under Section 40 A of Insurance Act, 1938 and Clause 21 of IRDAI (Licensing of Corporate Agents) Regulations 2002.

We are in the process of preparing our response to the IRDAI Inspection Report, which will be filed in due course. For further details on the IRDAI Inspection Report, see "Outstanding Litigation and Material Developments—Litigation involving our Company—Litigation filed against our Company—Actions by regulatory / statutory authorities" on page 362. If we fail to satisfactorily address the queries and observations contained in the IRDAI Inspection Report in a timely manner or at all, it may result in us being subject to regulatory actions by IRDAI. Because any regulatory action in response to the IRDAI Inspection Report is subject to inherent uncertainties and complexity, we can give no assurances as to their outcome or that any such actions or other penalties will not have a material and adverse effect on our business, prospects, financial condition and results of operations.

In the past five years, the material regulatory actions by IRDAI against us are: in 2013, a penalty of **₹** 0.5 million for not meeting the mandatory target in respect of declined risk pool for fiscal 2013; in 2014, a penalty of **₹** 5.0 million for violations observed during an onsite inspection (of our market conduct and financial condition for the period of fiscal 2010 and 2011) conducted in August 2010; and in 2015, a penalty of **₹** 1.0 million following an onsite inspection of government-sponsored insurance programmes (for the period of fiscal 2005 to 2011) conducted during February 2014. For further details, see "Outstanding Litigation and Material Developments—Litigation involving our Company—Litigation filed against our Company—Actions by regulatory / statutory authorities" from page 359.

In the regular course of our business, we have been receiving various queries, clarifications and observations from IRDAI (including during their onsite visit) and other statutory or regulatory authorities, including in relation to grievance redressal procedure and compliance with the Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000 (the "**Advertisement Regulations**"), the File and Use Guidelines and the Guidelines on Corporate Governance. Failure to address or satisfactorily address these queries and clarifications in a timely manner or at all may result in us being subject to statutory/regulatory actions. Further, responding to these regulatory actions, regardless of their seriousness or ultimate outcome, requires a significant investment of resources and management's time and effort. Moreover, our provisions, defences, grounds or interpretations against regulatory actions may be inadequate. Given the uncertainties and complexity of many of these regulatory actions, their outcome generally cannot be predicted with any reasonable degree of certainty and may have adverse effects on our operations.

The IRDAI may issue directions or advices to us from time to time which may require certain expenses to be borne by our shareholders, under different circumstances including, for example, (i) where an insurance company has violated the limits of expenses of management for one or more segments but is compliant on an overall basis, the excess over the limit in that segment and; (ii) remuneration to executive directors above **₹** 15.0 million per annum.

The IRDAI has also issued directions to us regarding our classification of FAL as a non-promoter shareholder. For details, see "History and Certain Corporate Matters" on pages 190 and 191.

Any ongoing or future examinations or proceedings by any authority (regulatory, statutory or government) may result in the imposition of penalties and/or sanctions, or issuance of negative reports or opinions, against us, which may lead to a material adverse effect on our business, financial condition, results of operations and prospects. These examinations or proceedings may also result in negative publicity, which could significantly harm our corporate image, brand and reputation.

We are also exposed to risks, including regulatory actions, arising due to improper business practices such as inadequate due diligence, including customer verification, non-adherence to anti-money laundering guidelines, and customer needs analysis, in the sales process.

Any fraud, sales misrepresentation and other misconduct committed by our employees, agents or distribution partners could result in violations of laws and regulations by us and subject us to regulatory scrutiny. Even if such instances of misconduct may not result in any legal liabilities on our part, they could cause serious reputational or financial harm to us.

In addition, our agents and intermediaries are also subject to regulatory oversight of the IRDAI, in addition to any other regulators within their industries. Any regulatory action against such distribution partners could reduce our ability to distribute our products through them, harm our reputation and have a material adverse effect on our business, financial condition, results of operations and prospects.

Additionally, if any new developments arise, including a change in Indian laws or regulations or judicial decisions adverse to us, we may face losses and we may have to make further provisions in our financial statements, which could increase our expenses and our liabilities. Decisions in such proceedings adverse to our interests may have a material adverse effect on our business, financial condition, results of operations and cash flows.

To the extent that we enter new geographies or new product markets, the complexity of our regulatory environment will increase, potentially increasing the cost of compliance and the risk of noncompliance.

17. *Regulation of motor insurance, changes in demand for motor vehicles and any change in the regulatory framework of motor insurance in India could have a material adverse effect on our business, financial condition, results of operations and prospects.*

In fiscal 2015, 2016, 2017 and the three months ended June 30, 2017, we derived 51.2%, 51.3%, 42.3% and 36.5%, respectively, of our GDPI from motor vehicle insurance products. This has largely been driven by the continued growth in consumer demand for motor vehicles in India. We cannot assure you that such growth in consumer demand for motor vehicles in India will continue in the future. As a result of adverse changes in consumer demand for motor vehicles in India and/or any unfavourable change in government policies which may affect such demand, the GDPI derived from motor vehicle insurance products could be lower than our expectations. This could have a material adverse effect on our business, financial condition, results of operations and prospects.

Under the Motors Vehicles Act, 1988, as amended, there is a requirement for every person who uses (except passenger) or causes or allows any other person to use a motor vehicle in public, to purchase motor vehicle third-party liability insurance. If there is any change in this requirement, the demand for third-party motor insurance may decline, which could have an adverse effect on our business and financial condition as this product line contributed to 16.6% of our GDPI in fiscal 2017.

Further, the premiums for such insurance are set by the regulations laid down by IRDAI every year based upon new data with respect to actual claim payouts and there is no maximum liability cap set for such claims. If the premiums set by the IRDAI are too low when compared to actual claim payouts, or if we suffer a large claim that we have not adequately reserved for, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

Third-party liability claims in respect of motors vehicles are not subject to any period of limitations, so we may suffer claims significantly after the occurrence of the purported incident, making investigation of any such claim more difficult. Additionally, the Motor Vehicle Amendment Bill, has been passed by the Lok Sabha in April 2017 and is pending before the Rajya Sabha for due consideration. The Bill could have material adverse effect on our motor insurance business, and our results of operation. See also "—Changes in the regulatory and compliance environment in the financial sector could have a material adverse effect on our business, financial condition, results of operations and prospects" on page 41.

In December 2006, IRDAI created the Indian Motor Third-party Insurance Pool (IMTPIP) to make available motor third-party insurance, especially for commercial vehicles. All insurers registered in India to carry on non-life insurance business (including motor insurance business) or general reinsurance business were a part of this pool. The business (premiums and claims) was to be shared among all registered non-life insurers writing motor insurance business in relation to the GDPI in all classes of non-life insurance underwritten by them in that financial year. However, due to various operational inefficiencies, IRDAI decided after extensive consultation with various stakeholders to dissolve the IMTPIP and set up the Indian Motor Third-party Declined Risk Pool (the "**IMTPDRP**"), effective from fiscal 2013, for insuring standalone third-party risks (also called 'act only insurance') for commercial vehicles.

Subsequently, the Insurance Laws (Amendment) Act of 2015 was notified on March 23, 2015, mandating insurers to complete a certain minimum motor third-party insurance business in the manner to be specified by IRDAI. In compliance with the said amendment in the Insurance Act, the IRDAI issued the IRDAI (Obligation of Insurers in respect of Motor third-party Insurance Business) Regulations, 2015 which specified that insurers underwrite minimum obligations in respect of motor third-party business. In light of the same, there was no requirement to continue the IMTPDRP. Hence, IRDAI dismantled the IMTPDRP effective April 1, 2016.

However, IRDAI may again set up a third-party insurance pool and we may be forced to assume some of such risk, which could have a material adverse effect on our financial condition and results of operations.

18. Any change to the existing regulation or non-compliance with respect to rural and social sector obligations may adversely affect the result of our operations.

Under the IRDAI (Obligations of Insurers to Rural and Social Sectors), Regulations, 2015, we have an obligation to underwrite business in rural and social sectors as follows:

- at least 7% of the total GDPI for each financial year must be from the rural sector; and
- the total number of "human lives" underwritten in each financial year in the social sector, measured as a percentage of total business procured in the preceding financial year, must be at least 5%.

Rural sector means the places or areas classified as "rural" based on the latest available population census by the Government of India. Social sector includes the unorganised sector, informal sector, economically vulnerable or backward classes and other categories of persons, both in rural and urban areas.

We have been meeting the current requirements to underwrite in the rural and social sectors largely due to our participation in government-sponsored insurance programmes. In case we are unable to underwrite such government-sponsored insurance programmes for any reason whatsoever, we may have to satisfy our rural and social sector obligations by underwriting risks which we would not otherwise underwrite, including at relatively low premium rates, in geographies where we have concentration risk and through products we would otherwise like to avoid selling. Any of these could have an adverse effect on our results of operations.

In addition, the IRDAI may increase our obligations to underwrite business in rural and social sectors, which could also adversely affecting our results of operations.

19. We are exposed to significant market risk, including changes in interest rates or adverse movements in the equity markets in India that could impair the value of our investment portfolio and have a material adverse effect on our business, financial condition and results of operations.

As of June 30, 2017, 83.2% of our total investment assets, by carrying value, were invested in fixed income assets (including mutual funds). Changes in prevailing interest rates (including parallel and non-parallel changes in the difference between the levels of prevailing short-term and long-term rates) could materially affect our investment returns, which in turn could have a material effect on our investment income, financial condition, results of operations and prospects.

While falling interest rates could result in an increase in the mark-to-market value of our debt portfolio, they also subject us to reinvestment risk which could result in the portfolio yields falling. Accordingly, declining interest rates could have a material adverse effect on our investment income, financial condition, results of operations, cash flows and prospects and significantly reduce our profitability.

On the other hand, an increase in interest rates could also negatively affect our profitability. Even though an increase in interest rates could result in an increase in investment returns on our newly added fixed income assets, it could also result in a reduction in the value of our existing fixed income assets reducing the mark-to-market value of such instruments.

Interest rates are highly sensitive to inflation and other factors including, government monetary and tax policies, domestic and international economic and political considerations, balance of payments, regulatory requirements and other factors beyond our control.

As of June 30, 2017, 15.7% of our total investment assets, by carrying value, were invested in the equity markets in India and 1.1% of our total investment assets, by carrying value, were in other securities. Any adverse effect on the factors affecting equity markets in India could materially affect our investment returns, which in turn could have a material effect on our profitability, financial condition, results of operations and prospects.

We are also subject to regulation by IRDAI with respect to our investment asset allocation, which may limit our ability to mitigate market risk. While under the IRDAI Investment Regulations, we are permitted to make investments in both equity and debt assets, the IRDAI Investment Regulations set the upper and lower limits on these investments. We are obligated to invest a minimum of 30% of our total investment assets in central and state government securities and other approved securities, including a minimum of 20% in central government securities. We are allowed to make, among others, a maximum investment of 70% in other approved investments such as equity shares, preference shares, debentures and immovable property situated in India subject to conditions mentioned in the IRDAI Investment Regulations. Within the 70%, other than approved investments are restricted to 15% of our total investments.

We also face market risk in our other investments, including real estate investments, which could have a material adverse effect on our income, financial condition, results of operations and prospects.

As our combined ratio is over 100%, we are reliant upon our investment returns for our profitability and any impact on our income from investments can materially affect our income, financial condition and profitability.

20. Credit risks related to our investments may expose us to significant losses.

We are exposed to credit risks in relation to our investments. As of June 30, 2017, out of our total fixed income assets (including mutual funds), 39.6%, by carrying value, was invested in AAA rated (domestic credit rating) securities, 16.6% in AA or AA+ rated securities, 0.0% in AA- rated securities, 36.8% in sovereign instruments and 7.0% in other debt securities (fixed deposits, mutual funds and reverse repo). The value of our debt portfolio could be affected by changes in the credit rating of the issuer of the securities as well as by changes in credit spreads in the bond markets. In addition, issuers of the debt securities that we own may default on principal and interest payments.

Moreover, these domestic credit ratings, even with the same rating symbols, may not reflect the same creditworthiness as an international rating. Hence, we may be subject to greater credit risks with respect to our investments in debt securities than we anticipate, which could result in impairment losses.

We cannot assure you that we are able to identify and mitigate credit risks successfully. As a result, a probable downgrade in the credit rating of the debt securities owned by us may lead to a reduction in value of our debt portfolio, and have an adverse effect on our financial condition, results of operations and prospects. Furthermore, the counterparties in our investments, including issuers of securities we hold, counterparties of any derivative transactions that we may enter into, banks that hold our deposits and debtors, may default on their obligations to us due to bankruptcy, lack of liquidity, economic downturns, operational failure, fraud or other reasons. We are also subject to the risk that our rights against these counterparties may not be enforceable in all circumstances.

21. Failures of or inadequacies in our information technology systems could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business depends heavily on the ability of our information technology systems to timely process a large number of policies written across numerous product lines. In particular, our products and processes have become increasingly complex and the volume of policies written continues to increase. In fiscal 2017, 87.5% of our policies we issued were processed electronically. The proper functioning of our financial controls, accounting, customer database, customer service and other data processing systems, including those relating to underwriting and claims processing functions, actuarial and risk management, together with the communications systems linking our headquarters, branches, sales and service outlets and main information technology centres, is critical to our operations and to our ability to compete effectively. Our business activities would be materially disrupted in the event of a partial or complete failure of any of these information technologies or communications systems. These failures could be caused by, among others, hardware failure, software program errors, computer virus attacks, internet failure, conversion errors due to system upgrading or system relocation, failure to successfully implement ongoing information technology initiatives, human errors, natural disasters, war, terrorist attacks, blackouts and unanticipated problems at our existing and future facilities. Many of these events are wholly or partially outside of our control. Although we back up our business data regularly and have an emergency disaster recovery centre located at a site different from our production data centre, any material disruption to the operation of our information technology systems could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our information technology infrastructure related to our production systems, including but not limited to data centre and network communications, is part of the ICICI Group's information technology infrastructure. Any disruptions to the ICICI Group's information technology infrastructure could have a material adverse effect on our business, financial condition, results of operations and prospects.

Similarly, our development and testing systems are housed on the public cloud infrastructure provided by a leading service provider. An entire range of nonproduction applications including our email systems are also on a cloud platform provided by the same provider. Any disruptions to the service provider can lead to an adverse impact on our business and our results of operation.

We update our information technology systems and introduce new information technology systems from time to time. However, delays, system failures or other accidents may occur during such system upgrades or introduction of new systems. In addition, the upgraded or new information technology systems may not be able to achieve the projected processing capacity and availability, and may also not be able to meet the needs of our business scale and business growth in the future. Our failure to address these problems promptly, including any delay in the implementation of any upgraded or new information systems, could result in our inability to perform, or prolonged delays in performing, critical business operational functions, the loss of key business data, which could have a material adverse effect on our business operations, customer service and risk management, among others. This could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

22. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be materially and adversely affected.

We take steps to establish and maintain compliance and disclosure procedures, systems and controls, and to maintain internal controls over financial reporting in order to produce reliable financial reports and prevent financial fraud or misreporting. However, internal controls over financial reporting must be reviewed on an ongoing basis as risks evolve, and the processes to maintain such internal controls involve human diligence and compliance and are subject to lapses in judgement and breakdowns resulting from human error. To the extent that there are lapses in judgement or breakdowns resulting from human error, the accuracy of our financial reporting could be affected, resulting in a loss of investor confidence and a decline in the price of the Equity Shares

In addition, IRDAI has previously cautioned and imposed penalties against us in connection with instances such as failure to collect beneficiary share of premium before granting coverage under certain government-sponsored insurance programmes, failure to make accurate submissions to IRDAI regarding endorsement of enrolment forms of certain workers, and failure to comply with the file and use procedures with respect to group personal accident insurance conditions. For details see "-Regulatory and statutory actions against us or our distribution partners could cause us reputational harm and have a material adverse effect on our business, financial condition, results of operations and prospects" on page 35.

23. We rely on our relationship with ICICI Bank, and our dependence on ICICI Bank leaves us vulnerable to changes in our relationship. Additionally, ICICI Bank, being our Promoter, may not be able to meet our additional capital requirements which may adversely impact our business.

We rely on ICICI Bank in their capacity as our Promoter, a principal shareholder and a significant distribution partner. See "—Our reliance on motor vehicle manufacturers and ICICI Bank and other key distribution partners subjects us to a concentration risk, and the termination of, or any adverse change to, our relationships with motor vehicle manufacturers and ICICI Bank and such other key distribution partners, or their performance, may have a material adverse effect on our business, financial condition, results of operations and prospects", "—Our Promoter, Directors and Key Managerial Personnel are interested in us other than reimbursement of expenses or normal remuneration or benefits" and "—Our Promoter is able to, and post-listing will continue to, exercise significant influence over us and may not act in our best interests or those of our other shareholders" on pages 32, 45 and 49.

In addition, we have in the past hired, and in the future expect to hire senior employees from ICICI Bank to fill our managerial positions and some of our senior employees have gone on to work at ICICI Group. Any change in relationship with ICICI Bank, including those due to regulatory requirement, could cause a disruption in our succession plans and could have a material adverse effect on our business and prospects.

We also rely on ICICI Bank for services including technology services, such as data centres, cyber-security and network management. If ICICI Bank were, for any reason, to terminate or change its relationship with us, there could be a temporary disruption in our business until we find a replacement for these services and which could lead to an increase in our costs and have an adverse effect on our business.

Additionally, although our business is profitable and we currently do not anticipate the requirement of additional capital, the same may be required to support the business which may, among other reasons, arise due to regulatory requirements. For instance, in the past, in accordance with an order of IRDAI, all non-life insurance companies in India were required to provide for losses on the Indian Motor Third-party Insurance Pool (the "**IMTPIP**") (a multilateral arrangement for insurance in respect of third-party claims against commercial vehicles, the losses or gains from which were shared by all non-life insurance companies in proportion to their overall market share). Since the losses were allocated to non-life insurance companies based on their overall market shares, our profitability and solvency ratio were adversely impacted.

Accordingly, our parent, ICICI Bank, invested ₹ 740.0 million of capital in us in fiscal 2014. The ability of our parent bank to invest additional capital in our business is subject to RBI's regulations on capital adequacy and its para-banking guidelines that prescribe limits for aggregate investment in financial sector enterprises. All such investments require prior approval of RBI. See "—Our loss reserves are based on estimates as to future claims liabilities and if they prove inadequate, it could lead to further reserve additions and materially adversely affect our results of operations" on page 22.

See also "—We are reliant on the 'ICICI Lombard' brand. Our business may be subject to periodic negative publicity, which could have a material adverse effect on our business, financial condition, results of operations and prospects" on page 40.

24. We are reliant on the 'ICICI Lombard' brand. Our business may be subject to periodic negative publicity, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business is, to a large extent, reliant on the strength of the 'ICICI Lombard' brand and our reputation, and that of our Promoter, ICICI Bank.

It is critical to our business that consumers continue to recognize and trust the ICICI Lombard brand. We undertake distinctive advertising and marketing campaigns and other efforts to improve brand recognition, enhance perceptions of us, generate new business, and increase the retention of our current customers. Improving the effectiveness of our advertising and marketing campaigns relative to those of our competitors is particularly important given the significance of brand and reputation in the marketplace and the continuing high level of advertising and marketing efforts and related expenditures within the insurance market. If our marketing campaigns are unsuccessful or are less effective than those of competitors, or if our reliance on a particular spokesperson or character is compromised, our business could be materially and adversely affected.

The high media scrutiny and public attention that the insurance industry in India is subjected to, in addition to increasing consumer sensitivity in India, creates potentially increasing reputational risk for the Indian insurance industry in general. We are also exposed to the same risk leading to negative publicity and damage to the 'ICICI Lombard' brand. Litigation, employee misconduct, operational failures, regulatory investigations, press speculation and negative publicity, amongst others relating to us, ICICI Bank and/or Group Companies, whether founded or unfounded, could damage the 'ICICI Lombard' brand and/or our reputation. Negative publicity could be based, for instance, on allegations that we have failed to comply with regulatory requirements or may result from failure in business continuity, public commitment, performance of our information technology systems, breach of customer confidentiality or confidential information, unsatisfactory service and support levels or inadequate transparency. Similar incidents or developments negatively affecting ICICI Bank's brand may also negatively affect the 'ICICI Lombard' brand and/or our reputation.

We derive significant revenues and profit from central and state government-sponsored insurance programmes, including crop/weather insurance, mass health and accident insurance. These programmes cover a large number of people, especially in farming and low-income communities, and are under constant media scrutiny. Any issues arising from the implementation/administration of such programmes, whether actual or alleged, may also negatively affect the 'ICICI Lombard' brand and/or our reputation.

Any damage to 'ICICI Lombard' brand or our reputation could hamper the trust placed in the brand and cause existing customers or intermediaries to withdraw their business and potential customers or intermediaries to reconsider doing business with us. Furthermore, negative publicity may result in increased regulatory supervision and legislative scrutiny of the Indian industry practices as well as increased litigation, which may further increase our cost of doing business and adversely affect our profitability. Negative publicity may also influence market or rating agencies' perception of us, which could make it more difficult for us to maintain our credit rating.

Therefore, any change in, modification of or damage to 'ICICI Lombard' brand or our reputation could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, we may be unable to adequately protect our intellectual property since a number of our trademarks, logos and other intellectual property rights may not be registered and therefore do not enjoy any statutory protection. Further, we may be subject to claims alleging breach of third-party intellectual property rights.

25. We face certain risks in connection with our co-insurance policies.

For large corporate risks, the insurer and the insured may choose to diversify the insurance risk by appointing a lead insurer and other co-insurers (followers). The premium and claims are ceded by the lead insurer in favour of the followers in proportion to their share of participation in the risk. In case of claim, the lead insurer carries out the claim management process and the other co-insurers "follow" the lead of the lead insurer by contributing their share of the claim. In fiscal 2017, 9.0% of our GDPI was derived from policies that were part of the co-insurance programme along with other insurance companies.

When we are the lead insurer, we have in the past faced, and may in the future face, situations where we have settled the entire amount of a claim and had a follower repudiate the claim or significantly delay payment of their share of the claim. In the case of such dispute, or in case the follower defaults on all its obligations after a claim has been paid out by us as the lead insurer, the outstanding receivables due from the co-insurer could materially and adversely affect our results of operation and financial condition.

As a follower, in some instances, in the past there have been substantial delays in the receipt of our share of premium. Additionally, we have faced situations where we were of the opinion that a claim settled by the leader should have been repudiated. In such cases, we may nevertheless have to pay our share of the claim and would be worse off than if we had handled the claim management process. All of this could materially and adversely affect our results of operation and financial condition.

26. Changes in the regulatory and compliance environment in the financial sector could have a material adverse effect on our business, financial condition, results of operations and prospects.

We and our Promoter are subject to a wide variety of banking, insurance and financial services laws, regulations and regulatory policies and a large number of regulatory and enforcement authorities. Regulators in general have intensified their review, supervision and scrutiny of many financial institutions. Regulators are increasingly viewing financial institutions as presenting a higher risk profile than in the past, in a range of areas. This increased review and scrutiny or any changes in the existing regulatory supervision framework, increases the possibility that we or our Promoter may face adverse legal or regulatory actions. There can be no guarantee that all regulators will agree with our and our Promoter's internal assessments of asset quality, provisions, risk management, capital and management functioning, other measures of the safety and soundness of our and their operations or compliance with applicable laws, regulations, accounting norms or regulatory policies. Regulators may find that we or our Promoter are not in compliance with applicable laws, regulations, accounting norms or regulatory policies, and may take actions in respect of the same. If we or our Promoter fail to manage legal and regulatory risk, our business could suffer, our reputation could be harmed and we would be subject to additional risks. We cannot predict the timing or form of any current or future regulatory or law enforcement initiatives, which are increasingly common for all financial institutions.

Additionally, the laws and regulations or the regulatory or enforcement environment is subject to change at any time, which may have an adverse effect on the products or services we offer, the value of our assets or our business in general. Further, the laws and regulations governing the non-life insurance industry in India have over a period become increasingly complex governing a wide variety of issues, including foreign investment, solvency requirements, investments, money laundering, privacy, record keeping, marketing and selling practices. Any change in the policies by the IRDAI, including in relation to investment or provisioning or rural and social sector obligations or norms, may result in our inability to meet such increased or changed requirements as well as require us to increase our coverage to relatively riskier segments. Future changes in laws and regulations and failure or the apparent failure to address any regulatory changes or enforcement initiatives could have an adverse impact on our business and our future financial performance, harm our reputation, subject us to penalties, fines, disciplinary actions or suspensions or increase our litigation risks and have an adverse effect on our business, financial condition and results of operations.

Substantial changes which have occurred in the past three years include the introduction of the Insurance Laws (Amendment) Act, 2015, along with the various regulations such as the Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016, Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations, 2016, Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015. Further, various guidelines have been introduced which affect us and the industry in which we operate such as the Guidelines for Listed Indian Insurance Companies, 2016 and the Corporate Governance Guidelines.

Further, the Motor Vehicle (Amendment) Bill, 2016 (the "**Motor Vehicle Amendment Bill**"), has been passed by the Lok Sabha in April 2017 and is pending before the Rajya Sabha for due consideration. The Motor Vehicle Amendment Bill seeks to amend the Motor Vehicles Act, 1988 to, among other things, address issues relating to third-party insurance. If the Motor Vehicle Amendment Bill is passed in its present form by Rajya Sabha and approved by the President of India and then notified in the Gazette of India, there is a possibility that it could materially and adversely affect our business, prospects, financial condition and results of operations.

In addition, the Insurance Act and the regulations issued by the IRDAI provide for a number of restrictions which restrict our operating flexibility and affect or restrict investors' shareholding or rights. The Insurance Act also restricts the types of capital of an insurer in India. The Insurance Act provides that appointment, reappointment or termination of appointment, of a managing or whole time director or a chief executive officer, of an insurance company shall be made only with the prior approval of the IRDAI. Further, under the Indian Insurance Companies (Foreign Investment) Rules, 2015, the right to appoint any chairman who exercises a casting vote and the right to appoint any chief executive officer is necessarily required to be retained and exercised by the Indian promoters and/or investors, which curtails the rights of any foreign promoters and/or investors that we may have, thereby affecting our ability to attract foreign investment.

Further, the SEBI Regulations require us to disclose restated financial restatements for the previous five fiscal years in this Red Herring Prospectus. The form and format of the financial statements prescribed under the SEBI Regulations are different from the form and format prescribed under the insurance laws and regulations and thus, we have complied with the said requirements of the SEBI Regulations to the extent applicable. Similarly, the Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares with the Stock Exchanges. Additionally, compliance with Regulation 40 of the Listing Regulations with respect to effecting transfer of securities, shall be subject to the restrictions stipulated under insurance laws and regulations (including the Insurance Act and Listed Indian Insurance Companies Guidelines).

We are also subject to various laws relating to the prevention of insider trading, anti-money laundering and anti-bribery policy. Although we have internal controls and measures in place, we cannot assure you that we or our agents/intermediaries will always be in compliance with the various applicable laws and regulations.

Additionally, government and regulatory bodies in India may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, or impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, financial condition and results of operations. For example, regulations stipulated by the IRDAI (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015 restrict the ability of the non-life insurers to select re-insurers for placement of risk. This could lead to a surge in the reinsurance premiums paid by us and thereby affect our overall profitability.

Any non-compliance with these laws and regulations and the enforcement thereof could have a material adverse effect on the manner in which business is carried on thereby affecting our financial condition and results of operations. Additionally, any change in these laws and regulations may require us to commit significant management resources and may require significant changes to our business practices and could have a material adverse effect on our business, financial condition, results of operations and prospects. For further details relating to the above mentioned insurance regulations and guidelines, see "Regulations and Policies" beginning on page 180.

27. Higher expenses than expected could have a material adverse effect on our business, financial condition and results of operations.

We price our products based on assumptions for expenses we expect to incur. The assumptions for expenses include policy issuance cost, infrastructure related costs, employee costs, policy maintenance cost and other support costs. Expenses may be higher than expected due to specific events and changes in macroeconomic conditions including inflation, changes in regulations, competition dynamics, increased intermediation, erroneous assumptions, people and other factors. In addition, significant variation of actual inflation from our assumptions could also result in higher than expected expenses. If actual incurred expenses exceed those assumed in our prices, it could have a material adverse effect on our business, financial condition and results of operations. We may also be unable to control or maintain our costs due to low productivity or increased competition. Any of these could cause higher than expected expenses and could have a material adverse effect on our business, financial condition and results of operations.

The IRDAI Expenses of Management Regulations set out the allowable limit for expenses of management on an overall basis and segment-wise basis. For instance, under these regulations, an insurer carrying on non-life insurance business or health insurance business in India is not permitted to spend in any financial year as expenses of management, an amount exceeding (i) the amount of commission or other remuneration paid to insurance agents and insurance intermediaries in respect of their business transacted in the financial year as may be allowed by IRDAI from time to time (the IRDAI, based upon the representation received from an insurer, may allow higher remuneration to the insurance agents and insurance intermediaries with such conditions as it may be deemed fit); (ii) commission and expenses reimbursed on reinsurance inward; and (iii) operating expenses. Additionally, under these regulations, the segment-wise limit for motor insurance is as follows:

Part of the total gross premium of the insurer written in India	Percentage of premium
First ₹ 5.00 billion	37.5%
Next ₹ 2.50 billion	32.5%
The balance	30.0%

For fiscal 2017, while we were in compliance with expenses of management limits at an overall basis, in the motor insurance segment, the expense exceeded the allowable segmental limit. Our actual expenses for the motor insurance segment was ₹ 14.51 billion compared to the allowable expenses limit of ₹ 14.08 billion, thereby exceeding the allowable limit by 3.0% for that segment. Under the IRDAI Expenses of Management Regulations, where an insurance company has violated the limits of expenses of management for one or more segments but is compliant on an overall basis, the excess of such expenses are required to be borne by its shareholders. While we have already transferred the excess amount of expenses aggregating to ₹ 0.43 billion to our shareholder's account in fiscal 2017, in future, if we exceed the expense of management limit on an overall basis, we may receive regulatory observations in this regard. Further, since a portion of our expenses are fixed, if future sales are lower than expected, our expenses may not fall proportionally, or at all. This could adversely affect our margins, and thereby, our financial condition and results of operations.

28. There are certain risks related to our health insurance offering that could have a material adverse effect on our business, financial condition, results of operations and prospects.

In fiscal 2015, 2016, 2017 and the three months ended June 30, 2017, we derived 19.7%, 17.1%, 15.5% and 14.9%, respectively, of our GDPI from health insurance products. We face certain risks in connection with our health insurance offering, including:

- losses due to imperfect pricing or inadequate underwriting;
- losses due to misrepresentations of pre-existing conditions by customers;
- losses due to fraud by customers and other third parties; or
- additional payments that we may have to make due to our inability to meet certain service level guarantees provided by us.

In India, under the Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016, as amended, health insurance policies shall ordinarily be renewable except on grounds of fraud, moral hazard or misrepresentation or non-cooperation by the insured, provided the policy is not withdrawn. Additionally, the regulations provide for the manner in which the waiting period with respect to pre-existing diseases and time bound exclusions shall be taken into account.

Any inadequacy in pricing arising out of an abnormal number of chronic health issues requiring long-term care, could have a material adverse effect on our business, financial condition and results of operations.

29. Our business, financial condition, results of operations and prospects may be materially and adversely affected if we are unable to manage our growth successfully.

We have experienced significant growth in our GDPI in the last few years. Such growth has placed, and if we are able to continue to grow, will continue to place significant demands on our managerial, operational and capital resources. As part of our overall strategy, we may undertake investments, acquire certain businesses, assets and technologies, as well as develop new business lines, products and distribution channels. Such expansion of our business activities will require, among other things, the following:

- strengthening and expanding our risk management capabilities and information technology systems to effectively manage risks associated with existing and new lines of insurance products and services and increased marketing and sales activities;
- developing adequate underwriting and claims settlement capabilities;
- recruiting, training and retaining management, technical personnel and sales staff with sufficient experience and knowledge;
- managing our growing investment assets;
- developing new distribution channels, including online platforms to expand capacity and improve productivity;
- maintaining consistent standards of actuarial reviews;
- compliance with additional regulatory obligations;
- maintaining and developing the 'ICICI Lombard' brand and our reputation; and
- meeting the demand of an increased capital base and higher requirements for cost controls to satisfy the minimum solvency ratio requirements stipulated by the IRDAI and other capital needs.

We cannot assure you that we will be successful in managing our growth, if any, in the future. If we are not able to manage future growth successfully, our business, financial condition, results of operations and prospects could be materially and adversely affected.

30. ***We have indebtedness, and may incur substantial additional indebtedness, which could adversely affect our financial condition, and/or our ability to obtain financing in the future, react to changes in our business and/or satisfy our obligations.***

As of June 30, 2017, we had ₹ 4.85 billion of outstanding subordinated debt liabilities. We also have access to a ₹ 1.50 billion intra-day credit facility from ICICI Bank. See "Financial Indebtedness" on page 354. Our indebtedness and other liabilities could have material consequences because:

- we may be unable to obtain additional financing, should such a need arise, which may limit our ability to satisfy obligations with respect to our debt;
- a portion of our financial resources must be dedicated to the payment of principal and interest on our debt, thereby reducing the funds available to use for other purposes;
- it may be more difficult for us to satisfy our obligations to our creditors, resulting in possible defaults on, and acceleration of, such debt;
- we may be more vulnerable to general adverse economic and industry conditions;
- our ability to refinance debt may be limited or the associated costs may increase; and
- our flexibility to adjust to changing market conditions could be limited, or we may be prevented from carrying out capital spending that is necessary or important to our growth strategy and efforts to improve operating margins of our businesses.

31. ***A portion of our corporate premium comes from a limited number of large clients and the loss or downsizing of any of these clients could adversely affect our business, results of operation, financial condition and cash flows.***

We have historically derived and continue to derive a certain portion of our corporate premium from a limited number of large clients. We expect that a certain portion of our corporate premium will continue to be derived from a limited number of clients in the future. In fiscal 2017, premium received from our top five clients and our top 10 clients accounted for 4.9% and 5.7% of our GDPI, respectively. For the three months ended June 30, 2017, premium received from our top five clients and our top 10 clients accounted for 5.2% and 7.3% of our GDPI, respectively.

The volume of insurance policies that we underwrite for specific customers is likely to vary from year to year. A major customer in one year may not account for the same level of our premiums in a subsequent year.

Some of our top customers maintain panels of approved insurers that they work with. We have, in the past, and may in the future, be removed from such panels by such customers due to decisions not specifically relating to us. For example, certain public sector undertakings have removed all private sector non-life insurers from their approved panels, leading to a loss of such customers.

The loss or financial difficulties of any of our most significant customers, or significant decreases in the premium from such clients, would materially and adversely affect its business, results of operation, financial condition and cash flows.

32. ***As a significant portion of our business is generated from relatively few regions, we are susceptible to economic and other trends and developments, including adverse weather conditions, in these areas.***

The states of Maharashtra, Madhya Pradesh and Delhi, accounted for 47.6% of our GDPI in fiscal 2017 combined. A decline in local economic conditions which affects the demand for insurance products, affects the ability of consumers to purchase insurable items or affects the ability of our agents or distribution partners in those regions to conduct their business, may have a greater effect on our financial condition, business and prospects than businesses that are more geographically diverse. Our substantial focus on metropolitan centres and larger cities for our products and services, and the tender process involved in the sourcing of our government business, may impair our ability to diversify our business geographically. Given our geographic concentrations, any catastrophic event in such locations may significantly increase our catastrophic reinsurance premiums. Any negative publicity regarding any of our products in these areas could have a material adverse effect on our ability to attract new customers. Other regional occurrences, such as local strikes, terrorist attacks, increases in energy prices, natural or man-made disasters or more stringent state and local laws and regulations, to the extent these affect the demand for insurance products, affect the ability for customers to purchase insurable items, or prevent our agents from consummating sales could also have a material adverse effect on our business, financial condition, results of operations and prospects.

33. Any terrorist attack or nuclear disaster in India could have a continuing negative impact on our business.

Following the September 11, 2001 terrorist attacks, a need was felt by the Indian insurance market for a terrorism risk pool. Consequently, the 'Indian Market Terrorism Risk Insurance Pool' was constituted as an initiative by all non-life insurance companies. GIC Re manages the terrorism risk pool. While we attempt to minimize stand-alone terrorism cover or terrorist coverage in the policies we underwrite, we are exposed to terrorism risk from our participation in the terrorism pool set up by the Indian non-life insurance industry.

In fiscal 2016, GIC Re and 11 other non-life insurance companies, including us, formed the India Nuclear Insurance Pool, a reinsurance arrangement to provide coverage for nuclear risks. GIC Re is the administrator of the pool and each member of the pool has a certain amount of risk ceded to it.

We monitor our overall exposure to terror strikes, nuclear disasters and other man-made catastrophes in each geographic region where we have issued coverage. However, a series of terror strikes, nuclear disasters and/or man-made catastrophes in a single year may result in unusually high levels of losses with a material adverse effect on the financial position or results of operations.

34. Our business, financial condition, results of operations and prospects could be materially and adversely affected if our cross-selling activities are not successful.

We intend to expand our business with our existing customers and increase our revenues by expanding our cross-selling efforts. However, we cannot assure you that our cross-selling activities will be successful. In particular, if our cross-selling activities are deemed to have violated any laws or regulations in India, our cross-selling activities may be adversely affected, we may be subject to relevant legal liabilities and our reputation may be harmed, all of which may have a material adverse effect on our business and prospects. In addition, we may need to significantly upgrade our existing information technology systems in order to enable us to better understand and predict the behavioural patterns of our customers. We cannot assure you that our efforts in this regard will be successful.

35. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, working capital, capital expenditure requirements and solvency ratio, and is subject to restrictions under Indian laws and regulations.

Any dividends to be declared and paid in the future are required to be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act and the Insurance Act. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements, capital expenditure requirements and solvency ratio. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Shareholders in the future consistent with our past practices, or at all. For details pertaining to dividend declared by us in the past, see "Dividend Policy" from page 231.

Under the Indian laws, dividends may be paid out of profits earned during the year or out of accumulated profits earned by a company in previous years and transferred by it to its reserves (subject to certain conditions). Any accumulated profits that are not distributed in a given year are retained and may be available for distribution in subsequent years.

Payment of dividends by us is not regulated by relevant insurance laws and regulations prescribed for non-life insurance companies. However, the IRDAI may restrict an insurance company that has a solvency ratio lower than 1.50 from paying dividends. Any future changes in the regulations or a drop in the solvency margin maintained by us below the regulatory threshold may restrict our ability to pay dividends.

36. We have issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price.

We have issued Equity Shares in the last 12 months, in connection with exercise of options under the ESOS Scheme, which may be at a price lower than the Offer Price. For further details, see "Capital Structure—Notes to the Capital Structure" on page 112. We may continue to issue Equity Shares, under the ESOS Scheme, at a price below the market price of Equity Shares at the time of issuance.

37. Our Promoter, Directors and Key Managerial Personnel are interested in us other than reimbursement of expenses or normal remuneration or benefits.

Our Promoter, ICICI Bank, is interested in us to the extent of being our Promoter, to the extent of their shareholding and the dividends payable to them, if any. Further, ICICI Bank is interested to the extent of receiving commission in its capacity as our corporate agent under the ICICI Corporate Insurance Agency Agreement. Additionally, we have entered into the ICICI Trademark License Agreement with ICICI Bank for the use of 'ICICI' trademarks and the 'I-man' logo (collectively the "**ICICI Trademarks**") for the purposes of our business. Further, we have entered into the credit arrangement letter dated September 9, 2016 with ICICI Bank. For details, see "Financial Indebtedness" on page 355. In addition to the above, Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are nominee directors of ICICI Bank on our Board. For further details, see "Our Promoter and Promoter Group" beginning on page 215. ICICI Bank is also interested in us to the extent of hiring employees of ours to work at the ICICI Group, permitting us to hire employees from ICICI Bank and providing certain services in the ordinary course of business, including technology services for general banking purposes. Additionally, also see "—We rely on our relationship with ICICI Bank, and our dependence on ICICI Bank leaves us vulnerable to changes in our relationship. Additionally, ICICI Bank, being our Promoter, may not be able to meet our additional capital requirements which may adversely impact our business", "—Our reliance on motor vehicle manufacturers and ICICI Bank and other key distribution partners subjects us to a concentration risk, and the termination of, or any adverse change to, our relationships with motor vehicle manufacturers and ICICI Bank and such other key distribution partners, or their performance, may have a material adverse effect on our business, financial condition, results of operations and prospects" and "—We have indebtedness, and may incur substantial additional indebtedness, which could adversely affect our financial condition, and/or our ability to obtain financing in the future, react to changes in our business and/or satisfy our obligations" on pages 39, 32 and 44.

Certain of our Directors and Key Management Personnel may be regarded as interested to the extent of, among other things, remuneration, sitting fees, commission, annual performance bonus, long term performance payment, and other perquisites and stock options for which they may be entitled to as part of their services rendered to us as an officer or an employee. Certain of our Directors and Key Management Personnel may be regarded as interested in the Equity Shares or employee stock options held by them or Equity Shares that may be Allotted, pursuant to the Offer, to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees or promoters. Certain of our Directors and Key Management Personnel, holding our Equity Shares, may also be deemed to be interested to the extent of any dividends payable to them. Additionally, our Nominee Directors may be interested to the extent of their appointment as a Nominee Director on our Board. For further details of interest of our Directors and Key Management Personnel in us, see "Our Management—Interests of Key Management Personnel" and "Our Management—Interests of Directors" on pages 207 and 204, respectively.

38. We have entered into certain related party transactions, and we may continue to do so in the future.

We have entered into certain transactions with related parties, including with our Promoter and Group Companies. For details of the related party transactions during the last five fiscal years, as per the requirements under Accounting Standard—18—Related Party Disclosures, see "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Related party" on page 277. We have also paid remuneration and dividends and granted stock options to certain of our Directors and officers. We have also paid out dividends to our Promoter and the Investor Selling Shareholder. Certain of our Directors and officers have also received stock options from our Promoter. See also "Our Management—Interests of Key Management Personnel" on page 207.

Certain related party transactions also require the approval of our shareholders (where the related parties are required to abstain from voting on such resolutions). There can be no assurance that such transactions will be approved. There can also be no assurance that we will be able to maintain existing terms, or in case of any future transactions with related parties, that such transactions will be on terms favourable to us. While we believe that all of our related party transactions have been conducted on an arm's-length basis and all such transactions are adequately disclosed in the section titled "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Related party" on page 277 and are also approved by the Audit Committee of our Board (including whether such transactions are on an arm's-length basis), we cannot assure you that in all such transactions, we could not have achieved more favourable terms than the existing ones. It is also likely that we will enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, results of operations and prospects.

39. We are yet to receive or renew certain approvals or licenses required in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations.

We require certain approvals, licenses, registrations and permissions for operating our business, some of which have expired and for which we have either made or are in the process of making an application for obtaining the approval or its renewal. For further details, see "Government and other Approvals" on page 410. Further, the approvals that we have obtained stipulate certain conditions requiring our compliance. If we fail to obtain any of these approvals or licences, or renewals thereof, in a timely manner, or at all, our business may be adversely affected.

40. Our insurance coverage on our own assets could prove inadequate to cover our loss. If we were to incur a serious uninsured loss or a loss that significantly exceed the limits of our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition.

We maintain what we believe to be appropriate insurance coverage, commensurate with industry standards in India and with reputed insurers, including, for instance, a risk held covered for a standard fire and perils policy, comprehensive group liability insurance policy, a directors and officers' insurance policy, a pan-India asset insurance policy and a cyber security insurance policy. We availed insurance cover within a range consistent with industry practice to cover certain risks associated with our business. We cannot assure you that our current insurance policies will insure us fully against all risks and losses that may arise in the future. In addition, even if such losses are insured, we may be required to pay a significant deductible on any claim for recovery of such a loss, or the amount of the loss may exceed our coverage for the loss. In addition, our insurance policies are subject to annual review, and we cannot assure you that we will be able to renew these policies on similar or otherwise acceptable terms, if at all. If we were to incur a serious uninsured loss or a loss that significantly exceeds the limits of our insurance policies, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

41. If we are not able to integrate any future acquisitions, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

We are continuously seeking opportunities to grow through acquisitions and will continue to do so in the future. We may also be required to undertake amalgamations by the IRDAI pursuant to section 37A of the Insurance Act if the IRDAI is satisfied that it is necessary to do so under the Insurance Act. Any such acquisitions or amalgamations may involve a number of risks, including ascertaining the right value of the target, unknown or inadequately quantified actuarial liabilities, deterioration of book quality of the acquired business, diversion of our management's attention required to integrate the acquired business, failure to retain key acquired personnel, agents and customers, leverage synergies or rationalise operations, develop skills required for new businesses and markets, or unknown and known liabilities, some or all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, we may make acquisitions of companies outside India. These companies may be subject to foreign regulatory regimes with which we have little experience, and such companies may be subject to further risks which we may be unable to evaluate at the time we acquire them. These risks, if borne out, could have a material adverse effect on our business, financial condition, results of operations and prospects.

42. Our risk management, as well as the risk management tools available to us, may not be adequate or effective in identifying or mitigating risks to which we are exposed.

We have established a risk management system consisting of an organisational framework, policies, procedures and risk management methods that have been formulated in accordance with the requirements of the IRDAI and that we consider to be appropriate for our business operations, and we have continued to enhance these systems. For more details, see "Our Business—Risk Management" on page 175.

However, due to the inherent limitations in the design and implementation of our risk management system, including internal control environment, risk identification and evaluation, effectiveness of risk control and information communication, our systems and mitigation strategies may not be adequate or effective in identifying or mitigating our risk exposure in all market environments or against all types of risks.

Many of our methods for managing risk exposure are based upon observed historical market behaviour or statistics. These methods may not accurately predict future risk exposure, which can be significantly greater than what our historical measures may indicate. Other risk management methods depend upon the evaluation of information regarding markets, clients or other matters that are publicly available or otherwise accessible to us. Such information may not be accurate, complete or properly evaluated. Moreover, the information and experience data that we rely on may quickly become obsolete as a result of market and regulatory developments, and our historical data may not be able to adequately reflect risks that may emerge from time to time in the future.

Management of our operational, legal and regulatory risks requires us to, among other things, develop and implement policies and procedures to properly record and verify a large number of transactions and events, and these policies and procedures may not be fully effective. Failure or the ineffectiveness of these systems could have a material and adverse effect on our business, financial condition and results of operations.

Our intermediaries and agents who conduct our business, including management, sales and product managers, sales intermediaries and investment professionals, among others, do so in part by making decisions that expose us to risks. These decisions include setting underwriting guidelines and standards, product design and pricing, investment decisions, and pursuit of business opportunities, among others. In addition, our employees and agents may make decisions beyond their scope of authority and that expose us to excessive risks. Due to the large size of our operations and the large number of our branches, we cannot assure you that our controls and procedures designed to monitor the business decisions of our employees and agents will always be effective. If our employees and agents take excessive risks or make intentional or unintentional mistakes, the impact of those risks or mistakes could have a material adverse effect on our business, financial condition, results of operations and prospects.

As the Indian insurance market continues to evolve, we are likely to offer a broader and more diversified range of insurance products and invest in a wider range of assets in the future. Our failure to timely adapt our risk management policies and procedures to our developing business could have a material adverse effect on our business, financial condition, results of operations and prospects.

43. Our strategic initiatives may not yield our expected reductions in expenses and improvements in operational and organizational efficiency.

We may not be able to fully realize the anticipated expense reductions and operational and organizational efficiency improvements we expect to result from our strategic initiatives. Actual costs to implement these initiatives may exceed our estimates or we may be unable to fully implement these initiatives. The implementation of these initiatives may harm our relationships with customers or employees or our competitive position. The successful implementation of these initiatives has required us and will continue to require us to effect workforce reductions, business rationalizations, systems enhancements, business process outsourcing, business and asset dispositions and other actions, which depend on a number of factors, some of which are beyond our control. If we are unable to realize these anticipated expense reductions and efficiency improvements or if implementing these initiatives harms our relationships with customers or employees or our competitive position, our businesses and results of operations may be adversely affected.

44. Adverse financial market and economic conditions in India and globally could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our business depends on favourable economic conditions in India and, in particular, on growing household and business earnings and expenditure.

In the event of any economic downturn in India or elsewhere, which may be characterised by higher unemployment, lower household income, lower corporate earnings, lower business investment and lower consumer spending, the demand for insurance products could be adversely affected. Potential customers may not acquire or invest in new assets or projects or choose to forgo insurance, or opt for reduced cover, thereby reducing our GDPI.

Any adverse macroeconomic development in India, whether as a result of domestic or global developments, would adversely affect our customers and thereby have a material adverse effect on our business, financial condition, results of operations and prospects.

See also "—We are exposed to significant market risk, including changes in interest rates or adverse movements in the equity markets in India that could impair the value of our investment portfolio and have a material adverse effect on our business, financial condition and results of operations" on page 37.

45. Shifts in consumer attitudes towards insurance could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Our business and profitability are affected by our customers' attitudes towards insurance, which is a key factor affecting the performance of the non-life insurance industry in India. Customer attitudes towards insurance depends on various factors, including general economic conditions in India, reputation of the Indian non-life insurance industry in general, the risk appetite of our customers, and perceptions of the quality of customer service. If there is an adverse shift in consumer attitudes towards non-life insurance, our financial condition and results of operations may be materially and adversely affected.

In particular, in the recent past, certain government-promoted institutions, and certain large corporations have begun foregoing the purchase of non-life insurance in favour of retaining the risk on their books. If this trend continues, or accelerates, it could reduce our GDPI and our financial condition and results of operations may be materially and adversely affected.

46. A downgrade or a potential downgrade in our Claims Paying Ability rating and/or subordinated debt rating could have a material adverse effect on our business, financial condition, results of operations and prospects.

We are not required by the IRDAI to obtain a financial strength rating. As a measure of good governance as well as independent certification of our financial strength, we have subscribed to ICRA Limited's surveillance on Claims Paying Ability rating that measures an insurance company's ability to meet its claims obligations and have been rated iAAA (domestic credit rating) since fiscal 2007. Additionally, we have also been rated AAA (domestic credit rating) by CRISIL Limited and ICRA Limited for the purposes of issuance of subordinated debt (non-convertible debentures) since April 7, 2016 and March 28, 2016, respectively. While there has been no prior instance of a downgrade in our Claims Paying Ability and/or subordinated debt ratings, any future downgrade or the announced potential for a downgrade, could have a material adverse effect on our business, financial condition, results of operations and prospects.

47. Some of our Group Companies have incurred losses in the past, based on their audited financial statements available.

Some of our Group Companies have incurred losses in the past, based on their available audited financial statements. For further details of our loss making Group Companies, see "Group Companies—Loss making Group Companies" on page 228. We cannot assure you that our Group Companies will not incur losses in the future.

48. Our Promoter is able to, and post-listing will continue to, exercise significant influence over us and may not act in our best interests or those of our other shareholders.

As on the date of this Red Herring Prospectus, ICICI Bank holds 62.92% of our issued and outstanding equity shares capital. Post-listing, ICICI Bank will continue to exercise significant influence over us through its shareholding after the Offer. In accordance with our Articles of Association and the applicable laws and regulations, ICICI Bank individually, will be able to exercise significant influence over our business including with respect to issuance of Equity Shares and election of our Directors.

Additionally, in accordance with our Articles of Association and applicable laws and regulations, ICICI Bank will have the ability to exercise, directly or indirectly, a controlling influence over our business. For further details, see "Main Provisions of Articles of Association" from page 480.

Our Promoter may have interests that may be adverse to our interests or the interests of our other shareholders and may take positions with which our other shareholders do not agree. Any of the foregoing factors could have an adverse effect on our business, financial condition, results of operations and cash flows.

49. We do not own the 'ICICI' trademark and logo. In addition, we may be unable to adequately protect our intellectual property since a number of our trademarks, logos and other intellectual property rights may not be registered and therefore do not enjoy any statutory protection. Further, we may be subject to claims alleging breach of third-party intellectual property rights.

Third parties may infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and any third-party claim on any of our unprotected brands may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time-consuming and costly and a favourable outcome cannot be guaranteed. We may not be able to detect any unauthorised use or take appropriate and timely steps to enforce or protect our intellectual property. We cannot assure you that any unauthorised use by third parties of the trademarks will not similarly cause damage to our business prospects, reputation and goodwill.

Further, the ICICI Trademarks are registered in favour of ICICI Bank and the 'Lombard' trademark and logo ("**Lombard Trademark**") was registered in favour of Northbridge Financial Corporation (a wholly owned subsidiary of Fairfax), ("**NFC**"), respectively. While the Lombard Trademark has been assigned to us, solely for the territory of India, pursuant to the Deed of Assignment executed between NFC and us, we have been authorized to use the ICICI Trademarks by virtue of the ICICI Trademark License Agreement executed between ICICI Bank and us on July 6, 2017.

Pursuant to the Trademark License Agreement, we have been granted a non-exclusive license and the right to use the ICICI Trademarks. The ICICI Trademark License Agreement can be terminated if both the following conditions are met:

(i) ICICI Bank ceases to hold, whether directly, indirectly or beneficially, equity share capital in us at any time, representing 50% of our total equity share capital on a fully diluted basis; and

(ii) ICICI Bank notifies us of its intention to terminate the agreement as per the above mentioned term.

Further, ICICI Bank may elect not to terminate the ICICI Trademark License Agreement upon fulfilment of condition (i) mentioned above, subject to mutually agreed terms. In the event that the ICICI Trademark License Agreement is terminated, we may have to discontinue the use of the ICICI Trademarks which may materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

50. This Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research.

This Red Herring Prospectus in the sections titled "Summary of Industry", "Summary of Business", "Risk Factors", "Industry Overview", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations” on pages 66, 72, 22, 127, 151 and 324, respectively, includes information that is derived from an industry report titled “Analysis of general insurance industry in India, August 2017” prepared by CRISIL Research, a research house, pursuant to an engagement with us. We commissioned these reports for the purpose of confirming our understanding of the non-life insurance industry in India. Neither we, nor any of the GCBRLMs or BRLMs, our Directors, our Promoter, nor any other person connected with the Offer has/have verified the information in the commissioned report. CRISIL Research has advised that while it has taken due care and caution in preparing the commissioned report, which is based on information obtained from sources that it considers reliable, it does not guarantee the accuracy, adequacy or completeness of such information and disclaims responsibility for any errors or omissions in the information or for the results obtained from the use of such information. The commissioned report also highlights certain industry and market data, which may be subject to assumptions. Methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that CRISIL Research’s assumptions are correct or will not change and, accordingly, our position in the market may differ from that presented in this Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in the Equity Shares. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Red Herring Prospectus, when making their investment decisions.

51. We are also subject to a number of additional risks associated with our business outside India.

We write reinsurance outside India and also cover certain risks of Indian corporates having interests abroad. The reinsurance inward premium from our business outside India for fiscal 2015, 2016, 2017, the three months ended June 30, 2017, was ₹ 0.92 billion, ₹ 0.96 billion, ₹ 1.06 billion and ₹ 0.28 billion, which represented 1.4%, 1.2%, 1.0% and 0.9% of our GDPI for the respective periods. This business subjects us to various risks, including currency risk, risks associated with political instability, catastrophic risk affecting our business underwritten abroad, changing market conditions around the globe, economic downturn which could result in financial market disruption, and risk of compliance with local laws, any of which could cause a material and adverse effect on our business, results of operations and prospects.

52. Any concentration in our investment portfolio could have a material adverse effect on our business, financial condition and results of operations.

As of June 30, 2017, 83.2% of our investments were in fixed income products (including mutual funds) such as government bonds, bonds issued by financial institutions, corporate bonds, term deposit, and money market instruments. We are obligated by regulation to invest a portion of our total investment assets in certain asset classes and we are also restricted from making certain investments. For further details, see “—We are exposed to significant market risk, including changes in interest rates or adverse movements in the equity markets in India that could impair the value of our investment portfolio and have a material adverse effect on our business, financial condition and results of operations” on page 37.

As a result of such restrictions, or otherwise, our investment portfolio may at any point in time have significant concentration in certain asset classes. In the event that an asset class in which we have a significant asset allocation experiences adverse developments, such developments could have a material adverse effect on our financial condition and results of operations.

53. Our investment portfolio is subject to liquidity risk which could decrease its value.

Some of our investments may not have sufficient liquidity as a result of a lack of market makers, market sentiment and volatility, and the availability and cost of credit. In these circumstances, our ability to sell our investment assets without significantly depressing market prices, or at all, may be limited. As an investor in India, we may also hold significant positions in many of the listed stocks that we directly invest in, and any decision to sell or any perception in the market that we intend to sell could adversely affect the liquidity and market price of such security and, in turn, our returns on investments in such security. For more details, see “Our Business—Investments” on page 172. If we are required to dispose of these or other potentially illiquid investment assets on short notice due to significant number of insurance claims to be paid, a large claim to be paid, significant fall in value of our liquid investment assets, or other reasons, we could be forced to sell such investment assets at prices significantly lower than the prices we have recorded in our financial statements. As a result, our business, financial condition, results of operations and prospects could be materially and adversely affected.

54. Fluctuations in the exchange rate of the Indian Rupee and U.S. Dollar or other foreign currencies may materially and adversely affect our results of operations.

We are exposed to foreign currency risk through transactions conducted in currencies other than Indian Rupees. Such transactions include reinsurance transactions and claims payments arising in certain categories of business.

Although we have entered into a facility agreement with ICICI Bank pursuant to which, under certain circumstances, we have the option to enter into a forward contract with ICICI Bank for the purpose of hedging foreign exchange risk, this or any other measures may not be adequate to protect us from foreign exchange losses.

If there is a fluctuation in the exchange rate of the Indian Rupee and U.S. Dollar or other foreign currencies in which we transact with, it could have a material adverse effect on the our results of operations.

55. Changing climate conditions and weather patterns may adversely affect our financial condition and results of our operations.

Many scientists indicate that the world's overall climate is getting warmer and at times unpredictable. Climate change, to the extent it produces rising temperatures and changes in weather patterns, could impact the frequency and/or severity of adverse or extreme weather events, the affordability, availability and adequacy of our catastrophe reinsurance coverage, and consequently our results of our operations. If there is a change in weather patterns, an increase in catastrophic weather events or if there is an increase in the unpredictability of weather conditions, we may be subjected to increased claim costs which could adversely impact our results of operations and financial condition. While adverse or extreme weather events could have an impact on our various business segments, like motor, fire and engineering or health insurance, the most direct impact would be on our crop/weather insurance business, which accounted for 20.1% and 21.8% of our GDPI in fiscal 2017 and the three months ended June 30, 2017, respectively. This could adversely impact our volume of business and, consequently, our results of operations and cash flows. There is no guarantee that any such increase in claims will be adequately covered by reinsurance, or at all.

56. Any increase in or realisation of our contingent liabilities could have a material adverse effect on our business, financial condition, results of operations and prospects.

As of March 31, 2015, 2016, 2017 and June 30, 2017, our aggregate contingent liabilities, in accordance with the provisions of Accounting Standard—29—Provisions, Contingent Liabilities and Contingent Assets, were ₹ 681.4 million, ₹ 100.7 million, ₹ 393.5 million and ₹ 393.6 million, respectively. The details of our contingent liabilities which have not been provided for by us as of June 30, 2017 as per our restated financial statements are as follows:

Particulars	At June 30, 2017 (₹ in millions)
Partly paid-up investments	—
Claims, other than those under policies, not acknowledged as debt	—
Underwriting commitments outstanding	—
Guarantees given by or on behalf of us	—
Statutory demands/liabilities in dispute, not provided for	302.8
Reinsurance obligations to the extent not provided for	—
Others	90.8
Total	393.6

For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Outstanding Litigation and Material Developments" on page 352 and from page 356, respectively. There can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future. In the event that the level of contingent liabilities increase, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

57. Changes in the accounting standards used in the reporting of our financial statements due to new pronouncements, interpretations, migration to new standards or our own decision to change accounting policies may significantly affect our financial statements for the future years, and may materially and adversely affect our financial results, financial condition or shareholders' equity.

Our financial statements are prepared in accordance with accounting principles generally accepted in India (Indian GAAP), in compliance with the accounting standards notified under section 133 of the Companies Act, 2013, further amended by Companies (Accounting Standards) Amendment Rules, 2016, read together with paragraph 7 of the Companies (Accounts) Rules, 2014, and in accordance with the provisions of the Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015), Insurance Regulatory and Development Authority Act, 1999, and the regulations framed thereunder, various circulars issued by the IRDAI and the practices prevailing within the insurance industry in India.

It is possible that in the future, changes to accounting standards or any other regulations governing us could change the current accounting treatment being followed by us. This may have a significant impact on the level and volatility of our financial results, financial condition or Shareholders' equity. In any such event, our profit/loss for the preceding years might not be strictly comparable with the profit/loss for the period for which such accounting policy changes are being made.

In addition, companies in India are required to prepare annual and interim financial statements under an IFRS converged standard known as "Ind AS". As an insurance company, we were required to adopt and prepare statutory financial statements in accordance with Ind AS for periods beginning on or after April 1, 2018. However, the IRDAI has issued a circular whereby the implementation of Ind AS in the insurance sector has been deferred for a period of two years and insurance companies shall be required to implement it for periods after April 1, 2020.

Also see "—Risks Relating to India - Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition" on page 59.

58. Changes in our assumptions regarding the discount rate, expected rate of return, and expected compensation for our post-retirement benefit plans may result in increased expenses and reduce our profitability.

The valuation of post-retirement benefits of our employees is undertaken in accordance with the provisions of AS-15 prescribed by ICAI and on the basis the report of a practising actuary. Certain assumptions and other factors are taken into account while valuing the provisions such as return on plan assets, salary escalation rate and discount rate. If our assumptions are inaccurate or subject to significant change, it could result in increased provisioning and expenses, which in turn may reduce our profitability.

59. The increasing impact of innovation, technological change and use of data in the non-life insurance industry in India and the markets in which we operate, could harm our ability to maintain or increase our business volumes and our profitability.

The non-life insurance industry in India is undergoing rapid and significant technological and other changes. Our competitors and we are focused on using technology, big data and innovation to simplify and improve the customer experience, increase efficiencies, redesign products, improve customer targeting, alter business models and effect other potentially disruptive changes in the Indian non-life insurance industry. We use technology in almost every aspect of our business, including sales, underwriting, risk management, surveying, fraud detection, customer service, claims adjustment and settlement. If we do not anticipate, innovate, keep pace with and adapt to technological and other changes impacting the Indian non-life insurance industry, it could harm our ability to compete in the market, decrease the value of our products to customers, and materially and adversely affect our business prospects.

60. If we fail to maintain confidential information securely, or suffer from any security or privacy breaches, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

In our customer engagements, we collect, process, store, use, transmit and have access to a large volume of confidential information. Our and our distribution partners' computer networks may be vulnerable to unauthorised access, computer hackers, computer viruses, worms, malicious applications and other security problems caused by unauthorised access to, or improper use of, systems by our employees, subcontractors or third-party vendors.

Information security, including the security of our technology systems, is managed jointly by ICICI Bank and us, as per the ICICI Group's information security framework. Despite the security controls implemented, computer attacks or disruptions may jeopardise the security of information stored in and transmitted through our computer systems or the systems that we manage. As a result, we may be required to expend significant resources to protect against the threat of these security breaches or to alleviate problems caused by these breaches. Techniques used to obtain unauthorised access or to sabotage systems change frequently and generally are not recognised until launched against a target. We may be unable to anticipate these techniques or implement adequate preventative measures. Even if we anticipate these attacks, we may not be able to counteract these attacks in time to prevent them.

Organizations generally, and insurers, in particular, due to the amount of sensitive data they hold, remain vulnerable to highly targeted attacks aimed at exploiting network specific applications or weaknesses. Hackers are increasingly using powerful new tactics including evasive applications, proxies, tunnelling, encryption techniques, vulnerability exploits, buffer overflows, denial of service attacks, or distributed denial of service ("**DDoS**") attacks, botnets and port scans. If we are unable to avert a DDoS or other attack for any significant period, we could sustain substantial revenue loss from lost sales due to the downtime of critical systems. We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber-attacks. Moreover, we may not be able to immediately detect that such an attack has been launched, if, for example, unauthorized access to our systems was obtained without our knowledge in preparation for an attack contemplated to commence in the future. Cyber-attacks may target us, our customers, our distribution partners, banks, credit card processors, delivery services, e-commerce in general or the communication infrastructure on which we depend.

Since we use cloud environments for various applications, we store and transmit large amounts of sensitive, confidential, personal and proprietary information over public communications networks. The shared, on-demand nature of cloud computing introduces the possibility of new security breaches, in addition to the threats faced by traditional corporate networks. Due to the vast amount of data stored on cloud servers, cloud providers have become an attractive target for cyber-attacks. Though cloud providers deploy security controls to protect their cloud environments, if they fail in protecting our confidential information, it may have a material adverse effect on our business, financial condition, results of operations, reputation and prospects.

If an actual or perceived security breach, data theft, unauthorised access, unauthorised usage, virus or similar breach or disruption occurs, the market's perception of our security measures could be harmed and we could lose sales and current and potential customers. Any significant violations of data privacy could result in the loss of business, litigation and regulatory investigations and penalties that could damage our reputation and adversely affect our operating results and financial condition. Furthermore, if a high profile security breach occurs with respect to another insurer, our customers and potential customers may lose trust in the security of the insurance industry generally, which could harm our future sales.

Data collection and storage are increasingly subject to legislation and regulations in various jurisdictions and governments are increasingly acting to protect the privacy and security of personal information. Our attempts to comply with applicable legal requirements may not be successful, and may also lead to increased costs for compliance, which may materially and adversely affect our business, financial condition, results of operations and prospects. We could be adversely affected if legislation or regulations are expanded or amended to require changes in our business practices or if such legislation or regulations are interpreted or implemented in ways that negatively affect our business, financial condition, results of operations and prospects.

61. The success of our business depends on our ability to attract and retain our senior management, actuaries and employees in critical roles, and the loss of their services could have a material adverse effect on our business, financial condition, results of operations and prospects.

The success of our business to a large extent depends on the continued service of our senior management and various professionals and specialists, including sales and marketing professionals, actuaries, information technology specialists, investment managers and finance professionals, legal professionals, risk management specialists, underwriting and claim settlement personnel and industry specialists. As a result of ever-increasing market competition, the market demand and competition for experienced management personnel and insurance professionals and specialists has intensified. Our business and financial condition could suffer if we are unable to retain our senior management, or other employees in critical roles, including management in professional departments of business, finance, actuarial, investment and information technology, or cannot adequately and timely replace them upon their departure.

In particular, we rely on a limited number of actuarial personnel, including our Appointed Actuary. Actuarial work is a specialised profession and there are a limited number of persons qualified to practice as an actuary in India. Any failure on our part to attract, retain or find suitable replacements for any of our actuarial personnel, including our Appointed Actuary, could have a material adverse effect on our business and preventing us from conducting our business at all. Similarly, we rely on a limited number of specially trained and experienced investment professionals. Any failure on our part to attract, retain or find suitable replacements for any of our investment personnel, could have a material adverse effect on our business.

In addition, many of our corporate customers are serviced through limited customer relationship managers who have close relationships with such customers. If we are unable to retain such customer relationship managers and if they move to a competitor, we face the risk of losing such customers, which could have a material adverse effect on our business, financial condition and results of operations.

Moreover, we may be required to increase substantially the number of our professionals and specialists in connection with any future growth plans, and we may face difficulties in doing so due to the competition in the insurance industry for such personnel. Our failure to retain or replace competent personnel could materially impair our ability to implement any plan for growth and expansion. Competition for quality employees among insurance companies and other business institutions may also require us to increase compensation and commissions, which would increase operating costs and reduce our profitability.

62. We depend on the accuracy and completeness of information provided by or on behalf of our customers and counterparties.

In deciding whether to issue policies to customers, pay out claims or enter into other transactions with counterparties, we necessarily have to rely on information furnished to us by or on behalf of our customers, regional or rural banks for the PMFBY programme, intermediaries and counterparties, including personal details, medical histories, income statements and other financial information. See "—There are certain risks related to our crop/weather insurance offering that could have a material adverse effect on our business, financial condition, results of operations and prospects" on page 30. Our financial condition and results of operations could be negatively affected by relying on any incorrect, misleading or incomplete information sourced from customers and counterparties. Such information might include non-disclosure of pre-existing medical conditions or other material information, inaccurate, incomplete or forged income and financial statements, inaccurate details regarding assets to be insured, and incorrect KYC documents thereby leading to violation of laws including the anti-money laundering related laws.

While we are implementing measures aimed at minimising the inaccuracy and incompleteness of information provided by or on behalf of our customers and counterparties, we may not be able to minimise such inaccuracies and incompleteness, which could harm our reputation, lead to regulatory action, and have a material adverse effect on our business, financial condition, results of operations and prospects. See "Our Business—Risk Management—Risk Management Process—Operational Risk" on page 176.

While we are implementing measures aimed at improving detection and prevention of employees' and external parties' frauds, sales misrepresentations, money laundering and other misconduct, we may not be able to timely detect or prevent such misconduct, which could harm our reputation and have a material adverse effect on our business, financial condition, results of operations and prospects. We also cannot assure you that such incidents will not recur, and any such recurrences could have a material adverse effect on our business, financial condition, results of operations and reputation.

63. We rely on third-party contractors and service providers for a number of services, but we cannot guarantee that such contractors and service providers will comply with relevant regulatory requirements or their contractual obligations.

We routinely outsource some of our operations to third-party contractors and providers. However, we cannot guarantee that our third-party contractors will comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all. Third-party providers may breach agreements they have with us because of factors beyond our control. They may also terminate or refuse to renew their agreements because of their own financial difficulties or business priorities, potentially at a time that is costly or otherwise inconvenient for us. Our operations could be delayed or our commercial activities could be harmed due to any such event despite having continuity plans in place as required by regulations. In addition, if our third-party providers fail to operate in compliance with regulations or corporate and societal standards, we could suffer reputational harm, which would likely cause a material adverse effect on our business, financial condition, results of operations and prospects.

64. Our business is vulnerable to misconduct and fraudulent activities and such activities could have a material adverse effect on our business, financial condition, results of operations and reputation.

We have in the past been subject to, and expect to continue to be subjected to, fraudulent activities by employees, customers and third parties. Although we maintain a system of internal controls to monitor, detect and prevent fraud, there can be no assurance that we will not suffer significant losses due to fraudulent activities.

While we insist on collection of premium through "non-cash" modes like cheque, bank draft, electronic fund transfer and similar means, premiums on our products may also be collected in cash by our employees, agents or other intermediaries. This makes us vulnerable to misappropriation and breach of trust by our employees, agents and other intermediaries. In cases where we compensate the customer for any loss of such premium, we may be unable to recover any such amounts from such employee, agent or other intermediary, leading to losses for us. For example, in the past, our employees, agents or other intermediaries have issued fake policies to our customers in lieu of cash premium.

We are also required to enrol beneficiaries in various government-sponsored insurance programmes where the business is awarded on the basis of winning a tender. The enrolment activity is usually required to be completed in a time-bound manner. Due to the scale of these insurance programmes and the time frame involved in the enrolment process, we may be compelled to work with intermediaries. This could give rise to cases wherein the intermediaries could erroneously or fraudulently enrol the wrong beneficiaries resulting in us being held liable for mis-selling.

In addition, our sales intermediaries have direct contact with our customers and have knowledge of their personal and financial information. This contact exposes our clients to various forms of possible misconduct, including unethical / illegal sales practices, fraud, identity theft, breach of confidentiality and loss of personal information. Any such misconduct could have a material adverse effect on our business and reputation.

We are also exposed to fraudulent activities by our customers and third parties. We may be the victim of fraud by our customers. While we have a claim fraud detection mechanism, we cannot assure you that we will be able to prevent or detect all fraud committed against us. In the past, we have been subjected to various types of fraud by our customers, including, the presentation of fake death certificates (for accidental death), the presentation of fake driving licenses in settlement process of motor insurance claims, claims of theft after a sale of the property by the customer, suppression of pre-existing conditions at the time of policy issuance, arson on insured property, use of false identities and making of false claims.

If we are unable to detect or prevent fraudulent activities, we may suffer significant losses that we are unable to recover, and which could have a material adverse effect on our business, financial condition and results of operations. In addition, if we are able to recover our losses, any such fraud may still cause significant harm to our reputation.

See "—Regulatory and statutory actions against us or our distribution partners could cause us reputational harm and have a material adverse effect on our business, financial condition, results of operations and prospects" and "Outstanding Litigation and Material Developments" on pages 35 and 356, respectively.

65. ***Our Promoter, ICICI Bank, and/or some of our Directors and related entities may be subject to conflicts of interest because of their interests in other insurance companies which could have a material adverse effect on our business, financial condition, results of operations and prospects.***

Our Promoter, ICICI Bank, and/or some of our Directors and related entities hold direct and indirect interests in ICICI Prudential Life Insurance Company Limited which is engaged in the life insurance business. While we believe that all transactions with our Promoter have been conducted on an arm's length basis and all such transactions are adequately disclosed in the section titled "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Related party" on page 230 and are also approved by the Audit Committee of our Board (including whether such transactions are on an arm's length basis), we cannot assure you that such transactions are in our or our other Shareholders' best interests.

Some of our employees have been awarded employee stock options of ICICI Bank which may result in conflict of interest because of their interest in ICICI Bank.

Due to such conflicts of interest, our Promoter or some of our Directors/senior management may make decisions regarding our operations, financial structure or commercial transactions that may not be in our or our other Shareholders' best interests. They may also enable a competitor to take advantage of a corporate opportunity at our expense. Such decisions could have a material adverse effect on our business, financial condition, results of operations and prospects.

66. ***A majority of our business operations are being conducted on leased premises. Our inability to seek renewal or extension of such leases may materially affect our business operations.***

A majority of our business operations are being conducted on premises leased from various third parties. We may also enter into such transactions with third parties in the future. Any adverse impact on, or deficiency in, the title, ownership rights or development rights of the owners from whose premises we operate, breach of the contractual terms of any lease or leave and license agreements, or any inability to renew such agreements on acceptable terms may materially affect our business operations.

67. ***The insurance sector is subject to seasonal fluctuations in operating results and cash flows.***

The insurance sector is subject to seasonal fluctuations in operating results and cash flow. Most Indian corporates purchase non-life insurance in the beginning of the fiscal year, and consequently, we see an increase in premiums received from our corporate customers in April of every year. In addition, certain insurance purchases by individuals are concentrated around the third and fourth quarters of the fiscal year due to the increase in sales of motor vehicles in the festive season and due to certain tax benefits related to their purchase, respectively. Likewise, the sale of health insurance products increases in the last quarter of each fiscal year to take advantage of income tax benefits available to customers. Finally, crop/weather insurance purchases are concentrated around the two sowing seasons—Kharif and Rabi.

Our investment income is also subject to fluctuations as we time the sales of our investments on the basis of market opportunities.

As a result of these factors, we may be subject to seasonal fluctuations and volatility in growth in premiums, results of operations, cash flows and earnings between financial periods of reporting. Consequently, our results for an interim period should not be used as an indication of our annual results, and our results for any period should not be relied upon as an indicator of our future performance.

RISKS RELATING TO THE INDIAN INSURANCE INDUSTRY

68. ***The Indian non-life insurance market has experienced volatility in growth and future growth cannot be assured.***

According to the CRISIL Report, the Indian non-life insurance industry grew at a cumulative annual growth rate ("**CAGR**") of 17.2%, by GDPI, between fiscal 2002 to 2007, which slightly slowed down after regulatory changes were made by the Government of India to remove tariffs. From fiscal 2008 to 2011, the Indian non-life insurance industry GDPI grew at a CAGR of 15.8%. Subsequently, there was a revival in growth when the Indian non-life insurance industry GDPI grew from fiscal 2012 to 2017 at a CAGR of 18.1%. In fiscal 2017, the PMFBY programme was implemented and propelled the non-life insurance industry GDPI to grow by 32.4%. Over the long term, we expect the non-life insurance market in India to continue to expand and the non-life insurance penetration and non-life insurance density to continue to rise with the continued growth of the Indian economy. However, our judgements regarding the anticipated drivers of such growth and their impact on the Indian non-life insurance industry might be wrong and actual developments might not reflect our expectations. In addition, the Indian non-life insurance industry may not be free from various risks, including risks related to macroeconomic conditions and customers' attitude to insurance products. Consequently, the growth and development of the Indian insurance industry cannot be assured.

69. Adverse changes in the reinsurance markets could have a material adverse effect on our business, financial condition, results of operations and prospects, and we are exposed to the risk that our reinsurers may not perform their obligations.

As part of our overall risk management strategy, we cede a portion of the insured risks we underwrite to a number of reinsurance companies to reduce the underwriting risk of our various business segments. Under a reinsurance contract, the reinsurer becomes liable to us to the extent of the risk ceded although we remain liable to the insured as the insurer.

The availability, amount and cost of reinsurance depend on general market conditions and may vary significantly in different periods of time due to numerous factors, including reinsurance capacity in the market. If the market price of reinsurance increases, we may be unable to (i) maintain our current reinsurance coverage, (ii) obtain additional reinsurance coverage in the event our current reinsurance coverage is exhausted by a catastrophic event, or (iii) obtain reinsurance coverage in adequate amounts at acceptable rates. We may be unable to obtain sufficient reinsurance to cover losses in the future, and we may not be able to obtain the reinsurance we require in a timely or cost-effective manner. Any decrease in the amount of reinsurance will increase our risk of loss and any increase in the cost of reinsurance will reduce our net income. Accordingly, we may be forced to incur additional expenses for reinsurance or may not be able to obtain sufficient reinsurance on acceptable terms, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Reinsurance may also not protect us completely against losses due to the credit risk that our reinsurers may not perform their obligations. See "—Risks Relating to Our Business—Credit risks in our day-to-day operations, including in our reinsurance contracts, may expose us to significant losses" on page 34.

70. If we cannot effectively respond to increasing competition in the non-life insurance industry in India, our results of operation and market share could be materially and adversely affected.

We face intense competition from general insurers. Competition in the non-life insurance industry in India is affected by a number of factors, including brand recognition and the reputation of the provider of services and products, customer satisfaction, distribution network and access to services and service personnel, pricing and quality of services, product design and diversification, financial strength, a high quality and stable professional team and information technology capabilities. Our competitors also have competitive strengths based on operating experience, capital base and product diversification. Our primary competitors are public sector non-life insurers, large private sector non-life insurance companies, and some monoline insurers.

Competitors of ours might consolidate their businesses, which could lead to their attaining increased financial strength, management capabilities, resources, operational experience, market share, distribution channels and capabilities in pricing, underwriting and claims settlement.

In addition, we face potential competition from commercial banks and certain clients that invest in, or form alliances with, general insurers to offer insurance products and services that compete against those offered by us. Closer integration between the insurance and banking sectors may potentially increase incentives for banks to distribute insurance products and services of their insurance business affiliates and partners instead of ours. In addition, insurance aggregators and other new companies with a focus on digital distribution are entering the non-life insurance industry. Such potential competitors may further increase the competitive pressures we expect to face.

FAL, as on date of this Red Herring Prospectus, holds 99,464,479 Equity Shares of our Company. Further, pursuant to the Offer, FAL proposes to sell 54,485,709 Equity Shares of our Company, to public. Additionally, the Amended and Restated Joint Venture Agreement has been terminated pursuant to the termination agreement dated July 3, 2017 subject to terms and conditions mentioned therein. For further details, see "History and Certain Corporate Matters—Key shareholders' agreement—Original Joint Venture Agreement and Amended and Restated Joint Venture Agreement" on page 195. However, FAL will continue to hold our Equity Shares due to the fact that under the terms of the letter dated March 30, 2016 issued by IRDAI in terms of the IRDAI Transfer of Equity Shares Regulations, FAL is required to hold 40,278,460 Equity Shares (constituting 8.9% of our issued and paid-up capital) for a minimum period of five years from the date of such IRDAI letter. Also, in the past, Fairfax appointees have been our Directors and Fairfax has had access to our internal models and underwriting and pricing methodology. We understand that Fairfax and FAL have decided to invest in and set up a non-life insurance company in India, and we expect to face competition from such company.

Our failure to respond effectively to these various competitive pressures could result in a decrease of market share and cause us to incur losses on some or all of our activities and to experience lower growth, or even a decline. A decline in our competitive position could have a material adverse effect on our business, financial condition, results of operations and prospects.

71. There are operational risks associated with the non-life insurance industry which, when realised, may have a material adverse effect on our business, financial condition, results of operations and prospects.

Similar to any other non-life insurance company, we are also exposed to a number of operational risks that can have material adverse effect on our business, financial condition, results of operations and prospects. Such risks could manifest at any time in the future. The key operational risks we are exposed to include:

- human and systems errors, including erroneous payments, due to the complexity and high volume of transactions;
- failure of technology in our processes causing errors or disrupting our operations;
- interruption in the operation of critical facilities, systems and business functions;
- inadequate technology infrastructure or inappropriate systems architecture;
- failure to adequately monitor and control our various distribution partners;
- failure to implement sufficient information security, including cyber security, and controls;
- an interruption in services by our critical service providers;
- acceptance of risk prior to the placement of reinsurance;
- inability to manage claims to the satisfaction of reinsurers;
- failure in our fraud risk management and loss minimization processes;
- claims by the customers and/or regulators for alleged mis-selling; and
- failure to comply with applicable laws, regulations, accounting norms or regulatory policies.

If any of the foregoing were to occur, it could have a material adverse effect on our business, financial condition, results of operations and prospects. In the past, we have experienced losses due to operational risks, including loss due to collusion by some of our customer service employees with certain employees of an insured and loss due to a failure to detect a fraudulent declaration made by an employee of a customer resulting in a premium refund and a fraudulent claim payment.

72. Our financial statements and the presentation of our performance metrics differ significantly from those of non-insurance companies and may be difficult to understand or interpret.

Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act, the Insurance Act, the IRDA Act, regulations framed and circulars issued and restated under the SEBI Regulations. The Restated Financial Statements, and the financial statements which will be prepared for the future accounting periods, will differ significantly from those of non-insurance companies and may be difficult to understand. For example, while financial statements of companies other than general insurers generally consist of a balance sheet, a profit and loss statement and a cash flows statement, our financial statements consist of a balance sheet, revenue account(s), a profit and loss account, and a receipts and payments account. As a result of the technical nature of our financial statements as compared to those of non-insurance companies, an investor may find them difficult to understand or interpret, and it may cause the investor to make a choice to invest in us which he or she would not otherwise make with a more complete understanding.

Our performance metrics, including our combined ratio, net expense ratio and loss ratio, are significantly different from those of non-insurance companies and may require certain estimates and assumptions in their calculation. Even among general insurers, these metrics may be calculated differently by different companies. An investor must exercise caution before relying on these metrics and these must be read along with our restated financial statements.

73. We have limited experience investing in certain asset classes that have only recently been permitted by the IRDAI and may have limited experience investing in other asset classes that may be permitted in the future.

IRDAI has stipulated various permissible asset classes along with the permissible limits in its IRDAI Investment

Regulations. The asset types broadly include central government securities, state government securities, debentures, equity shares, preference shares, immovable property situated in India, fixed deposits with banks, bonds, certificate of deposits, commercial paper, liquid mutual funds forming part of approved investments and other money market instruments (each subject to conditions mentioned therein).

In addition, IRDAI has recently allowed insurance companies to invest in Additional Tier I (Basel III Compliant) Perpetual Bonds, infrastructure investment trusts (InvITs) and real estate investment trusts (REITs). We have very limited experience in investing in such asset classes and suffer from a lack of availability of past data on returns from our perspective. In addition, IRDAI may permit investments in certain other asset classes in the future.

Any investments made by us in such asset classes would, in addition to the inherent market risk, be subject to additional risks due to our relative inexperience with such products.

EXTERNAL RISKS

RISKS RELATING TO INDIA

74. Financial difficulty and other problems in certain financial institutions in India could have a material adverse effect on our business, results of operations and financial condition.

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions whose commercial soundness may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with which we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business. In fiscal 2011, Indian government agencies initiated proceedings against certain financial institutions, alleging bribery in the loans and investment approval process, which impacted market sentiment. Similar developments in the future could negatively impact confidence in the financial sector and could have a material adverse effect on our business, results of operations and financial condition.

In addition, we use certain financial institutions as partners in our business. Any one of them could be negatively affected by financial difficulty as a result of occurrences over which we have no control. If one or more of our financial institutional partners suffers economic difficulty, this could have a material adverse effect on our business, results of operations and financial condition.

75. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the Competition Commission of India to prevent such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Indian central government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset- and turnover-based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

76. Our business is substantially affected by prevailing economic, political and other prevailing conditions in India.

We are incorporated in and our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- any increase in Indian interest rates or inflation;
- any exchange rate fluctuations;
- any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian consumers and Indian corporates;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- any downgrading of India's debt rating by a domestic or international rating agency;
- financial instability in financial markets; and
- other significant regulatory or economic developments in or affecting India or its insurance sector.

In November 2016, the Government of India demonetised ₹ 1,000.00 and ₹ 500.00 denomination currency notes with effect from November 9, 2016 and launched the revised ₹ 500.00 denomination currency note and introduced the new ₹ 2,000.00 currency note pursuant to the Ministry of Finance's notification no. S.O. 3407 (E) dated 8 November 2016 and other circulars and clarifications issued thereafter by the Government of India and the RBI. The impact of the demonetisation on India's economic growth, credit demand, credit quality, liquidity and interest rates is uncertain. Although there have been minimal short-term effects on our day-to-day business, the medium-term and long-term effects of demonetisation on our business are uncertain and we cannot accurately predict the effect of the demonetisation on our business, results of operations, financial condition and prospects.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely impact our business, results of operations and financial condition and the price of the Equity Shares.

77. Significant differences exist between Indian GAAP and other reporting standards, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition.

As stated in the report of our auditors included in this Red Herring Prospectus, our financial statements are prepared and presented in conformity with Indian GAAP (including compliance to the Companies Act, the Insurance Act, the IRDA Act, regulations framed and circulars issued thereunder and restated under the SEBI Regulations), consistently applied during the periods stated, except as provided in such reports, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to US GAAP or IFRS or any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, including US GAAP or IFRS.

Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on your familiarity with Indian GAAP, Insurance Act, Insurance Regulatory and Development Authority of India Act, 1999, the Companies Act, and the regulations framed thereunder. Any reliance by persons not familiar with Indian GAAP, or these laws and regulations, on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

In addition, our Promoter, ICICI Bank, discloses certain financial information regarding us in US GAAP. In the past, our

Promoter, ICICI Bank, has also disclosed information regarding our business at different times than us and any such disclosure may not have the same presentation as any disclosure by us. We cannot assure you that our Promoter will not in the future disclose information regarding our business that we have not disclosed and with a different presentation from what investors in the Equity Shares are used to. All consideration of financial, and other, information with regard to an investor's decision whether or not to invest in this Offer should be made of the financial statements herein presented and not to any documents published by our Promoter.

78. ***If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.***

Any change in tax laws including upward revision to the currently applicable normal corporate tax rate of 30% along with applicable surcharge and excess, our tax burden will increase. Other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, may no longer be available to us. Further, we have entered into reinsurance agreements with foreign reinsurers, and any change in double tax avoidance agreement on applicability of withholding taxes would result in additional compliance. Any adverse order passed by the appellate authorities/tribunals/courts would have an impact on our profitability.

Similarly, in relation to the applicable law on indirect taxation, the Government of India has notified a comprehensive national GST regime that combines taxes and levies by the central and state governments into one unified rate of interest with effect from July 1, 2017. The GST rate of 18% is listed for non-life insurance services as compared with the applicable service tax rate of 15%. The increased cost of insurance due to the introduction of GST may reduce consumer demand. Under GST, we continue to be impacted due to disallowance of input tax credit on exempted business. During fiscal 2017, we had underwritten exempt premium, such as crop/weather insurance premium of ₹ 21.51 billion, which had a consequential impact of disallowance of ₹ 171.9 million in tax credits. Further, certain tax positions under the service tax may undergo a change in the GST. Further, for the three months ended June 30, 2017, we have underwritten exempt premium, such as crop/weather insurance premium of ₹ 7.23 billion, which had a consequential impact of disallowance of ₹ 52.6 million in tax credits.

We cannot predict whether any tax laws or regulations impacting insurance products will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATING TO THE EQUITY SHARES

79. Public companies in India, including us, are required to compute income tax under the ICDS. The transition to ICDS in India is very recent and we may be negatively affected by this transition.

The Ministry of Finance had issued a notification dated March 31, 2015 presenting the ICDS which creates a new framework for the computation of taxable income. The ICDS was to take effect from April 1, 2015. However, in view of the representations from stakeholders, the Central Board of Direct Taxes ("**CBDT**"), Ministry of Finance, according to its press release dated July 6, 2016, has deferred the applicability of the ICDS with fiscal 2017 being the first assessment year. The ICDS deviates in several respects from concepts that are followed under general accounting standards, including Indian GAAP and Ind AS. For example, where ICDS-based calculations of taxable income differ from Indian GAAP or Ind AS-based concepts, the ICDS-based calculations have the effect of requiring taxable income to be recognised earlier, increasing overall levels of taxation or both. There can be no assurance that the adoption of the ICDS will not adversely affect our business, results of operation and financial condition.

80. Investors may have difficulty enforcing foreign judgements against us or our management.

We are a limited liability company incorporated under the laws of India. A majority of our Directors and executive officers are residents of India and a substantial portion of our assets and such persons' assets are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside India, or to enforce judgements obtained against such parties outside India.

Recognition and enforcement of foreign judgements is provided for under Section 13 of the Civil Procedure Code ("**CPC**") on a statutory basis. Section 13 of the CPC provides that foreign judgements shall be conclusive regarding any matter directly adjudicated upon, except (i) where the judgement has not been pronounced by a court of competent jurisdiction; (ii) the judgement has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgement is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgement was obtained were opposed to natural justice; (v) where the judgement has been obtained by fraud; or (vi) where the judgement sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgement, presume that the judgement was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgements. Section 44A of the CPC provides that where a foreign judgement has been rendered by a superior court, within the meaning of that section, in any country or territory outside India which the Indian central government has formally declared to be in a reciprocating territory, it may be enforced in India as if the judgement had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees or judgements which are not of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgements, other than arbitration awards, in civil and commercial matters. Therefore, a final judgement for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgement is rendered may bring a new suit in a competent court in India based on a final judgement that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgement in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgement if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgements that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgement in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgement or to repatriate any amount recovered.

81. Any adverse change in India's sovereign credit rating by an international rating agency could adversely affect our business and results of operations.

In November 2016, Standard & Poor's, an international rating agency, reiterated its negative outlook on India's credit rating. It identified India's high fiscal deficit and heavy debt burden as the most significant constraints on its rating, and recommended the implementation of reforms and containment of deficits. Standard & Poor's affirmed its outlook on India's sovereign debt rating to "stable", while reaffirming its "BBB-" rating. In May 2017, Fitch, another international rating agency, affirmed India's sovereign outlook to "stable" and affirmed its rating as "BBB-". Going forward, the sovereign ratings outlook will remain dependent on whether the government is able to transition the economy into a high-growth environment, as well as exercise adequate fiscal restraint. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently our business.

82. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- any large claims made under one of our policies;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or government entities of significant claims or proceedings against us;
- new laws and government regulations applicable to the non-life insurance industry in India;

- additions or departures of key management personnel;
- changes in the interest rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

83. There are restrictions on transfers under the Insurance Act and the relevant IRDAI regulations.

Under the Insurance Act, and the IRDAI Transfer of Equity Shares Regulations, no transfer or issuance of Equity Shares which would result in change in our shareholding can be made, where (a) after the transfer, the total paid up holding of the transferee is likely to exceed 5% of our paid-up equity share capital, or (b) the nominal value of Equity Shares intended to be transferred by any individual, firm, group, constituents of a group, or body corporate under the same management, jointly or severally exceeds 1% of our paid-up equity share capital, unless the previous approval of the IRDAI has been obtained for the said transfer. There can be no assurance that IRDAI will necessarily grant such approval to us. Additionally, such transfer restrictions could negatively affect the price of the Equity Shares and may limit the ability of the investors to trade in our Equity Shares in the stock market. These limitations could also have a negative impact on our ability to raise further capital which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Additionally, IRDAI has issued the Listed Indian Insurance Companies Guidelines. These guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and the allotment process pursuant to a public issue. The guidelines, among other things, require a self-certification of fit and proper criteria by a person intending to make any transfer or any agreement to transfer 1% or more, but less than 5% of our paid up equity share capital. However, if the person proposing to acquire equity shares is likely to result in the following:

(i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid-up equity share capital of the insurer or the total voting rights of the insurer; or

(ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10% of the paid-up equity share capital or the total voting rights of the insurer;

each such acquisition would require prior approval of the IRDAI.

The investors intending to acquire the Equity Shares amounting to 1% or more, up to 5%, of our paid-up equity share capital in the Offer shall be required to comply with the self-certification of "fit and proper" criteria as set out in "Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company" on page 441. Additionally, investors intending to acquire Equity Shares in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of our paid up Equity Share capital or the total voting rights, or (ii) the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of our paid-up equity share capital or the total voting rights of the insurer, should note that each such acquisition would require prior approval of the IRDAI. Investors will also be subject to such restrictions with respect to any acquisition of Equity Shares after the Offer. For further details, see "Offer Procedure" beginning on page 440.

84. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the laws of the jurisdiction the investors are located in do not permit them to exercise their pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value the custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in us would be reduced.

85. Any future issuance of Equity Shares may dilute your shareholding and sales of the Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.

We may be required to finance our growth, whether organic or inorganic, through future equity offerings. Any future equity issuances by us, including a primary offering, may lead to the dilution of investors' shareholdings in us. Any future issuances of Equity Shares (including under the ESOS Scheme) or the disposal of Equity Shares by our Promoter or any of our other principal shareholders or the perception that such issuance or sales may occur, including to comply with the minimum public shareholding norms applicable to listed companies in India may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

86. Third-party industry and statistical data in this Red Herring Prospectus may be incomplete or unreliable.

We have not independently verified data obtained from official and industry publications and other sources referred to in this Red Herring Prospectus and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Such data may also be produced on different bases from those used in the industry publications we have referenced. Therefore, discussions of matters relating to India, its economy and the industries in which we currently operate are subject to the caveat that the third-party and statistical data upon which such discussions are based may be incomplete or unreliable. Please see the section entitled "Industry Overview" on page 127.

87. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will be exempt from capital gains tax in India if security transaction tax ("**STT**") has been paid on the transaction. STT will be levied on and collected by an Indian stock exchange on which the equity shares are sold. As such, any gain realised on the sale of equity shares held for more than 12 months by an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be liable to capital gains tax in India. Further, any gain realised by an Indian resident or non-resident on the sale of equity shares held for a period of 12 months or less will be subject to capital gains tax in India. Capital gains arising from the sale of equity shares will be exempt from taxation in India in cases where an exemption is provided under a treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of equity shares.

88. Foreign investors are subject to foreign investment restrictions under Indian laws that may limit our ability to attract foreign investors, which may have a material adverse impact on the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection or a tax clearance certificate from the income tax authority. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on any particular terms or at all.

In addition, the amendment of Insurance Act has led to a revision in the cap on aggregate holdings of equity shares by foreign investors, including portfolio investors, from the erstwhile 26% to 49% of paid-up equity share capital, provided the insurer is an Indian-owned and controlled entity. The FDI Policy also permits total foreign investment up to 49% of the paid-up equity capital of Indian insurance companies, under the automatic route, subject to verification and approval by IRDAI. For further details on the cap on foreign investment and calculation of foreign investment in insurers, see "Restrictions on Foreign Ownership of Indian Securities" on page 479. If we reach the cap, our ability to attract further foreign investors would be curtailed, which may have a material adverse impact on the market price of the Equity Shares.

89. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

90. We will not receive any proceeds from the Offer for Sale. Our Selling Shareholders (which includes our Promoter, ICICI Bank) will receive the entire proceeds from the Offer for Sale.

This Offer is an Offer for Sale of up to 86,247,187 Equity Shares by the Selling Shareholders, of which 31,761,478 Equity Shares are proposed to be sold by our Promoter, ICICI Bank. The entire proceeds from the Offer for Sale will be paid to the Selling Shareholders (which includes our Promoter, ICICI Bank) and we will not receive any such proceeds. For further details, see "Capital Structure" and "Objects of the Offer" on pages 106 and 107, and 115, respectively.

91. The average cost of acquisition of the Equity Shares for ICICI Bank and FAL Corporation may be lesser than the lower end of the Price Band.

The average cost of acquisition of Equity Shares for ICICI Bank is ₹ 43.62 per Equity Share. The average cost of acquisition of Equity Shares for FAL is ₹ 137.97 per Equity Share. The Price Band for the Equity Shares is ₹ [●] to ₹ [●] per Equity Share. For more information on the determination of the Price Band, see section "Basis for Offer Price" on page 117. If the average cost of acquisition of the Equity Shares for ICICI Bank and/or FAL is lesser than the lower end of the Price Band, investors who purchase the Equity Shares would do so at a cost that is higher than the average cost of acquisition of the Equity Shares for ICICI Bank and/or FAL (as applicable) even if the Equity Shares are acquired at the lower end of the Price Band.

92. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Further, the current market price of some securities listed pursuant to certain previous issues managed by the GCBRLMs and the BRLMs is below the respective issue price.

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the GCBRLMs and the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the GCBRLMs and the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "Basis for Offer Price" beginning on page 117 and may not be indicative of the market price for the Equity Shares after the Offer. In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the GCBRLMs and the BRLMs is below their respective issue price. For further details, please refer to "Other Regulatory and Statutory Disclosures - Price information of past issues handled by the GCBRLMs and the BRLMs" on page 417. The factors that could affect the market price of the Equity Shares include, amongst others, broad market trends, financial performance and results of the company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

Prominent Notes:

1. This is a Public offer of up to 86,247,187 Equity Shares for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million through an offer for sale of up to 31,761,478 Equity Shares by ICICI Bank and up to 54,485,709 Equity Shares by FAL, including a reservation of up to 4,312,359 Equity Shares for subscription by ICICI Bank Shareholders for cash at a price ₹ [●] per Equity Share aggregating up to ₹ [●] million. The Offer would constitute 19.00% of our post-Offer paid-up Equity Share capital and the Net Offer shall constitute 18.05% of our post-Offer paid-up Equity Share capital.

2. As of June 30, 2017, our Company's net worth was ₹ 39.19 billion as per our Company's Restated Financial Statements.

3. As of June 30, 2017, the net asset value per Equity Share was ₹ 86.54 as per our Company's Restated Financial Statements and the book value per Equity Share was ₹ 86.54 as per our Company's Restated Financial Statements.

4. The average cost of acquisition of Equity Shares by our Promoter, has been calculated by taking an average of the amounts paid by our promoter to acquire such Equity Shares. The average cost of acquisition of Equity Shares for ICICI Bank is ₹ 43.62 per Equity Share. For further details, see "Capital Structure" from page 104.

5. For details of related party transactions entered into by our Company with our Group Companies in fiscal 2017, see "Related Party Transactions" on page 230.

6. There has been no financing arrangement whereby our Promoter Group, directors of our Promoter, our directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the

business of the financing entity during the period of six months immediately preceding the date of this Red Herring Prospectus.

7. Except as disclosed in the sections entitled "Our Promoter and Promoter Group", "Group Companies" and "Related Party Transactions" on pages 218, 227 and 230, none of our Group Companies have business interest or other interests in our Company.

8. For any complaints, information or clarifications pertaining to the Offer, investors may contact the registrar to the Offer, our Company, the GCBRLMs and the BRLMs who have submitted the due diligence certificate to SEBI.

9. The aggregate short term loan and advances given to related parties for the last year and its value as a percentage of net worth of the Company for the last five fiscal years: Nil.

10. The aggregate related party revenue from operations and its value as a percentage of revenue of the Company for the last five fiscal years is as follows:

(in ₹ billion)

Fiscal Year	Premium from related party	Total GDPI	Premium/GDPI (%)
2013	1.14	61.34	1.9%
2014	1.26	68.56	1.8%
2015	1.34	66.78	2.0%
2016	1.45	80.91	1.8%
2017	1.57	107.25	1.5%

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

Investors should note that this is only a summary of the industry in which our Company operates and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Red Herring Prospectus, including the information in "Industry Overview" and "Financial Statements" beginning on pages 127 *and* 233*, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see "Risk Factors" beginning on page* 22.

Unless otherwise specified, all of the information and statistics in this section are extracted from the CRISIL Report, which was commissioned by us for the purposes of the Red Herring Prospectus. We have not commissioned any report for the purposes of the Red Herring Prospectus other than the CRISIL Report. The information presented in this section, including forecasts and projections, have not been prepared or independently verified by us, our Directors, our Promoter, the GCBRLMs, the BRLMs, or any of our or their respective advisors.

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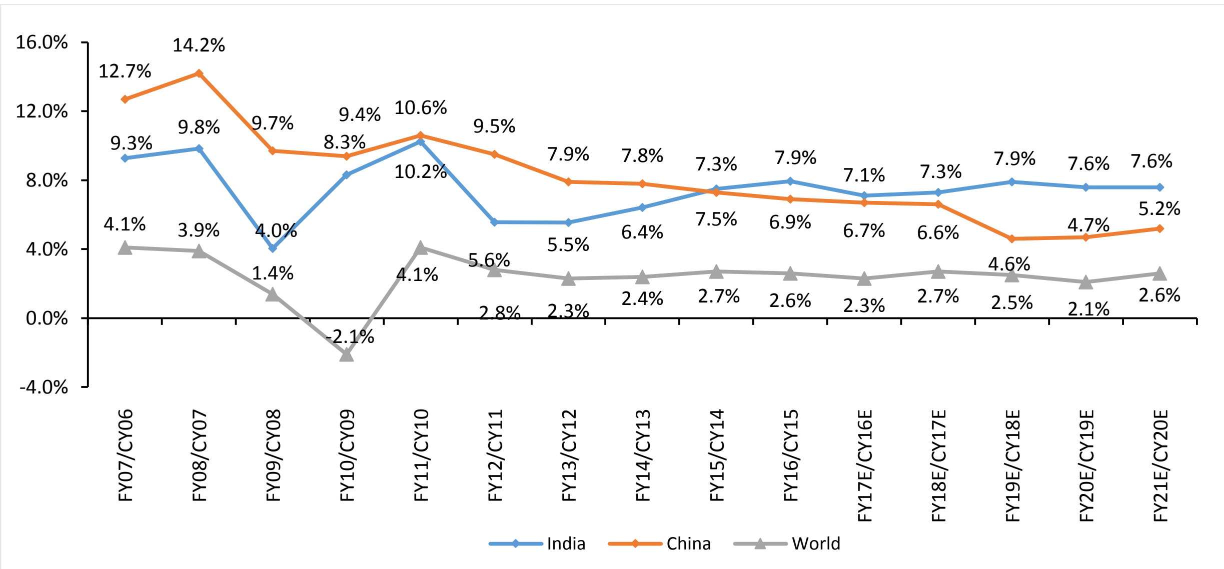
Indian Economy

The Indian economy is the fourth largest economy in the world in terms of GDP at purchasing power parity ("**PPP**") exchange rates, with an estimated GDP, in PPP terms, for 2016 of US$8.72 trillion (Source: CIA World Factbook, as of August 1, 2017). According to CRISIL Research, India's GDP at current prices in fiscal 2017 was ₹ 152 trillion. According to Economist Intelligence Unit ("**EIU**") forecasts in June 2017, the Indian GDP was expected to grow at an average of approximately 7.6% (in real terms) for the next three years, which was higher than the GDP growth rates for China and the world.

Real GDP Growth Rates of India, China and the World

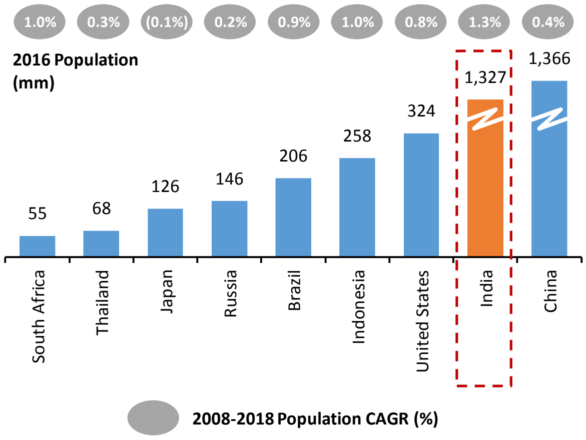


Source: EIU, CRISIL Research

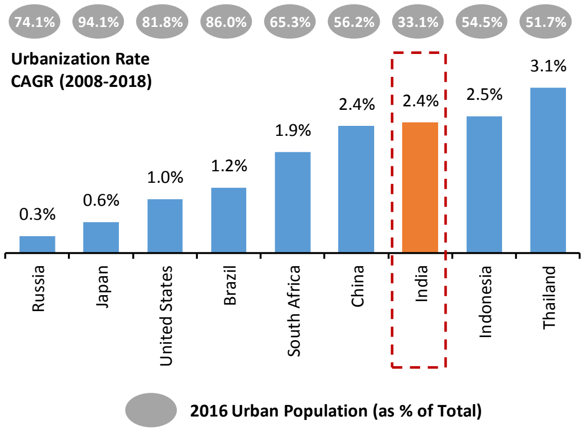
Demographics

India currently has one of the youngest populations in the world, with a median age of 28 years. 90% of the Indians will still be below the age of 60 by 2020, according to CRISIL Research. A high share of working population, coupled with rapid urbanisation, nuclearisation of families, labour mobility and rising affluence, is expected to propel the growth of the Indian non-life insurance sector.

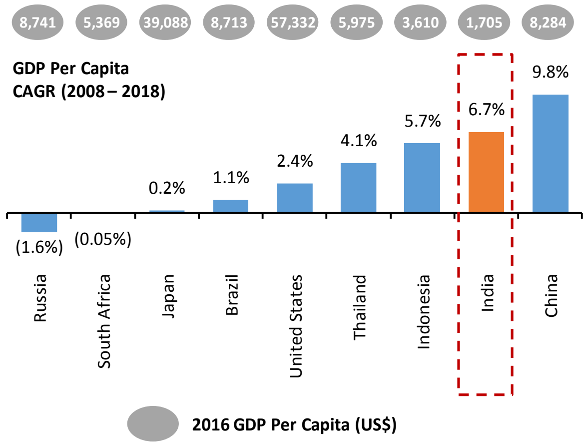
Population Growth Rates of Various Countries[(1)]



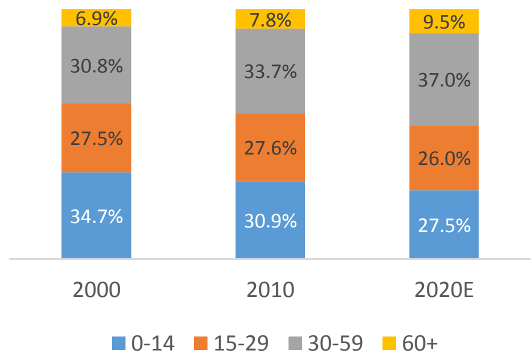
Urbanisation Rate of Various Countries[(1)]



GDP per Capita Details of Various Economies[(1)]



Indian Population Distribution[(2)]



Source:

1. *EIU, CRISIL Research*
2. *UN, CRISIL Research*

India Non-Life Insurance Sector Overview

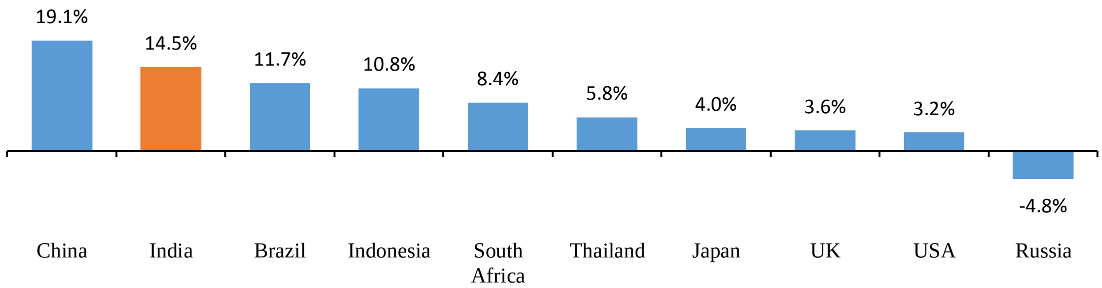
The Indian non-life insurance sector offers different products such as motor, health, crop, fire, marine, liability, travel, aviation and home insurance aimed at meeting different protection needs of retail customers, government as well as corporate customers. The industry operates under a "cash before cover" model under which insurers are not required to assume underwriting risk until premiums are received except in the case of government sponsored schemes such as mass health and crop insurance. Most Indian non-life insurance contracts are annual except certain product offerings in a few segments such as home, health, personal accident, crop insurance and travel insurance. Indian non-life insurers also do not discount reserves including IBNR / IBNER which are determined using actuarial methods.

The Indian non-life insurance sector has been regulated by the Insurance Regulatory and Development Authority of India (IRDAI). IRDAI was constituted as a statutory body to regulate and develop the insurance industry in 1999 and received statutory status in April 2000. The IRDAI regulates the insurance sector in all states in India, and any regulatory changes or product approvals are enforced uniformly across the country.

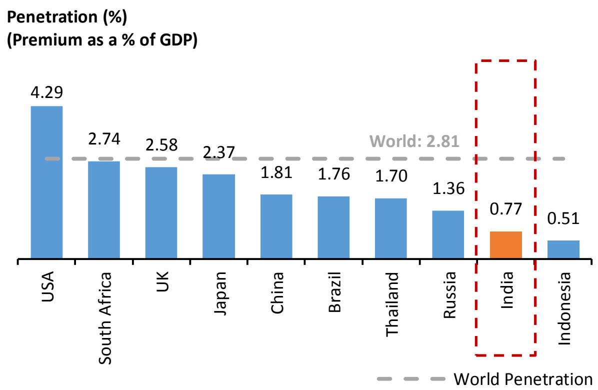
The size of the Indian non-life insurance sector was ₹ 1.28 trillion on a GDPI basis as of 31st March 2017. Indian non-life insurance sector GDPI grew at a CAGR of 17.4% between fiscal 2001 and fiscal 2017. According to Swiss Re, India was fifteenth largest market in the world and the fourth largest market in Asia in 2016, behind China, Japan and South Korea. India was also amongst the fastest growing non-life insurance markets over 2011-2016, growing at 14.5% (as per Swiss Re). Despite its size and growth profile, India continues to be an underpenetrated market with a non-life insurance penetration of 0.77% in 2016, as compared to 1.81% in China, 1.70% in Thailand, 1.67% in Singapore and 1.62% in Malaysia and a global average of 2.81% in 2016. At US$13.2 in 2016, insurance density also remains significantly lower as compared to other developed and emerging market economies.

The following charts set forth a comparison of growth rates of non-life insurance, penetration and density across select countries.

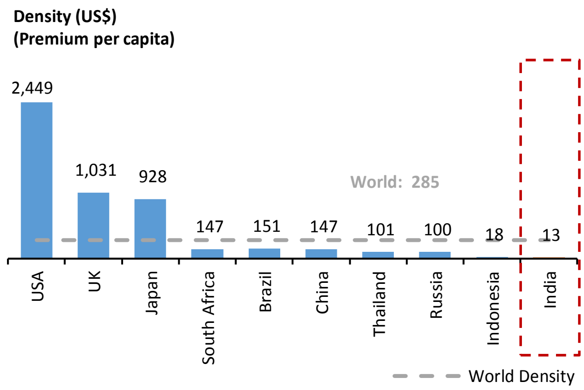
Non-Life Insurance Premium Growth from 2011 to 2016 (Local Currency Terms)



Insurance Penetration as of 2016



Insurance Density as of 2016



Source: Swiss Re, sigma No 3/2017, CRISIL Research

Market Structure

As of March 31, 2017, there were a total of 30 companies in the Indian non-life insurance sector, which can be classified as follows:

- Multi-Product Insurers:
  - Four public sector companies offering multiple products – National Insurance Company Limited ("National Insurance"), The New India Assurance Company Limited ("New India"), The Oriental Insurance Company Limited ("Oriental Insurance") and United India Insurance Company Limited ("United India")

- 18 private sector companies offering multiple products – including ICICI Lombard General Insurance Company Limited ("ICICI Lombard"), Bajaj Allianz General Insurance Company Limited ("Bajaj Allianz"), HDFC ERGO General Insurance Company Limited ("HDFC Ergo"), IFFCO Tokio General Insurance Company ("IFFCO Tokio") and TATA AIG General Insurance Company ("Tata AIG")

- Single Product Insurers

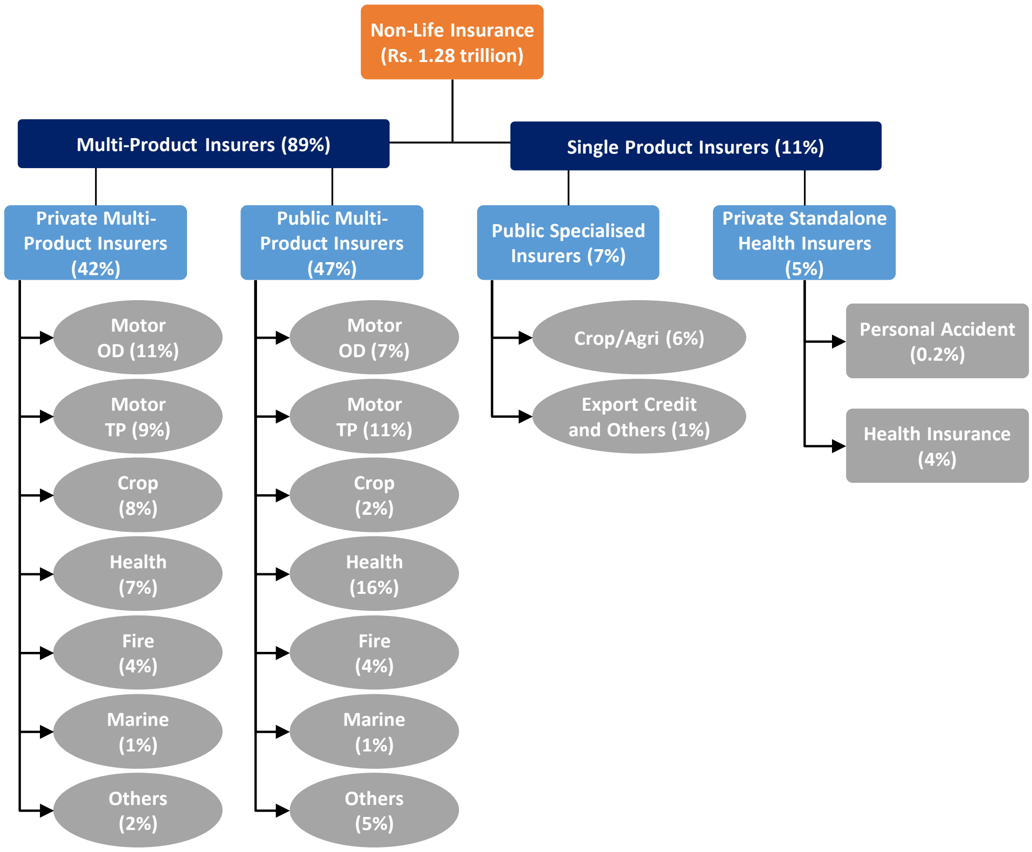
    - Two public sector specialised single product line non-life insurance companies – Agriculture Insurance Company of India Limited ("AIC"), and Export Credit Guarantee Corporation of India Limited ("ECGC")

    - Six standalone private health insurance companies – Apollo Munich Health Insurance Company ("Apollo Munich"), Cigna TTK Health Insurance Company Limited ("Cigna TTK"), Max Bupa Health Insurance Company ("Max Bupa"), Religare Health Insurance Company ("Religare Health"), Star Health & Allied Insurance Company ("Star Health") and Aditya Birla Health Insurance Company Limited ("Aditya Birla Health")

Besides these 30 companies, the state owned General Insurance Corporation of India ("GIC") operates as the main Indian reinsurer.

The Regulator has also allowed foreign reinsurers to set up branch offices in India which shall lead to an increase in the reinsurance capacity thereby increasing the market depth.

The chart below sets forth the composition of the GDPI for fiscal 2017 by product segment and by type of insurer.



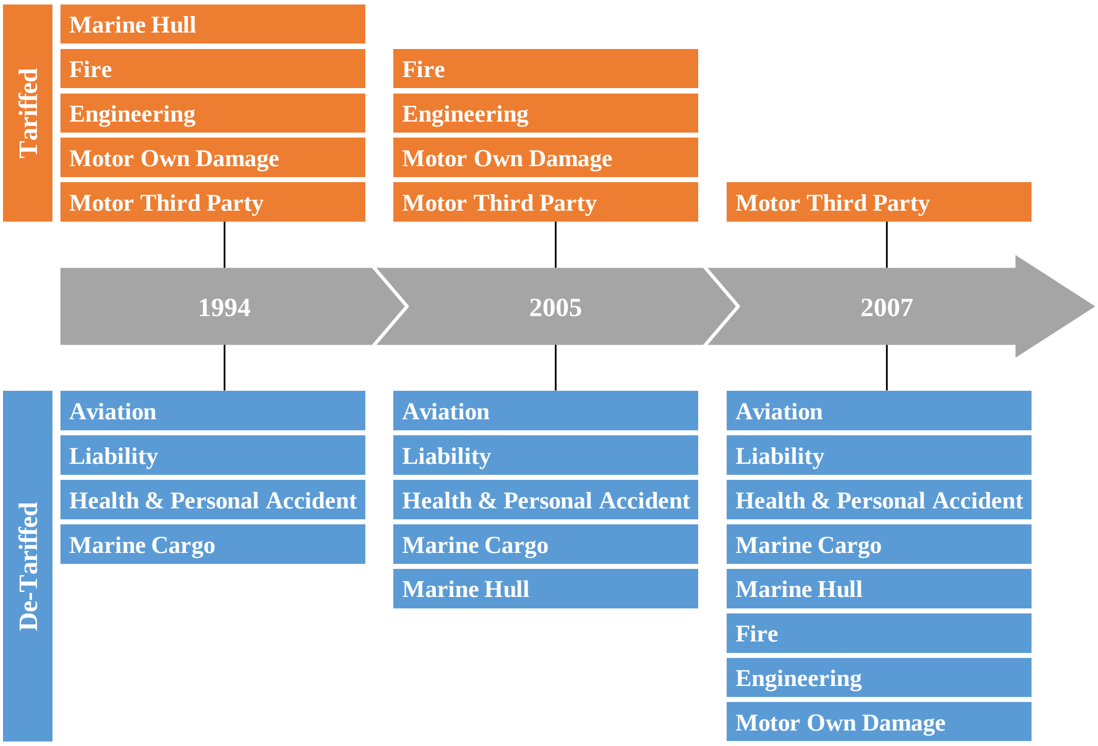
Source: CRISIL Research

Historical Evolution

The Indian non-life insurance sector has experienced three phases of growth since fiscal 2000, when the sector was opened to private companies, and to foreign companies, subject to a shareholding cap of 26%.

These phases of growth are primarily determined by historical evolution of the tariff regime applicable to the pricing of products offered by non-life insurance companies, which was laid out and modified by the IRDAI at periodic intervals. The products are classified broadly in two forms – 1) tariffed products in which pricing was regulated and 2) non-tariffed products in which insurers are free to set their own pricing.

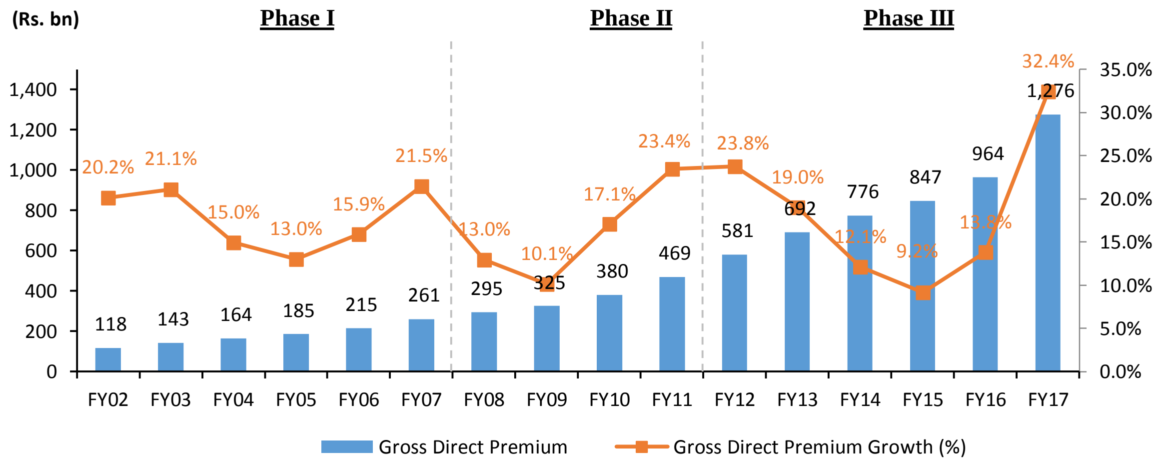
The evolution of the tariff regime for key product segments is set out below:



Source: CRISIL Research

Currently, third party motor insurance remains the only tariffed product segment. While health insurance has been de-tarriffed, as per IRDAI regulations, the premiums filed can ordinarily not be changed for a period of three years, after a product has been cleared (according to product filing guidelines specified by IRDAI). Thereafter, the insuers are allowed to revise the premium rates depending on the product experience and approval of IRDAI.

The phases of industry growth that the evolution of tariff regime resulted in are set forth in the following chart



Source: CRISIL Research

SUMMARY OF OUR BUSINESS

Certain industry information and statistics in this section are extracted from CRISIL Report, which was commissioned by us for the purposes of the Red Herring Prospectus. For further details, see "Risk Factors—Risks relating to our business—This Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research" on page 49.

Investors should note that this is only a summary of our business and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Red Herring Prospectus, including the information in the sections "Risk Factors", "Our Business" and "Financial Information" on pages 22, 151 and 233, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section "Risk Factors" beginning on page 22.

Overview

We were the largest private-sector non-life insurer in India based on gross direct premium income in fiscal 2017, a position we have maintained since fiscal 2004 after being one of the first few private-sector companies to commence operations in the sector in fiscal 2002, according to the CRISIL Report. We offer our customers a comprehensive and well-diversified range of products, including motor, health, crop/weather, fire, personal accident, marine, engineering and liability insurance, through multiple distribution channels. We were founded as a joint venture between ICICI Bank Limited, India's largest private-sector bank in terms of consolidated total assets with an asset base of ₹ 9.9 trillion at March 31, 2017, and Fairfax Financial Holdings Limited, a Canadian based holding company which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management with US$43.38 billion of total assets at December 31, 2016.

The Indian economy is one of the fastest growing large economies in the world, with its gross domestic product growing at a cumulative annual growth rate of 7.25% (in real terms) from fiscal 2013 to fiscal 2017, while the Indian non-life insurance industry, based on gross direct premium income, grew at a cumulative annual growth rate of 16.6% during the same period. The Indian non-life insurance industry was the 15th largest non-life insurance market in the world and the fourth largest in Asia in terms of gross direct premium income in the year ended December 31, 2016, according to the CRISIL Report.

We believe that the non-life insurance sector in India holds significant growth potential because of its under-penetration and low insurance density compared with other economies. India continues to be under-penetrated with a non-life insurance penetration of 0.8% of the gross domestic product, compared with a global average of 2.8% of the gross domestic product in the year ended December 31, 2016. Further, the non-life insurance density in India remained low at US$13.2 in the year ended December 31, 2016 compared with a global average of US$285.3, according to the CRISIL Report. We expect this strong macroeconomic backdrop coupled with India's large working population, rising affluence, rapid urbanisation and rising awareness of risk, to continue to propel the growth of the non-life insurance industry in India.

In fiscal 2017, we issued approximately 17.7 million policies and our gross direct premium income was ₹ 107.25 billion, translating into a market share, on a gross direct premium income basis, of 8.4% among all non-life insurers in India and 18.0% among private-sector non-life insurers in India, according to the CRISIL Report. For the three months ended June 30, 2017, we issued approximately 5.2 million policies and our gross direct premium income was ₹ 33.21 billion, translating into a market share, on a gross direct premium income basis, among all non-life insurers in India of 10.0% and among private-sector non-life insurers in India of 20.2%, according to provisional and unaudited figures for non-life insurers released by IRDAI. Our key distribution channels are direct sales, individual agents, bank partners, other corporate agents, brokers, and online, through which we service our individual, corporate and government customers. Our distribution network enables us to reach customers in 618 out of 716 districts across India.

As of March 31, 2017, we had the largest total investment assets among the private-sector non-life insurers in India, according to the CRISIL Report. As of June 30, 2017, we had ₹ 164.46 billion in total investment assets with an investment leverage, net of borrowings of 4.07x as at June 30, 2017. Our investment policy is designed with the objective of capital preservation and achieving superior total returns within identified risk parameters. Our annualised total portfolio return (including unrealised gains) for fiscal 2017 was 13.0%. Our total portfolio return (including unrealised gains) for the three months ended June 30, 2017 was 3.6% and 14.4% on an annualised basis. Listed equities made up 14.8% of our total investment assets, by carrying value, as of June 30, 2017. Since fiscal 2004, our listed equity portfolio has returned an annualised total return of 30.8%, as compared to an annualised return of 17.5% on the benchmark S&P NIFTY index. During the same time period, our equity portfolio outperformed the S&P NIFTY index in all but one fiscal year. For the three months ended June 30, 2017, our listed equity portfolio has returned a total return of 6.9%, as compared to a return of 3.8% on the benchmark S&P NIFTY index.

We take a holistic approach to risk management, which includes a data-driven risk selection framework, conservative reserving and quality reinsurance. We also work with our customers to proactively analyse and mitigate risks, which benefits both our business and our customers by reducing losses and the amount of claims.

We believe that we are at the forefront of leveraging technology in the Indian non-life insurance industry, through which we provide a seamless service experience to our customers and distribution partners across all stages of an insurance policy, and achieve efficiencies in internal operations. In fiscal 2017, 87.5% of our new policies were initiated electronically, either by our distributors or our customers. While our number of policies grew at a cumulative annual growth rate of 13.1% between fiscal 2015 and fiscal 2017, our employee productivity, measured in terms of gross direct premium income per employee, increased from ₹ 11.4 million in fiscal 2015 to ₹ 16.6 million in fiscal 2017, representing a cumulative annual growth rate of 20.7%.

We have an established track record of delivering annual returns to shareholders and our return on equity has exceeded 15.6% for each fiscal year since fiscal 2015. Our profit after tax and our return on equity were ₹ 6.42 billion and 17.2%, respectively, in fiscal 2017 and ₹ 2.14 billion and 5.5 % (21.9% on an annualised basis), respectively, for the three months ended June 30, 2017. We have a strong capital position with a solvency ratio of 2.13x as of June 30, 2017 compared to the IRDAI-prescribed control level of 1.50x. We have paid cumulative dividends (exclusive of dividend distribution tax) of ₹ 4.14 billion since fiscal 2015.

Our Competitive Strengths

We believe the following competitive strengths contribute to our success and position us well for future growth.

Consistent market leadership and demonstrated growth

We were the largest private-sector non-life insurer in India, by GDPI in fiscal 2017, a position we have maintained through various cycles of industry evolution since fiscal 2004, according to the CRISIL Report. We became the first private-sector non-life insurer in India to reach ₹ 100.00 billion in GDPI in fiscal 2017, according to the CRISIL Report.

We continue to grow faster than the industry, with our GDPI growing at a CAGR of 26.7% from fiscal 2015 to fiscal 2017, as compared to a CAGR of 22.8% for the Indian non-life insurance industry in the same period, according to the CRISIL Report. As a result, our market share, by GDPI, increased from 7.9% in fiscal 2015 to 8.4% in fiscal 2017. For the three months ended June 30, 2017, our market share, by GDPI, among all non-life insurers in India was 10.0%, according to provisional and unaudited figures for non-life insurers released by IRDAI.

Our industry leadership has been reinforced by our comprehensive and diverse portfolio of insurance products that we continuously adapt to evolving needs of customers and changing industry dynamics. We have maintained a leadership position among private sector non-life insurer in India across motor (own damage and third party liability), health and personal accident, crop/weather, fire, engineering and marine insurance, since fiscal 2015.

A strong brand and partnerships with various stakeholders have contributed to this growth. We believe that we have leveraged the established brand of our Promoter, "ICICI Bank", to build "ICICI Lombard" into a recognised and trusted brand in its own right.

Diverse product line with multi-channel distribution network

Diverse and Customised Product Line. We continue to reinforce our industry leadership by offering products and solutions that address the untapped and evolving needs of customers and we have established ourselves as a reliable one-stop insurer for diverse customer requirements. We have a diversified composition of insurance products with motor, health and personal accident, crop/weather, fire, marine, and engineering insurance contributing 42.3%, 18.9%, 20.1%, 6.9%, 3.2% and 2.1%, respectively, of our GDPI in fiscal 2017. For the three months ended June 30, 2017, motor, health and personal accident, crop/weather, fire, marine, and engineering insurance contributed 36.5%, 18.2%, 21.8%, 9.4%, 3.5%, and 2.5% of our GDPI, respectively. We create and offer bespoke products tailored to the requirements of our customers. For example, we were among the first Indian insurers to offer parameterized weather-based crop insurance and long-term two-wheeler motor vehicle insurance policies.

Multi-channel Distribution Network. We distribute our products:

- through 51 corporate agents as at June 30, 2017, including our Promoter – ICICI Bank – which gives us access to its 4,850 branches;
- to customers of over 80% of the motor vehicle manufacturers (MVMs), by vehicle sales, in India in fiscal 2017, including Maruti Suzuki India Limited (Maruti);
- through 20,775 individual agents as at June 30, 2017;
- through our electronic platform, through which we issued approximately 1.6 million policies in fiscal 2017 and approximately 0.4 million policies in the three months ended June 30, 2017; and
- using a strong direct sales channel, which contributed 43.2% of our GDPI in fiscal 2017 and 43.3% in the three months ended June 30, 2017.

We believe our diversified channel mix enables us to reach customers in 618 out of 716 districts across India and provides us with a competitive edge.

Diverse Customer Profile. This multi-channel distribution network enables us to offer our products to a diverse set of customers, including large and mid-sized corporates, small and medium-sized enterprises, central and state governments, and individuals. Over the years, we have moved from a largely corporate focussed business model to a more diversified mix of business. In fiscal 2017, our retail (including SME), corporate and government business groups contributed 60.4%, 17.5% and 22.1% of our GDPI, respectively. For the three months ended June 30, 2017, our retail (including SME), corporate and government business groups contributed 54.3%, 23.2% and 22.5% of our GDPI, respectively.

Delivering excellence in customer value

Our customer-centric approach to delivering value focuses on providing convenience and superior claims settlement. For our corporate customers, we also focus on direct engagement and customised solutions, which include working with our customers to proactively analyse and mitigate risks.

Based on our approach of being fair, fast and friendly, we have in-housed our claims management process for most of our motor, health and personal accident segments. By adopting technology-enabled solutions, our claims management process empowers customer-facing employees and helps eliminate redundant internal processes.

We also moved our call centre in-house in fiscal 2015, and created a proprietary customer relationship team. The CRT serves as a crucial point of contact for customers to experience our brand and service and helps us create long-lasting relationships. As a result of these measures, our first call resolution rates have increased from 67.8% in fiscal 2015 to 85.3% in fiscal 2017 and to 85.4% for the three months ended June 30, 2017.

We paid 92.2% of our motor own damage insurance claims in fiscal 2017 within 30 days, as compared to an Indian non-life private-sector average of 81.9%. We also paid 99.3% of our health and personal accident insurance claims in fiscal 2017 within 30 days, as compared to an Indian non-life private-sector average of 85.2%, according to the CRISIL Report. For further details, see "Industry Overview – Policies and Claims Settlement" on page 145. We paid 92.4% of our motor own damage insurance claims and 99.8% of our health and personal accident insurance claims for the three months ended June 30, 2017 within 30 days.

The number of grievances received by us reduced from 5,704 in fiscal 2015 to 3,515 in fiscal 2017, despite the increase in number of policies written from approximately 13.9 million to approximately 17.7 million in the same time period. We received 772 grievances for the three months ended June 30, 2017.

Robust risk selection and management framework

We recognise that risk is an integral element of our business and minimising as well as managing risk is essential for shareholder value creation and we believe that our strong risk selection and mitigation capabilities are a significant competitive advantage. We take a holistic approach to risk management, which includes a data-driven risk selection framework, conservative reserving, and quality reinsurance.

Having operated in the industry since fiscal 2002, we have accumulated a wealth of data pertaining to critical risk parameters that has helped us identify favourable product and customer segments and sub-segments. We update such risk parameters based on further loss experience and use these parameters in our underwriting and pricing decisions. For example, in motor insurance, our strategy is to focus on the two-wheeler and private car segments along with an identified preferred sub-segment of commercial vehicles. Our share of losses incurred from each catastrophic event since fiscal 2013 has been in the range of 1.5%-6.2%, while our overall market share, by GDPI, has been higher than 7.8% during the same time period.

As per guidelines issued by the IRDAI, non-life insurers in India are not allowed to discount their reserves. We test our reserves regularly based on new loss experience, claim inflation and other factors. We have been disclosing reserving triangles as part of our annual reports since fiscal 2016.

We have in place a reinsurance policy, which defines the product-wise retention limits on a per-risk and a per-event basis. We use a high-quality panel of re-insurers rated A- (S&P or equivalent international rating) or above, including GIC Re, Scor Re, Munich Re, Hannover Re, Swiss Re, Lloyds, and XL Catlin.

Focus on investments in technology and innovation

We believe that we are at the forefront of leveraging technology in the Indian non-life insurance industry. Our excellence in products and services is backed by a robust technology infrastructure, and user-friendly web and mobile applications for our customers, employees and distributors from sales to claims settlement. We have created a plug-and-play architecture so that we can integrate our systems with distributors quickly.

Our ability to integrate multiple distribution partners seamlessly with our systems and processes has helped increase efficiency in our business. We have directly integrated point of sale systems of certain bus companies, railways and airlines with our policy booking and issuance systems to provide low-coverage travel insurance for their customers. For example, we are one of the three non-life insurance partners of Indian Railway Catering and Tourism Corporation (IRCTC), covering over 300,000 trips per day as of June 30, 2017.

In fiscal 2017, 87.5% of the total approximately 17.7 million policies were initiated electronically, either by our distributors or our customers. This helped improve our employee productivity, measured in terms of GDPI per employee, from ₹ 11.4 million in fiscal 2015 to ₹ 16.6 million in fiscal 2017, representing a CAGR of 20.7%.

Our commitment to technology and innovation is illustrated by the following accomplishments:

- Since fiscal 2012, we have undertaken motor surveys electronically through the use of tablets. In fiscal 2017, 91.4% of our motor own damage claims were surveyed through use of tablets. For the three months ended June 30, 2017, 91.5% of our motor own damage claims were surveyed through use of tablets. We have also enabled motor vehicle service centres to send us video streams through our mobile application so that we can survey claims remotely;
- Our agency application helps our individual agents issue policies to customers on-the-go;
- We have created a mobile application "Risk Inspect" to enable us to conduct virtual risk inspections for fire and engineering policies;
- We use drones for inspecting wind turbine and solar photovoltaic modules to identify defects and improve efficiency;
- We have automated various internal processes through the use of robotics;
- We have set up a programme 'NOVA' to engage with the start-up community. We identify and work with start-ups that provide us with innovative risk mitigation solutions and potential business opportunities;
- We launched a "chatbot" that leverages natural language processing to converse with customers and automatically issue two-wheeler motor insurance policies; and
- We are investing in artificial intelligence and machine learning to help increase operational efficiencies and manage risks effectively.

Strong investment returns on a diversified portfolio

Our investment management philosophy is to earn investment returns commensurate with the risks undertaken, following the principle of capital preservation and a total income approach. Investments are selected based on value investing principles and are diversified so as to minimize the risk of loss.

Our asset allocation strategy ensures liquidity, security and diversification. Our asset mix is determined by two important factors: achieving superior total returns and liquidity management for claim obligations. Our investments from time to time include debt, equities, mutual funds, real estate and other alternative investments. As of June 30, 2017, 30.6% of our total investment assets, by carrying value, were held in government securities, 43.5% in corporate bonds, 15.7% in equities, and the remaining in other investments.

As of March 31, 2017, we had the largest total investment assets among the private-sector non-life insurers in India, according to the CRISIL Report. Our total investment assets increased from ₹ 102.00 billion as of March 31, 2015 to ₹ 164.46 billion as of June 30, 2017. Our investment leverage, net of borrowings, has increased from 3.54x in fiscal 2015 to 4.07x as of June 30, 2017, while our net worth increased by 35.8% over the same period.

We have achieved an annualised total portfolio return (including unrealised gains) of 18.0%, 8.8% and 13.0%, and an annualised realised return of 10.4%, 10.3% and 10.0% for fiscal 2015, 2016 and 2017, respectively. For the three months ended June 30, 2017, our total portfolio return (including unrealised gains) was 3.6% and 14.4% on an annualised basis and realised return was 2.9% and 11.4% on an annualised basis. Since fiscal 2004, our listed equity portfolio has returned an annualised total return of 30.8%, as compared to an annualised return of 17.5% on the benchmark S&P NIFTY index. During the same time period, our equity portfolio outperformed the S&P NIFTY index in all but one fiscal year. For the three months ended June 30, 2017, our listed equity portfolio has returned a total return of 6.9%, as compared to a return of 3.8% on the benchmark S&P NIFTY index.

Superior operating and financial performance

Solvency. We have a strong capital position with a solvency ratio of 2.10x as at March 31, 2017 compared to the IRDAI-prescribed control level of 1.50x, and an Indian non-life private-sector average of 1.95x, according to the CRISIL Report. Our solvency ratio was 2.13x as of June 30, 2017. We have an internal solvency framework wherein risks in excess of a defined threshold impacting solvency are underwritten only with the approval of the Risk Committee of our Board. We were the first non-life insurer in India to issue non-convertible debentures – we raised ₹ 4.85 billion through the issue of our Debentures in fiscal 2017, which are rated AAA (domestic credit rating) by CRISIL Limited and ICRA Limited. This amount is available for the purpose of solvency calculations.

Operating metrics. Our combined ratio has been generally stable, improving from 104.9% in fiscal 2015 to 104.1% in fiscal 2017. During the same time period, our loss ratio improved from 81.4% to 80.6%. For the three months ended June 30, 2017, our combined ratio and loss ratio improved to 102.4% and 78.1%, respectively. We believe that our disciplined operation, coupled with our technology platform, allows us to operate at lower cost than many of our competitors. Our net expense ratio was 23.5% in fiscal 2017 and 24.3% for the three months ended June 30, 2017.

Profitability and return. We have an established track record of delivering annual returns to shareholders and our return on equity has exceeded 15. 6% for each fiscal year since fiscal 2015. Our profit after tax and our return on equity were ₹ 6.42 billion and 17.2%, respectively, in fiscal 2017 and ₹ 2.14 billion and 5.5 % (21.9% on an annualised basis), respectively, for the three months ended June 30, 2017. We paid out 18.0%, 32.0%, 29.5% and 19.1% of our profit after taxes in the form of dividends (including dividend distribution tax) in fiscal 2015, 2016, 2017 and for the three months ended June 30, 2017, respectively.

Experienced senior management team and enabling work culture

Our management team has extensive experience and know-how in the Indian insurance industry. We believe the quality of our management team has been critical to achieving our strong business performance. Our Managing Director and CEO, Bhargav Dasgupta, has been with us for over eight years. He has over 25 years of experience in the insurance and banking sectors. The overall average work experience of our senior management members (including executive directors) is approximately 24 years with eight out of nine members having an average experience of approximately 17 years within the ICICI Group.

We believe that our management's experience is instrumental to our ability to quickly respond to evolving customer needs and market conditions. In addition to our experienced management team, we believe that our enabling work culture is a key factor to our success. Our entrepreneurial culture is reflected by a high level of employee ownership and positive attitude towards accomplishment with speed and efficiency.

Our Strategies

Our objective is to achieve a market leadership position among both public and private-sector non-life insurers in India through profitable growth. In order to achieve our goals, we plan to pursue the following strategies:

Leverage and enhance market leadership

The Indian economy and non-life insurance industry promise strong growth prospects. We intend to capitalize on this market opportunity by implementing the followings measures:

- leverage the competitive advantage provided to us by our scale and our proprietary data sets;
- expand our customer base while maintaining profitability through prudent risk selection;
- expand our offerings of value added services to our customers by having a deeper understanding of the risks faced by the customer;
- leverage our strong brand to reach broader customers segments in different geographical regions; and
- capitalize on the broad network of our distribution partners, including ICICI Bank.

Enhance product offerings and distribution channels

We are constantly looking at new opportunities in all of our insurance segments. We plan to enhance our distribution architecture by expanding our multi-channel distribution, while strengthening existing channels and relationships. We will continue to innovate to design new products and value added services and solutions to cater to the varying needs of our existing and potential customers. We aim to:

- grow our GDPI from insurance policies sold through individual agents as such channel offers significant opportunities for GDPI growth with better combined ratios.
- continue to invest in our retail health segment. We will offer innovative indemnity-based products to a broad base of customers along with independent advisory and health assistance services, thereby increasing the competitiveness and attractiveness of our indemnity-based health insurance products.

- capture increasing opportunities created by the growth in the SME insurance market by enhancing our distribution footprint and providing convenience through increased automation.

- invest in data enrichment and analytics to better cross-sell our individual customers.

Capture new market opportunities

We shall continue to proactively monitor and respond quickly to new market opportunities. Our robust risk management framework, strong reserve position, and healthy solvency ratio give us a competitive advantage when participating in new market opportunities. We:

- have previously been able to quickly react to significant market opportunities and will continue to do so in the future. For example, when the PMFBY programme became operational in fiscal 2017, we grew our GDPI from crop/weather insurance from ₹ 5.93 billion in fiscal 2016 to ₹ 21.51 billion in fiscal 2017. For the three months ended June 30, 2017, our GDPI from crop/weather insurance was ₹ 7.23 billion.

- have set up a dedicated sales team to capture the untapped potential in small towns and rural areas, in light of the low penetration of the Indian non-life insurance market. We shall further develop our virtual offices and other digital capabilities to enhance service to such geographies.

- will continue to monitor both regulatory and market developments in emerging risk segments, including home and cyber insurance, to take advantage of opportunities as and when they arise.

Further improve operating and financial performance

We will continue to focus on improving our operating and financial performance. Our key focus is to reduce our combined ratio, while maintaining robust reserves. We aim to:

- enhance the use of a predictive ultimate loss ratio model to enable the sales force to improve the quality of risk that they select;

- further increase the use of data analytics to improve our pricing, risk selection and claims management processes;

- reduce our net expense ratio by continuing to eliminate, standardise and automate internal processes.

Continue to invest in technology and innovation

Investment in technology has always been a key area of differentiation for us and we plan to continue to invest in this area to further enhance the customer experience. We aim to:

- migrate our entire individual agency network to an end-to-end electronic platform;

- increase the share of policies sold without any human intervention by further investing in our online channel, including by extending the use of chatbots;

- provide personalized experiences for our customers in every aspect of our service, particularly electronic platforms, by utilizing our existing data collected over the years and by partnering with large data providers in digital eco-systems;

- continue to work with technology start-ups in areas such as healthcare, agriculture, and logistics to create a risk management ecosystem and generate new business opportunities. These start-ups are focused on prediction and forecasting solutions, detection and monitoring systems, internet of things, and intervention models; and

- increase the utilisation of artificial intelligence and machine learning techniques to improve our risk management and increase operational efficiency.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Restated Financial Statements as of and for the three months ended June 30, 2017, for *the three months ended June 30, 2016 and the years ended March 31, 2017, 2016, 2015, 2014 and 2013.*

These Restated Financial Statements have been prepared in accordance with Indian GAAP, applicable provisions of the Companies Act, the Insurance Act, IRDA Act, regulations framed and circulars issued thereunder and restated in accordance with the SEBI Regulations, and are presented under "Financial Statements" beginning on page 233. The summary financial information presented below should be read in conjunction with these financial statements, the notes thereto and "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 233 and 324, respectively.

For definitions of technical terms used in this section, see "Definitions and Abbreviations - Technical / Insurance Industry related *Terms / Abbreviations" on page 10.*

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RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

(₹ in million)

Particulars	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
Sources of funds							
Share capital	4,529.3	4,477.1	4,511.5	4,475.4	4,465.9	4,450.6	4,370.2
Reserves and Surplus	34,665.0	28,806.7	32,739.1	27,879.4	24,386.7	19,482.6	14,216.4
Share application money-pending allotment	12.0	0.2	12.8	-	2.0	3.0	1,004.4
Fair value change account							
Shareholders funds	1,814.6	996.1	1,745.3	605.2	687.4	182.8	120.0
Policyholders funds	5,409.6	3,738.8	5,027.1	2,485.0	2,872.2	951.8	579.5
Borrowings	4,850.0	-	4,850.0	-	-	-	-
Total	**51,280.5**	**38,018.9**	**48,885.8**	**35,445.0**	**32,414.2**	**25,070.8**	**20,290.5**
Application of funds							
Investments - Shareholders	42,309.6	27,150.2	39,826.4	23,886.1	20,887.6	15,080.8	12,889.0
Investments - Policyholders	122,153.9	101,267.4	110,962.6	91,739.1	81,109.6	77,819.1	65,110.6
Loans	-	-	-	-	-	-	-
Fixed assets	3,781.3	3,800.0	3,826.7	3,831.5	3,896.6	3,894.9	4,004.3
Deferred tax asset	1,041.2	1,133.7	873.4	1,239.2	969.4	350.9	484.6
Current assets							
Cash and bank balances	1,265.8	738.6	1,940.4	1,948.0	1,416.9	1,619.7	2,696.2
Advances and other assets	79,524.1	67,049.4	76,077.0	48,498.4	38,177.0	48,671.8	41,183.1
Sub-Total (A)	**80,789.9**	**67,788.0**	**78,017.4**	**50,446.4**	**39,593.9**	**50,291.5**	**43,879.3**
Current liabilities	158,367.6	127,897.2	149,135.8	104,597.7	89,118.0	99,340.3	85,413.2
Provisions	40,427.8	35,223.2	35,484.9	31,099.6	24,924.9	23,026.1	21,558.0
Sub-Total (B)	**198,795.4**	**163,120.4**	**184,620.7**	**135,697.3**	**114,042.9**	**122,366.4**	**106,971.2**
Net current assets (C)=(A - B)	**(118,005.5)**	**(95,332.4)**	**(106,603.3)**	**(85,250.9)**	**(74,449.0)**	**(72,074.9)**	**(63,091.9)**
Miscellaneous expenditure (to the extent not written off or adjusted)	-	-	-	-	-	-	-
Debit balance in profit and loss account	-	-	-	-	-	-	893.9
Total	**51,280.5**	**38,018.9**	**48,885.8**	**35,445.0**	**32,414.2**	**25,070.8**	**20,290.5**

RESTATED SUMMARY STATEMENT OF REVENUE ACCOUNTS

(₹ in million)

Particulars	For the quarter ended		For the year ended				
	June 30, 2017	June 30, 2016	2016-17	2015-16	2014-15	2013-14	2012-13
1. Premiums earned (net)	15,337.8	13,931.1	61,577.8	48,263.4	42,340.5	43,522.5	40,123.0
2. Profit on sale/ redemption of investments	1,638.1	957.1	3,291.5	2,796.8	2,020.2	1,747.6	772.0
Less : Loss on sale/ redemption of Investment	(50.3)	(8.8)	(322.0)	(92.9)	(265.8)	(530.4)	(197.3)
3. Others -							
Foreign exchange gain/ (loss)	(11.8)	1.6	(70.5)	(18.6)	(8.9)	17.4	(7.9)
Investment income from pool (Terrorism)	59.3	58.7	244.9	242.1	218.2	178.5	140.6
Miscellaneous Income	0.7	1.5	94.4	259.6	106.0	19.2	13.5
4. Interest, Dividend & Rent Gross	1,845.0	1,638.1	6,988.8	6,592.1	6,037.9	5,329.3	4,030.0
Total (A)	**18,818.8**	**16,579.3**	**71,804.9**	**58,042.5**	**50,448.1**	**50,284.1**	**44,873.9**
1. Claims Incurred (net)	11,974.7	11,532.9	49,655.7	39,390.6	34,456.0	36,288.9	33,501.7
2. Commission (net)	(1,037.1)	(973.2)	(4,341.3)	(3,279.7)	(3,462.5)	(2,290.9)	(1,831.2)
3. Operating expenses related to insurance business	5,963.9	4,789.3	19,820.4	17,112.0	13,870.6	12,157.9	10,194.2
4. Premium deficiency	-	-	-	-	-	-	(17.3)
Total (B)	**16,901.5**	**15,349.0**	**65,134.8**	**53,222.9**	**44,864.1**	**46,155.9**	**41,847.4**
Operating Profit /(Loss) C=(A - B)	**1,917.3**	**1,230.3**	**6,670.1**	**4,819.6**	**5,584.0**	**4,128.2**	**3,026.5**
APPROPRIATIONS							
Transfer to Shareholders' Account	**1,917.3**	**1,230.3**	**6,670.1**	**4,819.6**	**5,584.0**	**4,128.2**	**3,026.5**
Transfer to Catastrophe Reserve	-	-	-	-	-	-	-
Transfer to Other Reserves	-	-	-	-	-	-	-
Total (C)	**1,917.3**	**1,230.3**	**6,670.1**	**4,819.6**	**5,584.0**	**4,128.2**	**3,026.5**

RESTATED SUMMARY STATEMENT OF PROFIT & LOSS ACCOUNT

(₹ in million)

Particulars	For the quarter ended		For the year ended				
	June 30, 2017	June 30, 2016	2016-17	2015-16	2014-15	2013-14	2012-13
1. Operating profit/(loss)							
(a) Fire Insurance	340.8	390.3	996.0	1,104.0	448.2	621.9	394.5
(b) Marine Insurance	(72.8)	(92.0)	(150.0)	(284.1)	(293.8)	(250.4)	3.5
(c) Miscellaneous Insurance	1,649.3	932.0	5,824.1	3,999.7	5,429.6	3,756.7	2,628.5
2. Income from investments							
(a) Interest, Dividend & Rent – Gross	658.0	436.4	2,204.7	1,605.3	1,470.3	1,121.4	999.6
(b) Profit on sale/ redemption of investments	577.5	259.0	1,042.8	695.7	412.8	340.7	151.1
Less : Loss on sale/ redemption of investments	(17.7)	(2.3)	(101.2)	(22.6)	(63.6)	(101.9)	(38.6)
3. Other income							
(a) Interest income on tax refund	-	-	17.2	138.9	17.8	49.8	9.2
(b) Profit on sale/ discard of fixed assets	0.2	1.1	2.9	5.3	2.1	1.5	14.3
(c) Recovery of bad debts written off	-	-	-	-	1.0	23.4	-
Total (A)	**3,135.3**	**1,924.5**	**9,836.5**	**7,242.2**	**7,424.4**	**5,563.1**	**4,162.1**
4. Provisions (Other than taxation)							
(a) For diminution in the value of investments	-	-	-	-	141.6	85.3	21.1
(b) For doubtful debts	13.7	24.1	90.8	45.3	67.6	162.2	304.1
(c) For future recoverable under reinsurance contracts	(14.8)	(17.6)	(39.4)	(35.4)	10.7	(122.4)	235.3
(d) Others	-	-	-	-	-	-	-
5. Other expenses							
(a) Expenses other than those related							

Particulars	For the quarter ended		For the year ended				
	June 30, 2017	June 30, 2016	2016-17	2015-16	2014-15	2013-14	2012-13
to Insurance Business							
(i) Employees' remuneration and other expenses	5.9	5.1	22.5	15.6	14.3	10.1	9.7
(ii) Managerial remuneration	7.8	19.3	77.6	66.9	81.7	41.3	16.1
(iii) Directors' fees	1.5	0.4	4.0	1.9	1.9	0.6	0.7
(iv) CSR Expenditure	3.9	0.3	125.2	97.1	27.8	-	-
(v) Charges on issuance of Non-convertible Debentures	-	-	21.3	-	-	-	-
(vi) Interest on Non-convertible Debentures	99.8	-	270.8	-	-	-	-
(vii) Expense related to Investment property	9.7	-	9.5	-	-	-	-
(viii) Operating expenses borne by shareholders	-	-	427.9	-	-	-	-
(b) Bad debts written off	-	0.4	-	-	1.8	27.0	37.9
(c) Loss on sale/discard of fixed assets	0.2	2.4	25.1	1.8	24.7	24.1	23.5
(d) Penalty	-	-	-	1.0	5.0	0.5	-
Total (B)	**127.7**	**34.4**	**1,035.3**	**194.2**	**377.1**	**228.7**	**648.4**
Profit before tax	**3,007.6**	**1,890.1**	**8,801.2**	**7,048.0**	**7,047.3**	**5,334.4**	**3,513.7**
Provision for taxation:							
(a) Current tax /MAT payable	1,032.0	493.3	2,017.2	2,264.4	2,217.2	892.8	582.0
Less: MAT credit entitlement	-	-	-	-	-	(892.8)	(582.0)
(b) Excess Tax Provision written back	-	-	-	-	(404.6)	-	-
(c) Deferred tax (Income)/ Expense	(167.8)	105.5	365.8	(269.8)	(618.5)	133.7	(14.1)
Profit after tax	**2,143.4**	**1,291.3**	**6,418.2**	**5,053.4**	**5,853.2**	**5,200.7**	**3,527.8**
Appropriations							
(a) Interim dividends paid during the period	339.4	313.4	1,571.0	1,341.7	891.2	-	-
(b) Proposed final dividend	-	-	-	-	-	-	-
(c) Dividend distribution tax	69.1	63.8	319.8	273.1	164.8	-	-
(d) Transfer to General Reserves	-	-	-	-	-	-	-

Particulars	For the quarter ended		For the year ended				
	June 30, 2017	June 30, 2016	2016-17	2015-16	2014-15	2013-14	2012-13
Balance of Profit / (Loss) brought forward from last year	17,070.0	12,542.6	12,542.6	9,104.0	4,306.8	(893.9)	(4,421.7)
Balance carried forward to Balance sheet	**18,804.9**	**13,456.7**	**17,070.0**	**12,542.6**	**9,104.0**	**4,306.8**	**(893.9)**
Basic earnings per share of ₹ 10 face value (not annualized)	₹4.74	₹2.88	₹14.32	₹11.30	₹13.14	₹11.70	₹8.08
Diluted earnings per share of ₹ 10 face value (not annualized)	₹4.73	₹2.87	₹14.25	₹11.23	₹13.04	₹11.57	₹7.98

RESTATED SUMMARY STATEMENT OF RECEIPTS AND PAYMENTS ACCOUNT

(₹ in million)

	Particulars	For the quarter ended		For the year ended				
		June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
A	**CASH FLOW FROM OPERATING ACTIVITIES**							
1	Premium received from policyholders, including advance receipt	33,776.8	24,583.5	103,976.2	88,077.0	73,525.9	71,675.9	65,678.9
2	Other receipts (including - Environment Relief Fund & Motor TP Pool and Terrorism Pool)	62.0	61.4	536.8	559.9	255.3	242.0	169.6
3	Receipt / (Payment) from/ to reinsurer net of commissions & claims recovery	(4,232.1)	1,621.5	(5,645.4)	(5,834.8)	4,054.3	(2,211.4)	2,880.4
4	Receipt /(payment) from/ to coinsurer net of claims recovery	627.1	976.7	2,940.4	1,878.1	1,045.6	2,694.7	409.1
5	Payments of claims (net of salvage)	(11,592.2)	(10,665.5)	(49,937.9)	(49,416.1)	(56,174.1)	(44,210.0)	(41,795.2)
6	Payments of commission and brokerage	(1,472.4)	(1,309.1)	(5,201.0)	(4,206.9)	(3,771.0)	(3,737.7)	(3,055.5)
7	Payments of other operating expenses*[2]	(6,322.7)	(5,169.6)	(20,925.6)	(17,664.7)	(13,823.1)	(12,716.9)	(9,595.3)
8	Preliminary and preoperative expenses	-	-	-	-	-	-	-
9	Deposits, advances & staff loans (net)	(1,012.9)	(794.7)	(167.6)	61.3	(171.4)	(97.4)	935.8
10	Income tax paid (net)	(520.9)	(331.3)	(1,968.8)	(1,811.7)	(1,234.1)	(884.6)	(602.2)
11	Service taxes paid	(1,670.9)	(2,260.7)	(7,329.2)	(6,527.6)	(4,686.2)	(4,805.9)	(5,183.8)
12	Cash flows before extraordinary items	7,641.8	6,712.2	16,277.9	5,114.5	(978.8)	5,948.7	9,841.8
13	Cash flows from extraordinary operations	-	-	-	-	-	-	-
14	**Net cash from operating activities**	**7,641.8**	**6,712.2**	**16,277.9**	**5,114.5**	**(978.8)**	**5,948.7**	**9,841.8**
B	**CASH FLOW FROM INVESTING ACTIVITIES**							
1	Purchase of fixed assets	(87.7)	(95.4)	(538.3)	(528.4)	(520.7)	(384.5)	(516.9)

	Particulars	For the quarter ended		For the year ended				
		June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
	(including capital advances)							
2	Proceeds from sale of fixed assets	0.3	1.3	3.6	5.8	4.5	1.9	17.1
3	Purchase of investments	(49,114.4)	(36,804.4)	(138,143.0)	(80,314.1)	(83,740.5)	(108,635.1)	(92,436.2)
4	Loans disbursed	-	-	-	-	-	-	-
5	Sale of investments	39,998.5	27,801.6	116,769.1	69,269.9	78,508.5	98,891.4	73,434.2
6	Repayments received	-	-	-	-	-	-	-
7	Rent/interest/dividends received	2,761.5	2,372.3	7,793.4	7,200.3	6,821.1	5,835.0	4,278.4
8	Investments in money market instruments and liquid mutual fund (net)	(1,745.1)	(825.4)	(5,761.2)	1,283.5	1,598.9	(2,676.9)	5,617.2
9	Other payments (Interest on IMTPIP)	-	-	-	-	(962.5)	(85.4)	(8.8)
10	Other payments (Advance payment for purchase of real estate)	-	-	-	-	-	-	-
11	Expenses related to investments	(6.1)	(5.0)	(22.5)	(15.5)	(14.4)	(10.1)	(9.7)
12	Other(Deposit received on leasing of premises)	-	-	-	-	15.9	-	-
13	**Net cash from investing activities**	**(8,193.0)**	**(7,555.0)**	**(19,898.9)**	**(3,098.5)**	**1,710.8**	**(7,063.7)**	**(9,624.7)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**							
1	Proceeds from issuance of share capital/ application money (including share premium & net of share issue expenses)	208.0	15.1	381.2	61.6	121.2	38.5	1,021.7
2	Proceeds from borrowing	-	-	4,850.0	-	-	-	-
3	Repayments of borrowing	-	-	-	-	-	-	-
4	Brokerage and other expenses on borrowings	-	-	(21.3)	-	-	-	-
5	Interest / Dividends paid	(331.4)	(381.7)	(1,596.5)	(1,546.5)	(1,056.0)	-	-

	Particulars	For the quarter ended		For the year ended				
		June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
6	**Net cash from financing activities**	**(123.4)**	**(366.6)**	**3,613.4**	**(1,484.9)**	**(934.8)**	**38.5**	**1,021.7**
D	Effect of foreign exchange rates on cash and cash equivalents, net	-	-	-	-	-	-	-
E	Net increase/(decrease) in cash and cash equivalents	(674.6)	(1,209.4)	(7.6)	531.1	(202.8)	(1,076.5)	1,238.8
1	Cash and cash equivalents at the beginning of the period	1,940.4	1,948.0	1,948.0	1,416.9	1,619.7	2,696.2	1,457.4
2	Cash and cash equivalents at end of the period*[1]	1,265.8	738.6	1,940.4	1,948.0	1,416.9	1,619.7	2,696.2

Notes:

For June 30, 2017 : *1 Cash and cash equivalent at the end of the period includes short term deposits of ₹ 282.6 million (previous period: ₹ 310.2 million), balances with banks in current accounts ₹ 747.8 million (previous period: ₹ 279.1 million) and cash including cheques and stamps in hand amounting to ₹ 235.4 million (previous period: ₹ 149.3 million)

For June 30, 2016 : *1 Cash and cash equivalent at the end of the period includes short term deposits of ₹ 310.2 million (previous period: ₹ 220.2 million), balances with banks in current accounts ₹ 279.1 million (previous period: ₹ 345.3 million) and cash including cheques and stamps in hand amounting to ₹ 149.3 million (previous period: ₹ 182.0 million)

For March 31, 2017 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 322.8 million (previous year: ₹ 420.2 million), balances with banks in current accounts ₹ 1,233.6 million (previous year: ₹ 1,291.6 million) and cash including cheques and stamps in hand amounting to ₹ 384.0 million (previous year: ₹ 236.2 million)
*2 Includes payments towards Corporate Social Responsibility of ₹ 125.2 million (previous year: ₹ 97.1 million)

For March 31, 2016 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 420.2 million (previous year: ₹ 590.2 million), balances with banks in current accounts ₹ 1,291.6 million (previous year: ₹ 500.5 million) and cash including cheques and stamps in hand amounting to ₹ 236.2 million (previous year: ₹ 326.2 million)
*2 Includes payments towards Corporate Social Responsibility of ₹ 97.1 million (previous year: ₹ 27.8 million)

For March 31, 2015 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 590.2 million (previous year: ₹ 560.3 million), balances with banks in current accounts ₹ 500.5 million (previous year: ₹ 650.9 million) and cash including cheques and stamps in hand amounting to ₹ 326.2 million (previous year: ₹ 408.5 million)
*2 Includes payments towards Corporate Social Responsibility of ₹ 27.8 million (previous year: ₹ NIL)

For March 31, 2014 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 560.3 million (previous year: ₹ 1,550.3 million), balances with banks in current accounts ₹ 650.9 million (previous year: ₹ 658.2 million) and cash including cheques and stamps in hand amounting to ₹ 408.5 million (previous year: ₹ 487.7 million)
*2 Includes payments towards Corporate Social Responsibility of ₹ NIL (previous year: ₹ NIL)

For March 31, 2013 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 1,550.3 million (previous year: ₹ 110.2 million), balances with banks in current accounts ₹ 658.2 million (previous year: ₹ 741.6 million) and cash

	Particulars	For the quarter ended		For the year ended				
		June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
including cheques and stamps in hand amounting to ₹ 487.7 million (previous year: ₹ 605.6 million) *2 Includes payments towards Corporate Social Responsibility of ₹ NIL (previous year: ₹ NIL)								

THE OFFER

Offer of Equity Shares(1)	Up to 86,247,187 Equity Shares
of which	
Offer for Sale by ICICI Bank(1)	Up to 31,761,478 Equity Shares
Offer for Sale by FAL (1)	Up to 54,485,709 Equity Shares
The Offer consists of:	
ICICI Bank Shareholders Reservation Portion	Up to 4,312,359 Equity Shares
Net Offer	Up to 81,934,828 Equity Shares
Of which	
A) QIB portion(2)(3)	Not more than 40,967,413 Equity Shares
Of which	
(i) Anchor Investor Portion	Up to 24,580,447 Equity Shares
(ii) Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	Up to 16,386,966 Equity Shares
Of which	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	At least 819,349 Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	15,567,617 Equity Shares
B) Non-Institutional Portion(3)	Not less than 12,290,225 Equity Shares
C) Retail Portion(3)	Not less than 28,677,190 Equity Shares
Equity Shares pre and post Offer	
Equity Shares outstanding prior to the Offer	453,948,304 Equity Shares
Equity Shares outstanding after the Offer	453,948,304 Equity Shares

(1) *ICICI Bank has approved its participation in the Offer pursuant to a resolution passed by its board of directors dated June 5, 2017 read with letters dated June 5, 2017 and dated July 13, 2017 issued by ICICI Bank. FAL has approved its participation in the Offer pursuant to a resolution passed by its board of directors dated June 5, 2017 read with letter dated June 5, 2017 issued by FAL. The Equity Shares to be offered by each Selling Shareholder in the Offer have been held by it for a period of at least one year prior to the date of the Draft Red Herring Prospectus and are eligible for being offered for sale in the Offer in accordance with the SEBI Regulations. Further, our Board and our Shareholders have approved the Offer pursuant to the resolutions dated June 5, 2017 and July 10, 2017, respectively.*

(2) *Our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations. One third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further details, including restrictions on allotment in the Offer, see "Offer Procedure" on page 440.*

(3) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category (including the ICICI Bank Shareholders Reservation Portion), except in the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs and the Designated Stock Exchange. The unsubscribed portion if any, in the ICICI Bank Shareholders Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the ICICI Bank Shareholders Reservation Portion. ICICI Bank Shareholders bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Further, in terms of the Listed Indian Insurance Companies Guidelines, no person shall be Allotted Equity Shares representing 1% or more and less than 5% of the post-Offer paid up equity capital of our Company without satisfying the 'fit and proper' criteria set out by our Company, through a self-certification process. In addition, no person shall be Allotted Equity Shares representing 5% or more of the post-Offer paid up equity capital of our Company, unless prior approval of the IRDAI has been obtained by the Bidder in this regard. Accordingly, our Company shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Company after the Allotment*

without such approval. For further details, see "Regulations and Policies", "Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company" and "Offer Structure" on pages 186, 441 *and* 435*, respectively.*

Allocation to investors in all categories, except the Retail Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis.

Further, please see below the details of Equity Shares being offered in the Offer by the Selling Shareholders and the pre-Offer and post-Offer shareholding of the Selling Shareholders:

Name of the Selling Shareholder	Number of Equity Shares held (Pre-Offer)	Percentage holding of the pre-Offer capital* (%)	Number of Offered Equity Shares	Number of Equity Shares held (Post-Offer)	Percentage holding of the post-Offer capital* (%)
ICICI Bank	285,605,284	62.92	31,761,478	253,843,806	55.92
FAL	99,464,479	21.91	54,485,709	44,978,770	9.91

** The percentages are calculated on the basis of our issued and paid up capital as on the date of this Red Herring Prospectus.*

GENERAL INFORMATION

Our Company was incorporated in Mumbai on October 30, 2000 as ICICI Lombard General Insurance Company Limited, a public limited company under the Companies Act, 1956 with the Registrar of Companies, Mumbai. Our Company obtained the certificate of commencement of business on January 11, 2001 from the Registrar of Companies, Mumbai. Our Company is registered with IRDAI for carrying out the business of general insurance pursuant to the registration certificate dated August 3, 2001.

For details of the business of our Company and change in registered office, see "Our Business" and "History and Certain Corporate Matters" on page 151 and 191.

Registered Office of our Company

ICICI Lombard House
414 Veer Savarkar Marg
Near Siddhivinayak Temple
Prabhadevi
Mumbai 400 025
Tel: +91 22 6196 1100
Fax: +91 22 6196 1323
Website: https://www.icicilombard.com
E-mail: investors@icicilombard.com
CIN: U67200MH2000PLC129408
Registration Number: 129408
IRDAI Registration Number: 115, Registered on August 3, 2001

Corporate Office of our Company

15th Floor, Tower B
Peninsula Business Park
Lower Parel
Mumbai 400 013
Tel: +91 22 6196 1100
Fax: +91 22 6196 1323

Address of the RoC

Our Company is registered with the RoC situated at 100, Everest, Marine Drive, Mumbai 400 002.

Board of Directors

The following table sets forth details relating to our Board as on the date of this Red Herring Prospectus:

Name	Designation	DIN	Address
Chanda Deepak Kochhar	Non-Executive Chairperson and Nominee Director	00043617	CCI Chambers, Flat number 45, Dinshaw Vachha Road, Churchgate, Mumbai 400 020
Ved Prakash Chaturvedi	Independent Director	00030839	D-3301, Ashok Towers, Dr. Babasaheb Ambedkar Road, Parel, Mumbai 400 012
Uday Madhav Chitale	Independent Director	00043268	167-C, Poonawadi, Dr. Ambedkar Road, Dadar (East) Mumbai 400 014
Lalita Dileep Gupte	Independent Director	00043559	153-C, Mhaskar Building, Sir Bhalchandra Road, Matunga (East) Mumbai 400 019
Kannan Narayanan Srinivasa	Nominee Director	00066009	Flat number 204, Tower B, Kalpataru Horizon, S. K. Ahire Marg, Worli, Mumbai 400 018
Suresh Muthukrishna Kumar	Independent Director	00494479	Nr. Clock Tower, (Flat-813), 125/110 Al Maktoum Street Dm.42, 71342, Dubai
Ashvin Dhirajlal Parekh	Independent Director	06559989	Flat number 501, 5th Floor, Raheja Princess, 845-848, S.K. Bole Marg, Agar Bazar, Prabhadevi, Mumbai 400 028
Bhargav Dasgupta	Managing Director and Chief Executive Officer	00047728	Flat number 2601-02, Marathon Next Gen, ERA III, Opposite Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Lower Parel (West),

Name	Designation	DIN	Address
			Mumbai 400 013
Alok Kumar Agarwal	Executive Director	03434304	B-604, Sumer Tower, New Prabhadevi Road, Mumbai 400 025
Sanjeev Radheyshyam Mantri	Executive Director	07192264	B-1602, Vivrea, Saat Rasta, near Jacob Circle, Mahalaxmi, Mumbai 400 011

For further details of our Directors, see "Our Management" from pages 197 to 201.

Chief Financial Officer & Chief Risk Officer

Gopal Balachandran
ICICI Lombard House
414, Veer Savarkar Marg
Near Siddhivinayak Temple
Prabhadevi
Mumbai 400 025
Tel: (91 22) 6196 1115
Fax: (91 22) 6196 1323
E-mail: investors@icicilombard.com

Company Secretary and Compliance Officer

Vikas Mehra
ICICI Lombard House
414, Veer Savarkar Marg
Near Siddhivinayak Temple
Prabhadevi
Mumbai 400 025
Tel: (91 22) 6196 1331
Fax: (91 22) 6196 1323
E-mail: investors@icicilombard.com

Investors can contact the Company Secretary and Compliance Officer, the GCBRLMs, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidders shall also enclose a copy of the Acknowledgement Slip duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Global Co-ordinators and Book Running Lead Managers

DSP Merrill Lynch Limited
Ground Floor, A Wing, One BKC
G Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 6632 8000
Fax: (91 22) 6776 2343
E-mail: dg.icicilombard_ipo@baml.com
Investor grievance e-mail: dg.india_merchantbanking@baml.com
Website: http://www.ml-india.com/
Contact person: Soham H. Bhattbhatt
SEBI registration number: INM000011625

ICICI Securities Limited*
ICICI Centre, H.T. Parekh Marg
Churchgate
Mumbai 400 020
Tel: (91 22) 2288 2460
Fax: (91 22) 2282 6580
E-mail: icicilombard.ipo@icicisecurities.com
Investor grievance e-mail: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact person: Prem D'cunha / Govind Khetan
SEBI registration number: INM000011179

* In compliance with the proviso *to Regulation 21A(1) of t Securities and Exchange Board of India (Merchant Banke*

Regulations, 1992, as amended, read with proviso to Regulati[on] 5(3) of the SEBI Regulations, ICICI Securities Limited will [be] involved only in marketing of the Offer.

IIFL Holdings Limited*
10th Floor, IIFL Centre
Kamala City, Senapati Bapat Marg
Lower Parel (West)
Mumbai 400 013
Tel: (91 22) 4646 4600
Fax: (91 22) 2493 1073
E-mail: icicilombard.ipo@iiflcap.com
Investor grievance e-mail: ig.ib@iiflcap.com
Website: www.iiflcap.com
Contact person: Ankur Agarwal / Manali Jain
SEBI registration number: INM000010940

** In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI Regulations, IIFL Holdings Limited will be involved only in marketing of the Offer.*

Book Running Lead Managers

CLSA India Private Limited
8/F Dalamal House
Nariman Point
Mumbai 400 021
Tel: (91 22) 6650 5050
Fax: (91 22) 2284 0271
E-mail: icicilombard.ipo@citicclsa.com
Investor grievance e-mail: investor.helpdesk@clsa.com
Website: www.india.clsa.com
Contact person: Sarfaraz Agboatwala
SEBI registration number: INM000010619

Edelweiss Financial Services Limited
14th Floor, Edelweiss House
Off. C.S.T. Road, Kalina
Mumbai 400 098
Tel: (91 22) 4009 4400
Fax: (91 22) 4086 3610
E-mail: icicilom.ipo@edelweissfin.com
Investor grievance e-mail:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact person: Nishita John/Pradeep Tewani
SEBI registration number: INM0000010650

JM Financial Institutional Securities Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Tel: (91 22) 6630 3030
Fax: (91 22) 6630 3330
E-mail: icicilombard.ipo@jmfl.com
Investor grievance e-mail: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact person: Prachee Dhuri
SEBI registration number: INM000010361

Syndicate Members

India Infoline Limited
India Infoline Limited
IIFL Centre, Kamala City,
Senapati Bapat Marg,
Lower Parel (West),
Mumbai - 400 0013
Maharashtra, India
Tel: +91 22 4249 9000
Fax: +91 22 2495 4313
Email: cs@indiainfoline.com
Website: www.indiainfoline.com

Contact person: Prasad Umarale
SEBI registration number: INB011097533 (BSE) /INB231097537 (NSE)

Edelweiss Securities Limited
2nd Floor, MB Towers
Plot no 5, Road No 2
Banjara Hills
Hyderabad 500 034
Telangana, India
Tel: +91 (22) 4063 5569
Fax: +91 (22) 6747 1347
E-mail: icicilom.ipo@edelweissfin.com
Contact Person: Prakash Boricha
Website: www.edelweissfin.com
SEBI Registration No.: BSE: INB011193332, NSE: INB231193310 & MSEI: INB261193396

JM Financial Services Limited
2,3&4, Kamanwala Chambers, Gr Floor, Sir P M Road, Fort
Mumbai- 400 001
Tel: (022) 6136 6400
Fax: (022) 2266 5902
E-mail: Surajit.misra@jmfl.com; deepak.vaidya@jmfl.com; tn.kumar@jmfl.com
Investor grievance e-mail: ig.distribution@jmfl.com
Website: www.jmfinancialservices.in
Contact person: Mr. Surajit Misra/ Mr. Deepak Vaidya/ Mr T N Kumar
SEBI registration number: INB231054835, INB011054831

Indian Legal Counsel to our Company

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Indian Legal Counsel to the GCBRLMs and the BRLMs

S&R Associates
One Indiabulls Centre
1403, Tower 2B
841 Senapati Bapat Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 4302 8000
Fax: (91 22) 4302 8001

International Legal Counsel to the GCBRLMs and the BRLMs as to United States federal law and New York law

Davis Polk & Wardwell
18th Floor, The Hong Kong Club Building
3A Chater Road
Hong Kong
Tel: (852) 2533 3300
Fax: (852) 2533 3388

Indian Legal Counsel to ICICI Bank

Cyril Amarchand Mangaldas
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Indian Legal Counsel to FAL

AZB & Partners
AZB House
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
Tel: +91 (22) 6639 6880
Fax: +91 (22) 6639 6888

Joint Auditors to our Company

PKF Sridhar & Santhanam LLP
Chartered Accountants
201, 2nd Floor, Center Point Building
Dr. BR Ambedkar Road
Parel
Mumbai 400 012
Tel: (91 22) 2418 0163
Fax: (91 44) 2811 2989
E-mail: rsn@pkfindia.in
Firm registration number: 003990S/S200018
Peer review certificate number: 008972

Chaturvedi & Co.
Chartered Accountants
81, Mittal Chambers, 228, Nariman Point
Mumbai 400 021
Tel: (91 22) 2288 0465 / 66
Fax: (91 22) 2287 2457
E-mail: mumbai@chaturvedica.in
Firm registration number: 302137E
Peer review certificate number: 009374

Escrow Collection Bank, Public Offer Bank and Refund Bank

ICICI Bank Limited
Capital Markets Division
1st Floor, 122, Mistry Bhawan
Dinshaw Vachha Road
Backbay Reclamation, Churchgate
Mumbai 400 020
Tel: (91 22) 6681 8907
Fax: (91 22) 2261 1138
E-mail: upendra.tripathi@icicibank.com
Website: www.icicibank.com
Contact Person: Upendra Tripathi
SEBI Registration number: INBI00000004

Banker to our Company

ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex
Mumbai 400 051
Tel: (91 22) 2285 9962
Fax: (91 22) 22611138
E-mail: mehta.chintan@icicibank.com
Website: www.icicibank.com
Contact person: Chintan Mehta

Registrar to the Offer

Karvy Computershare Private Limited
Karvy Selenium Tower B, Plot 31-32 Gachibowli, Financial District Nanakramguda
Hyderabad 500 032
Tel: (91 40) 6716 2222
Fax: (91 40) 2343 1551
E-mail: einward.ris@karvy.com
Investor grievance e-mail: icicilombard.ipo@karvy.com
Website: www.karisma.karvy.com
Contact person: Mr. M. Murali Krishna
SEBI registration number: INR000000221

Designated Intermediaries

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the above-mentioned link.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/brokercentres.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, as updated from time to time.

Registrar and Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of the Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, as updated from time to time.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Joint Auditors namely, Chaturvedi & Co, Chartered Accountants and PKF Sridhar & Santhanam LLP, Chartered Accountants to include their respective names as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an "expert" defined under Section 2(38) of the Companies Act, 2013 in respect of the examination report of the Joint Auditors dated August 24, 2017 on the Restated Financial Statements, and the statement of tax benefits dated September 1, 2017 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. As the Equity Shares in the Offer will not be registered under the U.S. Securities Act, any references to the term "expert" herein and the Joint Auditors' consent to be named as "expert" with respect to the Offer are not in the context of a U.S. registered offering of securities.

Monitoring Agency

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency for the Offer.

Appraising Entity

The Offer being an offer for sale, the objects of the Offer have not been appraised.

Inter-se allocation of Responsibilities

The following table sets forth details of the inter-se allocation of responsibilities for various activities among the GCBRLMs and the BRLMs for the Offer:

Inter-se Allocation of Responsibilities among GCBRLMs and BRLMs			
S. No.	**Activity**	**Responsibilities**	**Co-ordination**
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	DSPML, CLSA, Edelweiss and JM Financial	DSPML
2.	Due diligence of Company's operations / management / business plans / legal etc. Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC, SEBI and IRDAI including finalisation of Prospectus and RoC filing, follow up and coordination till final approval from all regulatory authorities	DSPML, CLSA, Edelweiss and JM Financial	DSPML

Inter-se Allocation of Responsibilities among GCBRLMs and BRLMs			
S. No.	**Activity**	**Responsibilities**	**Co-ordination**
3.	Drafting and approval of all statutory advertisement	DSPML, CLSA, Edelweiss and JM Financial	DSPML
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 3 above including media monitoring, corporate advertisement, brochure etc.	GCBRLMs, BRLMs	I-SEC*
5.	Appointment of other intermediaries viz., Registrar's, Printers, Advertising Agency and Bankers to the Offer	DSPML, CLSA, Edelweiss and JM Financial	DSPML
6.	International institutional marketing strategy • Preparation of road show presentation • Finalise the list and division of investors for one to one meetings, in consultation with the Company and the Selling Shareholders • Finalising the International road show schedule and investor meeting schedules	GCBRLMs, BRLMs	DSPML
7.	Domestic institutions / banks / mutual funds marketing strategy (a) Finalise the list and division of investors for one to one meetings, institutional allocation in consultation with the Company and the Selling Shareholders (b) Finalising the list and division of investors for one to one meetings (c) Finalising investor meeting schedules	GCBRLMs, BRLMs	I-SEC*
8.	Non-Institutional and Retail marketing of the Offer, which will cover, inter alia, (a) Formulating marketing strategies, preparation of publicity budget (b) Finalise Media and PR strategy (c) Finalising centers for holding conferences for press and brokers (d) Finalising collection centres (e) Follow-up on distribution of publicity and Issuer material including form, prospectus and deciding on the quantum of the Offer material	GCBRLMs, BRLMs	I-SEC*
9.	Co-ordination with Stock Exchanges for Book Building software, bidding terminals and mock trading	DSPML, CLSA, Edelweiss and JM Financial	DSPML
10.	Finalisation of pricing, in consultation with the Company and the Selling Shareholders	DSPML, CLSA, Edelweiss and JM Financial	DSPML
11.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the	DSPML, CLSA, Edelweiss and JM Financial	JM Financial

Inter-se Allocation of Responsibilities among GCBRLMs and BRLMs			
S. No.	**Activity**	**Responsibilities**	**Co-ordination**
	issue, bankers to the issue, Self Certified Syndicate Banks etc. Including responsibility for underwriting arrangements, as applicable		

**In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI Regulations, I-SEC and IIFL will be involved only in marketing of the Offer.*

Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

Trustees

As this is an offer of Equity Shares, the appointment of trustees is not required.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company and the Selling Shareholders, in consultation with GCBRLMs and the BRLMs, and which shall be notified in all editions of the English national newspaper Financial Express, all editions of the Hindi national newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation at least five Working Days prior to the Bid / Offer Opening Date. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs after the Bid / Offer Closing Date.

All Bidders, except Anchor Investors, can participate in the Offer only through the ASBA process.

In accordance with the SEBI Regulations, QIBs Bidding in the QIB Portion and Non-Institutional Investors Bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and ICICI Bank Shareholders bidding in the ICICI Bank Shareholders Reservation Portion (subject to the Bid Amount being up to ₹ 200,000) can revise their Bids during the Bid/Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid / Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.

For further details, see "Offer Structure" and "Offer Procedure" on pages 435 and 440, respectively.

In terms of the Listed Indian Insurance Companies Guidelines, no person shall be Allotted Equity Shares representing 1% or more and less than 5% of the post-Offer paid up equity capital of our Company without satisfying the 'fit and proper' criteria set out by our Company, through a self-certification process. In addition, no person shall be Allotted Equity Shares representing 5% or more of the post-Offer paid up equity capital of our Company, unless prior approval of the IRDAI has been obtained by the Bidder in this regard. Accordingly, our Company shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Company after the Allotment without such approval. For further details, see "Regulations and Policies", "Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company" and "Offer Structure" on pages 186, 441 and 435, respectively.

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see "Offer Procedure – Part B – Basis of Allocation" on page 468.

Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders propose to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The following table sets forth details relating to the intention of the Underwriters to underwrite the number of Equity Shares indicated below:

(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (₹ in million)
[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after pricing and actual allocation of Equity Shares and subject to the provisions of the SEBI Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board / IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Red Herring Prospectus and our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters after the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The following table sets forth details of the Equity Share capital of our Company as at the date of this Red Herring Prospectus:

(In ₹ , except share data)

		Aggregate value at face value	*Aggregate value at Offer Price*
A	**AUTHORISED SHARE CAPITAL**		
	475,000,000 equity shares of ₹ 10 each	4,750,000,000	
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	453,948,304 equity shares of ₹ 10 each	4,539,483,040	
C	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Offer for sale of up to 86,247,187 equity shares of ₹ 10 each (1)	862,471,870	[●]
	Which includes		
	Offer for sale of up to 31,761,478 equity shares of ₹ 10 each by ICICI Bank	317,614,780	[●]
	Offer for sale of up to 54,485,709 equity shares of ₹ 10 each by FAL	544,857,090	[●]
	Which also includes		
	ICICI Bank Shareholders Reservation Portion of up to 4,312,359 equity shares of ₹ 10 each	43,123,590	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	453,948,304 equity shares of ₹ 10 each	4,539,483,040	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Offer	15,684,774,628	
	After the Offer	15,684,774,628	

(1) ICICI Bank has approved its participation in the Offer pursuant to a resolution passed by its board of directors dated June 5, 2017 read with letter dated June 5, 2017 and July 13, 2017 issued by ICICI Bank. FAL has approved its participation in the Offer pursuant to a resolution passed by its board of directors dated June 5, 2017 read with letter dated June 5, 2017 issued by FAL. The Equity Shares to be offered by each Selling Shareholder in the Offer have been held by it for a period of at least one year prior to the date of the Draft Red Herring Prospectus and are eligible for being offered for sale in the Offer in accordance with the SEBI Regulations. Further, our Board and our Shareholders have approved the Offer pursuant to the resolutions dated June 5, 2017 and July 10, 2017, respectively.

Changes in the authorised share capital of our Company

1. The initial authorised share capital of our Company was **₹** 500,000 comprising 50,000 equity shares of ₹ 10 each. This authorised capital was increased to **₹** 1,100,000,000 comprising 110,000,000 equity shares of ₹ 10 each pursuant to a resolution passed by our Shareholders in their EGM held on February 16, 2001.

2. The authorised share capital of our Company of **₹** 1,100,000,000 comprising 110,000,000 equity shares of ₹ 10 each was increased to **₹** 2,200,000,000 comprising 220,000,000 equity shares of ₹ 10 each pursuant to a resolution passed by our Shareholders in their AGM held on June16, 2003.

3. The authorised share capital of our Company of **₹** 2,200,000,000 comprising 220,000,000 equity shares of ₹ 10 each was increased to **₹** 2,600,000,000 comprising 260,000,000 equity shares of ₹ 10 each pursuant to a resolution passed by our Shareholders in their EGM held on March 2, 2006.

4. The authorised share capital of our Company of ₹ 2,600,000,000 comprising 260,000,000 equity shares of ₹ 10 each was increased to ₹ 3,500,000,000 comprising 350,000,000 equity shares of ₹ 10 each pursuant to a resolution passed by our Shareholders in their AGM held on June 20, 2006.

5. The authorised share capital of our Company of ₹ 3,500,000,000 comprising 350,000,000 equity shares of ₹ 10 each was increased to ₹ 4,500,000,000 comprising 450,000,000 equity shares of ₹ 10 each pursuant to a resolution passed by our Shareholders in their EGM held on March 14, 2007.

6. The authorised share capital of our Company of ₹ 4,500,000,000 comprising 450,000,000 equity shares of ₹ 10 each was increased to ₹ 4,750,000,000 comprising 475,000,000 equity shares of ₹ 10 each pursuant to a resolution passed by our Shareholders in their EGM held on March 26, 2013.

Notes to the Capital Structure

1. **Equity Share capital history of our Company**

(a) The following table sets forth details of the history of the Equity Share capital of our Company:

Date of Allotment Of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue / Price per including premium if applicable (₹)	Consideration	Reason for Allotment	Cumulative Number of Equity Shares	Cumulative paid up equity Share Capital (₹)	Cumulative security premium (₹)
November 20, 2000*	700	10	10	Cash	Subscription to the Memorandum of Association[1]	700	7,000	Nil
August 2, 2001	81,399,300	10	10	Cash	Preferential[2]	81,400,000	814,000,000	Nil
August 2, 2001	28,600,000	10	10	Cash	Preferential[2]	110,000,000	1,100,000,000	Nil
August 25, 2003	81,400,000	10	10	Cash	Rights issue[3]	191,400,000	1,914,000,000	Nil
August 25, 2003	28,600,000	10	10	Cash	Rights issue[3]	220,000,000	2,200,000,000	Nil
March 24, 2006	18,500,000	10	40	Cash	Preferential[4]	238,500,000	2,385,000,000	555,000,000
March 24, 2006	3,250,000	10	40	Cash	Preferential[4]	241,750,000	2,417,500,000	652,500,000
March 24, 2006	3,250,000	10	40	Cash	Preferential[4]	245,000,000	2,450,000,000	750,000,000
Quarter ended June 2006	563,332	10	35	Cash	ESOP[5]	245,563,332	2,455,633,320	764,083,300
July 14, 2006	37,000,000	10	40	Cash	Preferential[6]	282,563,332	2,825,633,320	1,874,083,300
July 14, 2006	6,500,000	10	40	Cash	Preferential[6]	289,063,332	2,890,633,320	2,069,083,300
July 14, 2006	6,500,000	10	40	Cash	Preferential[6]	295,563,332	2,955,633,320	2,264,083,300
Quarter ended September 2006	17,600	10	35	Cash	ESOP[7]	295,580,932	2,955,809,320	2,264,523,300
Quarter ended December 2006	2,000	10	35	Cash	ESOP[8]	295,582,932	2,955,829,320	2,264,573,300
January 6, 2007	29,600,000	10	50	Cash	Preferential[9]	325,182,932	3,251,829,320	3,448,573,300
January 6, 2007	10,400,000	10	50	Cash	Preferential[9]	335,582,932	3,355,829,320	3,864,573,300
Quarter ended March 2007	124,600	10	35	Cash	ESOP[10]	335,707,532	3,357,075,320	3,867,688,300
April 13, 2007	18,500,000	10	60	Cash	Preferential[11]	354,207,532	3,542,075,320	4,792,688,300
April 13, 2007	6,500,000	10	60	Cash	Preferential[11]	360,707,532	3,607,075,320	5,117,688,300
June 30, 2007	12,210,000	10	60	Cash	Preferential[12]	372,917,532	3,729,175,320	5,728,188,300
June 30, 2007	4,290,000	10	60	Cash	Preferential[12]	377,207,532	3,772,075,320	5,942,688,300
Quarter ended December 2007	78,244	10	Ranging between 35-40	Cash	ESOP[13]	377,285,776	3,772,857,760	5,944,717,900
Quarter ended March 2008	71,996	10	Ranging between 35-40	Cash	ESOP[14]	377,357,772	3,773,577,720	5,946,629,300
Quarter ended June 2008	159,696	10	Ranging between 35-60	Cash	ESOP[15]	377,517,468	3,775,174,680	5,951,331,700
July 19, 2008	18,500,000	10	200	Cash	Preferential[16]	396,017,468	3,960,174,680	9,466,331,700
July 19, 2008	6,500,000	10	200	Cash	Preferential[16]	402,517,468	4,025,174,680	10,701,331,700
Quarter ended September 2008	456,436	10	Ranging between 35-60	Cash	ESOP[17]	402,973,904	4,029,739,040	10,714,835,850
Quarter ended December 2008	84,300	10	Ranging between 35-60	Cash	ESOP[18]	403,058,204	4,030,582,040	10,717,404,850
Quarter ended March 2009	78,736	10	Ranging between 35-40	Cash	ESOP[19]	403,136,940	4,031,369,400	10,719,468,250
Quarter ended June 2009	5,956	10	Ranging between 35-40	Cash	ESOP[20]	403,142,896	4,031,428,960	10,719,629,650
Quarter ended September 2009	22,160	10	Ranging between 35-40	Cash	ESOP[21]	403,165,056	4,031,650,560	10,720,201,650
Quarter ended December 2009	35,400	10	Ranging between 35 to 60	Cash	ESOP[22]	403,200,456	4,032,004,560	10,721,536,650
Quarter ended March 2010	432,290	10	Ranging between 35-60	Cash	ESOP[23]	403,632,746	4,036,327,460	10,734,907,730
Quarter ended June 2010	365,092	10	Ranging from 35 to 60	Cash	ESOP[24]	403,997,838	4,039,978,380	10,745,542,230
Quarter ended September 2010	87,250	10	Ranging between 35 to 60	Cash	ESOP[25]	404,085,088	4,040,850,880	10,748,432,230
Quarter ended December 2010	312,990	10	Ranging between 35 to 60	Cash	ESOP[26]	404,398,078	4,043,980,780	10,760,475,730
Quarter ended March 2011	169,152	10	Ranging between 35 to 60	Cash	ESOP[27]	404,567,230	4,045,672,300	10,765,906,030
April 11, 2011	23,082,568	10	109	Cash	Preferential[28]	427,649,798	4,276,497,980	13,051,080,262
April 11, 2011	8,110,091	10	109	Cash	Preferential[28]	435,759,889	4,357,598,890	13,853,979,271
Quarter ended June 2011	146,084	10	Ranging between	Cash	ESOP[29]	435,905,973	4,359,059,730	13,859,447,871

Date of Allotment Of Equity Shares	No. of Equity Shares allotted	Face Value (₹)	Issue / Price per including premium if applicable (₹)	Consideration	Reason for Allotment	Cumulative Number of Equity Shares	Cumulative paid up equity Share Capital (₹)	Cumulative security premium (₹)
			35-60					
Quarter ended September 2011	219,940	10	Ranging between 35-60	Cash	ESOP[30]	436,125,913	4,361,259,130	13,867,376,371
Quarter ended December 2011	101,000	10	Ranging between 35-40	Cash	ESOP[31]	436,226,913	4,362,269,130	13,870,126,371
Quarter ended March 2012	357,000	10	Ranging between 35-91	Cash	ESOP[32]	436,583,913	4,365,839,130	13,884,766,371
Quarter ended June 2012	51,700	10	Ranging between 35-60	Cash	ESOP[33]	436,635,613	4,366,356,130	13,886,371,371
Quarter ended September 2012	206,274	10	Ranging between 35-60	Cash	ESOP[34]	436,841,887	4,368,418,870	13,893,920,471
Quarter ended December 2012	161,168	10	Ranging between 35-91	Cash	ESOP[35]	437,003,055	4,370,030,550	13,899,306,271
Quarter ended March 2013	12,184	10	Ranging between 35-60	Cash	ESOP[36]	437,015,239	4,370,152,390	13,899,665,871
April 4, 2013	5,248,226	10	141	Cash	Preferential[37]	442,263,465	4,422,634,650	14,587,183,477
April 4, 2013	1,843,971	10	141	Cash	Preferential[37]	444,107,436	4,441,074,360	14,828,743,678
Quarter ended June 2013	702,050	10	Ranging between 35 to 60	Cash	ESOP[38]	444,809,486	4,448,094,860	14,850,769,928
Quarter ended December 2013	126,040	10	Ranging between 35-60	Cash	ESOP[39]	444,935,526	4,449,355,260	14,854,543,428
Quarter ended March 2014	119,990	10	Ranging between 35-91	Cash	ESOP[40]	445,055,516	4,450,555,160	14,860,059,428
Quarter ended June 2014	115,400	10	Ranging between 35-60	Cash	ESOP[41]	445,170,916	4,451,709,160	14,863,744,428
Quarter ended September 2014	89,000	10	Ranging between 40-91	Cash	ESOP[42]	445,259,916	4,452,599,160	14,867,789,428
Quarter ended December 2014	120,508	10	Ranging between 35-114	Cash	ESOP[43]	445,380,424	4,453,804,240	14,872,756,228
Quarter ended March 2015	1,213,608	10	Ranging between 35-200	Cash	ESOP[44]	446,594,032	4,465,940,320	14,966,962,828
Quarter ended June 2015	186,084	10	Ranging between 35-114	Cash	ESOP[45]	446,780,116	4,467,801,160	14,974,307,428
Quarter ended September 2015	560,440	10	Ranging between 35-114	Cash	ESOP[46]	447,340,556	4,473,405,560	15,008,209,028
Quarter ended December 2015	125,000	10	Ranging between 35-114	Cash	ESOP[47]	447,465,556	4,474,655,560	15,017,767,728
Quarter ended March 2016	72,890	10	Ranging from 35-114	Cash	ESOP[48]	447,538,446	4,475,384,460	15,021,058,728
Quarter ended June 2016	170,580	10	Ranging from 35-114	Cash	ESOP[49]	447,709,026	4,477,090,260	15,034,227,128
Quarter ended September 2016	374,000	10	Ranging from 40-200	Cash	ESOP[50]	448,083,026	4,480,830,260	15,061,750,928
Quarter ended December 2016	350,100	10	Ranging from 35-200	Cash	ESOP[51]	448,433,126	4,484,331,260	15,087,594,928
Quarter ended March 2017	2,717,560	10	Ranging from 35-200	Cash	ESOP[52]	451,150,686	4,511,506,860	15,353,404,428
Quarter ended June 2017	1,781,868	10	Ranging from 35-200	Cash	ESOP[53]	452,932,554	4,529,325,540	15,544,345,628
Quarter ending September 2017	1,015,750	10	Ranging from 35-200	Cash	ESOP[54]	453,948,304	4,539,483,040	15,684,774,628

* *Date of subscription to the Memorandum is October 25, 2000.*

1. *700 Equity Shares were allotted to seven individuals who held the Equity Shares of our Company as nominees of ICICI Bank, pursuant to the board resolution passed on November 20, 2000.*

2. *81,399,300 and 28,600,000 Equity Shares were allotted to ICICI Bank and Lombard Canada Ltd., respectively.*

3. *81,400,000 and 28,600,000 Equity Shares were allotted to ICICI Bank and Winterthur Insurance (Far East) Pte. Ltd., respectively.*

4. *18,500,000, 3,250,000 and 3,250,000 Equity Shares were allotted to ICICI Bank, First Capital Insurance Ltd and FAL, respectively.*

5. *An aggregate of 563,332 Equity Shares have been allotted by our Company under the ESOS Scheme to 81 employees of our Company on May 20, 2006, one employee of our Company on May 24, 2006, five employees of our Company on June 7, 2006 and two employees of our Company on June 21, 2006.*

6. *37,000,000, 6,500,000 and 6,500,000 Equity Shares were allotted to ICICI Bank, First Capital Insurance Ltd and FAL, respectively.*

7. *An aggregate of 17,600 Equity shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on August 8, 2006.*

8. *An aggregate of 2,000 Equity shares have been allotted by our Company under the ESOS Scheme to one employee of our Company on December 19, 2006.*

9. *29,600,000 and 10,400,000 Equity Shares were allotted to ICICI Bank and FAL, respectively.*

10. *An aggregate of 124,600 Equity shares have been allotted by our Company under the ESOS Scheme to seven employees of our Company on March 28, 2007 and 22 employees of our Company on March 30, 2007.*

11. *18,500,000 and 6,500,000 Equity Shares were allotted to ICICI Bank and FAL, respectively.*

12. *12,210,000 and 4,290,000 Equity Shares were allotted to ICICI Bank and FAL, respectively.*

13. *An aggregate of 78,244 Equity Shares have been allotted by our Company under the ESOS Scheme to nine employees of our Company on December 20, 2007.*

14. *An aggregate of 71,996 Equity Shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on February 12, 2008, four employees of our Company on March 13, 2008 and two employees of our Company on March 25, 2008.*

15. *An aggregate of 159,696 Equity Shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on May 21, 2008, two employees of our Company on June 5, 2008 and three employees of our Company on June 23, 2008.*

16. *18,500,000 and 6,500,000 Equity Shares were allotted to ICICI Bank and FAL, respectively.*

17. *An aggregate of 456,436 Equity Shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on July 18, 2008, 18 employees of our Company on July 30, 2008, 13 employees of our Company August 2, 2008, 19 employees of our Company on August 13, 2008, one employee of our Company on August 19, 2008 and 13 employees of our Company on September 20, 2008.*

18. *An aggregate of 84,300 Equity Shares have been allotted by our Company under the ESOS Scheme to five employees of our Company on October 22, 2008.*

19. *An aggregate of 78,736 Equity Shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on January 5, 2009 and three employees of our Company on March 10, 2009.*

20. *An aggregate of 5,956 Equity Shares have been allotted by our Company under the ESOS Scheme to two employees of our Company on May 18, 2009.*

21. *An aggregate of 22,160 Equity Shares have been allotted by our Company under the ESOS Scheme to five employees of our Company on September 14, 2009.*

22. *An aggregate of 35,400 Equity shares have been allotted by our Company under the ESOS Scheme to two employees of our Company on November 25, 2009.*

23. *An aggregate of 432,290 Equity shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on January 18, 2010 and nine employees of our Company on March 18, 2010.*

24. *An aggregate of 365,092 Equity Shares have been allotted by our Company under the ESOS Scheme to 17 employees of our Company on April 26, 2010 and two employees of our Company on June 9, 2010.*

25. *An aggregate of 87,250 Equity Shares have been allotted by our Company under the ESOS Scheme to two employees of our Company on August 5, 2010 and four employees of our Company on September 20, 2010.*

26. *An aggregate of 312,990 Equity Shares have been allotted by our Company under the ESOS Scheme to eight employees of our Company on October 22, 2010 and five employees of our Company on November 30, 2010.*

27. *An aggregate of 169,152 Equity Shares have been allotted by our Company under the ESOS Scheme to seven employees of our Company on February 2, 2011 and eight employees of our Company on March 10, 2011.*

28. *23,082,568 and 8,110,091 Equity Shares were allotted to ICICI Bank and FAL, respectively.*

29. *An aggregate of 146,084 Equity Shares have been allotted by our Company under the ESOS Scheme to eight employees of our Company on April 27, 2011.*

30. *An aggregate of 219,940 Equity Shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on August 10, 2011 and three employees of our Company on September 27, 2011.*

31. *An aggregate of 101,000 Equity Shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on November 15, 2011.*

32. *An aggregate of 357,000 Equity Shares have been allotted by our Company under the ESOS Scheme to one employee of our Company on January 11, 2012, one employee of our Company on January 23, 2012 and one employee of our Company on March 15, 2012.*

33. *An aggregate of 51,700 Equity Shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on April 19, 2012.*

34. *An aggregate of 206,274 Equity Shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on July 26, 2012 and five employees of our Company on August 21, 2012.*

35. *An aggregate of 161,168 Equity Shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on October 29, 2012 and four employees of our Company on December 10, 2012.*

36. *An aggregate of 12,184 Equity Shares have been allotted by our Company under the ESOS Scheme to one employee of our Company on February 25, 2013.*

37. *5,248,226 and 1,843,971 Equity Shares were allotted to ICICI Bank and FAL, respectively.*

38. *An aggregate of 702,050 Equity Shares have been allotted by our Company under the ESOS Scheme to five employees of our Company on April 3, 2013 and one employee of our Company on June 24, 2013.*

39. *An aggregate of 126,040 Equity Shares have been allotted by our Company under the ESOS Scheme to five employees of our Company on October 7, 2013, two employees of the Company on November 12, 2013 and one employee of our Company on December 27, 2013.*

40. *An aggregate of 119,990 Equity Shares have been allotted by our Company under the ESOS Scheme to one employee of our Company on January 29, 2014, two employees of the Company on February 11, 2014 and two employees of our Company on March 5, 2014.*

41. *An aggregate of 115,400 Equity Shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on April 29, 2014.*

42. *An aggregate of 89,000 Equity Shares have been allotted by our Company under the ESOS Scheme to one employee of our Company on August 4, 2014 and two employees of the Company on September 17, 2014.*

43. *An aggregate of 120,508 Equity Shares have been allotted by our Company under the ESOS Scheme to one employee of our Company on October 16, 2014, one employee of the Company on November 18, 2014 and three employees of our Company on December 15, 2014.*

44. *An aggregate of 1,213,608 Equity Shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on February 6, 2015, two employees of our Company on February 18, 2015, one employee of our Company on March 4, 2015, five employees of our Company on March 16, 2015, one employee of our Company on Mach 19, 2015 and 14 employees of our Company on March 25, 2015.*

45. *An aggregate of 186,084 Equity Shares have been allotted by our Company under the ESOS Scheme to five employees of our Company on April 6, 2015, one employee of the Company on April 28, 2015, three employees of our Company on June 1, 2015 and one employee of our Company on June 12, 2015.*

46. *An aggregate of 560,440 Equity Shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on August 4, 2015, four employees of the Company on August 11, 2015, two employees of our Company on August 28, 2015, two employees of our Company on September 8, 2015 and two employees of our Company on September 18, 2015.*

47. *An aggregate of 125,000 Equity Shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on October 12, 2015, two employees of the Company on October 26, 2015 and one employee of our Company on December 23, 2015.*

48. *An aggregate of 72,890 Equity Shares have been allotted by our Company under the ESOS Scheme to four employees of our Company on February 3, 2016.*

49. *An aggregate of 170,580 Equity shares have been allotted by our Company under the ESOS Scheme to two employees of our Company on April 25, 2016, three employees of our Company on May 24, 2016 and three employees of our Company on June 22, 2016.*

50. *An aggregate of 374,000 Equity shares have been allotted by our Company under the ESOS Scheme to one employee of our Company on July 11, 2016, one employee of our Company on July 21, 2016, two employees of our Company on August 1, 2016, five employees of our Company on September 15, 2016 and three employees of our Company on September 16, 2016.*

51. *An aggregate of 350,100 Equity shares have been allotted by our Company under the ESOS Scheme to seven employees of our Company on October 6, 2016, one employee of our Company on October 17, 2016, three employees of our Company on November 14, 2016, one employee of our Company on November 22, 2016, one employee of our Company on December 6, 2016 and one employee of our Company on December 13, 2016.*

52. *An aggregate of 2,717,560 Equity shares have been allotted by our Company under the ESOS Scheme to two employees of our Company on January 5, 2017, one employee of our Company on January 10, 2017, three employees of our Company on January 25, 2017, one employee of our Company on February 7, 2017, 14 employees of our Company on February 10, 2017, 13 employees of our Company on February 22, 2017, seven employees of our Company on March 6, 2017, 17 employees of our Company on March 16, 2017, one employee of our Company on March 17, 2017, four employees of our Company on March 23, 2017 and eight employees of our Company on March 31, 2017.*

53. *An aggregate of 1,781,868 Equity shares have been allotted by our Company under the ESOS Scheme to two employees of our Company on April 20, 2017, three employees of our Company on April 21, 2017, two employees of our Company on May 4, 2017, three employees of our Company on May 24, 2017, two employees of our Company on May 26, 2017, eight employees of our Company on June 5, 2017 and seven employees of our Company on June 30, 2017.*

54. *An aggregate of 1,015,750 Equity shares have been allotted by our Company under the ESOS Scheme to three employees of our Company on July 5, 2017, five employees of our Company on July 6, 2017 and six employees of our Company on August 22, 2017.*

(b) *The details of the Equity Shares allotted for consideration other than cash or out of revaluation reserves*:

Our Company has not allotted any Equity Shares for consideration other than cash or out of revaluation reserves.

2. **Issue of Shares in the last two preceding years**

For details of issue of Equity Shares by our Company in the last two preceding years, see “Capital Structure – Share Capital History of our Company” on page 101 and 104.

3. **History of the Equity Share capital held by our Promoter**

As on the date of this Red Herring Prospectus, our Promoter holds 285,605,284 Equity Shares, constituting 62.92% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoter’s shareholding is set out below.

(a) *Build-up of our Promoter’s shareholding in our Company*

The following table sets forth details of the build-up of the shareholding of our Promoter since incorporation of our Company:

Date of transaction	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue price / transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
November 20, 2000*	Subscription to MOA	700	Cash	10	10	0.00	0.00
August 2, 2001	Allotment	81,399,300	Cash	10	10	17.93	17.93
August 25, 2003	Allotment	81,400,000	Cash	10	10	17.93	17.93
March 24, 2006	Allotment	18,500,000	Cash	10	40	4.08	4.08

Date of transaction	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue price / transfer price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
July 14, 2006	Allotment	37,000,000	Cash	10	40	8.15	8.15
January 6, 2007	Allotment	29,600,000	Cash	10	50	6.52	6.52
April 13, 2007	Allotment	18,500,000	Cash	10	60	4.08	4.08
June 30, 2007	Allotment	12,210,000	Cash	10	60	2.69	2.69
July 19, 2008	Allotment	18,500,000	Cash	10	200	4.08	4.08
In quarter ended September 30, 2008 and quarter ended December 31, 2008(1)	Acquired from several individual shareholders	442,950	Cash	10	200	0.10	0.10
April 11, 2011	Allotment	23,082,568	Cash	10	109	5.08	5.08
April 4, 2013	Allotment	5,248,226	Cash	10	141	1.16	1.16
March 31, 2016	Transfer(2)	(40,278,460)	Cash	10	385	(8.87)	(8.87)
Total		**285,605,284**				**62.92**	**62.92**

* *Date of subscription to the Memorandum is October 25, 2000. The Equity Shares were allotted to seven individuals as nominees of ICICI Bank.*

1. *Transfer of an aggregate of 442,950 Equity Shares from 95 individuals to ICICI Bank.*

2. *Transfer of 40,278,460 Equity Shares from ICICI Bank to FAL.*

The Equity Shares allotted by our Company to our Promoter were fully paid-up as on their respective dates of allotment. ICICI Bank, our Promoter, has confirmed to our Company, the GCBRLMs and the BRLMs that the Equity Shares held by them which shall be locked-in for a period of three years as promoter's contribution have been financed from their own funds and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose. As of the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoter are pledged.

(b) *Details of promoter's contribution and lock-in*:

Pursuant to the SEBI Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by ICICI Bank, except for the Equity Shares offered under the Offer, shall be locked in as minimum promoter's contribution for a period of three years from the date of Allotment and our Promoter's shareholding in excess of 20% shall be locked in for a period of one year from the date of Allotment. The following table sets forth details of the Equity Shares which are held by ICICI Bank and eligible for such lock-in for a period of three years from the date of Allotment:

Date of the transaction	Nature of transaction	Number of Equity Shares	Nature of consideration	Face value (₹)	Issue price / transfer price per Equity Share (₹)	Number of Equity Shares locked-in	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)
August 2, 2001	Allotment	8,13,99,300	Cash	10	10	93,60,062	2.06%	2.06%
August 25, 2003	Allotment	8,14,00,000	Cash	10	10	8,14,00,000	17.93%	17.93%
March 24, 2006	Allotment	1,85,00,000	Cash	10	40	1,28,627	0.03%	0.03%

The minimum promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from ICICI Bank, which falls within the definition of a 'promoter' under the SEBI Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of promoter's contribution in terms of Regulation 33 of the SEBI Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered by ICICI Bank for promoter's contribution have not been acquired in the last three years for (a) consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of promoter's contribution;

(ii) The promoter's contribution of ICICI Bank does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

(iii) Our Company has not been formed by the conversion of a partnership firm into a Company; and

(iv) The Equity Shares held by ICICI Bank, our Promoter and offered for promoter's contribution are not subject to any pledge.

Other requirements in respect of lock-in:

In addition to 20% of the fully diluted post-Offer shareholding of our Company held by ICICI Bank and locked-in for three years as specified above, and other than (i) the Equity Shares Allotted pursuant to the Offer, (ii) Equity Shares allotted under the ESOS Scheme to existing employees of our Company, as well as employees of our holding company (if any), and (iii) the Equity Shares that are held by a venture capital fund or an AIF of category I or category II or a FVCI subject to certain conditions set out in Regulation 37 of the SEBI Regulations; the entire pre-Offer Equity Share capital of our Company, will be locked-in for a period of one year from the date of Allotment or as prescribed under the SEBI Regulations, as applicable. For details in relation to the shareholding of our Key Management Personnel in our Company, whose shareholding will be locked-in, see "Our Management - Shareholding of Key Management Personnel" on page 207.

The Equity Shares held by our Promoter which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans, subject to applicable laws (including laws prescribed by IRDAI).

The Equity Shares held by persons other than the Promoter prior to the Offer and locked-in under the SEBI Regulations may be transferred to any other person holding any Equity Shares which are locked-in subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations and the Insurance Act, as applicable. The Equity Shares held by our Promoter which are locked-in may be transferred to and among our Promoter Group entities or to any new promoter or persons in control of our Company, subject to compliance with any lock-in/ transfer restrictions prescribed by the IRDAI, continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable. In addition, post listing, such persons shall also be required to comply with the provisions of the Listed Indian Insurance Companies Guidelines, including the declaration on "fit and proper" status of such persons and approval of the IRDAI, as may be applicable.

Lock-in of the Equity Shares to be allotted, if any, to the Anchor Investors

Any Equity Shares allotted as part of the Anchor Investors Portion shall be locked-in for a period of 30 days from the date of Allotment.

Lock in of Equity Shares held by FAL

Pursuant to the IRDAI letter dated March 30, 2016 (the "**Letter**") issued in terms of the IRDAI Transfer of Equity Shares Regulations, in connection with the transfer of Equity Shares from ICICI Bank to Fairfax or its affiliates nominated in writing, FAL is required to hold 40,278,460 Equity Shares (constituting 9% of our then issued and paid-up capital) for a minimum period of five years from the date of the Letter. Pursuant to the Letter, ICICI Bank transferred such Equity Shares to FAL on March 31, 2016.

Shareholding of our Promoter and Promoter Group in our Company

Our Promoter holds 285,605,284 Equity Shares, constituting 62.92% of the total Equity Share capital of our Company. Other than Ms. Vishakha Mulye, being an executive director of ICICI Bank, our Promoter Group and the directors of our Promoter do not hold any Equity Shares in our Company

4. **Details of Equity Shares being offered in the Offer by the Selling Shareholders and the pre-Offer and post-Offer shareholding of the Selling Shareholders**

Set out below are the details of Equity Shares being offered in the Offer by the Selling Shareholders and the pre-Offer and post-Offer shareholding of the Selling Shareholders:

Name of the Selling Shareholder	Number of Equity Shares held (Pre-Offer)	Percentage holding of the pre-Offer capital* (%)	Number of Offered Equity Shares	Number of Equity Shares held (Post-Offer)	Percentage holding of the post-Offer capital* (%)
ICICI Bank	285,605,284	62.92	31,761,478	253,843,806	55.92
FAL	99,464,479	21.91	54,485,709	44,978,770	9.91

** The percentages are calculated on the basis of our issued and paid up capital as on the date of this Red Herring Prospectus.*

Shareholding Pattern of our Company

The following table sets forth details of the shareholding pattern of our Company as on the date of this Red Herring Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII) *		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialised form (XIV)
								No of Voting Rights			Total as a % of (A+B+ C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity	Class eg: Others	Total								
(A)	**Promoter & Promoter Group**	1	285,605,284	0	0	285,605,284	62.92	285,605,284	0	285,605,284	62.92	0	62.92	N.A		N.A		285,605,284
(B)	**Public**	1,022	168,343,020	0	0	168,343,020	37.08	168,343,020	0	168,343,020	37.08	0	37.08	40,278,460 (8.87%)		1,761,996 (0.39%)		168,280,626
(C)	**Non Promoter-Non Public**	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0		-		0
(C1)	**Shares underlying DRs**	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0		-		0
(C2)	**Shares held by Employee Trusts**	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0		-		0
	Total	**1,023**	**453,948,304**	**0**	**0**	**453,948,304**	**100**	**0**	**0**	**0**	**100**	**0**	**100**	**40,278,460 (8.87%)**		**1,761,996 (0.39%)**		**453,885,910**

For the manner in which the Equity Shares shall be subject to lock-in, see "Capital Structure - Details of Promoter's Contribution and Lock-in" on page 105 *of this Red Herring Prospectus.*

5. **The list of top 10 Shareholders of our Company and the number of Equity Shares held by them are set forth below**:

(a) The following table sets forth details of the top 10 Shareholders on the date of filing of this Red Herring Prospectus:

Sr. No.	Name of shareholder	Number of Equity Shares	Percentage (%)
1.	ICICI Bank	285,605,284	62.92
2.	FAL	99,464,479	21.91
3.	Red Bloom Investment Limited	40,889,791	9.01
4.	Tamarind Capital Pte Limited	7,211,596	1.59
5.	IIFL Special Opportunities Fund	4,076,135	0.90
6.	IIFL Special Opportunities Fund - Series 2	2,717,424	0.60
7.	IVF Trustee Company Private Limited	1,402,200	0.31
8.	IIFL Special Opportunities Fund - Series 3	970,509	0.21
9.	Sandeep Bakhshi	941,250	0.21
10.	Alok Kumar Agarwal	455,000	0.10
Total		**443,733,668**	**97.76**

(1) This does not include the Equity Shares that the Shareholders will be entitled to upon exercise of options under the ESOS Scheme.

(b) The following table sets forth details of the top 10 Shareholders 10 days prior to the date of this Red Herring Prospectus:

Sr. No.	Name of shareholder	Number of Equity Shares	Percentage (%)
1.	ICICI Bank	285,605,284	62.92
2.	FAL	99,464,479	21.91
3.	Red Bloom Investment Limited	40,889,791	9.01
4.	Tamarind Capital Pte Limited	7,211,596	1.59
5.	IIFL Special Opportunities Fund	4,076,135	0.90
6.	IIFL Special Opportunities Fund - Series 2	2,717,424	0.60
7.	IVF Trustee Company Private Limited	1,402,200	0.31
8.	IIFL Special Opportunities Fund - Series 3	970,509	0.21
9.	Sandeep Bakhshi	941,250	0.21
10.	Alok Kumar Agarwal	455,000	0.10
Total		**443,733,668**	**97.76**

(1) This does not include the Equity Shares that the Shareholders will be entitled to upon exercise of options under the ESOS Scheme.

(c) The following table sets forth details of the top 10 Shareholders two years prior to the date of this Red Herring Prospectus:

Sr. No.	Name of shareholder	Number of Equity Shares	Percentage (%)
1.	ICICI Bank	325,883,744	72.88
2.	FAL	114,499,002	25.61
3.	IVF Trustee Company Private Limited	1,252,200	0.28
4.	Sandeep Bakhshi	700,000	0.16
5.	Rakesh Jain	337,500	0.08
6.	Neelesh Garg	285,000	0.06
7.	Anuj Gulati	190,000	0.04
8.	Rajive Kumaraswami	125,000	0.03
9.	Ritesh Kumar	122,500	0.03
10.	Hitesh Kotak	101,000	0.02
Total		**443,495,946**	**99.19**

(1) This does not include the Equity Shares that the Shareholders will be entitled to upon exercise of options under the ESOS Scheme.

6. **ESOS Scheme**

Our Company instituted the ESOS Scheme pursuant to the resolutions passed by our Board and Shareholders on April 26, 2005 and July 22, 2005, respectively. Pursuant to the ESOS Scheme, no eligible employee could, in aggregate be granted in a financial year, options greater than 0.1% of the issued equity share capital of our Company and the aggregate of options granted to the eligible employees under the ESOS Scheme was capped at 5% of the issued capital of our Company as on the date of such grants. ESOS Scheme was further amended pursuant to the resolutions passed by our Board and Shareholders on January 14, 2015 and March 4, 2015, respectively, to approve the amendment in the ESOS Scheme to extend the exercise period by three more years in respect of options granted in the years 2005, 2006 and 2007. Further, the exercise price is to be finalised by the Board Nomination and Remuneration Committee in concurrence with our Board. The ESOS Scheme has allowed an exercise period to commence from the date of vesting and expires on completion of such period not exceeding 10 years from the date of vesting of options, except for options granted in the years 2005, 2006 and 2007. Pursuant to the ESOS Scheme, options were granted in eight tranches on April 26, 2005 (Founder and Regular), April 24, 2006, April 21, 2007, April 24, 2008, July 21, 2009, April 19, 2010 and April 25, 2011, respectively. ESOS Scheme was further amended pursuant to the resolutions passed by our Board and Shareholders on June 9, 2017 and July 10, 2017, respectively, to approve the amendment in the ESOS Scheme for, inter alia, aligning it with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

The following table sets forth the particulars of the options granted under the ESOS Scheme as on the date of this Red Herring Prospectus:

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>Options granted</td><td>23,572,260</td></tr>
<tr><td>The pricing formula</td><td>The exercise price shall be determined by the Committee in concurrence with our Board on the date the options are granted.</td></tr>
<tr><td>Exercise price of options (as on the date of grant of options)</td><td><table>
<tr><th>Grant</th><th>Grant Price (₹)</th></tr>
<tr><td>Founder</td><td>35</td></tr>
<tr><td>2005</td><td>35</td></tr>
<tr><td>2006</td><td>40</td></tr>
<tr><td>2007</td><td>60</td></tr>
<tr><td>2008</td><td>200</td></tr>
<tr><td>2009</td><td>91</td></tr>
<tr><td>2010</td><td>114</td></tr>
<tr><td>2011</td><td>109</td></tr>
</table></td></tr>
<tr><td>Total options vested</td><td>18,204,108</td></tr>
<tr><td>Options exercised</td><td>14,163,448</td></tr>
<tr><td>Total number of Equity Shares that would arise as a result of full exercise of options already granted (net of cancelled options)</td><td>495,140 (outstanding options which are in force, net of options exercised and lapsed)</td></tr>
<tr><td>Options forfeited / lapsed / cancelled</td><td>89,13,672

Period between April 1, 2017 to May 26, 2017: 21,250

Scheme 2010: 17,250

Scheme 2011: 4,000</td></tr>
<tr><td>Variation in terms of options</td><td>As mentioned in Note I</td></tr>
<tr><td>Money realised by exercise of options</td><td>₹ 1.13 billion</td></tr>
<tr><td>Options outstanding (in force)</td><td>495,140</td></tr>
<tr><td>Employee wise details of options granted to:</td><td></td></tr>
<tr><td>(a) Senior Managerial Personnel, i.e. Directors</td><td>As mentioned in Note II</td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>and key managerial personnel</td><td></td></tr>
<tr><td>(b) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td>Nil</td></tr>
<tr><td>(c) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td>Not applicable</td></tr>
<tr><td>Fully diluted EPS on a pre-Offer basis on exercise of options calculated in accordance with Accounting Standard (AS) 20 ‘Earning Per Share’</td><td>
<table>
<tr><th>Fiscal</th><th>(₹)</th></tr>
<tr><td>Three months ended June 30, 2017</td><td>4.73</td></tr>
<tr><td>2017</td><td>14.25</td></tr>
<tr><td>2016</td><td>11.23</td></tr>
<tr><td>2015</td><td>13.04</td></tr>
<tr><td>2014</td><td>11.57</td></tr>
<tr><td>2013</td><td>7.98</td></tr>
</table>
</td></tr>
<tr><td>Difference between employee compensation cost using the intrinsic value method and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company</td><td>
<table>
<tr><th colspan="2">Profits would have been lower by</th></tr>
<tr><td>Three months ended June 30, 2017</td><td>NIL</td></tr>
<tr><td>FY 2017</td><td>NIL</td></tr>
<tr><td>FY 2016</td><td>NIL</td></tr>
<tr><td>FY 2015</td><td>₹ 16.8 million</td></tr>
<tr><td>FY 2014</td><td>₹ 20.6 million</td></tr>
<tr><td>FY 2013</td><td>₹ 7.5 million</td></tr>
<tr><th colspan="2">Impact on Basic EPS</th></tr>
<tr><td>FY 2015</td><td>Basic EPS would decrease from ₹ 13.14 to ₹ 13.11</td></tr>
<tr><td>FY 2014</td><td>Basic EPS would decrease from ₹ 11.70 to ₹ 11.65</td></tr>
<tr><td>FY 2013</td><td>Basic EPS would decrease from ₹ 8.08 to ₹ 8.06</td></tr>
<tr><th colspan="2">Impact on Diluted EPS</th></tr>
<tr><td>FY 2015</td><td>Diluted EPS would decrease from ₹ 13.04 to ₹ 13.00</td></tr>
<tr><td>FY 2014</td><td>Diluted EPS would decrease from ₹ 11.57 to ₹ 11.53</td></tr>
<tr><td>FY 2013</td><td>Diluted EPS would decrease from ₹ 7.98 to ₹ 7.96</td></tr>
</table>
</td></tr>
<tr><td>Weighted-average exercise prices and weighted-average fair values of options shall be disclosed of options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>Not applicable</td></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>The Company has used ‘binomial tree’ model for computing the fair value of the options with assumptions of expected dividend yield, annual volatility, risk free interest rate and expected life.</td></tr>
<tr><td>Vesting schedule</td><td></td></tr>
</table>

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td></td><td><table><tr><th>Grant</th><th>Vesting schedule</th></tr><tr><td>Founder</td><td>50%:50%</td></tr><tr><td>2005, 2006, 2007, 2008</td><td>20%:20%:30%:30%</td></tr><tr><td>2009</td><td>0%:20%:20%:30%:30%</td></tr><tr><td>2010</td><td>20%:20%:30%:30%</td></tr><tr><td>2011</td><td>40%:60%</td></tr></table></td></tr>
<tr><td>Lock-in</td><td>No lock in period as per ESOS Scheme, except as required under the applicable law.</td></tr>
<tr><td>Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 in respect of options granted in the last three years</td><td>There are no options granted in last three Fiscals. So no effect on EPS.</td></tr>
<tr><td>Aggregate number of Equity Shares intended to be sold by the holders of Equity Shares allotted on exercise of options within three months after the listing of Equity Shares pursuant to the Offer and quantum of Equity Shares intended to be sold by the Directors, senior managerial personnel and employees having Equity Shares under the ESOS Scheme amounting to more than 1% of the issued capital of our Company</td><td>Nil. However, employees holding Equity Shares at the time of listing of the Equity Shares pursuant to the Offer may sell the Equity Shares issued in connection with the exercise of options granted under the ESOS Scheme within three months from the date the listing of Equity Shares.</td></tr>
</table>

Note I

Our Board and Shareholders of the Company on January 14, 2015 and March 4, 2015, respectively approved extension of exercise period by three years for the options granted under the schemes Founder, 2005, 2006 & 2007.

Note: II

Name of KMP	Designation	Total ESOPs granted	Total ESOPs Outstanding
Bhargav Dasgupta	Managing Director and Chief Executive Officer	375,000	-
Alok Agarwal	Executive Director	785,000	285,000
Gopal Balachandran	Chief Financial Officer	257,250	-
Gopalakrishnan S.	Chief-Investments	420,000	-
Sanjay Datta	Chief-Underwriting, Reinsurance & Claims	404,500	132,500
Lokanath Kar	Chief-Legal & Compliance	158,500	27,500
Vikas Mehra	Company Secretary	18,500	-
J. V. Prasad	Appointed Actuary	107,000	-
Total		**2,525,750**	**445,000**

7. All the Equity Shares held by our Promoter are held in dematerialised form.

8. As on the date of this Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.

9. For details in relation to Equity Shares held by our Directors and Key Management Personnel, see "Our Management" on pages 203 and 207.

10. Other than Equity Shares issued pursuant to the ESOS Scheme, our Company has not issued any Equity Shares at a price that may be lower than the Offer Price during the last one year. For details, see "- Notes to the Capital Structure - Equity Share capital history of our Company" on page 100.

11. As of the date of this Red Herring Prospectus, the total number of our Shareholders is 1,023.

12. There has been no financing arrangement whereby our Promoter Group, directors of our Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of the Draft Red Herring Prospectus.

13. Except for issue of the Equity Shares pursuant to the exercise of the options granted and to be granted pursuant to the ESOS Scheme and their consequent conversion into Equity Shares, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

14. Our Promoter has not purchased or sold any securities of our Company during the period commencing six months prior to the date of filing this Red Herring Prospectus.

15. Except as disclosed below, our Promoter Group, the directors of our Promoter, our Directors and their immediate relatives have not purchased or sold any securities of our Company during the period commencing six months prior to the date of filing the Draft Red Herring Prospectus:

Date of the transaction / allotment	Name of the shareholder	Promoter/ Promoter Group/ Director	Total no. of Equity Shares transferred / allotted	Aggregate consideration (in ₹)	Percentage of pre-Offer capital
May 26, 2017[(1)]	Bhargav Dasgupta	Managing Director	125,000	13,625,000	0.028
May 26, 2017[(1)]	Bhargav Dasgupta	Managing Director	250,000	28,500,000	0.055
February 22, 2017[(2)]	Alok Kumar Agarwal	Executive Director	(30,000)	(12,450,000)	(0.007)
March 17, 2017[(1)]	Alok Kumar Agarwal	Executive Director	30,000	1,050,000	0.007
March 17, 2017[(1)]	Alok Kumar Agarwal	Executive Director	45,000	1,800,000	0.010
May 26, 2017[(1)]	Alok Kumar Agarwal	Executive Director	55,000	2,200,000	0.012
May 26, 2017[(1)]	Alok Kumar Agarwal	Executive Director	150,000	9,000,000	0.033
July 5, 2017[(1)]	Alok Kumar Agarwal	Executive Director	175,000	35,000,000	0.039
March 23, 2017[(1)]	Vishakha Mulye	Executive Director ICICI Bank	75,000	15,000,000	0.017
June 5, 2017[(1)]	Vishakha Mulye	Executive Director ICICI Bank	75,000	15,000,000	0.017
July 6, 2017[(1)]	Vishakha Mulye	Executive Director ICICI Bank	125,000	25,000,000	0.028

[(1)] *Allotment pursuant to conversion of ESOPs.*

[(2)] *Transfer of Equity Shares to Indra Kumar Bagri.*

16. Our Company, our Directors, the GCBRLMs and the BRLMs have not made any or entered into any buy-back and/or standby arrangements for purchase of the Equity Shares being offered in the Offer from any person.

17. As on the date of this Red Herring Prospectus, the GCBRLMs, the BRLMs and their respective associates (in accordance with the definition of "associate company" as provided under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.

18. Except for the options granted under the ESOS Scheme, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this Red Herring Prospectus.

19. All Equity Shares allotted pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Red Herring Prospectus.

20. The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be made available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be made available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be made available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be made available for

allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be made available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. The Offer includes a reservation of up to 4,312,359 Equity Shares for subscription by the ICICI Bank Shareholders under the ICICI Bank Shareholders Reservation Portion for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million. Under-subscription if any, in any category including the ICICI Bank Shareholders Reservation Portion, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs and the Designated Stock Exchange. The unsubscribed portion if any, in the ICICI Bank Shareholders Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the ICICI Bank Shareholders Reservation Portion. All potential investors, other than Anchor Investors, are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs to the extent of the respective Bid Amounts, to participate in the Offer. For further details, see "Offer Procedure" on page 440.

21. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

22. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or by our Promoter to the persons who are Allotted Equity Shares pursuant to the Offer.

OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares of our Company on the Stock Exchanges and to carry out the sale of up to 86,247,187 Equity Shares by the Selling Shareholders. The listing of the Equity Shares will enhance the "ICICI Lombard" brand name and provide liquidity to the existing shareholders. The listing will also provide a public market for the Equity Shares in India. Our Company will not receive any proceeds from the Offer.

The Allotment of Equity Shares to the ICICI Bank Shareholders under the ICICI Bank Shareholders Reservation Portion will not result in an increase, directly or indirectly, in the shareholding of the Promoter in our Company.

Offer Expenses

The total Offer related expenses are estimated to be approximately ₹ [●] million. The Offer related expenses consist of listing fees, fees payable to the GCBRLMs and the BRLMs, underwriting fees, selling commission, legal counsels, Registrar to the Offer, Public Offer Bank including processing fee to the SCSBs for processing Bid cum Application Forms submitted by ASBA Bidders procured by the Members of the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses with respect to the Offer (other than listing fees which shall be payable by our Company from our Shareholders' account) will be borne by the Selling Shareholders in proportion to the respective Equity Shares offered by each Selling Shareholder in the Offer. Payments, if any, made by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be reimbursed by the Selling Shareholders to our Company in proportion to the respective Equity Shares offered by each Selling Shareholder in the Offer. The following table sets forth details of the break-up for the Offer expenses:

Activity	Estimated Expense(1) (₹ million)	As a % of total estimated Offer expense(1)	As a % of total Offer size(1)
Fees payable to the GCBRLMs and the BRLMs	[●]	[●]	[●]
Selling commission and processing fees for SCSBs(2)	[●]	[●]	[●]
Selling commission and bidding charges for the Syndicate Members, Registered Brokers, RTAs and CDPs(3)(4)	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationary expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others: i. Listing fees; ii. SEBI, BSE and NSE processing fees; iii. Fees payable to Legal Counsels; and iv. Miscellaneous.	[●]	[●]	[●]
Total Offer Expenses	[●]	[●]	[●]

(1) *Amounts will be finalised at the time of filing the Prospectus and on determination of Offer Price and other details*

(2) *Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Investors which are directly procured by the SCSBs, would be as follows:*

*Portion for Retail Individual Investors**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for ICICI Bank shareholders**	*0.20% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*0.25% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

No additional bidding charges shall be payable by the Selling Shareholders to the SCSBs on the applications directly procured by such SCSBs.

Processing fees payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Investors which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking would be as follows:

*Portion for Retail Individual Bidders**	₹ 10 *per valid application (plus applicable taxes)*
*Portion for ICICI Bank shareholders**	₹ 10 *per valid application (plus applicable taxes)*
*Portion for Non-Institutional Investors**	₹ 10 *per valid application (plus applicable taxes)*

* *For each valid applications.*

(3) *Selling commission on the portion for Retail Individual Bidders, the portion for Non-Institutional Investors and the portion for ICICI Bank Shareholders' Reservation which are procured by Syndicate Members (including their sub Syndicate Members) would be as follows:*

*Portion for Retail Individual Bidders**	*0.35% of the Amount Allotted (plus applicable taxes)*
*Portion for ICICI Bank shareholders**	*0.20% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*0.25% of the Amount Allotted (plus applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Bidding Charges: ₹ 10 (plus applicable taxes) per valid application bid by the Syndicate Members (including their sub Syndicate Members).

Note: The brokerage / selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the Application Form number / series, provided that the application is also bid by the respective Syndicate/ sub-Syndicate Member. For clarification, if an ASBA Application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid for by an SCSB, the brokerage / selling commission will be payable to the SCSB and not to the Syndicate / sub-Syndicate Member. The brokerage / selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The Bidding Charges payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE. Payment of Brokerage / Selling Commission payable to the sub-brokers / agents of the Sub-Syndicate Members be handled directly by the Sub-Syndicate Members, and the necessary records for the same shall be maintained by the respective Sub-Syndicate Member.

(4) *Bidding Charges payable to the Registered Brokers, RTAs and CDPs on the portion for Retail Individual Investors, Non-Institutional Investors and ICICI Bank Shareholders' Reservation which are directly procured by the Registered Broker or RTAs or CDPs and submitted to SCSB for processing, would be as follows:*

*Portion for Retail Individual Bidders**	*₹ 10 per valid application (plus applicable taxes)*
*Portion for ICICI Bank shareholders**	*₹ 10 per valid application (plus applicable taxes)*
*Portion for Non-Institutional Investors**	*₹ 10 per valid application (plus applicable taxes)*

* *Based on valid applications.*

* *Amount of bidding charges payable to Registered Brokers, RTAs / CDPs shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment. In order to determine to which Registered Brokers, RTAs / CDPs the commission is payable to, the terminal from which the bid has been uploaded will be taken into account.*

Monitoring of Utilisation of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer in terms of Regulation 16 of the SEBI Regulations.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "Our Business", "Risk Factors", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 151, 22, 233 and 324, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are:

A. Consistent market leadership and demonstrated growth.

B. Diverse product line with multi-channel distribution network.

C. Delivering excellence in customer value.

D. Robust risk selection and management framework.

E. Focus on investments in technology and innovation.

F. Strong investment returns on a diversified portfolio.

G. Superior operating and financial performance.

H. Experienced senior management team and enabling work culture.

For further details, see "Our Business – Our Competitive Strengths" from pages 152 to 155.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Financial Statements. For further details, see "Financial Statements" from page 233.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and Diluted Earnings per Share ("EPS") (Face value of ₹ 10 each), as adjusted for change in capital:

Fiscal ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2017	14.32	14.25	3
March 31, 2016	11.30	11.23	2
March 31, 2015	13.14	13.04	1
Weighted Average	13.12	13.04	

* For the three months ended June 30, 2017, the basic and diluted EPS (not annualised) was ₹ 4.74 and ₹ 4.73, respectively.

(1) The face value of each Equity Share is ₹ 10.

(2) Basic and diluted earnings per Equity Share are computed in accordance with Accounting Standard 20 'Earnings per Share' notified by Companies (Accounting Standards) Rules, 2006 (as amended).

(3) The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in Financial Statements.

(4) Basic EPS (₹) Net profit attributable to equity shareholders divided by Weighted average number of Equity Shares outstanding during the year / period.

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for the year ended March 31, 2017	[●]	[●]

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Diluted EPS for the year ended March 31, 2017	[●]	[●]
Based on basic EPS for the three months ended June 30, 2017	[●]	[●]
Diluted EPS for the three months ended June 30, 2017	[●]	[●]

Industry P/E ratio

***Note**: There are no listed non-life insurance companies in India.*

III. Average Return on Net Worth (“RoNW”)

Fiscal ended	RoNW (%)	Weight
March 31, 2017	18.44	3
March 31, 2016	16.51	2
March 31, 2015	22.18	1
Weighted Average	18.42	

* For the three months ended June 30, 2017, the RoNW (not annualised) was 5.91%.

Note: Return on net worth (%) is Net profit attributable to equity shareholders divided by Average net worth (average for two years).

IV. Minimum Return on Increased Net Worth required for maintaining pre-issue EPS as at March 31, 2017 is:

There will be no change in the Net Worth post-Offer, as the Offer is by way of Offer by the Selling Shareholders.

V. Net Asset Value per Equity Share (Face value of ₹ 10 each)

Net asset value per Equity Share as on March 31, 2017 and June 30, 2017 were ₹ 82.57 and ₹ 86.54. As the Offer consists only of an offer for sale by the Selling Shareholders, there will be no change in the NAV post-Offer.

Offer Price: ₹ [●]

VI. Comparison with Listed Industry Peers

There are no listed non-life insurance companies in India. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

VII. The Offer price is ₹ [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders, in consultation with the GCBRLMs and the BRLMs, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

VIII. Average Cost of Acquisition of the equity shares for the Selling Shareholders

1. The average cost of acquisition of Equity Shares for ICICI Bank, being the Promoter Selling Shareholder, is ₹ 43.62 per Equity Share.

2. The average cost of acquisition of Equity Shares for FAL, being the Investor Selling Shareholder, is ₹ 137.97 per Equity Share.

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” on pages 22, 151, 324 and 233, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

1 September 2017

The Board of Directors
ICICI Lombard General Insurance Company Limited
ICICI Lombard House
414 Veer Savarkar Marg
Near Siddhivinayak Temple
Prabhadevi
Mumbai 400 025
Maharashtra, India

Dear Sirs,

Subject: Statement of possible Direct Tax Benefits available to ICICI Lombard General Insurance Company Limited (the "Company") and its shareholders prepared according to the requirements of Securities and Exchange Board of India (the "SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2009 for proposed Initial Public Offering by way of offer for sale by certain selling shareholders of equity shares of face value of Rs.10 each ("Equity Shares" and such offer, the "Offer") of the Company.

1) With respect to proposed Offer, we hereby report that the enclosed Statement of possible tax benefits available to the company and its shareholders under the applicable tax laws in India (the "Statement") is in connection with (i) the possible special tax benefits available to the Company under the Income-tax Act, 1961, presently in force in India, and, (ii) to the shareholders of the Company under the Income tax Act, 1961, and presently in force in India.

2) Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.

3) The benefits discussed in the enclosed Statement are not exhaustive. Further, the preparation of the Statement and its contents is the responsibility of management of the Company. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor are we advising the investor to invest money based on this Statement.

4) We do not express any opinion or provide any assurance as to whether:

   a. the Company or its shareholders will continue to obtain these benefits in the future; or
   b. the conditions prescribed for availing of the benefits have been/would be met with.

5) The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

6) Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of the tax laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

7) The enclosed Statement is intended solely for your information and for inclusion in the Red Herring Prospectus and Prospectus in connection with the Offer and is not to be used, referred to or distributed for any other purpose without our prior written consent.

8) We hereby consent to the extracts of this certificate being used in the Red Herring Prospectus and Prospectus (the "RHP" or the "Offer Document") of the Company in connection with the Offer.

For Chaturvedi & Co.
Chartered Accountants
Firm Registration No. 302137E

S N Chaturvedi
Partner
Membership No. 040479

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

R. Suriyanarayanan
Partner
Membership No. 201402

Place: Mumbai
Date: 1 September 2017

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The information outlined below sets out the possible tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the direct tax laws in force in India (*i.e.* applicable for the Financial Year 2017-18 relevant to the assessment year 2018-19). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfill.

UNDER THE INCOME TAX ACT, 1961 ("THE ACT")

A. BENEFITS TO THE COMPANY UNDER THE ACT:

1. **Special tax benefits available to the Company**

Taxability of insurance companies

Taxability of an insurance company is governed by the provisions of Section 44 read with Rule 5 of the First Schedule of the Act. As per Section 44 of the Act, the normal computational provisions i.e. "Interest on securities", "Income from House property", "Capital gains" or "Income from other sources", or Sections 28 to 43B of "Profits or Gains from Business and Profession" are not applicable to the Company.

2. General tax benefit available to the Company

a. In terms of Section 10 of the Act, the Company is entitled to claim exemption u/s 10 (15), 10(34) & 10(38) of the Act:

i. Interest Incomes [Section 10(15)]

Income by way of interest, premium on redemption or other payment on such securities, bonds, annuity certificates, savings certificates, other certificates issued by the Central Government and deposits as the Central Government may, by notification in the Official Gazette, specify in this behalf, subject to such conditions and limits as may be specified in the said notification.

ii. Income by way of dividend from Indian company [Section 10(34)]

As per the provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. However, as per Section 94(7) of the Act, losses arising from purchase and sale of securities, where such securities are bought or acquired within a period of three months prior to the record date and such securities are sold or transferred within three months from the record date, will be disallowed to the extent of the amount of dividend claimed as exempt.

Any amount declared, distributed or paid by the Company to shareholders by way of dividends on or after 1 April 2003, whether out of current or accumulated profits, shall be charged to additional income tax ("Dividend Distribution Tax" or "DDT") at the rate of 15 percent (plus applicable surcharge and cess) under Section 115-O of the Act.

In view of the amendment brought in by Finance (No.2) Act, 2014, for the purpose of determining the tax on distributed profits payable in accordance with Section 115-O of the Act, the amount of dividends needs to be increased to such amount as would, after reduction of tax on such increased amount at the specified rate, be equal to the net distributed profits.

Any income received from distribution made by any mutual fund specified under Section 10(23D) of the Act or from the administrator of the specified undertaking or from the units of specified company referred to in Section 10(35) of the Act, is exempt from tax in the hands of the Company under Section 10(35) of the Act. However, as per Section 94(7) of the Act, losses arising from the sale/ redemption of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent of the amount of income claimed exempt.

Section 14A of the Act restricts claim for deduction of expenses incurred in relation to incomes which does not form part of the total income under the Act. Thus, any expenditure incurred to earn tax exempt income is not a tax deductible expenditure. However, as per various judicial precedents, Section 14A is not applicable to insurance companies.

iii. Long Term Capital Gain on transfer of equity shares and securities covered under Security Transaction Tax ("STT") [Section 10(38)]

Any income arising from the transfer of a long-term capital asset (as defined below), being an equity share in a company or a unit of an equity oriented fund or a unit of a business trust where—

(a) The transaction of sale of such equity share or unit is entered into on or after 1 October 2004; and
(b) Such transaction is chargeable to securities transaction tax

Further, as per the amendment made by Finance Act, 2017, LTCG will not be exempt if the transaction of acquisition, other than the acquisition notified by the Central Government in this behalf (Notification 43/2017 dated 5th June, 2017) of such equity share is entered on or after 1st day of October 2004 and such transaction is not chargeable to STT.

<u>Long-term capital assets</u> - Equity shares listed on a recognised stock exchange in India and units of an equity oriented mutual fund, held by an assessee for more than 12 months, immediately preceding the date of transfer. Capital gains arising from the transfer of such long-term capital assets are termed as Long Term Capital Gains ("LTCG").

The income by way of long-term capital gain of a company shall be taken into account in computing the book profit and income-tax payable under section 115JB - Minimum Alternate Tax ("MAT").

However, nothing contained in sub-clause (b) shall apply to a transaction undertaken on a recognised stock exchange located in any International Financial Services Centre and where the consideration for such transaction is paid or payable in foreign currency.

b. <u>Carry forward and set off of losses</u>

- As per the provisions of Section 72(1) of the Act, if the net result of the computation of income from business is a loss to the Company, not being a loss sustained in a speculation business, such loss can be set off against any other income and the balance loss, if any, can be carried forward for eight consecutive assessment years immediately succeeding the assessment year for which the loss was first computed and shall be set off against business income.

- As per the provisions of Section 72A of the Act, pursuant to business re-organisations such as demerger, etc., the successor company shall be allowed to carry forward any accumulated tax losses/ unabsorbed depreciation of the predecessor company, subject to fulfillment of prescribed conditions.

B. BENEFITS TO THE SHAREHOLDERS OF THE COMPANY UNDER THE ACT

1. General tax benefit available to the Shareholders

a) Dividends

- As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the members/ shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax on the amount distributed as dividend.

  However, the Finance Act 2016 has introduced Section 115BBDA which provides that the aggregate of dividends received by an individual, HUF or a firm resident in India from domestic companies in excess of INR 10 lakh will be taxed at 10 percent on a gross basis and no deduction will be available for any expenditure.

- Also, Section 94(7) of the Act provides that losses arising from the sale / transfer of shares purchased within a period of three months prior to the record date and sold / transferred within three months after such date, will be disallowed to the extent dividend income on such shares is claimed as tax exempt

b) Capital gains

(i) Computation of capital gains

- Capital assets are to be categorised into short-term capital assets and long-term capital assets based on the period of holding. Equity Shares listed on a recognised stock exchange in India held by an assessee for more than 12 months, immediately preceding the date of transfer, are considered to be long-term capital assets. Capital gains arising from the transfer of such long-term capital assets are termed as Long Term Capital Gains (LTCG).

- Short Term Capital Gains (STCG) means capital gains arising from the transfer of equity shares listed on a recognised stock exchange in India held for 12 months or less, immediately preceding the date of transfer.

- LTCG arising on transfer of a long term capital asset, being an equity share in a company shall be exempt from tax under Section 10(38) of the Act provided that the transaction of sale of such equity share or unit is entered into on or after 1 October 2004 on a recognised stock exchange and such transaction is chargeable to Securities Transaction Tax (STT). Further, as per the amendment made by Finance Act, 2017, LTCG will not be exempt if the transaction of acquisition, other than the acquisition notified by the Central Government in this behalf (Notification 43/2017 dated 5th June, 2017) of such equity share is entered on or after 1st day of October 2004 and such transaction is not chargeable to STT. However, income by way of LTCG shall not be reduced in computing the book profits for the purposes of computation of minimum alternate tax ("MAT") by a Company under section 115JB of the Act.

- Taxable LTCG would arise (if not exempt under Section 10(38) or any other section of the Act) to a resident shareholder where the equity shares are held for a period of more than 12 months prior to the date of transfer of the shares. In accordance with and subject to the provisions of Section 48 of the Act, in order to arrive at the quantum of capital gains, the following amounts would be deductible from the full value of consideration:

  a) Cost of acquisition/ improvement of the shares as adjusted by the cost inflation index notified by the Central Government; and

  b) Expenditure incurred wholly and exclusively in connection with the transfer of shares.

  Under Section 112 of the Act, taxable LTCG are subject to tax at a rate of 20 percent (plus applicable surcharge and cess) after indexation, as provided in the Second Proviso to Section 48 of the Act. However, in case of listed securities, the amount of such tax could be limited to 10 percent (plus applicable surcharge and cess), without indexation, at the option of the shareholder.

- In respect of a non-resident shareholder, as per the First Proviso to Section 48 of the Act, the capital gains arising from the transfer of listed equity shares of an Indian company, shall be computed by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer and the full value of consideration into the same foreign currency as was initially utilised in the purchase of the shares and the capital gains so computed shall be reconverted into Indian currency. Further, the benefit of indexation as provided in Second Proviso to Section 48 is not available to non-resident shareholders.

- As per the provisions of Section 111A of the Act, STCG arising from the transfer of a listed equity share in a Company as specified under Section 10(38) of the Act, is subject to tax at the rate of 15 percent provided that the transaction of sale of such equity share or unit is chargeable to STT. If the provisions of Section 111A are not applicable, the STCG would be taxed at the normal rates of tax (plus applicable surcharge and cess) applicable to resident investor.

- STCG arising from the transfer of a listed equity share in a Company as specified under Section 10(38) of the Act, wherein the transaction is not chargeable to STT, it is subject to tax at the normal rate as applicable (plus applicable surcharge and cess).

- As per provisions of Section 71 read with Section 74 of the Act, short term capital loss arising during a year is allowed to be set-off against STCG as well as LTCG. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years. Further, long term capital loss arising during a year is allowed to be set-off only against LTCG. Balance loss, if any, shall be carried forward and set-off against LTCG arising during subsequent eight assessment years.

- The characterisation of the gain/ losses, arising from sale/ transfer of shares as business income or capital gains would depend on the nature of holding and various other factors. The Central Board of Direct Taxes (CBDT) has vide a circular clarified that income arising from transfer of listed shares and securities, which are held for more than 12 months would be taxed under the head "Capital Gains" unless the shareholder itself treats these as its stock-in-trade and income arising from transfer thereof as its business income.

- Under section 36(1)(xv) of the Act, STT paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and Gains of Business or Profession".

(ii) Exemption of capital gain from income-tax:

- As per Section 54EC of the Act, LTCG arising on transfer of shares of the company (other than sale referred to in Section 10(38) of the Act) is exempt from capital gains tax to the extent the same is invested within a period of six months after the date of such transfer, in specified bonds issued by National Highway Authority of India or Rural Electrification Corporation or Power Finance Corporation Limited vide Notification No. 47/2017 dated 8th June 2017, subject to conditions specified therein.

  Where a part of the capital gain is reinvested, the exemption shall be available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed INR 50 lakhs per assessee during any financial year.

  Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempt shall be taxable as capital gains in the year of transfer/conversion.

- As per the provisions of Section 54F of the Act, LTCG arising from transfer of shares by an individual or HUF is exempt from tax if the net consideration from such transfer is utilised within a period of one year before or two years after the date of transfer, for purchase of a new residential house, or for construction of a residential house property, in India, within three years from the date of transfer, subject to conditions and to the extent specified therein.

2. Special tax benefits available to Shareholders

a) Tax treaty benefits

As per provisions of Section 90(2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

b) Non-resident Indian taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income/ LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means an individual being a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.

- In accordance with section 115E, income from investment or income from LTCG on transfer of assets other than specified asset shall be taxable at the rate of 20 percent (plus applicable cess). Income by way of LTCG in respect of a specified asset (as defined in Section 115C(f) of the Income-tax Act, 1961), shall be chargeable at 10 percent (plus applicable cess).

- As per the provisions of Section 115F of the Act, LTCG (not covered under Section 10(38) of the Act) arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is reinvested in specified assets or in savings certificate referred to in Section 10(4B) of the Act within six months of the date of transfer, subject to the extent and conditions specified in that Section. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently; if the specified assets or saving certificates referred in Section 10(4B) of the Act are transferred or converted into money within three years from the date of their acquisition.

- Under the provisions of Section 115G of the Act, it shall not be necessary for a NRI to furnish his return of income if his only source of income is investment income or LTCG or both and tax deductible at source under provisions of Chapter XVII-B has been deducted from such income.

- Under the provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.

- Under the provisions of Section 115-I of the Act, a NRI may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income under Section 139 of the Act declaring therein that the provisions of the Chapter shall not apply to him for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and the tax liability arising thereon.

c) Benefits available to Foreign Institutional Investors ("FIIs") under the Act:

(i) Dividends exempt under Section 10(34) of the Act

- As per the provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax on the amount distributed as dividend. However, as per Section 94(7) of the Act, losses arising from purchase and sale of securities, where such securities are bought or acquired within a period of three months prior to the record date and such securities are sold or transferred within three months from the record date, will be disallowed to the extent of the amount of dividend claimed as exempt.

(ii) Capital gains

- In Finance Act (No.2), 2014 it was provided that any securities held by a FII which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992 would be capital asset. Consequently, the income arising to a FII from transactions in securities would always be in the nature of capital gains.

- In accordance with Section 115AD, FIIs will be taxed at 10 percent (plus applicable surcharge and cess) on long-term capital gains (computed without indexation of cost and foreign exchange fluctuation), if STT is not payable on the transfer of the shares.

- LTCG arising to shareholder on transfer of long term capital asset being listed equity shares of the company will be exempt from tax under Section 10(38) of the Act provided that the transaction is entered in on or after 1 October 2004 and STT has been paid on such transfer. Further, as per the amendment made by Finance Act, 2017, LTCG will not be exempt if the transaction of acquisition, other than the acquisition notified by the Central Government in this behalf (Notification 43/2017 dated 5th June, 2017) of such equity share is entered on or after 1st day of October 2004 and such transaction is not chargeable to STT.

- As per the provisions of Section 111A of the Act, STCG arising on sale of short term capital asset, being listed equity shares in a company, shall be chargeable to tax at the rate of 15 percent (plus applicable surcharge and cess) provided the transaction is chargeable to STT. If the provisions of Section 111A are not applicable to the short term capital gains, then the tax will be charged at the rate of 30% (plus applicable surcharge and cess), as applicable.

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O of the Act) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20 percent (plus applicable surcharge and cess).

- The benefits of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

(iii) Tax Treaty benefits

In accordance with the provisions of Section 90 of the Act, FIIs being non-residents will be entitled to choose the provisions of Act or the provisions of tax treaty entered into by India with other foreign countries, whichever are more beneficial, while deciding taxability in India (subject to furnishing of Tax Residency Certificate).

(iv) Computation of book profit under Section 115JB

An explanation has been inserted in Section 115JB stating that, the provisions of Section 115JB shall not be applicable and shall be deemed never to have been applicable to a foreign company if-

i. It is a resident of a country or a specified territory with which India has a tax treaty referred to in sub-section (1) of Section 90 and it does not have a permanent establishment in India; or

ii. It is a resident of a country with which India does not have a tax treaty and it is not required to seek registration under any law for the time being in force relating to companies.

d) Benefits available to Venture Capital Companies/ Funds under the Act:

In terms of Section 10(23FB) of the Act, all venture capital companies/ fund registered with Securities and Exchange Board of India, subject to the conditions specified, are eligible for exemption from income tax on any income from investment in a venture capital undertaking. Further, the Finance Act, 2015 has inserted a proviso providing that nothing contained in this clause shall apply in respect of any income of a venture capital fund or venture capital company, being an "investment fund" of the previous year relevant to the assessment year beginning on or after 1st April 2016.

"Investment fund" has been defined under in clause (a) of Explanation 1 to Section 115UB of the Act to mean any fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate which has been granted a certificate of registration as a Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, made under the Securities and Exchange Board of India Act, 1992.

e) Benefits available to Alternative Investment Fund (Category I & II) under the Act:

The Finance Act, 2015 has inserted Chapter XII-FB in the Act which provides for special taxation regime for Category I and Category II Alternative Investment Funds referred to as "investment fund" as per clause (a) of Explanation 1 to Section 115UB of the Act. Further, the said Act has also inserted Section 10(23FBA) in terms of which income of any investment fund other than income chargeable under the head "Profits and gains of business or profession" shall be exempt from income tax.

f) Benefits available to Mutual Funds under the Act:

In terms of Section 10(23D) of the Act, all Mutual funds set up by public sector banks or public sector financial institutions or Mutual Funds registered under the Securities and Exchange Board of India Act/ Regulations there under or Mutual Funds authorised by the Reserve Bank of India, subject to the conditions specified, are eligible for exemption from income taxes on all their income, including income from investment in the shares of the company.

However, the Mutual Funds would be required to pay tax on distributed income to unit holders as per the provisions of Section 115R of the Act. However, w.e.f. 1 October 2014, for the purpose of determining additional income tax, the amount of distributed income shall be increased to such amount as would after reduction of additional income tax on such increased amount at the rate specified be equal to the amount of income distributed by mutual fund.

g) General Anti-Avoidance Rule ('GAAR):

In terms of Chapter XA of the Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the Act. By this Rule, any arrangement entered into by an assessee where the main purpose of the arrangement is to obtain a tax benefit may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be *interalia* denial of tax benefit, applicable w.e.f FY 2017-18. The GAAR provisions can be said to be not applicable in certain circumstances viz. where the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated 23 September 2013.

The Central Board of Direct Taxes (CBDT) vide Notification No. 49/2016, dated 22 June 2016, has amended the GAAR. GAAR provisions are not applicable to any income accruing or arising to, or deemed to accrue or arise to, or received or deemed to be received by, any person from transfer of investment made before 1 April 2017. Further, GAAR provisions are applicable to any arrangement, irrespective of the date on which it has been entered into, in respect of the tax benefit obtained from an arrangement on or after 1 April 2017.

UNDER THE WEALTH TAX ACT, 1957

The Finance Act, 2015 has abolished the levy of wealth tax under the Wealth Tax Act, 1957 with effect from 1 April 2016.

UNDER THE GIFT TAX ACT, 1958

Gift made after 1 October 1998 is not liable for any gift tax, and hence, gift of shares of the company would not be liable for any gift tax. However, in the hands of the done the same could be treated as income subject to certain conditions unless the gift is from a relative as defined under Explanation to Section 56(2)(vii) of the Act.

Notes:

(i) All the above benefits are as per the current direct tax laws relevant for the Assessment Year 2018-19 (considering the amendments made by Finance Act, 2017).

(ii) The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.

(iii) The possible tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.

(iv) In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of his/her participation in the Offer.

(v) The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares

(vi) The stated benefits will be available only to the sole/ first named holder in case the shares are held by joint holders.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless otherwise specified, all of the information and statistics in this section are extracted from the CRISIL Report, which was commissioned by us for the purposes of the Red Herring Prospectus. We have not commissioned any report for the purposes of the Red Herring Prospectus other than the CRISIL Report. The information presented in this section, including forecasts and projections, have not been prepared or independently verified by us, our Directors, our Promoter, the GCBRLMs, the BRLMs, or any of our or their respective advisors.

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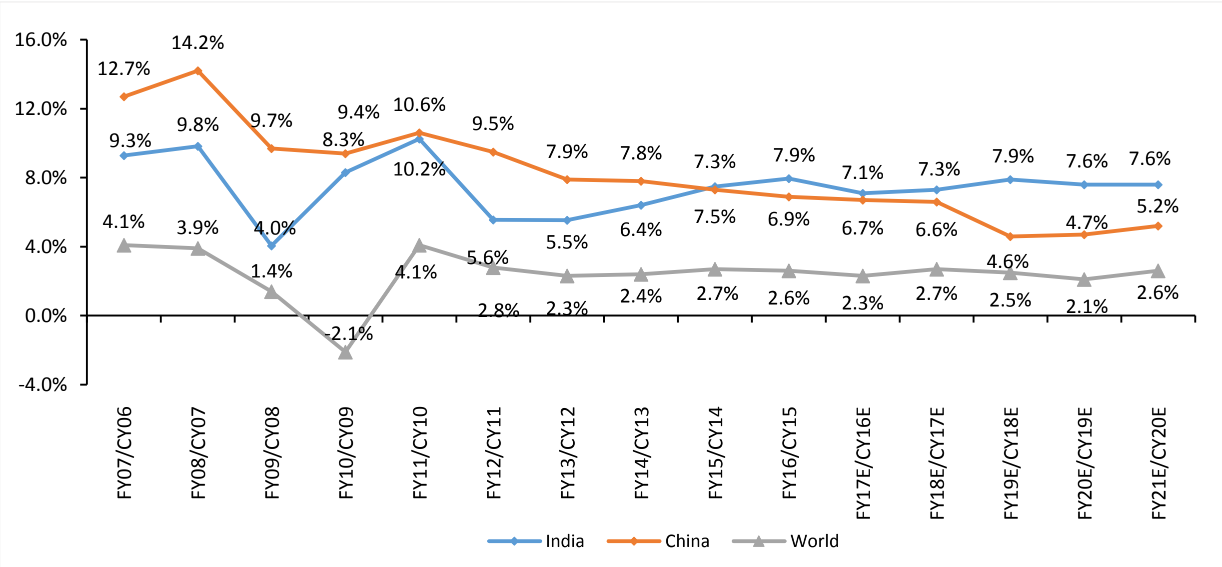
Indian Economy

The Indian economy is the fourth largest economy in the world in terms of GDP at purchasing power parity ("**PPP**") exchange rates, with an estimated GDP, in PPP terms, for 2016 of US$8.72 trillion (Source: CIA World Factbook, as of August 1, 2017). According to CRISIL Research, India's GDP at current prices in fiscal 2017 was ₹ 152 trillion. According to Economist Intelligence Unit ("**EIU**") forecasts in June 2017, the Indian GDP was expected to grow at an average of approximately 7.6% (in real terms) for the next three years, which was higher than the GDP growth rates for China and the world.

Real GDP Growth Rates of India, China and the World

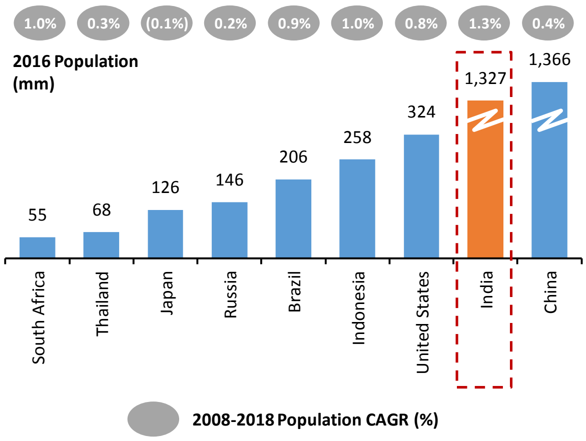


Source: EIU, CRISIL Research

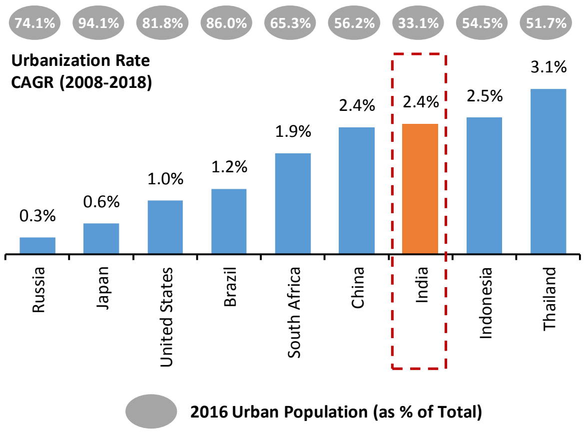
Demographics

India currently has one of the youngest populations in the world, with a median age of 28 years. 90% of the Indians will still be below the age of 60 by 2020, according to CRISIL Research. A high share of working population, coupled with rapid urbanisation, nuclearisation of families, labour mobility and rising affluence, is expected to propel the growth of the Indian non-life insurance sector.

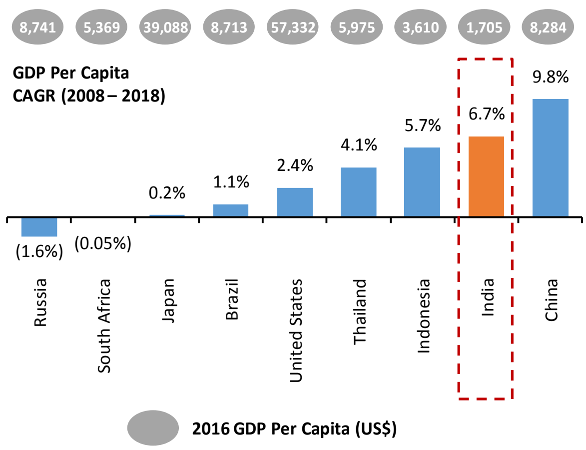
Population Growth Rates of Various Countries(1)



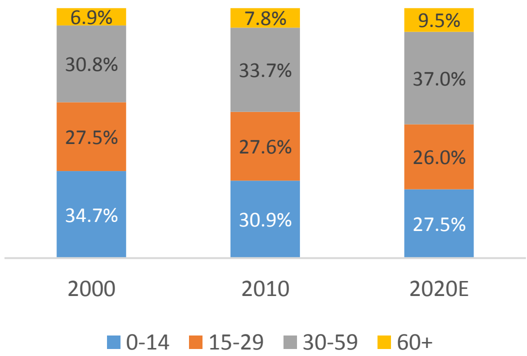
Urbanisation Rate of Various Countries(1)



GDP per Capita Details of Various Economies(1)



Indian Population Distribution(2)



Source:

3. *EIU, CRISIL Research*
4. *UN, CRISIL Research*

India Non-Life Insurance Sector Overview

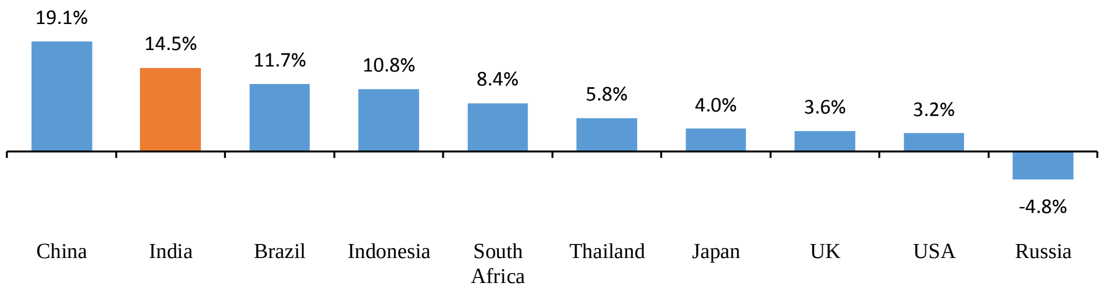
The Indian non-life insurance sector offers different products such as motor, health, crop, fire, marine, liability, travel, aviation and home insurance aimed at meeting different protection needs of retail customers, government as well as corporate customers. The industry operates under a "cash before cover" model under which insurers are not required to assume underwriting risk until premiums are received except in the case of government sponsored schemes such as mass health and crop insurance. Most Indian non-life insurance contracts are annual except certain product offerings in a few segments such as home, health, personal accident, crop insurance and travel insurance. Indian non-life insurers also do not discount reserves including IBNR / IBNER which are determined using actuarial methods.

The Indian non-life insurance sector has been regulated by the Insurance Regulatory and Development Authority of India (IRDAI). IRDAI was constituted as a statutory body to regulate and develop the insurance industry in 1999 and received statutory status in April 2000. The IRDAI regulates the insurance sector in all states in India, and any regulatory changes or product approvals are enforced uniformly across the country.

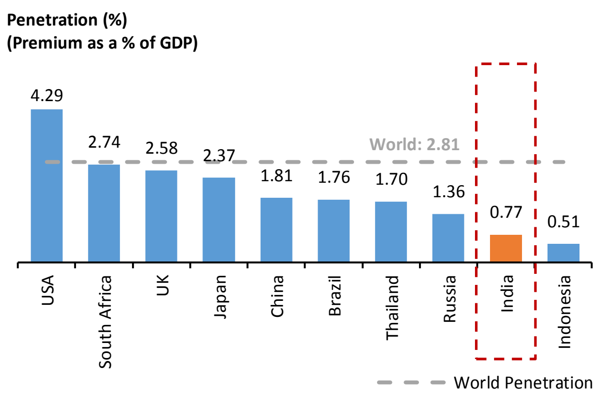
The size of the Indian non-life insurance sector was ₹ 1.28 trillion on a GDPI basis as of 31st March 2017. Indian non-life insurance sector GDPI grew at a CAGR of 17.4% between fiscal 2001 and fiscal 2017. According to Swiss Re, India was fifteenth largest market in the world and the fourth largest market in Asia in 2016, behind China, Japan and South Korea. India was also amongst the fastest growing non-life insurance markets over 2011-2016, growing at 14.5% (as per Swiss Re). Despite its size and growth profile, India continues to be an underpenetrated market with a non-life insurance penetration of 0.77% in 2016, as compared to 1.81% in China, 1.70% in Thailand, 1.67% in Singapore and 1.62% in Malaysia and a global average of 2.81% in 2016. At US$13.2 in 2016, insurance density also remains significantly lower as compared to other developed and emerging market economies.

The following charts set forth a comparison of growth rates of non-life insurance, penetration and density across select countries.

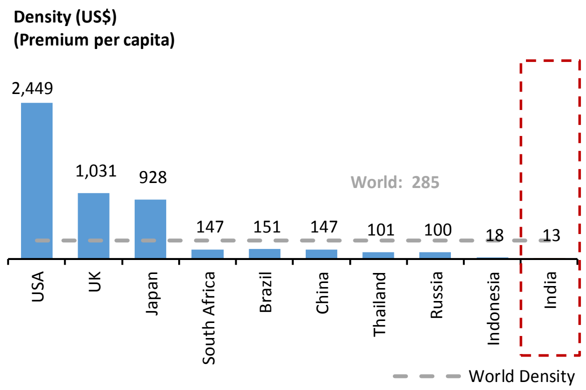
Non-Life Insurance Premium Growth from 2011 to 2016 (Local Currency Terms)



Insurance Penetration as of 2016



Insurance Density as of 2016



Source: Swiss Re, sigma No 3/2017, CRISIL Research

Market Structure

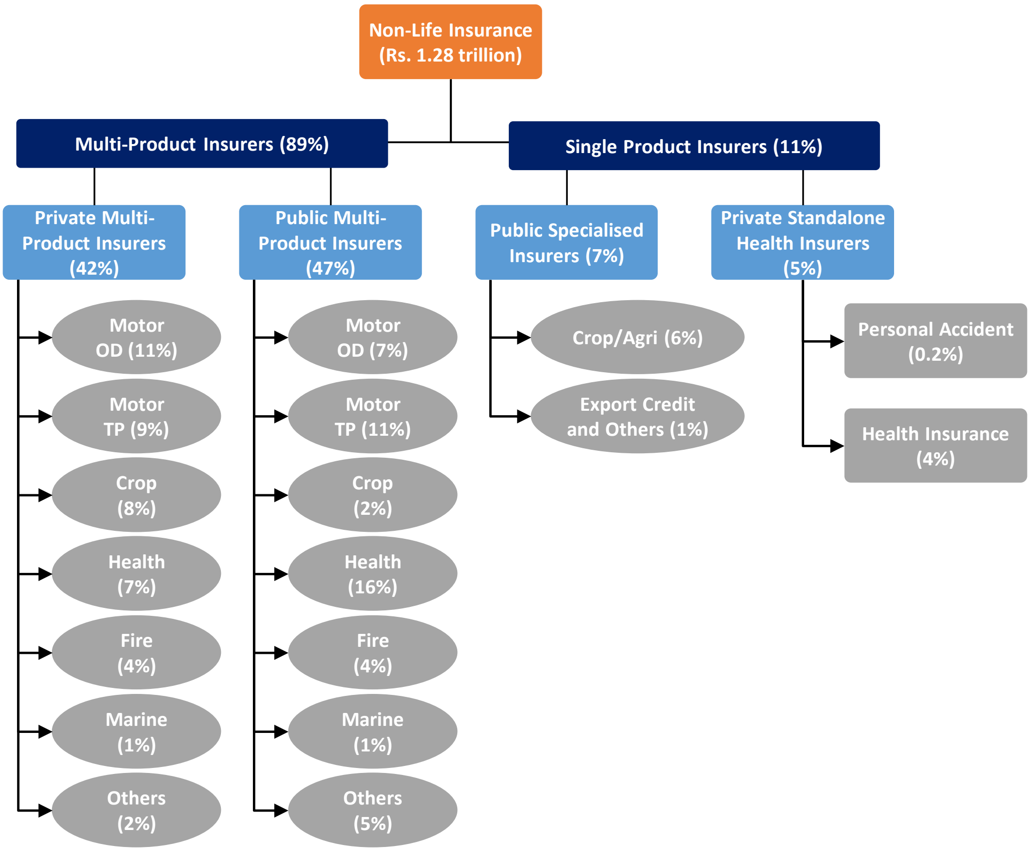
As of March 31, 2017, there were a total of 30 companies in the Indian non-life insurance sector, which can be classified as follows:

- Multi-Product Insurers:
    - Four public sector companies offering multiple products – National Insurance Company Limited ("National Insurance"), The New India Assurance Company Limited ("New India"), The Oriental Insurance Company Limited ("Oriental Insurance") and United India Insurance Company Limited ("United India")
    - 18 private sector companies offering multiple products – including ICICI Lombard General Insurance Company Limited ("ICICI Lombard"), Bajaj Allianz General Insurance Company Limited ("Bajaj Allianz"), HDFC ERGO General Insurance Company Limited ("HDFC Ergo"), IFFCO Tokio General Insurance Company ("IFFCO Tokio") and TATA AIG General Insurance Company ("Tata AIG")
- Single Product Insurers
    - Two public sector specialised single product line non-life insurance companies – Agriculture Insurance Company of India Limited ("AIC"), and Export Credit Guarantee Corporation of India Limited ("ECGC")
    - Six standalone private health insurance companies – Apollo Munich Health Insurance Company ("Apollo Munich"), Cigna TTK Health Insurance Company Limited ("Cigna TTK"), Max Bupa Health Insurance Company ("Max Bupa"), Religare Health Insurance Company ("Religare Health"), Star Health & Allied Insurance Company ("Star Health") and Aditya Birla Health Insurance Company Limited ("Aditya Birla Health")

Besides these 30 companies, the state owned General Insurance Corporation of India ("GIC") operates as the main Indian reinsurer

The Regulator has also allowed foreign reinsurers to set up branch offices in India which shall lead to an increase in the reinsurance capacity thereby increasing the market depth

The chart below sets forth the composition of the GDPI for fiscal 2017 by product segment and by type of insurer.



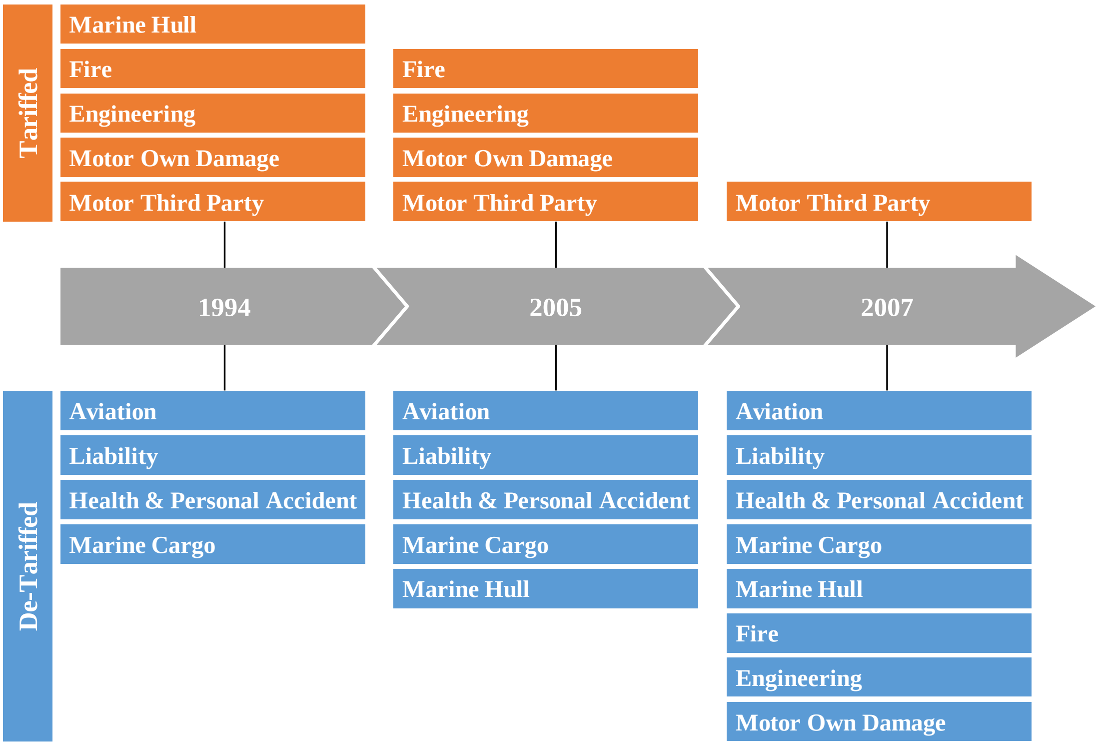
Source: CRISIL Research

Historical Evolution

The Indian non-life insurance sector has experienced three phases of growth since fiscal 2000, when the sector was opened to private companies, and to foreign companies, subject to a shareholding cap of 26%.

These phases of growth are primarily determined by historical evolution of the tariff regime applicable to the pricing of products offered by non-life insurance companies, which was laid out and modified by the IRDAI at periodic intervals. The products are classified broadly in two forms – 1) tariffed products in which pricing was regulated and 2) non-tariffed products in which insurers are free to set their own pricing.

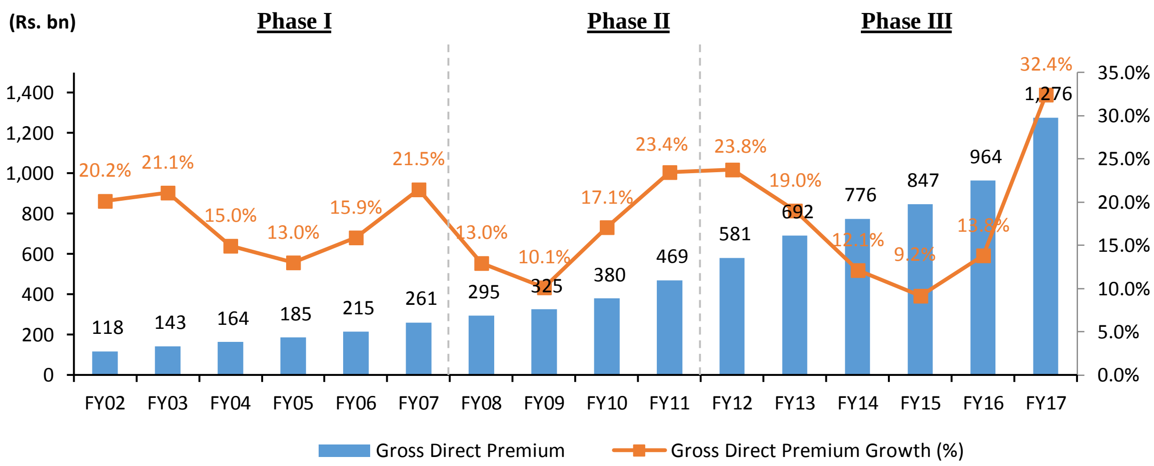
The evolution of the tariff regime for key product segments is set out below:



Source: CRISIL Research

Currently, third party motor insurance remains the only tariffed product segment. While health insurance has been de-tariffed, as per IRDAI regulations, the premiums filed can ordinarily not be changed for a period of three years, after a product has been cleared (according to product filing guidelines specified by IRDAI). Thereafter, the insuers are allowed to revise the premium rates depending on the product experience and approval of IRDAI.

The phases of industry growth that the evolution of tariff regime resulted in are set forth in the following chart



Source: CRISIL Research

Phase I – High Growth Phase through Initial Years of Private Participation (fiscals 2002-2007)

After the opening up of the sector in 2000 for private participation, four private companies commenced operations in fiscal 2001. Other companies also followed in setting up operations. Foreign companies such as Fairfax Financial Holdings, Allianz SE, American Insurance Group (AIG), Tokio Marine, QBE and RSA also entered the market over this phase, through joint ventures with domestic companies. The number of private insurers as of 31st March 2007 was nine (excluding specialised health insurers).

This was a phase of high growth as private multi-product insurers focused primarily on capturing market share. This phase also saw the growth of retail segment of the non-life insurance sector, which was earlier predominantly focused on commercial customers. IRDAI introduced intermediary regulations facilitating growth of business through brokers, agents, banks and online channels which had a positive impact on old car insurance, retail health insurance and SME insurance coverage**.** GDPI grew at a

CAGR of 17.2% from fiscal 2002-07. Private multi-product insurers gained around 33% market share, in terms of GDPI, by fiscal 2007 and insurance penetration was 0.6% at the end of this phase.

Tariffs continued to be fixed by the IRDAI for key product lines – fire, engineering, and motor insurance, which formed about 70% of the non-life business according to CRISIL Research – for almost the entirety of this phase. Pricing on the basis of product wise risk was not possible, and more profitable products (such as fire insurance) cross subsidised less profitable products (such as auto insurance, group health insurance and marine insurance). Private multi-product sector's combined ratios were below 100% over fiscal years 2004-07.

In 2005, the IRDAI de-tariffied Marine hull insurance and from January 2007, it de-tariffed all segments except third party motor insurance. To implement risk sharing in third party motor insurance, which remained tariffed and continued to suffer from high losses, the IRDAI formed the India Motor Third party Insurance pool (IMTPIP) in 2007. All multi-product insurers were part of the pool, which distributed losses on motor third party insurance in the ratio of the overall market share of insurers, and not share of business actually underwritten.

Phase II – Consolidation Post De-tariffing of Segments (fiscals 2008-2011)

After the regulatory changes to tariffs, the Indian non-life insurance sector experienced structural changes as companies realigned their business models in response to the regulatory changes. From January 2009, IRDAI also allowed insurers to vary deductibles, offer add-on covers, and extend the scope of policies which resulted in some additional changes.

The IMTPIP, which was established towards the end of the earlier phase, resulted in increased combined ratios as the presence of the IMTPIP encouraged insurers to settle claims without implementing adequate controls.

Health insurance premiums grew significantly during this phase, as a result of the Rashtriya Swasthya Bima Yojana (RSBY), a government scheme launched in fiscal 2008 to promote health insurance scheme to promote below poverty line population.

GDPI grew at a CAGR of 15.8% from the end of fiscal 2007 to fiscal 2011. Private multi-product market share, in terms of GDPI, reached 37% by fiscal 2011, an expansion of around 400bps over the previous phase. Insurance penetration was 0.7% at end of this phase.

Phase III – Revival in Growth (fiscal 2012 onwards)

GDPI grew at a CAGR of 18.1% from the end of fiscal 2011 to fiscal 2017. Improvement in growth has been enabled by proactive regulatory steps that presented new avenues for growth and eased restrictions on existing product lines.

While third party motor insurance tariffs continued to be regulated, the IRDAI began reviewing and revising the tariffs on an annual basis from 2011 as against the earlier practice of revising tariffs once every five years. The IMTPIP was also discontinued in 2012 and was replaced by the Declined Risk Pool (DRP), which had all motor insurers as members and provided the option to insurers to transfer policies that they had underwritten to the DRP, which were not as per the insurers' underwriting guidelines. The dismantling of the IMTPIP resulted in an industry wide improvement in combined ratios.

In 2015, as part of wider reforms through the Insurance Laws (Amendment) Act, 2015, the Government increased the maximum permissible shareholding of foreign investors in Indian non-life insurance companies from 26% of paid-up equity capital to 49%, which is permitted without government approval. However, ownership and control would still remain with Indian shareholders, as Indian partners are required to have the right to appoint a majority of the directors or to control the management and policy decisions, including by virtue of their shareholding, management rights or shareholders agreements or voting agreements. This amendment led to an inflow in foreign investments of US$1.13 billion in fiscal 2016 and US$2.78 billion from April to December 2016. In contrast, FDI inflows in fiscal 2014 and 2015 were US$0.17 billion and US$0.42 billion respectively.

As part of the reforms in fiscal 2016, quota based system was introduced, prescribing the minimum amount of third party motor insurance to be underwritten by each insurer. Further in fiscal 2016, the DRP was also dismantled.

The government has also actively sought to undertake initiatives that improve the insurance coverage in the country. In fiscal 2017, the government launched the Pradhan Mantri Fasal Bima Yojana (PMFBY), a government scheme to promote crop insurance in April 2016, contributing to significant growth in GDPI, which grew by 32.4% in fiscal 2017 led by a near four-fold increase in crop insurance GDPI. The PMFBY is a tender based scheme covering specific geographic regions and involving uniform premiums paid by farmers and actuarially determined premiums received by insurers, with the government subsidising the difference.

This phase also saw the growth of online channel as a key mode of distribution. The online channel provides cost advantages and improved access to customer data and behaviour patterns. Given the increasing usage of internet in India and availability of mobile broadband, the online channel is expected to form a large part of the distribution mix of insurers and help boost penetration of retail products.

While strong growth continued throughout the phase, the incidence of large catastrophe events in years up to fiscal 2016 has partially impacted the profitability of insurers. Profitability has also especially been impacted in case of the public multi-product sector insurers. Recent steps taken towards public listing of these insures are expected to benefit these insurers and therefore the industry, by limiting the scope for actions that impact profitability. The Cabinet Committee of Economic Affairs approved the listing of the four public sector multi-product non-life insurers and the domestic reinsurer GIC in January 2017. Listing of public sector insurers and consequent public market scrutiny are expected to bring about improved underwriting discipline, risk management, disclosure and corporate governance in these companies, benefiting the overall sector.

The private multi-product sector accounted for 42% of the non-life insurance sector, on a GDPI basis, in fiscal 2017. Market share growth was driven by superior customer service and claims settlement.

Loss Ratio across Phases

	Year ending March 31, (in %)															
	Phase I						Phase II				Phase III					
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(1)
Private Multi-Product Insurers	100.7	74.6	70.0	64.5	68.0	68.0	72.2	76.9	80.8	86.7	88.3	79.6	79.6	79.8	80.2	79.1
Public Multi-Product Insurers	93.1	83.3	81.8	84.7	92.4	85.2	90.4	91.3	88.3	97.0	89.3	84.8	83.2	82.1	89.0	100.0
Total Multi-Product	93.2	83.0	81.0	82.3	88.4	81.3	84.9	86.3	85.7	93.3	88.9	82.8	81.7	81.2	85.6	91.7

Source: CRISIL Research

(1) Excluding data for Kotak Mahindra General Insurance Company Limited ("Kotak General")

Combined Ratio across Phases

	Year ending March 31, (in %)															
	Phase I						Phase II				Phase III					
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017(1)
Private Multi-Product Insurers	170.1	109.8	97.8	91.9	95.4	95.5	103.4	111.2	112.4	117.7	116.4	106.4	106.1	108.3	110.7	107.1
Public Multi-Product Insurers	123.4	115.5	121.1	122.6	132.4	118.1	123.5	126.1	124.3	133.6	119.9	115.6	113.6	116.7	123.3	131.5
Total Multi-Product	124.2	115.3	119.1	118.8	125.9	112.7	117.3	120.9	120.1	127.8	118.6	112.0	110.6	113.4	118.4	121.7

Source: CRISIL Research

(1) Excluding data for Kotak General

ROE across Phases

	Year ending March 31, (in %)															
	Phase I						Phase II				Phase III					
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Private Multi-Product Insurers	(15.3)	1.6	8.3	12.1	11.3	11.4	1.5	(2.5)	(1.7)	(14.0)	(16.4)	8.1	14.8	12.9	8.9	14.4
Public Multi-Product Insurers	(0.8)	9.7	18.4	13.8	14.0	26.2	16.9	3.5	8.8	(1.1)	7.3	14.9	14.6	13.9	6.3	(11.1)
Total Multi-Product	(1.7)	9.0	17.4	13.6	13.6	24.0	14.1	2.2	6.0	(4.8)	0.1	12.7	14.7	13.5	7.3	0.5

Source: CRISIL Research

The decline in ROE in fiscal 2016 was on account of the impact of floods in Tamil Nadu and Andhra Pradesh, less than average rainfall and pricing pressure in certain product segments.

Future Growth Potential

According to CRISIL Research, GDPI for non-life insurers are projected to grow at 15-20% CAGR over fiscal 2017 and fiscal 2022. Improving economic growth, low insurance penetration, higher awareness of risk with higher disposable incomes, emergence of new risks such as cyber frauds and a strong regulatory focus on improving insurance coverage are expected be the key catalysts amongst others for this growth.

Recent catastrophe events have also highlighted the importance of insurance in India. With only around 10% of the economic losses being insured in India, significant market potential exists for insurance as people seek to obtain protection to reduce the impact of uninsured losses in the event of a catastrophe.

The table below sets out the extent of uninsured losses in recent catastrophe events in India.

Date	Event	Place of event	Economic Losses (USD bn)	Insured Losses (USD bn)	Un-Insured Losses as % of Total Losses
Dec, 2015	Floods	Tamil Nadu and Andhra Pradesh	2.23	0.76	66%
Oct, 2014	Cyclone Hudhud	Odisha and Andhra Pradesh	7.1	0.64	91%
Sept, 2014	Severe Monsoon Floods	Jammu and Kashmir	5.97	0.24	96%
Sept, 2014	Severe Monsoon Floods	Assam, Bihar, Meghalaya, Uttar Pradesh and West Bengal	6.06	0.24	96%
Oct, 2013	Cyclone Phailin	Odisha	4.5	0.1	98%
Jun, 2013	Floods	Uttarakhand	1.13	0.52	54%
Sept, 2009	Floods	Andhra Pradesh and Karnataka	5.29	0.06	99%

Source: CRISIL Research

Evolution of Industry Market Share

	Year ending March 31, (in %)																
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Private Multi-Product Insurers	0.1	4.0	9.4	13.8	18.9	25.0	33.1	37.3	37.9	36.8	37.1	38.4	40.4	41.3	41.4	41.2	42.1
Public Multi-Product Insurers	99.9	93.2	88.0	81.3	75.3	69.8	62.3	57.1	55.5	54.3	53.6	52.6	50.6	49.8	50.2	49.5	46.8
Private Standalone Health Insurers	-	-	-	-	-	-	0.1	0.6	1.7	2.8	3.3	2.9	2.5	2.9	3.5	4.3	4.6
Specialised Insurers	-	2.9	2.6	5.0	5.7	5.3	4.5	5.1	4.9	6.1	6.0	6.2	6.4	6.1	4.8	5.0	6.5

Source: Swiss Re-Sigma World Insurance Database, CRISIL Research

Products

Key products offered by the Indian non-life insurance industry are motor, health, crop, fire and marine insurance Motor insurance forms the largest product segment and contributed around 40% of GDPI for the year ending 31st March, 2017. Health (including personal accidents insurance) and crop insurance form the next two largest portions of the market, contributing 27% and 16% of GDPI respectively for the year ending 31st March, 2017.

All products except third party motor insurance are non-tariffed and insurance companies are allowed to charge premiums that are proportionate or correspond to the risk profile of consumers.

The below tables set out the evolution of product mix, in terms of GDPI, for all insurers and for the private multi-product insurers

Evolution of Product Mix for Industry

	Year ending March 31, (in %)						
	2011	2012	2013	2014	2015	2016	2017
Motor OD	25.4	24.2	24.9	23.0	21.3	22.1	18.6
Motor TP	13.2	16.9	18.3	20.5	23.1	21.8	20.8
Health(1)	25.6	24.7	24.2	24.6	25.9	28.0	26.9
Crop	4.2	4.9	4.3	6.0	7.4	5.8	16.0
Fire	9.8	9.5	9.8	9.6	9.5	9.1	7.5
Marine	5.4	4.9	4.4	4.1	3.6	3.1	2.3
Others(1)(2)	16.5	14.8	14.1	12.4	9.2	10.2	8.0

Source: CRISIL Research

(1) Travel is included in health and personal accident for fiscal 2017 numbers. For fiscal year 2016 and before, travel is included in others

(2) Others include liability insurance, aviation insurance, engineering insurance etc

Evolution of Product Mix for Private Multi-Product Insurers

	Year ending March 31, (in %)						
	2011	2012	2013	2014	2015	2016	2017
Motor OD	38.2	37.2	36.0	34.3	33.4	32.7	27.2
Motor TP	15.1	19.1	20.3	22.0	23.0	24.1	22.1
Health(1)	17.3	16.3	15.7	18.2	17.3	17.2	15.0
Crop	-	-	-	-	-	5.0	18.4
Fire	8.4	8.2	8.7	9.1	9.3	9.7	8.3
Marine	4.1	3.9	3.3	3.3	3.2	3.2	2.4
Others(1)(2)	17.0	15.4	15.9	13.1	13.7	8.1	6.5

Source: CRISIL Research;

(1) Travel is included in health and personal accident for fiscal 2017 numbers. For fiscal year 2016 and before, travel is included in others

(2) Others include liability insurance, aviation insurance, engineering insurance etc, For fiscal 2011 to 2015, others also includes crop in case of multi product insures,

Recent Product Innovations

Non-life insurers have been continuously innovating with new product offerings and services in response to market needs. In fiscal 2017, 165 products were cumulatively introduced across insurers, compared with 101 products in fiscal 2016. Recent products launched include long term health insurance, long term two wheeler insurance, cyber liability, crop insurance through the PMFBY and railway accident insurance. Certain add-on products such as engine protect, road assistance, zero depreciation, return to invoice have also been introduced in recent times by non-life insurers.

For example, in fiscal 2016, ICICI Lombard was the first private sector insurer to have launched a long-term two wheeler insurance product, under which owners could renew the policy for up to three years at one instance, eliminating the hassle of annual renewals.

Motor Insurance

Motor insurance is offered for private motor cars, two wheelers and commercial vehicles and consists of third party liability as well as own-damage cover. Motor insurance is the largest segment in the Indian non-life insurance sector, contributing 40% of industry GDPI in fiscal 2017. Own Damage Motor Insurance formed 19% of industry GDPI, while Third Party Motor Insurance formed 21% of industry GDPI in fiscal 2017.

Own Damage Motor Insurance

Own damage motor insurance protects a vehicle owner from damage or theft to his/her own motor vehicle. Own damage coverage is optional and insurers can set premiums freely based on their risk parameters.

Industry own damage motor insurance GDPI grew at a CAGR of 10.7% from fiscal 2015 to fiscal 2017 driven by increasing insurance penetration and higher motor vehicle sales.

The below table sets forth the GDPI and the evolution in market share for own damage motor insurance over fiscal 2015 and fiscal 2017

	Year ending March 31,								
	2015			2016			2017		
	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share
	₹bn	%	%	₹bn	%	%	₹bn	%	%
ICICI Lombard	21.3	18.2	11.0	25.2	19.4	11.8	27.6	18.9	11.6
Bajaj Allianz	19.7	16.8	10.2	21.3	16.4	10.0	20.7	14.1	8.7
HDFC Ergo	6.3	5.3	3.2	6.0	4.6	2.8	9.4	6.4	4.0
IFFCO Tokio	12.4	10.5	6.4	13.3	10.2	6.2	15.3	10.4	6.4
Tata AIG	7.9	6.7	4.1	9.0	6.9	4.2	12.3	8.4	5.2
Private (Multi-Product and Standalone Health) Insurers	**117.3**	**-**	**60.5**	**129.8**	**-**	**60.7**	**146.1**	**-**	**61.6**
Public (Multi-Product and Specialised) Insurers	**76.5**	**-**	**39.5**	**84.0**	**-**	**39.3**	**91.2**	**-**	**38.4**
Non-Life Insurance Sector	**193.7**	**-**	**-**	**213.7**	**-**		**237.2**	**-**	**-**

Source: CRISIL Research

Loss and Combined Ratios

	Year ending March 31,					
	2015		2016		2017	
	Loss	COR	Loss	COR	Loss	COR
	%	%	%	%	%	%
ICICI Lombard	61.8	84.6	65.6	97.3	64.2	97.2
Bajaj Allianz	56.5	85.2	62.3	92.6	63.0	93.4
HDFC Ergo	73.4	119.6	71.1	118.6	75.1	104.7
IFFCO Tokio	61.7	90.9	70.4	100.0	79.1	106.8
Tata AIG	65.0	98.0	76.4	112.0	70.7	106.6
Private (Multi-Product and Standalone Health) Insurers(1)	**60.8**	**94.5**	**66.2**	**102.1**	**75.1**	**112.6**
Public (Multi-Product and Specialised) Insurers	**61.9**	**-**	**75.6**	**-**	**79.6**	**-**
Non-Life Insurance Sector(1)	**61.4**	**-**	**70.6**	**-**	**77.2**	**-**

Source: CRISIL Research

(1) Excluding Reliance General Insurance Company Limited ("Reliance General"), Shiram General Insurance Company Limited ("Shriram General"), Bharti Axa General Insurance Company Limited ("Bharti Axa"), Magma HDI General Insurance Company Limited ("Magma HDI") and Raheja QBE General Insurance Company Limited ("Raheja QBE") in fiscal 2015; Reliance General and Raheja QBE in fiscal 2016 and Reliance General, Liberty Videocon General Insurance Company Limited ("Liberty Videocon") and Raheja QBE in fiscal 2017

Third Party Motor Insurance

Third party motor insurance covers the legal liability for the damage caused by the insured vehicle to a third party in case of bodily injury, death and damage to third party property. Unlike own damage motor insurance, third party motor insurance is mandatory. Every motor vehicle owner in India is required to purchase third party motor insurance and insurers cannot refuse to sell customers third party motor insurance coverage.

The premium rates for third party motor insurance are set by the IRDAI and reviewed and adjusted every year by them using a prescribed formula which considers cost inflation, frequency of claims, average claim size and expenses. For the fiscal 2018, the IRDAI has proposed an up to 28% increase in third party motor insurance premiums.

Until fiscal 2016, third party motor insurance risks were addressed by the IMTPIP and DRP, which were shared risk pools through which each non-life insurer was required to assume a portion of such risk in proportion to their market share in third party motor insurance. These motor pools impacted profitability as the risk of policies with inferior risk-reward profiles was disproportionately passed on to the pool. The DRP was dismantled in fiscal 2016 and a new quota based system was introduced which prescribed the minimum amount of third party motor insurance business to be underwritten by each insurer in the industry. Each third party motor insurance policy also subjects the insurer to uncapped liability and does not contain a time limit for filing claims.

Industry third party motor insurance GDPI grew at a CAGR of 21.5% from fiscal 2015 to fiscal 2017 driven by increasing insurance penetration, higher vehicle sales and upward revision of tariffs by the IRDAI.

The below table sets forth the GDPI and the evolution in market share in third party motor insurance over fiscal 2015 and fiscal 2017

	Year ending March 31,								
	2015			2016			2017		
	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share
	₹bn	%		₹bn	%	%	₹bn	%	%
ICICI Lombard	12.8	15.9	7.2	16.3	17	7.7	17.8	15	6.7
Bajaj Allianz	9.5	11.7	5.3	11.5	12	5.5	15	12.6	5.7
HDFC Ergo	4.2	5.3	2.4	5.7	6	2.7	6.6	5.6	2.5
IFFCO Tokio	9	11.2	5	10.8	11.3	5.1	14.5	12.2	5.5
Tata AIG	4.4	5.4	2.4	5.1	5.4	2.4	7.9	6.7	3
Private (Multi-Product and Standalone Health) Insurers	**80.8**	**-**	**45.0**	**96**	**-**	**45.7**	**118.9**	**-**	**44.9**
Public (Multi-Product and Specialised) Insurers	**98.7**	**-**	**55.0**	**113.9**	**-**	**54.3**	**146.3**	**-**	**55.1**
Non-Life Insurance Sector	**179.5**	**-**	**-**	**209.9**	**-**	**-**	**265.2**	**-**	**-**

Source: CRISIL Research

Loss and Combined Ratios

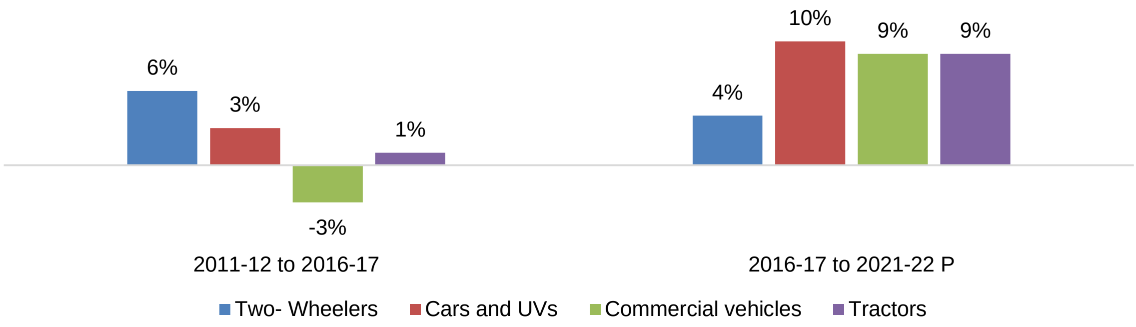
	Year ending March 31,					
	2015		2016		2017	
	Loss	COR	Loss	COR	Loss	COR
	%	%	%	%	%	%
ICICI Lombard	105.8	138.8	97.7	131.2	97.4	130.4
Bajaj Allianz	104.0	127.5	91.3	116.0	79.1	103.6
HDFC Ergo	117.1	147.4	103.9	131.2	107.7	123.4
IFFCO Tokio	89.7	113.4	83.3	107.7	90.2	111.1
Tata AIG	96.3	123.2	96.8	124.5	93.6	121.9
Private (Multi-Product and Standalone Health) Insurers(1)	**108.7**	**136.1**	**104.3**	**130.9**	**91.6**	**119.6**
Public (Multi-Product and Specialised) Insurers	**82.9**	**-**	**83.6**	**-**	**104.2**	**-**
Non-Life Insurance Sector(1)	**92.3**	**-**	**92.4**	**-**	**98.8**	**-**

Source: CRISIL Research

(1) *Excluding Reliance General, Shriram General, Bharti Axa, Magma HDI and Raheja QBE in fiscal 2015; Reliance General and Raheja QBE in fiscal 2016 and Reliance General, Liberty Videocon and Raheja QBE in fiscal 2017*

Future Growth Drivers

The motor market in India is expected to see rapid growth. Projected growth rates for individual segments and their comparison with historical growth rates, according to CRISIL research, are set out in the following chart:



Source: CRISIL Research

An improvement in motor sales will result in stronger growth in third party motor insurance premiums as the new vehicles will have to mandatorily be insured.

New motor vehicle sales are primarily through dealer networks with manufacturers holding insurance agency licenses. Partnerships with such manufacturers will act as a competitive advantage as new motor sales increases as the partnership provides access to a wide distribution network.

Despite being more advanced than other forms of non-life insurance in India, motor insurance also continues to be underpenetrated relative to global levels. CRISIL Research estimates that only 60% of cars older than 3 years are insured in India as against the global benchmark of 90% and that only around 25% of two wheelers are insured as against a global benchmark of over 90%.

Effective April 2017, the IRDAI increased the commission rates for comprehensive auto insurance policies from 10% to 15%. The IRDAI also introduced commissions in third party motor insurance policies at 2.5% of the annual premium. The rise in commissions is aimed at improving the renewal rate.

Improving adoption of telematics is also expected to improve own damage motor insurance performance. The government has recently mandated all public transport vehicles that seat over six people to have location tracking devices. This will also help to bring down incidences of theft thereby reducing loss ratios in Motor OD and Marine Cargo segments. Further measures that widen adoption of telematics across vehicles could enable insurers to receive data on the car and driver habits that enable better pricing of own damage motor insurance policies.

The passage of the Motor Vehicles (Amendment) Bill 2016, a legislation which is currently being evaluated by the Indian parliament is expected to improve profitability of the motor segment in the long term for the following reasons:

- Provides a cap on insurers’ liability as the central government is empowered to fix the premium and corresponding liability of the insurer in consultation with IRDAI.

- In case of non-receipt of premium insurers can take measures to protect the corresponding claim liability of the Company.

- Establishment of a Motor vehicle Accident fund, which is to be utilized for providing immediate relief to victims of motor accidents. The Central government is empowered to levy a special tax or cess for the purposes of this fund.

- Presents victims with an opportunity for quick settlement of claims resulting in reduction of litigation costs

- Launch of a national register for driving licenses and vehicle registration, which presents an opportunity to maintain a central database of accident and insurance data, providing insurers and regulators with further information

- Increased fines for various driving violations which are expected to promote safer driving

- Enables the IRDAI to allow insurers to offer restricted compensation covers for lower premium plans

- Time limit for filing of claims stipulated at six months.

Health and Personal Accident Insurance

Health and Personal Accident Insurance comprises the second largest product segment after motor insurance.

Health insurance is still at an early stage of development in India. According to CRISIL Research, health insurance premiums density in India was estimated at US$3.6 for 2016, significantly lower than other countries such as Singapore (US$57.9), China (US$ 44.0), U.K. (US$110.9) and US (US$567.0).

As per CRISIL Research, only 359 million people (around 27% of the total population) have health insurance coverage as of fiscal 2016. According to CRISIL Research, only around 20% of this health insurance coverage is provided by commercial insurance providers (including life and non-life insurers), with the remaining covered under Central or state government-sponsored schemes such as Central Government Health Scheme (CGHS) and Employee State Insurance Scheme (ESIS). Central / State government sponsored schemes however, have limited room for further penetration due to lack of adequate budgetary support. CRISIL Research estimates that 89% of private expenditure on healthcare is incurred out of pocket i.e. customers paying for healthcare from their own savings.

Health insurance products in India typically fall under the following categories:

- Health indemnity: Health indemnity insurance is indemnity based and covers expenses in the event of sudden illness, accidents or surgery.

- Health insurance benefit: Defined benefit type plans under which payouts are on pre-decided limits calculated as proportion of the sum insured

- Critical Illness: Critical illness coverage is limited to certain prominent medical conditions

Personal accident insurance provides benefit-based coverage to policyholders for accidents suffered by them. Personal accident policies are often bundled with health insurance policies to offer a more comprehensive coverage for customers.

Health and personal accident insurance coverage is offered to corporate, mass and individual segments. The corporate health segment consists of policies purchased by corporations for employees and their dependents; the mass segment consists of policies issued through participation in government health schemes; and the individual health segment consists of retail sales to individuals. The corporate health segment, which represents about 50% of health GDPI has historically impacted profitability in the sector due to the lack of pricing discipline across all insurers in the industry presenting corporate customers with strong bargaining power. Group health insurance also has lower pricing than retail health insurance as there is lower scope for adverse selection as the entire workforce of the corporate customer is typically insured.

Industry Health and Personal Accident GDPI grew at a CAGR of 23.6% from fiscal 2015 to fiscal 2017 driven by increasing coverage under the government scheme RSBY and growing retail health insurance penetration.

The below table sets forth the GDPI and the evolution in market share in health and personal accident insurance over fiscal 2015 and fiscal 2017

	Year ending March 31,								
	2015			2016			2017		
	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share
	₹bn	%	%	₹bn	%	%	₹bn	%	%
ICICI Lombard[(1)]	16.4	18	7.3	17.6	15.9	6.4	21.5	15.4	6.3
Bajaj Allianz	8	8.8	3.5	9.4	8.5	3.4	12.4	8.9	3.6
HDFC Ergo	9.4	10.4	4.2	10.9	9.9	4	12.4	8.9	3.6
IFFCO Tokio	3.9	4.3	1.7	4.8	4.4	1.8	5.7	4.1	1.7
Tata AIG	3.8	4.2	1.7	4	3.6	1.5	4.5	3.2	1.3

	Year ending March 31,								
	2015			2016			2017		
	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share
	₹bn	%	%	₹bn	%	%	₹bn	%	%
Star Health	14.7	16.2	6.5	20.1	18.1	7.3	29.6	21.3	8.6
Apollo Munich	7.9	8.7	3.5	10.2	9.2	3.7	13	9.4	3.8
Max Bupa	3.7	4.1	1.7	4.8	4.3	1.7	5.9	4.3	1.7
Religare Health	2.8	3	1.2	5	4.6	1.8	7.3	5.2	2.1
Private (Multi-Product and Standalone Health) Insurers	**90.8**	**-**	**40.3**	**110.6**	**-**	**40.3**	**139.2**	**-**	**40.5**
Public (Multi-Product and Specialised) Insurers	**134.2**	**-**	**59.7**	**164.1**	**-**	**59.7**	**204.6**	**-**	**59.5**
Non-Life Insurance Sector	**225.0**	**-**	**-**	**274.7**	**-**	**-**	**343.7**	**-**	**-**

Source: CRISIL Research;

(1) In case of ICICI Lombard, travel is included in health and personal accident for FY17 numbers, but not for earlier years

Loss and Combined Ratios

	Year ending March 31,					
	2015		2016		2017	
	Loss	COR	Loss	COR	Loss	COR
	%	%	%	%	%	%
ICICI Lombard	87.4	103.1	82.1	91.4	90.2	99.1
Bajaj Allianz	73.6	105.6	74.9	108.0	78.5	112.3
HDFC Ergo	56.5	86.7	51.0	82.0	47.6	59.2
IFFCO Tokio	92.3	120.9	104.3	133.8	104.4	135.4
Tata AIG	69.9	114.3	65.6	111.8	57.2	89.0
Star Health	64.0	108.3	53.8	87.2	60.5	92.5
Apollo Munich	63.0	107.2	64.6	103.5	55.0	96.6
Max Bupa	57.8	130.4	59.5	118.4	52.0	107.9
Religare Health	61.1	138.4	57.2	121.9	50.5	103.2
Private (Multi-Product and Standalone Health) Insurers(1)	**70.7**	**111.2**	**66.6**	**103.0**	**65.8**	**99.0**
Public (Multi-Product and Specialised) Insurers	**110.7**	**-**	**83.7**	**-**	**120.0**	**-**
Non-Life Insurance Sector(1)(2)	**97.0**	**-**	**98.5**	**-**	**101.1**	**-**

Source: CRISIL Research

(1) Excluding Reliance General,Shriram General, Bharti Axa, Magma HDI and Raheja QBE in fiscal 2015; Reliance General and Raheja QBE in fiscal 2016 and Reliance General, Liberty Videocon and Raheja QBE in fiscal 2017

(2) Non-life Insurance Sector comprises of multi-product private insurers, multi-product public insurers and standalone health insurers

Future Growth Potential

The continued under penetration present in the health insurance market in India presents a significant growth opportunity, especially as demand for healthcare increases and focus on risk awareness grows with rise in disposable incomes. Affluent Indians also seek worldwide coverage and larger sum insured which could increase the depth of the market.

India also has amongst the highest levels of health protection gap in Asia, according to Swiss Re, which is expected to remain significant with the rising incidence of lifestyle diseases and the gradually aging of the population in due course.

The low penetration, rising cost of healthcare, constraints in government spending, and increasing demand for quality healthcare are expected to drive growth in health insurance.

Crop Insurance

Crop insurance offers coverage to farmers and others against either the loss of crops due to natural disasters or other weather conditions.

India is predominantly an agriculture-oriented economy. According to CRISIL Research, 52% of the population directly depends on agriculture either as farmers or agricultural labourers.

To increase the insurance coverage of cropped area, the Indian government currently offers two major crop-related government schemes in which non-life insurers participate – the Pradhan Mantri Fasal Bima Yojana (PMFBY) and the Restructured Weather Based Crop Insurance Scheme (RWBCIS). Crop insurance is typically offered as a mandatory add-on to farmer loans and sold primarily in relation to the two main crop seasons of India – Rabi and Kharif.

The PMFBY, which was launched in April 2016 replacing older crop insurance government schemes, subsidises yield-based crop insurance for farmers. It provides coverage of all food crops, oilseeds, commercial and horticultural crops. The Indian government uses a tender process covering different geographies through which insurance companies submit their premium quotes based on their individual actuarial assumptions. While total premiums are based on the actuarial premium estimated, farmers have to pay uniform premiums that are determined on the basis of the type of their crop. The difference between the actuarial premium and the premium paid by farmers is being borne equally by Central and state governments. Claims are paid based on the yield for a group of farms, as measured by a government authorized surveyor.

The RWBCIS subsidises weather based crop insurance for farmers. The insurance provides an index-based cover which provides protection against variation in specified weather indices such as rainfall, humidity, temperature or a combination of these factors. Threshold levels are defined for the weather indices in the policy and a claim is payable when the actual weather index breaches the predefined threshold level.

Industry crop insurance GDPI grew significantly by around 271.4% from fiscal 2016 to fiscal 2017. Renewed government support for crop insurance through the PMFBY resulted in significant increase interest by the non-life insurers in the sector in fiscal 2017, as the scheme presented a new area of growth and was accompanied by a better risk-reward proposition than existing crop insurance schemes.

The below table sets forth the GDPI and the evolution in market share in crop insurance over fiscal 2016 and fiscal 2017.

<table>
<tr><th rowspan="4"></th><th colspan="6">Year ending March 31,</th></tr>
<tr><th colspan="3">2016</th><th colspan="3">2017</th></tr>
<tr><th>GDPI</th><th>Pvt. Mkt. Share</th><th>Ind. Mkt. Share</th><th>GDPI</th><th>Pvt. Mkt. Share</th><th>Ind. Mkt. Share</th></tr>
<tr><th>₹bn</th><th>%</th><th>%</th><th>₹bn</th><th>%</th><th>%</th></tr>
<tr><td>ICICI Lombard</td><td>5.9</td><td>29.9</td><td>10.7</td><td>21.5</td><td>22.2</td><td>10.4</td></tr>
<tr><td>Bajaj Allianz</td><td>3.7</td><td>18.5</td><td>6.6</td><td>14.5</td><td>15</td><td>7.0</td></tr>
<tr><td>HDFC Ergo</td><td>1.1</td><td>5.4</td><td>1.9</td><td>20.2</td><td>20.9</td><td>9.8</td></tr>
<tr><td>IFFCO Tokio</td><td>0.9</td><td>4.6</td><td>1.6</td><td>12.6</td><td>13</td><td>6.1</td></tr>
<tr><td>Tata AIG</td><td>0.7</td><td>3.3</td><td>1.2</td><td>4.5</td><td>4.6</td><td>2.2</td></tr>
<tr><td>Private (Multi-Product and Standalone Health) Insurers</td><td>19.8</td><td>-</td><td>35.7</td><td>98.6</td><td>-</td><td>47.9</td></tr>
<tr><td>AIC</td><td>35.1</td><td>-</td><td>63.2</td><td>70.6</td><td>-</td><td>34.3</td></tr>
<tr><td>Public (Multi-Product and Specialised) Insurers</td><td>0.6</td><td>-</td><td>1.0</td><td>36.8</td><td>-</td><td>17.9</td></tr>
<tr><td>Non-Life Insurance Sector</td><td>55.5</td><td>-</td><td>-</td><td>206.1</td><td>-</td><td>-</td></tr>
</table>

Source: CRISIL Research

Loss and Combined Ratios

	Year ending March 31,			
	2016		2017	
	Loss	COR	Loss	COR
	%	%	%	%
ICICI Lombard	140	120.2	84.2	72.1
Bajaj Allianz	143.3	60.5	114.1	77.5
HDFC Ergo	144.5	56.6	98.2	129.4
IFFCO Tokio	163	n.m.	60.9	60.8
Private (Multi-Product and Standalone Health) Insurers(1)	**147.2**	**96.5**	**85.4**	**82.6**

Source: CRISIL Research

(1) Based on ICICI Lombard, Bajaj Allianz, HDFC Ergo, IFFCO Tokio, and SBI General Insurance Company Limited ("SBI General")

Future Growth Potential

The number of crops and geographies covered under the crop insurance related government schemes are currently limited. The Indian government intends to increase coverage to 50% of farmers by the end of fiscal 2019 from 30% in fiscal 2017. According to CRISIL Research, government has budgeted ₹ 90 billion towards the PMFBY in fiscal 2018.

Future growth will also be driven by increased awareness of the schemes as well as fair and fast settlement of claims by insurance companies.

Fire Insurance

Fire insurance refers to the insurance of dwellings, offices, buildings, factories, machinery, warehouses and other structures against loss or damage due to fire

Industry fire insurance GDPI grew at a CAGR of 8.8% from fiscal 2015 to fiscal 2017.

The below table sets forth the GDPI and the evolution in market share in fire insurance over fiscal 2015 and fiscal 2017

	Year ending March 31,								
	2015			2016			2017		
	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share
	₹bn	%	%	₹bn	%	%	₹bn	%	%
ICICI Lombard	5.4	16.6	6.8	6.3	16.4	7.2	7.4	16.6	7.8
Bajaj Allianz	4.3	13.2	5.3	4.8	12.4	5.5	5.4	12	5.6
HDFC Ergo	3.7	11.4	4.7	4.2	11	4.8	5.2	11.5	5.4
IFFCO Tokio	2.3	7.1	2.9	2.7	6.9	3	2.8	6.2	2.9
Tata AIG	3.5	10.6	4.3	3.8	10	4.4	5.2	11.6	5.5
Private (Multi-Product and Standalone Health) Insurers	**32.8**	**-**	**40.7**	**38.5**	**-**	**44.1**	**44.8**	**-**	**47.0**
Public (Multi-Product and Specialised) Insurers	**47.8**	**-**	**59.3**	**48.8**	**-**	**55.9**	**50.6**	**-**	**53.0**
Non-Life Insurance Sector	**80.6**	**-**	**-**	**87.3**	**-**	**-**	**95.4**	**-**	**-**

Source: CRISIL Research

Loss and Combined Ratios

	Year ending March 31,					
	2015		2016		2017	
	Loss	COR	Loss	COR	Loss	COR
	%	%	%	%	%	%
ICICI Lombard	94.0	104.8	63.6	38.3	68.4	58.4
Bajaj Allianz	63.9	77.3	67.1	83.2	31.2	52.6
HDFC Ergo	87.9	103.4	50.7	69.1	50.2	123.4
IFFCO Tokio	55.0	38.6	55.8	24.2	52.4	-3.4
Tata AIG	83.8	56.8	95.5	99.2	80.5	123.5
Private (Multi-Product and Standalone Health) Insurers(1)	**64.6**	**87.4**	**66.6**	**88.7**	**47.0**	**68.6**

	Year ending March 31,					
	2015		2016		2017	
	Loss	COR	Loss	COR	Loss	COR
	%	%	%	%	%	%
Public (Multi-Product and Specialised) Insurers	**75.2**	**-**	**76.0**	**-**	**91.4**	**-**
Non-Life Insurance Sector[(1)]	**73.7**	**-**	**74.5**	**-**	**83.9**	**-**

Source: CRISIL Research

(1) Excluding Reliance General,Shriram General, Bharti Axa, Magma HDI and Raheja QBE in fiscal 2015; Reliance General and Raheja QBE in fiscal 2016 and Reliance General, Liberty Videocon and Raheja QBE in fiscal 2017

Future Growth Potential

The demand from the corporate sector for asset protection products such as fire insurance remains low. According to CRISIL Research, premiums from these policies are at less than 0.8% as a percentage of industrial GDP, as against the global benchmark level of around 3%

Growth in manufacturing and the logistics sector are expected to be key drivers of growth in fire insurance as demand for coverage increases. Additionally, the recent implementation of the Goods & Service Tax (GST) is expected to further boost growth in modern warehousing and therefore expand the market opportunity.

Marine Insurance

Marine insurance comprises of cargo and hull insurance. Marine cargo insurance covers any damage or loss during the transit of goods whereas hull insurance is taken on ships.

The below table sets forth the GDPI and the evolution in market share in marine insurance over fiscal 2015 and fiscal 2017

	Year ending March 31,								
	2015			2016			2017		
	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share	GDPI	Pvt. Mkt. Share	Ind. Mkt. Share
	₹bn	%		₹bn	%	%	₹bn	%	%
ICICI Lombard	2.5	21.8	8.2	3.0	24.0	10.0	3.4	26.3	11.8
Bajaj Allianz	1.2	10.9	4.1	1.4	11.3	4.7	1.3	10.4	4.6
HDFC Ergo	1.1	9.4	3.5	1.0	8.4	3.5	1.2	9.4	4.2
IFFCO Tokio	1.1	10.1	3.8	1.2	9.3	3.9	1.3	9.9	4.4
Tata AIG	2.5	22.0	8.2	2.7	21.2	8.9	2.6	20.3	9.1
Private (Multi-Product and Standalone Health) Insurers	**11.3**	**-**	**37.5**	**12.5**	**-**	**41.9**	**13.0**	**-**	**44.8**
Public (Multi-Product and Specialised) Insurers	**18.9**	**-**	**62.5**	**17.3**	**-**	**58.1**	**16.0**	**-**	**55.2**
Non-Life Insurance Sector	**30.2**	**-**	**-**	**29.8**	**-**	**-**	**29.0**	**-**	**-**

Source: CRISIL Research

Loss and Combined Ratios

	Year ending March 31,					
	2015		2016		2017	
	Loss	COR	Loss	COR	Loss	COR
	%	%	%	%	%	%
ICICI Lombard	98.7	134.2	97.5	129.6	83.9	118.2
Bajaj Allianz	89.8	119.5	48.7	81.3	67.5	99.6
HDFC Ergo	113.7	154.8	101.8	147.8	114.2	168.1
IFFCO Tokio	76.9	88.9	101	107.2	71.9	90.5
Tata AIG	73.3	102.0	80.8	111.4	64.4	89.6
Private (Multi-Product and Standalone Health) Insurers[(1)]	**87.1**	**119.1**	**84.7**	**118.1**	**74.2**	**104.7**
Public (Multi-Product and Specialised) Insurers	**57.8**	**-**	**63.7**	**-**	**75.0**	**-**
Non-Life Insurance Sector[(1)]	**67.1**	**-**	**71.4**	**-**	**74.7**	**-**

Source: CRISIL Research

(1) *Excluding Reliance General,Shriram General, Bharti Axa, Magma HDI and Raheja QBE in fiscal 2015; Reliance General and Raheja QBE in fiscal 2016 and Reliance General, Liberty Videocon and Raheja QBE in fiscal 2017*

Future Growth Potential

The opening up of trade blocs and potential growth in the Indian manufacturing sector as a result of labour cost advantages, improving infrastructure and ease of doing business, are expected to improve India's world trade position. Increased trade is expected to improve demand for marine insurance.

Other Products

Other types of insurance offered by the Indian non-life insurance sector include liability insurance, travel insurance, aviation insurance, credit insurance and home insurance. Together, all other types formed around 8% of GDPI in the year ending 31st March, 2017

Investments

The Indian non-insurance industry operates under a "cash before cover" model. Insurers are not required to assume underwriting risk until the premium is received. Receipt of upfront premiums and the payment of claims at a later stage, create significant investable assets from insurance underwriting, which can be deployed to earn investment income (float). Additionally, investments assets also consist of shareholders' equity and other forms of capital.

Investment limits for Indian non-life insurers are determined by the IRDAI and restrict the proportion of funds. As per the most recent regulations, which became effective on 31st March 2017, investments by non-life insurers are subject to the following limits (as a % of investment assets):

- Central government securities, state government securities and other approved securities: >30%
- Central government securities: >20%
- Approved investments: <70% (including fixed deposits, commercial papers, certificate of deposits)
- Investments in housing and infrastructure: >15%
- Other investments: <15%

Investment in central and state government securities together accounted for 43% share in total investments for the industry as of 31st March, 2017.

Reserving

Indian non-life insurance insurers, in line with global practices, are required to establish a liability in their accounts (claim reserves) for the unpaid portion of ultimate costs (including loss adjustment expenses) of claims that been reported but not settled ("IBNER") and of claims that have been incurred but not reported ("IBNR"). Prevailing regulations do not permit these reserves to be discounted. These reserves are required to be certified by an appointed actuary.

A significant proportion of these reserves are for third party motor insurance claims, which tend to involve longer periods of time for the reporting and settlement of claims. Given that settlement times are often longer than the period for which data is available with the insurers, particularly the private sector insurers, significant assumptions are involved in estimating these reserves. Further, since third party motor claims are adjudicated in courts, a change in law or a change in the basis of adjudication of a claim can result in prior assumptions being rendered invalid and increase the inherent risk and uncertainty associated with claim reserves. As per the current accounting practices, IBNR/IBNER reserves are not discounted and are accounted based on expected claim payment for future periods as well.

Reserving triangles are globally used in public disclosures to depict the adequacy of reserves based on successive valuations. Over period of time as claims get settled and greater certainty emerges on the ultimate cost of claims for a particular year, the quality of initial reserving based on the original estimate of ultimate losses can be evaluated through reserving triangles. ICICI Lombard has been disclosing reserving triangles since fiscal 2016.

Unearned premium reserve (UPR)

As per IRDAI regulation, a reserve for unearned premium is created as the amount representing the part of the premium written which is attributable to, and is to be allocated to succeeding accounting periods. UPR is computed as follows:

a. Marine hull: 100% of Net written premium during the preceding 12 months

b. Other segments: Currently, insurers follow one of the above two methods for calculation of UPR for other segments. Insurers have an option to create UPR either at 50% of net written premium of preceding 12 months or on the basis of 1/365th method on the unexpired period of the respective policies. Under the 1/365th method calculation, actual number of days left in the policy period are divided by total number of days of policy period)

The 1/365th method leads to calculation of UPR and corresponding net premium earnings in line with the policy period. For e.g. If the policies are booked in the 4th quarter of the year, premium earnings will be accounted only for 3 months proportionately. However under the method where 50% of net written premium of preceding 12 months is used for calculation of UPR, net premium earning shall be higher or lower, if the gross premium is unevenly distributed during the year.

The total number of policies issued and the total number of claims paid by the non-life insurance sector are set forth in the following tables.

Policies and Claims Settlement

Policies

	Year ending March 31,					
	2011	**2012**	**2013**	**2014**	**2015**	**2016**
	(in mm)					
Private (multi-product and standalone health)	32.6	34.6	36.3	43.8	51.7	57.5
Public (multi-product and specialised)	59.0	65.6	69.9	72.9	74.4	69.0
Industry	91.6	100.3	106.2	116.8	126.1	126.5

Source: CRISIL Research

Claims Settlement

	Year ending March 31,					
	2011	**2012**	**2013**	**2014**	**2015**	**2016**
	(in mm)					
Private (multi-product and standalone health)	3.9	2.6	2.5	8.6	7.1	6.4
Public (multi-product and specialised)	12.7	9.6	9.8	11.5	16.6	22.5
Industry	16.5	12.3	12.3	20.1	23.8	28.8

Source: CRISIL Research

The table below sets out the turnaround time for claims by all multi-product insurers for Fiscal 2017:

Company	**Claims paid - (1 month)**	**Claims paid - (1-3 Months)**	**Claims paid - (3 - 6 months)**	**Claims paid - (6 months - 1 year)**	**Claims paid > 1 year**
	(in %)				
ICICI Lombard	94.4	3.2	1.4	0.4	0.7
Bajaj Allianz	82.2	10.9	3.6	1.7	1.6
HDFC Ergo	83.1	12.4	2.2	1.0	1.3
IFFCO Tokio	42.0	27.3	19.4	9.3	2.0
Tata AIG	79.7	14.3	3.3	1.4	1.3
Reliance General	86.0	7.3	2.0	1.2	3.5
Cholamandalam MS General Insurance Company Limited ("Cholamandalam MS")	76.8	12.8	6.0	2.7	1.8
SBI General	52.2	35.3	7.2	3.0	2.3
Royal Sundaram General Insurance Company Limited ("Royal Sundaram")	83.0	12.7	2.1	0.9	1.3
Shriram General	37.7	28.0	7.1	5.1	22.1
Future Generali India Insurance Company Limited ("Future Generali")	70.5	19.1	6.0	2.5	1.9
Bharti Axa	73.9	17.9	4.2	1.9	2.1

Company	Claims paid - (1 month)	Claims paid - (1-3 Months)	Claims paid - (3 - 6 months)	Claims paid - (6 months - 1 year)	Claims paid > 1 year
	(in %)				
Universal Sompo General Insurance Company Limited ("Universal Sompo")	73.6	21.3	3.0	0.7	1.5
Liberty Videocon	83.7	13.2	2.1	0.7	0.3
L&T General Insurance Company Limited ("L&T General")	72.6	19.1	5.0	2.1	1.2
Magma HDI	66.9	16.8	7.1	4.9	4.3
Kotak General	85.0	13.5	1.4	0.1	0.0
Raheja QBE	7.2	31.9	27.5	18.8	14.5
Private Multi-Product Insurers	**78.1**	**12.7**	**5.1**	**2.3**	**1.8**
New India	77.7	14.6	3.6	2.1	2.0
United India	77.0	17.6	2.4	1.3	1.7
National Insurance	62.8	20.3	10.4	3.3	3.2
Oriental Insurance	38.6	44.2	8.2	4.6	4.4
Public Multi- Product Insurers	**68.9**	**20.8**	**5.4**	**2.5**	**2.5**
Total Multi-Product Insurers	**72.1**	**17.9**	**5.3**	**2.4**	**2.3**

Source: CRISIL Research

The table below sets out the turnaround time for claims for Motor OD for all multi-product insurers for Fiscal 2017:

Company	Claims paid - (1 month)	Claims paid - (1-3 Months)	Claims paid - (3 - 6 months)	Claims paid - (6 months - 1 year)	Claims paid > 1 year
	(in %)				
ICICI Lombard	92.2	5.3	2.2	0.3	0.0
Bajaj Allianz	86.3	10.7	2.3	0.6	0.1
HDFC Ergo	86.9	10.4	1.9	0.6	0.1
IFFCO Tokio	66.4	24.4	6.1	2.5	0.6
Tata AIG	86.7	10.8	1.9	0.5	0.1
Reliance General	83.5	11.2	3.4	1.4	0.4
Cholamandalam MS	82.3	14.1	3.2	0.3	0.1
SBI General	48.8	42.4	6.6	1.7	0.4
Royal Sundaram	83.3	14.2	2.1	0.4	0.0
Shriram General	51.9	37.7	7.3	1.9	1.3
Future Generali	73.1	19.8	4.7	1.8	0.5
Bharti Axa	76.2	18.2	3.9	1.3	0.5
Universal Sompo	76.7	19.8	3.1	0.4	0.0
Liberty Videocon	86.1	12.1	1.5	0.3	0.0
L&T General	72.9	20.4	5.0	1.6	0.2
Magma HDI	72.4	18.5	6.1	2.3	0.7
Kotak General	84.0	14.4	1.5	0.1	0.0
Raheja QBE	0.0	0.0	0.0	100.0	0.0
Private Total	**81.9**	**13.7**	**3.2**	**0.9**	**0.2**
New India	55.0	34.0	7.2	2.6	1.2
United India	27.2	58.5	6.9	4.1	3.3
National Insurance	48.2	28.5	16.9	4.8	1.6
Oriental Insurance	35.5	45.1	10.8	6.0	2.6
Public Multi-Product Insurers	**44.5**	**39.1**	**10.4**	**4.1**	**2.0**
Total Multi-Product Insurers	**66.6**	**24.1**	**6.2**	**2.2**	**0.9**

Source: CRISIL Research

The table below sets out the turnaround time for claims for Health (including Personal Accident) for all multi-product insurers and private standalone health insurers for Fiscal 2017:

Company	Claims paid - (1 month)	Claims paid - (1-3 Months)	Claims paid - (3 - 6 months)	Claims paid - (6 months - 1 year)	Claims paid > 1 year
	(in %)				
ICICI Lombard	99.3	0.6	0.1	0.0	0.0

Company	Claims paid - (1 month)	Claims paid - (1-3 Months)	Claims paid - (3 - 6 months)	Claims paid - (6 months - 1 year)	Claims paid > 1 year
	(in %)				
Bajaj Allianz	95.7	3.8	0.5	0.1	0.0
HDFC Ergo	77.2	20.5	2.2	0.1	0.0
IFFCO Tokio	16.9	31.2	34.7	16.3	0.9
Tata AIG	67.8	20.8	7.1	2.6	1.7
Reliance General	95.2	3.7	0.5	0.2	0.5
Cholamandalam MS	96.4	2.8	0.5	0.2	0.1
SBI General	83.4	4.8	5.1	4.1	2.5
Royal Sundaram	96.1	3.9	0.0	0.0	0.0
Shriram General	18.8	40.6	20.3	18.8	1.4
Future Generali	76.0	16.5	5.1	1.3	1.1
Bharti Axa	74.8	18.9	3.6	2.0	0.6
Universal Sompo	74.1	24.6	1.3	0.0	0.0
Liberty Videocon	81.0	15.2	2.6	0.9	0.4
L&T General	88.5	9.1	2.4	0.0	0.0
Magma HDI	59.7	22.6	10.5	6.9	0.4
Kotak General	100.0	0.0	0.0	0.0	0.0
Raheja QBE	7.3	43.9	24.4	12.2	12.2
Private Multi-Product Insurers	**79.9**	**9.4**	**7.1**	**3.2**	**0.3**
Star Health	98.1	1.8	0.1	0.0	0.0
Apollo Munich	100.0	0.0	0.0	0.0	0.0
Religare Health	100.0	0.0	0.0	0.0	0.0
Max Bupa	99.1	0.9	0.0	0.0	0.0
Cigna TTK	99.7	0.3	0.1	0.0	0.0
Standalone Health Insurers	**99.0**	**0.9**	**0.1**	**0.0**	**0.0**
Private (Multi-Product and Standalone Health) Insurers	**85.2**	**7.1**	**5.2**	**2.3**	**0.2**
New India	88.2	8.5	2.0	1.2	0.1
United India	89.5	9.0	1.1	0.3	0.0
National Insurance	71.7	18.1	7.8	2.1	0.3
Oriental Insurance	43.0	47.7	6.4	2.4	0.4
Public Multi-Product Insurers	**79.9**	**15.2**	**3.4**	**1.3**	**0.2**
Total Multi-Product and Standalone Health Insurers	**81.3**	**13.1**	**3.9**	**1.5**	**0.2**

Source: CRISIL Research

Capital Structure

IRDAI also regulates the solvency ratio that non-life insurers have to maintain and the method of calculation of the same. Non-life insurers are required to maintain a solvency ratio of 150% as part of their licensing requirements.

Solvency Ratio

	Year ending March 31		
	(in %)		
	2015	**2016**	**2017**
ICICI Lombard	195	182	210
Bajaj Allianz	182	251	261
HDFC Ergo	165	167	171
IFFCO Tokio	165	160	160
Tata AIG	155	166	179
Private Multi-Product Insurers	182	183	195
Public Multi-Product Insurers	206	182	165
Total Multi-Product Insurers	196	182	177

Source: CRISIL Research

Dividend Payout Ratio

	Year ending March 31 (in %)		
	2015	2016	2017
ICICI Lombard	20	32	27
Bajaj Allianz	-	-	-
HDFC Ergo	47	54	33
IFFCO Tokio	-	-	-
Tata AIG	30	-	-

Source: CRISIL Research

In December 2015, the IRDAI had allowed insurers to raise non-equity forms of capital such as subordinated debt and preference shares, subject to a cap of 25% of net worth, which would qualify as regulatory capital and also help the solvency ratio of insurers. ICICI Lombard was the first non-life insurer to tap the public debt markets to raise subordinated debt. Subsequently, other non-life insurers such National Insurance, HDFC Ergo, IFFCO Tokio, Tata AIG, Reliance General and Cholamandalam MS have also successfully raised public debt.

Reinsurance

Under the present IRDAI regulations, every private and public non-life insurance company has to cede at least 5% of its risk to the state owned reinsurer GIC, which was the sole domestic reinsurer operating in the Indian market until fiscal 2017. This cessation is applicable on all policies except for government sponsored health insurance schemes. Non-life insurers are also required to offer GIC first preference and seek "best terms" for their reinsurance requirements from GIC before approaching others.

The Insurance Laws (Amendment) Act 2015 allowed foreign insurers to open branch offices in India enabling them to participate in the reinsurance business in India without an Indian partner. Subsequently, IRDAI has issued licences to seven global reinsurers engaging in non-life reinsurance - Munich Re, Swiss Re, SCOR, Hannover Re, RGA Life Reinsurance Company of Canada, Gen Re, XL Catlin and Axa Re to set up branch operations in India. Furthermore, global specialist insurance and reinsurance market Llyod's has also been given a license.

IRDAI has also recently granted a certificate of registration in December 2016 to ITI Re, another domestic reinsurer to commence operations.

Channel Mix

Indian non-life insurers employ a multi-channel approach to market and sell their products, including individual agents, bank partners, other corporate agents, brokers, direct sales and online channels.

The below table sets shows the evolution of channel mix in the Indian non-life insurance industry.

Evolution of Channel Mix for All Multi-Product Insurers

	Year ending March 31, (in %)						
	2011	2012	2013	2014	2015	2016	2017(1)
Brokers	17.0	18.5	22.7	22.9	22.1	26.3	26.0
Corporate Agents - Banks	11.6	7.3	7.4	7.3	8.3	7.1	6.1
Corporate Agents - Others	4.5	2.7	2.4	3.8	4.8	4.6	5.8
Direct Business	35.2	40.7	33.2	32.0	26.8	25.1	31.6
Individual Agents	30.2	30.5	32.8	34.0	36.7	36.1	30.4
All Others	1.6	0.3	1.5	0.1	1.3	0.7	0.2

Source: CRISIL Research;

(1) Excluding Kotak General

Distribution mix also varies across non-life insurance different products.

Evolution of Channel Mix for Private Multi-Product Insurers

	Year ending March 31, (in %)						
	2011	2012	2013	2014	2015	2016	2017(1)
Brokers	20.6	23.1	29.3	29.4	25.2	30.3	28.8

	Year ending March 31, (in %)						
	2011	2012	2013	2014	2015	2016	2017[(1)]
Corporate Agents - Banks	8.0	11.4	11.6	11.7	13.2	12.5	10.4
Corporate Agents - Others	8.1	3.1	3.8	5.5	8.4	8.9	8.8
Direct Business	42.4	42.9	33.3	31.2	29.1	26.4	35.7
Individual Agents	18.0	19.1	21.7	22.0	21.3	20.3	16.1
All Others	3.0	0.5	0.2	0.1	2.6	1.6	0.2

Source: CRISIL Research

(1) Excluding Kotak General

The online channel is increasingly emerging as a key distribution channel. Products commonly sold through this channel are motor, travel and health insurance. The channel offers insurers advantages such as the ability to cross-sell products and collect more detailed customer data while encouraging better renewal rates through ease of access and not involving any commission payments to intermediaries.

The online sales channel is expected to continue to see significant growth led by increasing internet penetration in India, especially with the widespread availability of mobile broadband.

The commission structure for insurance agents and intermediaries is regulated by the IRDAI. The current commission structure is set forth in the table below:

	Maximum Commission Payable to Insurance Agent	Maximum Remuneration Payable to Insurance Intermediary
Fire-Retail	15%	16.50%
Fire-Corporate (Risks with S.I. < INR 25,000 mm)	10%	11.50%
Fire-Corporate (Risks with S.I. > INR 25,000 mm)	5%	6.25%
Marine-Cargo	15%	16.50%
Marine-Hull	10%	11.50%
Miscellaneous – Retail	15%	16.50%
Miscellaneous – Corporate/ Group	10%	12.50%
Miscellaneous – Corporate (Engineering Risks with S.I. > INR 25,000 mm)	5%	6.25%
Motor (Comprehensive)[1]	15%	
Motor (Stand-alone TP)	2.50%	
Health-Individual[2]	15%	
Health-Group (Employer-Employee only) - Annual	7.50%	
Health-Group (Non Employer-Employee groups) – Annual	15%	
Health – Group (credit linked up to 5 years)	15%	
Health - Govt Scheme	As specified in the Government Scheme/ Notification else as per Health - Group Employer - Employee only) Annual segment	

Source: CRISIL Research

Note:

1. Commission/ remuneration shall be payable only to the OD portion of the Motor (Comprehensive) policy.
2. Includes annual premium, 3 years single premium, 3 years regular premium

Insurers can reward certain distributors through compensation in addition to commission payments. The reward compensation is capped at 30% of the commission or remuneration paid to agents or intermediaries. The reward payments can be made to agents or intermediaries who generate up to 50% of their revenues from insurance.

Comparison of Top Nine Companies

The table below sets forth, for the periods indicated, a comparison of the four public sector companies and the five largest private multi-product non-life insurers.

	Unit	ICICI Lombard	Bajaj Allianz	HDFC Ergo	IFFCO Tokio	Tata AIG	New India	United India	National Insurance	Oriental Insurance
Private Market share (private multi-product and standalone health insurers)										
Fiscal 2017	%	18.0	12.8	9.8	9.2	7.0	-	-	-	-
Fiscal 2016	%	18.5	13.3	7.7	8.4	6.7	-	-	-	-

	Unit	ICICI Lombard	Bajaj Allianz	HDFC Ergo	IFFCO Tokio	Tata AIG	New India	United India	National Insurance	Oriental Insurance
Fiscal 2015	%	17.6	13.8	8.4	8.8	7.1	-	-	-	-
Total Industry Market share										
Fiscal 2017	%	8.4	6.0	4.6	4.4	3.3	15.0	12.4	11.0	8.5
Fiscal 2016	%	8.4	6.1	3.5	3.8	3.1	15.7	12.7	12.4	8.6
Fiscal 2015	%	7.9	6.2	3.8	3.9	3.2	15.6	12.6	13.3	8.7
Product mix										
Motor OD	%	25.7	27.1	16.1	27.5	29.5	16.2	12.6	18.6	13.2
Motor TP	%	16.6	19.7	11.3	26.0	19.0	23.6	25.6	26.8	21.5
Health (including personal accident)	%	20.0	16.3	21.2	10.2	10.8	33.0	34.5	35.3	34.7
Crop	%	20.1	19.0	34.4	22.6	10.7	5.5	7.0	4.2	8.6
Fire	%	6.9	7.1	8.8	5.0	12.5	9.6	8.6	6.5	9.0
Marine	%	3.2	1.8	2.1	2.3	6.3	3.2	2.4	1.7	3.4
Others	%	7.5	9.2	6.0	6.4	11.2	8.9	9.3	6.8	9.5
Operating Performance										
Loss Ratio	%	80.4	70.4	76.2	82.0	72.3	91.3	107.1	97.3	112.1
Management Expense Ratio	%	23.6	26.6	24.5	20.9	31.7	27.4	26.9	41.2	36.0
Combined Ratio	%	104.0	97.0	100.7	102.9	104.0	118.7	134.0	138.5	148.1
Channel Mix										
Brokers	%	30.5	35.9	18	32.4	36.7	25.7	26.8	19.0	20.1
Corporate Agents – Banks	%	6.7	5.4	19.9	0.05	6.5	1.1	3.9	2.2	1.5
Corporate Agents – Others	%	7.6	12.1	3.1	3.1	2.8	0.3	0.5	11.5	0.8
Individual Agents	%	12.0	18.6	12	23	23.9	41.7	45.7	43.8	41.3
Direct Business (incl. Others)	%	43.2	27.9	45.5	41.4	30.1	31.1	23.1	23.6	36.4
Customer Servicing										
No. of Policies (fiscal 2017)	mm	17.7	10.0	5.1	7.1	4.6	27.1	18.7	28.0	11.4
Claims Reported (fiscal 2017)	mm	2.2	0.9	0.4	0.9	0.5	4.1	4.0	3.0	1.5
No. of Complaints (fiscal 2017)	#	3,515	939	2,903	1,940	1,502	4,301	7,734	5,901	7,268
Claims Settled within 1 Month (fiscal 2017)	%	94.4	82.2	83.1	42.0	79.7	77.7	77.0	62.8	38.6
Investment Assets										
Total Investment Assets	₹ bn	150.8	102.8	68.3	65.6	48.5	514.3	271.3	245.1	228.0
Equity Investment Assets	%	14.7	3.1	3.7	0.04	9.3	17.7	32.4	46.9	46.9
Debt Investment Assets	%	85.3	96.9	96.3	99.9	90.7	82.3	67.6	53.1	53.1
Investment Leverage	times	3.9	2.9	3.6	3.9	3.9	4.2	7.1	5.9	13.8
Financial Performance										
RoE (fiscal 2017)	%	20.3	23.1	19.2	29.0	10.5	8.6	(40.1)	1.1	(67.9)
Solvency	%	210.3	261.2	170.7	160.0	178.6	219.5	114.7	190.4	111.4
RoE three year average (fiscal 2017)	%	19.3	24.8	15.0	21.3	10.8	10.1	10.2	10.8	(15.3)
Dividend Payout Ratio (fiscal 2017)	%	27	0	33	0	0	0	0	0	0
Profit after tax	₹ bn	7.0	7.3	2.8	4.3	1.2	10.1	(19.1)	0.5	(16.9)

Source: CRISIL Research;

Note: Data for ICICI Lombard General Insurance Company are based on public disclosures, and may differ from the numbers in the rest of this Red Herring Prospectus

OUR BUSINESS

Certain industry information and statistics in this section are extracted from CRISIL Report, which was commissioned by us for the purposes of the Red Herring Prospectus. For further details, see "Risk Factors—Risks relating to our business—This Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research" on page 49.

Overview

We were the largest private-sector non-life insurer in India based on gross direct premium income in fiscal 2017, a position we have maintained since fiscal 2004 after being one of the first few private-sector companies to commence operations in the sector in fiscal 2002, according to the CRISIL Report. We offer our customers a comprehensive and well-diversified range of products, including motor, health, crop/weather, fire, personal accident, marine, engineering and liability insurance, through multiple distribution channels. We were founded as a joint venture between ICICI Bank Limited, India's largest private-sector bank in terms of consolidated total assets with an asset base of ₹ 9.9 trillion at March 31, 2017, and Fairfax Financial Holdings Limited, a Canadian based holding company which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management with US$43.38 billion of total assets at December 31, 2016.

The Indian economy is one of the fastest growing large economies in the world, with its gross domestic product growing at a cumulative annual growth rate of 7.25% (in real terms) from fiscal 2013 to fiscal 2017, while the Indian non-life insurance industry, based on gross direct premium income, grew at a cumulative annual growth rate of 16.6% during the same period. The Indian non-life insurance industry was the 15th largest non-life insurance market in the world and the fourth largest in Asia in terms of gross direct premium income in the year ended December 31, 2016, according to the CRISIL Report.

We believe that the non-life insurance sector in India holds significant growth potential because of its under-penetration and low insurance density compared with other economies. India continues to be under-penetrated with a non-life insurance penetration of 0.8% of the gross domestic product, compared with a global average of 2.8% of the gross domestic product in the year ended December 31, 2016. Further, the non-life insurance density in India remained low at US$13.2 in the year ended December 31, 2016 compared with a global average of US$285.3, according to the CRISIL Report. We expect this strong macroeconomic backdrop coupled with India's large working population, rising affluence, rapid urbanisation and rising awareness of risk, to continue to propel the growth of the non-life insurance industry in India.

In fiscal 2017, we issued approximately 17.7 million policies and our gross direct premium income was ₹ 107.25 billion, translating into a market share, on a gross direct premium income basis, of 8.4% among all non-life insurers in India and 18.0% among private-sector non-life insurers in India, according to the CRISIL Report. For the three months ended June 30, 2017, we issued approximately 5.2 million policies and our gross direct premium income was ₹ 33.21 billion, translating into a market share, on a gross direct premium income basis, among all non-life insurers in India of 10.0% and among private-sector non-life insurers in India of 20.2%, according to provisional and unaudited figures for non-life insurers released by IRDAI. Our key distribution channels are direct sales, individual agents, bank partners, other corporate agents, brokers, and online, through which we service our individual, corporate and government customers. Our distribution network enables us to reach customers in 618 out of 716 districts across India.

As of March 31, 2017, we had the largest total investment assets among the private-sector non-life insurers in India, according to the CRISIL Report. As of June 30, 2017, we had ₹ 164.46 billion in total investment assets with an investment leverage, net of borrowings of 4.07x as at June 30, 2017. Our investment policy is designed with the objective of capital preservation and achieving superior total returns within identified risk parameters. Our annualised total portfolio return (including unrealised gains) for fiscal 2017 was 13.0%. Our total portfolio return (including unrealised gains) for the three months ended June 30, 2017 was 3.6% and 14.4% on an annualised basis. Listed equities made up 14.8% of our total investment assets, by carrying value, as of June 30, 2017. Since fiscal 2004, our listed equity portfolio has returned an annualised total return of 30.8%, as compared to an annualised return of 17.5% on the benchmark S&P NIFTY index. During the same time period, our equity portfolio outperformed the S&P NIFTY index in all but one fiscal year. For the three months ended June 30, 2017, our listed equity portfolio has returned a total return of 6.9%, as compared to a return of 3.8% on the benchmark S&P NIFTY index.

We take a holistic approach to risk management, which includes a data-driven risk selection framework, conservative reserving and quality reinsurance. We also work with our customers to proactively analyse and mitigate risks, which benefits both our business and our customers by reducing losses and the amount of claims.

We believe that we are at the forefront of leveraging technology in the Indian non-life insurance industry, through which we provide a seamless service experience to our customers and distribution partners across all stages of an insurance policy, and achieve efficiencies in internal operations. In fiscal 2017, 87.5% of our new policies were initiated electronically, either by our distributors or our customers. While our number of policies grew at a cumulative annual growth rate of 13.1% between fiscal 2015 and fiscal 2017, our employee productivity, measured in terms of gross direct premium income per employee, increased from ₹ 11.4 million in fiscal 2015 to ₹ 16.6 million in fiscal 2017, representing a cumulative annual growth rate of 20.7%.

We have an established track record of delivering annual returns to shareholders and our return on equity has exceeded 15.6% for each fiscal year since fiscal 2015. Our profit after tax and our return on equity were ₹ 6.42 billion and 17.2%, respectively, in fiscal 2017 and ₹ 2.14 billion and 5.5 % (21.9% on an annualised basis), respectively, for the three months ended June 30, 2017. We have a strong capital position with a solvency ratio of 2.13x as of June 30, 2017 compared to the IRDAI-prescribed control level of 1.50x. We have paid cumulative dividends (exclusive of dividend distribution tax) of ₹ 4.14 billion since fiscal 2015.

Our Competitive Strengths

We believe the following competitive strengths contribute to our success and position us well for future growth.

Consistent market leadership and demonstrated growth

We were the largest private-sector non-life insurer in India, by GDPI in fiscal 2017, a position we have maintained through various cycles of industry evolution since fiscal 2004, according to the CRISIL Report. We became the first private-sector non-life insurer in India to reach ₹ 100.00 billion in GDPI in fiscal 2017, according to the CRISIL Report.

We continue to grow faster than the industry, with our GDPI growing at a CAGR of 26.7% from fiscal 2015 to fiscal 2017, as compared to a CAGR of 22.8% for the Indian non-life insurance industry in the same period, according to the CRISIL Report. As a result, our market share, by GDPI, increased from 7.9% in fiscal 2015 to 8.4% in fiscal 2017. For the three months ended June 30, 2017, our market share, by GDPI, among all non-life insurers in India was 10.0%, according to provisional and unaudited figures for non-life insurers released by IRDAI.

Our industry leadership has been reinforced by our comprehensive and diverse portfolio of insurance products that we continuously adapt to evolving needs of customers and changing industry dynamics. We have maintained a leadership position among private sector non-life insurer in India across motor (own damage and third party liability), health and personal accident, crop/weather, fire, engineering and marine insurance, since fiscal 2015.

A strong brand and partnerships with various stakeholders have contributed to this growth. We believe that we have leveraged the established brand of our Promoter, "ICICI Bank", to build "ICICI Lombard" into a recognised and trusted brand in its own right.

Diverse product line with multi-channel distribution network

Diverse and Customised Product Line. We continue to reinforce our industry leadership by offering products and solutions that address the untapped and evolving needs of customers and we have established ourselves as a reliable one-stop insurer for diverse customer requirements. We have a diversified composition of insurance products with motor, health and personal accident, crop/weather, fire, marine, and engineering insurance contributing 42.3%, 18.9%, 20.1%, 6.9%, 3.2% and 2.1%, respectively, of our GDPI in fiscal 2017. For the three months ended June 30, 2017, motor, health and personal accident, crop/weather, fire, marine, and engineering insurance contributed 36.5%, 18.2%, 21.8%, 9.4%, 3.5%, and 2.5% of our GDPI, respectively. We create and offer bespoke products tailored to the requirements of our customers. For example, we were among the first Indian insurers to offer parameterized weather-based crop insurance and long-term two-wheeler motor vehicle insurance policies.

Multi-channel Distribution Network. We distribute our products:

- through 51 corporate agents as at June 30, 2017, including our Promoter – ICICI Bank – which gives us access to its 4,850 branches;

- to customers of over 80% of the motor vehicle manufacturers (MVMs), by vehicle sales, in India in fiscal 2017, including Maruti Suzuki India Limited (Maruti);

- through 20,775 individual agents as at June 30, 2017;

- through our electronic platform, through which we issued approximately 1.6 million policies in fiscal 2017 and approximately 0.4 million policies in the three months ended June 30, 2017; and

- using a strong direct sales channel, which contributed 43.2% of our GDPI in fiscal 2017 and 43.3% in the three months ended June 30, 2017.

We believe our diversified channel mix enables us to reach customers in 618 out of 716 districts across India and provides us with a competitive edge.

Diverse Customer Profile. This multi-channel distribution network enables us to offer our products to a diverse set of customers, including large and mid-sized corporates, small and medium-sized enterprises, central and state governments, and individuals. Over the years, we have moved from a largely corporate focussed business model to a more diversified mix of business. In fiscal 2017, our retail (including SME), corporate and government business groups contributed 60.4%, 17.5% and 22.1% of our GDPI, respectively. For the three months ended June 30, 2017, our retail (including SME), corporate and government business groups contributed 54.3%, 23.2% and 22.5% of our GDPI, respectively.

Delivering excellence in customer value

Our customer-centric approach to delivering value focuses on providing convenience and superior claims settlement. For our corporate customers, we also focus on direct engagement and customised solutions, which include working with our customers to proactively analyse and mitigate risks.

Based on our approach of being fair, fast and friendly, we have in-housed our claims management process for most of our motor, health and personal accident segments. By adopting technology-enabled solutions, our claims management process empowers customer-facing employees and helps eliminate redundant internal processes.

We also moved our call centre in-house in fiscal 2015, and created a proprietary customer relationship team. The CRT serves as a crucial point of contact for customers to experience our brand and service and helps us create long-lasting relationships. As a result of these measures, our first call resolution rates have increased from 67.8% in fiscal 2015 to 85.3% in fiscal 2017 and to 85.4% for the three months ended June 30, 2017.

We paid 92.2% of our motor own damage insurance claims in fiscal 2017 within 30 days, as compared to an Indian non-life private-sector average of 81.9%. We also paid 99.3% of our health and personal accident insurance claims in fiscal 2017 within 30 days, as compared to an Indian non-life private-sector average of 85.2%, according to the CRISIL Report. For further details, see "Industry Overview – Policies and Claims Settlement" on page 145. We paid 92.4% of our motor own damage insurance claims and 99.8% of our health and personal accident insurance claims for the three months ended June 30, 2017 within 30 days.

The number of grievances received by us reduced from 5,704 in fiscal 2015 to 3,515 in fiscal 2017, despite the increase in number of policies written from approximately 13.9 million to approximately 17.7 million in the same time period. We received 772 grievances for the three months ended June 30, 2017.

Robust risk selection and management framework

We recognise that risk is an integral element of our business and minimising as well as managing risk is essential for shareholder value creation and we believe that our strong risk selection and mitigation capabilities are a significant competitive advantage. We take a holistic approach to risk management, which includes a data-driven risk selection framework, conservative reserving, and quality reinsurance.

Having operated in the industry since fiscal 2002, we have accumulated a wealth of data pertaining to critical risk parameters that has helped us identify favourable product and customer segments and sub-segments. We update such risk parameters based on further loss experience and use these parameters in our underwriting and pricing decisions. For example, in motor insurance, our strategy is to focus on the two-wheeler and private car segments along with an identified preferred sub-segment of commercial vehicles. Our share of losses incurred from each catastrophic event since fiscal 2013 has been in the range of 1.5%-6.2%, while our overall market share, by GDPI, has been higher than 7.8% during the same time period.

As per guidelines issued by the IRDAI, non-life insurers in India are not allowed to discount their reserves. We test our reserves regularly based on new loss experience, claim inflation and other factors. We have been disclosing reserving triangles as part of our annual reports since fiscal 2016.

We have in place a reinsurance policy, which defines the product-wise retention limits on a per-risk and a per-event basis. We use a high-quality panel of re-insurers rated A- (S&P or equivalent international rating) or above, including GIC Re, Scor Re, Munich Re, Hannover Re, Swiss Re, Lloyds, and XL Catlin.

Focus on investments in technology and innovation

We believe that we are at the forefront of leveraging technology in the Indian non-life insurance industry. Our excellence in products and services is backed by a robust technology infrastructure, and user-friendly web and mobile applications for our customers, employees and distributors from sales to claims settlement. We have created a plug-and-play architecture so that we can integrate our systems with distributors quickly.

Our ability to integrate multiple distribution partners seamlessly with our systems and processes has helped increase efficiency in our business. We have directly integrated point of sale systems of certain bus companies, railways and airlines with our policy booking and issuance systems to provide low-coverage travel insurance for their customers. For example, we are one of the three non-life insurance partners of Indian Railway Catering and Tourism Corporation (IRCTC), covering over 300,000 trips per day as of June 30, 2017.

In fiscal 2017, 87.5% of the total approximately 17.7 million policies were initiated electronically, either by our distributors or our customers. This helped improve our employee productivity, measured in terms of GDPI per employee, from ₹ 11.4 million in fiscal 2015 to ₹ 16.6 million in fiscal 2017, representing a CAGR of 20.7%.

Our commitment to technology and innovation is illustrated by the following accomplishments:

- Since fiscal 2012, we have undertaken motor surveys electronically through the use of tablets. In fiscal 2017, 91.4% of our motor own damage claims were surveyed through use of tablets. For the three months ended June 30, 2017, 91.5% of our motor own damage claims were surveyed through use of tablets. We have also enabled motor vehicle service centres to send us video streams through our mobile application so that we can survey claims remotely;
- Our agency application helps our individual agents issue policies to customers on-the-go;
- We have created a mobile application "Risk Inspect" to enable us to conduct virtual risk inspections for fire and engineering policies;
- We use drones for inspecting wind turbine and solar photovoltaic modules to identify defects and improve efficiency;
- We have automated various internal processes through the use of robotics;
- We have set up a programme 'NOVA' to engage with the start-up community. We identify and work with start-ups that provide us with innovative risk mitigation solutions and potential business opportunities;
- We launched a "chatbot" that leverages natural language processing to converse with customers and automatically issue two-wheeler motor insurance policies; and
- We are investing in artificial intelligence and machine learning to help increase operational efficiencies and manage risks effectively.

Strong investment returns on a diversified portfolio

Our investment management philosophy is to earn investment returns commensurate with the risks undertaken, following the principle of capital preservation and a total income approach. Investments are selected based on value investing principles and are diversified so as to minimize the risk of loss.

Our asset allocation strategy ensures liquidity, security and diversification. Our asset mix is determined by two important factors: achieving superior total returns and liquidity management for claim obligations. Our investments from time to time include debt, equities, mutual funds, real estate and other alternative investments. As of June 30, 2017, 30.6% of our total investment assets, by carrying value, were held in government securities, 43.5% in corporate bonds, 15.7% in equities, and the remaining in other investments.

As of March 31, 2017, we had the largest total investment assets among the private-sector non-life insurers in India, according to the CRISIL Report. Our total investment assets increased from ₹ 102.00 billion as of March 31, 2015 to ₹ 164.46 billion as of June 30, 2017. Our investment leverage, net of borrowings, has increased from 3.54x in fiscal 2015 to 4.07x as of June 30, 2017, while our net worth increased by 35.8% over the same period.

We have achieved an annualised total portfolio return (including unrealised gains) of 18.0%, 8.8% and 13.0%, and an annualised realised return of 10.4%, 10.3% and 10.0% for fiscal 2015, 2016 and 2017, respectively. For the three months ended June 30, 2017, our total portfolio return (including unrealised gains) was 3.6% and 14.4% on an annualised basis and realised return was 2.9% and 11.4% on an annualised basis. Since fiscal 2004, our listed equity portfolio has returned an annualised total return of 30.8%, as compared to an annualised return of 17.5% on the benchmark S&P NIFTY index. During the same time period, our equity portfolio outperformed the S&P NIFTY index in all but one fiscal year. For the three months ended June 30, 2017, our listed equity portfolio has returned a total return of 6.9%, as compared to a return of 3.8% on the benchmark S&P NIFTY index.

Superior operating and financial performance

Solvency. We have a strong capital position with a solvency ratio of 2.10x as at March 31, 2017 compared to the IRDAI-prescribed control level of 1.50x, and an Indian non-life private-sector average of 1.95x, according to the CRISIL Report. Our solvency ratio was 2.13x as of June 30, 2017. We have an internal solvency framework wherein risks in excess of a defined threshold impacting solvency are underwritten only with the approval of the Risk Committee of our Board. We were the first non-life insurer in India to issue non-convertible debentures – we raised ₹ 4.85 billion through the issue of our Debentures in fiscal 2017, which are rated AAA (domestic credit rating) by CRISIL Limited and ICRA Limited. This amount is available for the purpose of solvency calculations.

Operating metrics. Our combined ratio has been generally stable, improving from 104.9% in fiscal 2015 to 104.1% in fiscal 2017. During the same time period, our loss ratio improved from 81.4% to 80.6%. For the three months ended June 30, 2017, our combined ratio and loss ratio improved to 102.4% and 78.1%, respectively. We believe that our disciplined operation, coupled with our technology platform, allows us to operate at lower cost than many of our competitors. Our net expense ratio was 23.5% in fiscal 2017 and 24.3% for the three months ended June 30, 2017.

Profitability and return. We have an established track record of delivering annual returns to shareholders and our return on equity has exceeded 15. 6% for each fiscal year since fiscal 2015. Our profit after tax and our return on equity were ₹ 6.42 billion and 17.2%, respectively, in fiscal 2017 and ₹ 2.14 billion and 5.5 % (21.9% on an annualised basis), respectively, for the three months ended June 30, 2017. We paid out 18.0%, 32.0%, 29.5% and 19.1% of our profit after taxes in the form of dividends (including dividend distribution tax) in fiscal 2015, 2016, 2017 and for the three months ended June 30, 2017, respectively.

Experienced senior management team and enabling work culture

Our management team has extensive experience and know-how in the Indian insurance industry. We believe the quality of our management team has been critical to achieving our strong business performance. Our Managing Director and CEO, Bhargav Dasgupta, has been with us for over eight years. He has over 25 years of experience in the insurance and banking sectors. The overall average work experience of our senior management members (including executive directors) is approximately 24 years with eight out of nine members having an average experience of approximately 17 years within the ICICI Group.

We believe that our management's experience is instrumental to our ability to quickly respond to evolving customer needs and market conditions. In addition to our experienced management team, we believe that our enabling work culture is a key factor to our success. Our entrepreneurial culture is reflected by a high level of employee ownership and positive attitude towards accomplishment with speed and efficiency.

Our Strategies

Our objective is to achieve a market leadership position among both public and private-sector non-life insurers in India through profitable growth. In order to achieve our goals, we plan to pursue the following strategies:

Leverage and enhance market leadership

The Indian economy and non-life insurance industry promise strong growth prospects. We intend to capitalize on this market opportunity by implementing the followings measures:

- leverage the competitive advantage provided to us by our scale and our proprietary data sets;
- expand our customer base while maintaining profitability through prudent risk selection;
- expand our offerings of value added services to our customers by having a deeper understanding of the risks faced by the customer;
- leverage our strong brand to reach broader customers segments in different geographical regions; and
- capitalize on the broad network of our distribution partners, including ICICI Bank.

Enhance product offerings and distribution channels

We are constantly looking at new opportunities in all of our insurance segments. We plan to enhance our distribution architecture by expanding our multi-channel distribution, while strengthening existing channels and relationships. We will continue to innovate to design new products and value added services and solutions to cater to the varying needs of our existing and potential customers. We aim to:

- grow our GDPI from insurance policies sold through individual agents as such channel offers significant opportunities for GDPI growth with better combined ratios.
- continue to invest in our retail health segment. We will offer innovative indemnity-based products to a broad base of customers along with independent advisory and health assistance services, thereby increasing the competitiveness and attractiveness of our indemnity-based health insurance products.
- capture increasing opportunities created by the growth in the SME insurance market by enhancing our distribution footprint and providing convenience through increased automation.
- invest in data enrichment and analytics to better cross-sell our individual customers.

Capture new market opportunities

We shall continue to proactively monitor and respond quickly to new market opportunities. Our robust risk management framework, strong reserve position, and healthy solvency ratio give us a competitive advantage when participating in new market opportunities. We:

- have previously been able to quickly react to significant market opportunities and will continue to do so in the future. For example, when the PMFBY programme became operational in fiscal 2017, we grew our GDPI from crop/weather insurance from ₹ 5.93 billion in fiscal 2016 to ₹ 21.51 billion in fiscal 2017. For the three months ended June 30, 2017, our GDPI from crop/weather insurance was ₹ 7.23 billion.

- have set up a dedicated sales team to capture the untapped potential in small towns and rural areas, in light of the low penetration of the Indian non-life insurance market. We shall further develop our virtual offices and other digital capabilities to enhance service to such geographies.

- will continue to monitor both regulatory and market developments in emerging risk segments, including home and cyber insurance, to take advantage of opportunities as and when they arise.

Further improve operating and financial performance

We will continue to focus on improving our operating and financial performance. Our key focus is to reduce our combined ratio, while maintaining robust reserves. We aim to:

- enhance the use of a predictive ultimate loss ratio model to enable the sales force to improve the quality of risk that they select;

- further increase the use of data analytics to improve our pricing, risk selection and claims management processes;

- reduce our net expense ratio by continuing to eliminate, standardise and automate internal processes.

Continue to invest in technology and innovation

Investment in technology has always been a key area of differentiation for us and we plan to continue to invest in this area to further enhance the customer experience. We aim to:

- migrate our entire individual agency network to an end-to-end electronic platform;

- increase the share of policies sold without any human intervention by further investing in our online channel, including by extending the use of chatbots;

- provide personalized experiences for our customers in every aspect of our service, particularly electronic platforms, by utilizing our existing data collected over the years and by partnering with large data providers in online eco-systems;

- continue to work with technology start-ups in areas such as healthcare, agriculture, and logistics to create a risk management ecosystem and generate new business opportunities. These start-ups are focused on prediction and forecasting solutions, detection and monitoring systems, internet of things, and intervention models; and

- increase the utilisation of artificial intelligence and machine learning techniques to improve our risk management and increase operational efficiency.

Products

We have a broad portfolio of insurance products and the following table sets forth the GDPI from each such product for the periods indicated:

Product	For the three months ended June 30, 2017		Fiscal 2017		Fiscal 2016		Fiscal 2015	
	₹ (in bn)	%	₹ (in bn)	%	₹ (in bn)	%	₹ (in bn)	%
Motor:								
Own Damage	7.08	21.3%	27.60	25.7%	25.23	31.2%	21.32	31.9%
Third-party	5.05	15.2%	17.82	16.6%	16.27	20.1%	12.84	19.2%
Total Motor	12.13	36.5%	45.42	42.3%	41.50	51.3%	34.16	51.2%
Health and Personal Accident:								
Health	4.94	14.9%	16.68	15.5%	13.84	17.1%	13.18	19.7%

Product	For the three months ended June 30, 2017		Fiscal 2017		Fiscal 2016		Fiscal 2015	
	₹ (in bn)	%	₹ (in bn)	%	₹ (in bn)	%	₹ (in bn)	%
Personal Accident	1.09	3.3%	3.58	3.3%	2.79	3.4%	2.33	3.5%
Total Health and Personal Accident	6.03	18.2%	20.25	18.9%	16.63	20.6%	15.50	23.2%
Crop/Weather	7.23	21.8%	21.51	20.1%	5.93	7.3%	2.76	4.1%
Fire	3.13	9.4%	7.45	6.9%	6.33	7.8%	5.45	8.2%
Marine	1.17	3.5%	3.41	3.2%	3.00	3.7%	2.46	3.7%
Engineering	0.82	2.5%	2.25	2.1%	1.98	2.5%	1.71	2.6%
Other	2.70	8.1%	6.97	6.5%	5.55	6.9%	4.74	7.1%
Total	**33.21**	**100.0%**	**107.25**	**100.0%**	**80.91**	**100.0%**	**66.78**	**100.0%**

Motor Insurance

Motor insurance in India is broadly divided into two categories: own damage and third-party. Own damage motor insurance protects a vehicle owner from damage or theft to his/her own motor vehicle, and is optional. On the other hand, third-party motor insurance, which protects all third parties from damages suffered due to an accident involving a motor vehicle, must be purchased by every motor vehicle owner in India pursuant to the Motor Vehicles Act, 1988, as amended.

Motor insurance accounted for 51.2%, 51.3% and 42.3% of our GDPI in fiscal 2015, 2016 and 2017, respectively, as compared to 44.4%, 43.9% and 39.4%, respectively, of the non-life insurance industry in India in the same periods, according to the CRISIL Report. Our GDPI from motor insurance increased from ₹ 34.16 billion in fiscal 2015 to ₹ 45.42 billion in fiscal 2017, representing a CAGR of 15.3%. For the three months ended June 30, 2017, our GDPI from motor insurance was ₹ 12.13 billion and accounted for 36.5% of our GDPI in the same period. In fiscal 2017, own damage and third-party motor insurance accounted for 25.7% and 16.6% of our GDPI, respectively. For the three months ended June 30, 2017, own damage and third-party motor insurance accounted for 21.3% and 15.2% our GDPI, respectively.

Segments

Our motor insurance portfolio consists of private motor cars, two wheelers and commercial vehicles. The following table sets forth the GDPI for these segments below for the periods indicated:

Segment	For the three months ended June 30, 2017		Fiscal 2017		Fiscal 2016		Fiscal 2015	
	₹ (in bn)	% of Motor	₹ (in bn)	% of Motor	₹ (in bn)	% of Motor	₹ (in bn)	% of Motor
Private Car	5.94	49.0%	22.54	49.6%	19.64	47.3%	16.29	47.7%
Two Wheeler	4.03	33.2%	14.67	32.3%	12.79	30.8%	10.00	29.3%
Commercial Vehicle	2.16	17.8%	8.21	18.1%	9.07	21.9%	7.87	23.0%
Total	**12.13**	**100.0%**	**45.42**	**100.0%**	**41.50**	**100.0%**	**34.16**	**100.0%**

Private Car Segment

The private car segment is serviced by various channels including our direct sales and broker channels. We distribute our policies to customers of various MVMs, including Maruti. We provide various add-ons to the standard insurance product, including comprehensive coverage (which covers theft, fire and various other kinds of events that damage the car in addition to collision and third-party coverage), zero depreciation coverage (where the policyholder is compensated for the full value of the car that is insured, without taking depreciation into account), roadside assistance and engine protection coverage (which covers engine failure/servicing).

We have adopted a strategy of risk-based pricing and selective sourcing based on a mix of vehicle models and geographies, and we periodically reassess our portfolio mix. Our active risk selection has resulted in a better loss experience from customers who have remained with us.

Two-Wheeler Segment

We distribute our policies to customers of various MVMs operating in two-wheeler segment. In fiscal 2016, we were one of the first private-sector non-life insurers in India to introduce long-term motor insurance for two wheelers, with tenures of two and three years. In fiscal 2017, we issued more than 800,000 of such long-term motor insurance policies for two wheelers, which contributed a GDPI of ₹ 2.56 billion.

Commercial Vehicle Segment

Commercial vehicles consist of goods carrying vehicles, passenger carrying vehicles and construction equipment. The percentage of our GDPI contributed by the commercial vehicle segment has declined from 11.8% in fiscal 2015 to 7.7% in fiscal 2017 and to 6.5% for the three months ended June 30, 2017, as we have focused our efforts on select segments of commercial vehicles. We have designated three-wheelers, pick-up trucks, construction equipment and tractors as "preferred" vehicles, because we have identified them as historically better risks as compared to other classes of commercial vehicles. In fiscal 2017, we have insured over a 100,000 vehicles in this "preferred" vehicle segment.

Third-party Insurance

Every motor vehicle owner in India is required to purchase third-party motor insurance pursuant to the Motor Vehicles Act, 1988, as amended, which protects all third parties from damages suffered due to an accident involving a motor vehicle. Third-party risks were addressed by shared risk pool with every non-life insurer in India having been mandated to assume a portion of such risk until fiscal 2012, when the shared risk pool was dismantled and a declined risk pool was set up. This declined risk pool was also dismantled in fiscal 2016. Each non-life insurer in India is mandated to meet a quota for third-party motor insurance policies written, and the IRDAI sets this quota every year based on a predetermined formula.

Third-party motor insurance differs from the other segments of our business in various ways – each third-party motor insurance policy subjects us to an uncapped liability, there is no time limit for any claims to be made, we are mandated to provide a policy to every customer that requests one, and the premium rates are set by the regulator, rather than being based on our underwriting and pricing methodology. Due to the uncapped liability and no time limit for claims to be made, adequate reserving, investigation of fraudulent claims and proactive settlements are critical in this segment. However, given the long-tail nature of our third-party motor insurance liabilities and the fact that our reserves are not discounted, premium from third-party motor insurance policies remains a part of our total investment assets for a longer duration and helps generates investment returns. See "Risk Factors—Risks relating to our business—Regulation of motor insurance, changes in demand for motor vehicles and any change in the regulatory framework of motor insurance in India could have a material adverse effect on our business, financial condition, results of operations and prospects" on page 36.

The premium rates for third-party motor insurance are set by the IRDAI and reviewed and adjusted every year by them using a prescribed formula which considers cost inflation index, frequency of claims, average claim size and expenses. Given the pricing limitation, we carry out a regular analysis of our third-party motor portfolio and are focussed on risk selection to improve our loss experience. This contributed to an improvement in the loss ratio for our third-party portfolio from 105.8% in fiscal 2015 to 97.4% in fiscal 2017. For the three months ended June 30, 2017, the loss ratio for our third-party portfolio was 97.5%.

Health and Personal Accident Insurance

Health Insurance

Health insurance accounted for 19.7%, 17.1% and 15.5% of our GDPI in fiscal 2015, 2016 and 2017, respectively, as compared to 24.6%, 26.6% and 25.3%, respectively, of the non-life insurance industry in India in the same periods, according to the CRISIL Report. Our GDPI from health insurance increased from ₹ 13.18 billion in fiscal 2015 to ₹ 16.68 billion in fiscal 2017, representing a CAGR of 12.5%. For the three months ended June 30, 2017, our GDPI from Health insurance was ₹ 4.94 billion and accounted for 14.9% of our GDPI in the same period.

Our health insurance portfolio consists of corporate health, mass health and retail health. The following table sets forth the GDPI for these segments below for the periods indicated:

Segment	**For the three months ended June 30, 2017**		**Fiscal 2017**		**Fiscal 2016**		**Fiscal 2015**	
	₹ (in bn)	**% of Health**	**₹ (in bn)**	**% of Health**	**₹ (in bn)**	**% of Health**	**₹ (in bn)**	**% of Health**
Corporate Health	2.40	48.6%	5.43	32.6%	5.53	39.9%	4.70	35.6%
Mass Health	0.22	4.5%	2.20	13.2%	0.74	5.3%	1.47	11.1%
Retail Health	2.32	46.9%	9.04	54.2%	7.58	54.8%	7.01	53.2%
Total	**4.94**	**100.0%**	**16.68**	**100.0%**	**13.84**	**100.0%**	**13.18**	**100.0%**

Corporate health

The corporate health segment consists of policies purchased by corporates, including SMEs, as employee benefits. The GDPI in this segment has increased from ₹ 4.70 billion in fiscal 2015 to ₹ 5.43 billion in fiscal 2017, representing a CAGR of 7.5%. For the three months ended June 30, 2017, our GDPI from this segment was ₹ 2.40 billion. Due to aggressive pricing and increased competition in this segment, we have adopted a strategy of being selective in the risk that we underwrite.

We focus on providing value-added services, including implementation of wellness programmes to incentivise the employees of our customers to improve their health risk profile, introduction of outpatient coverage to help corporate enterprises manage the medical cases, and provision of emergency services in collaboration with a global partner which has a presence in 46 countries across six continents.

Mass Health

The mass health segment consists of our participation in central and state government health programmes. We were amongst the first non-life insurers in India to implement one of the world's largest government health insurance programmes, the Rashtriya Swasthya Bima Yojana (RSBY). This programme provides insurance benefits to low income households and certain defined categories of unorganised workers. Due to the increased pricing pressure in this segment in recent years, we have reduced our focus on this segment, which resulted in a corresponding reduction in our GDPI from this segment, from ₹ 1.47 billion in fiscal 2015 to ₹ 0.74 billion in fiscal 2016, a decrease of 49.7%. While our GDPI from this segment increased to ₹ 2.20 billion in fiscal 2017, this increase was primarily due to a policy issued under the RSBY programme in the state of Kerala in fiscal 2017, which had a premium of ₹ 1.82 billion (the "**Kerala 2017 Mass Health Policy**"). We were subsequently barred from bidding under the RSBY programme in the state of Kerala for a period of one year, beginning September 29, 2016. For the three months ended June 30, 2017, our GDPI from this segment was ₹ 0.22 billion.

See also "Outstanding Litigation and Material Developments— Litigation involving our Company—Litigation filed against our Company— Restraining and debarment order" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Performance Indicators—Loss Ratio" on pages 365 and 350.

Retail Health

The retail health segment consists of sales to individuals. The GDPI in this segment has increased from ₹ 7.01 billion in fiscal 2015 to ₹ 9.04 billion in fiscal 2017, representing a CAGR of 13.6%. For the three months ended June 30, 2017, our GDPI from this segment was ₹ 2.32 billion.

Retail health insurance is broadly divided into two categories: benefit-based and indemnity-based policies. Benefit-based policies provide the policy holder with a fixed sum upon the occurrence of a specific event, such as a diagnosis of a critical illness. Indemnity-based policies, on the other hand, compensate the policy holder for actual health expenses incurred, such as hospitalisation costs and prescription drug costs. In fiscal 2017, benefit-based and indemnity-based policies accounted for 58.0% and 42.0%, respectively, of our GDPI from the retail health segment. For the three months ended June 30, 2017, benefit-based and indemnity-based policies accounted for 61.6% and 38.4%, respectively, of our GDPI from the retail health segment.

We typically sell benefit-based policies through our bank partners and non-banking financial companies ("**NBFCs**"). Our benefit-based products include lump-sum and annuity-based accident related policies, critical illness policies and daily cash policies. We are focused on increasing the proportion of our indemnity-based policies through our agency and bank partner distribution channels.

While we underwrite our retail health insurance products based on various factors, including pre-existing medical conditions and history of illness, we currently price our health insurance products solely on the basis of age. See "Risk Factors—Risks relating to our business—There are certain risks related to our health insurance offering that could have a material adverse effect on our business, financial condition, results of operations and prospects" on page 43. We constantly monitor the hospital networks to control fraud, medical inflation and leakage by efficient network management.

In fiscal 2016, we launched "Health Advisor", an online health platform that helps customers make informed decisions about their healthcare needs based on the reviews and ratings by fellow users. In addition, we have recently started offering a claim service guarantee wherein we assure the customer certain standards in terms of claims servicing and compensate them if we fail to meet such service standards.

Personal Accident Insurance

Personal accident insurance provides benefit-based coverage to policyholders for accidents suffered by them.

Personal accident insurance accounted for 3.5%, 3.4% and 3.3% of our GDPI in fiscal 2015, 2016 and 2017, respectively, as compared to 2.7%, 2.5% and 2.5%, respectively, of the non-life insurance industry in India in the same periods, according to the CRISIL Report. Our GDPI from personal accident insurance increased from ₹ 2.33 billion in fiscal 2015 to ₹ 3.58 billion in fiscal 2017, representing a CAGR of 24.0%. For the three months ended June 30, 2017, our GDPI from personal accident insurance was ₹ 1.09 billion and accounted for 3.3% of our GDPI in the same period.

Our personal accident portfolio consists of corporate (including mass personal accident) and retail segments. The following table sets forth the GDPI for these segments below for the periods indicated:

Segment	For the three months ended June 30, 2017		Fiscal 2017		Fiscal 2016		Fiscal 2015	
	₹ (in bn)	% of Personal Accident	₹ (in bn)	% of Personal Accident	₹ (in bn)	% of Personal Accident	₹ (in bn)	% of Personal Accident
Corporate Personal Accident	0.30	27.1%	0.62	17.5%	0.56	20.2%	0.47	20.2%
Retail Personal Accident	0.80	72.9%	2.95	82.5%	2.22	79.8%	1.86	79.8%
Total	**1.09**	**100.0%**	**3.58**	**100.0%**	**2.79**	**100.0%**	**2.33**	**100.0%**

We have increased our exposure to the retail personal accident segment in recent years with a focus on increasing the number of distribution partners, and increasing sales through our online channel.

Crop/Weather Insurance

Crop/weather insurance is purchased by farmers to protect themselves against reduction in their crop yield or loss of their crops due to natural phenomena like inadequate or excessive rainfall, hailstorm, landslides and variation in temperature and humidity.

Crop/weather insurance accounted for 4.1%, 7.3% and 20.1% of our GDPI in fiscal 2015, 2016 and 2017, respectively, as compared to 7.4%, 5.8% and 16.0%, respectively, of the non-life insurance industry in India in the same periods, according to the CRISIL Report. Our GDPI from crop/weather insurance increased from ₹ 2.76 billion in fiscal 2015 to ₹ 21.51 billion in fiscal 2017, representing a CAGR of 179.3%. For the three months ended June 30, 2017 our GDPI from crop/weather insurance was ₹ 7.23 billion and accounted for 21.8% of our GDPI in the same period. The large growth in fiscal 2017 has been due to the implementation of the PMFBY programme by the central and state governments.

We participate in two major crop-insurance related government programme, the PMFBY and the RWBCIS. While crop/weather insurance may be sold separately, it is mostly offered as an add-on to agricultural loans and sold primarily in relation to the two main crop seasons of India – Kharif and Rabi.

Under the PMFBY programme, central and state governments subsidise yield-based crop insurance for farmers. The programme provides coverage for all food crops, oilseeds, commercial and horticultural crops. Farmers are charged a uniform premium based upon the type of crop and risk-based pricing, and the remaining amount is paid by the central and state governments in equal proportion. Claims are paid based on the yield for a group of farms, as measured by a government-authorised surveyor. In fiscal 2017, we issued policies to over two million farmers each in the Kharif and Rabi seasons, across 10 states and 83 districts. These states, including Madhya Pradesh, Andhra Pradesh, West Bengal, and Uttar Pradesh, were chosen by us on the basis of various criteria, including diversification across agro-climactic zones, avoidance of coastal areas, past yield data and premium payment history.

Under the RWBCIS programme, central and state governments subsidise weather-based crop insurance for farmers. Our weather-based crop insurance product for the RWBCIS provides an index-based cover which protects against variation in specified weather indices such as rainfall, humidity, temperature or a combination of these factors.

See also "Risk Factors—Risks relating to our business—There are certain risks related to our crop/weather insurance offering that could have a material adverse effect on our business, financial condition, results of operations and prospects" on page 30.

Fire Insurance

Fire insurance covers damage or loss to property because of fire, riot, strike, earthquake, storm, flood, and certain other natural catastrophes.

Fire insurance accounted for 8.2%, 7.8% and 6.9% of our GDPI in fiscal 2015, 2016 and 2017, respectively, as compared to 9.5%, 9.1% and 7.5%, respectively, of the non-life insurance industry in India in the same periods, according to the CRISIL Report. Our GDPI from fire insurance increased from ₹ 5.45 billion in fiscal 2015 to ₹ 7.45 billion in fiscal 2017, representing a CAGR of 16.9%. For the three months ended June 30, 2017 our GDPI from fire insurance was ₹ 3.13 billion and accounted for 9.4% of our GDPI in the same period.

Fire insurance risks are typically classified as large, mid-sized and small risks. Large risks are defined as risks with a sum insured of or in excess of ₹ 25.00 billion at one location for property, material damage and business interruption insurance combined. These large risks are typically better managed, sold with better terms and include deductibles that are generally in line with international market standards. Large risks are generally co-insured by multiple non-life insurers in India. Mid-sized risks are typically underwritten by a single insurer and their prices tend to be subject to intense competition. Small risks on the other hand are generally distributed by bank partners and corporate agents and have attractive pricing. We underwrite small risks to reduce the concentration of exposures and diversify our fire insurance portfolio.

Marine Insurance

Marine insurance insures goods that are being transported, by land or by sea, and the insurance of ships, boats and offshore structures.

Marine insurance accounted for 3.7%, 3.7% and 3.2% of our GDPI in fiscal 2015, 2016 and 2017, respectively, as compared to 3.6%, 3.1% and 2.3%, respectively, of the non-life insurance industry in India in the same periods, according to the CRISIL Report. Our GDPI from marine insurance increased from ₹ 2.46 billion in fiscal 2015 to ₹ 3.41 billion in fiscal 2017, representing a CAGR of 17.6%. For the three months ended June 30, 2017, our GDPI from marine insurance was ₹ 1.17 billion and accounted for 3.5% of our GDPI in the same period.

We underwrite marine insurance for both large and mid-sized corporate clients for normal, bulk and project cargo. We have been growing our marine insurance portfolio by focusing on innovative solutions, including loss control consulting and providing customised solutions to clients. To de-risk the concentration of exposures and diversify the overall marine portfolio, we are focused on increasing our SME business. We are doing this by offering convenience in distribution along with risk management services.

Engineering Insurance

Engineering insurance refers to the insurance that provides coverage for risks faced by an ongoing construction project, installation project, and machines and equipment used in such project.

Engineering insurance accounted for 2.6%, 2.5% and 2.1% of our GDPI in fiscal 2015, 2016 and 2017, respectively. Our GDPI from engineering insurance increased from ₹ 1.71 billion in fiscal 2015 to ₹ 2.25 billion in fiscal 2017, representing a CAGR of 14.6%. For the three months ended June 30, 2017, our GDPI from engineering insurance was ₹ 0.82 billion and accounted for 2.5% of our GDPI in the same period.

Our engineering portfolio can be broadly divided into long-term and annual policies. Annual policies consist of contractor's plant and machinery insurance, which covers any unforeseen loss or damage to plant and machinery, necessitating repair or replacement. We focus mainly on long-term policies, which include coverage for infrastructure and industrial erection projects.

Other Insurance

Other insurance refers to insurance products that are not covered by the other categories mentioned above. Some of these products include:

- Travel insurance – covering, among others, medical expenses, trip cancellation, lost luggage, flight accident and other losses while traveling;
- Aviation insurance – insuring the policy holder for, among others, hull losses and for passenger injuries caused by aircraft accidents;
- Credit insurance – insuring the policy holder against bad debts;
- Home insurance – insuring the policy holder against damage to a home caused by perils such as fire, storm, typhoon, lightning, theft, riot, strike and malicious damage;
- Liability insurance – insuring the policy holder against the risk of liability imposed by lawsuits or other similar claims from third parties related to the coverage reasons; and
- Burglary insurance, money insurance, fidelity insurance, baggage insurance, event insurance and art insurance.

Other insurance accounted for 7.1%, 6.9% and 6.5% of our GDPI in fiscal 2015, 2016 and 2017, respectively. Our GDPI from other insurance increased from ₹ 4.74 billion in fiscal 2015 to ₹ 6.97 billion in fiscal 2017, representing a CAGR of 21.3%. For the three months ended June 30, 2017, our GDPI from other insurance was ₹ 2.70 billion and accounted for 8.1% of our GDPI in the same period.

Operating Performance

The following table sets forth our loss ratio, expense ratio and combined ratio by product category for the periods indicated:

Particulars	For the three months ended June 30, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015
Loss Ratio:				
Motor:				

Particulars	For the three months ended June 30, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015
Own Damage	62.2%	64.8%	65.5%	61.6%
Third-party	97.5%	97.4%	97.7%	105.8%
Overall Motor	77.9%	79.2%	80.2%	80.0%
Health and Personal Accident:				
Health	86.0%	97.9%	86.0%	88.8%
Personal Accident	43.8%	41.3%	64.3%	79.7%
Overall Health and Personal Accident	78.6%	90.2%	83.2%	87.9%
Crop/Weather	140.1%	84.2%	140.0%	80.0%
Fire	60.7%	68.4%	64.3%	96.0%
Marine	75.0%	86.3%	94.8%	98.7%
Engineering	52.3%	53.4%	71.4%	74.4%
Other	49.8%	62.2%	69.1%	55.2%
Loss Ratio	**78.1%**	**80.6%**	**81.6%**	**81.4%**
Net Expense Ratio:				
Motor:				
Own Damage	37.9%	33.0%	31.7%	25.7%
Third-party	34.7%	33.0%	33.5%	33.8%
Overall Motor	36.5%	33.0%	32.5%	29.5%
Health and Personal Accident:				
Health	7.0%	5.7%	6.4%	7.9%
Personal Accident	19.2%	23.1%	22.7%	16.8%
Overall Health and Personal Accident	9.2%	8.9%	9.3%	9.3%
Crop/Weather	(10.1)%	(12.1)%	(19.8)%	(25.5)%
Fire	(14.3)%	(10.0)%	(25.3)%	1.0%
Marine	33.4%	34.2%	32.1%	31.2%
Engineering	9.7%	4.1%	(1.8)%	(10.1)%
Other	33.7%	40.3%	41.0%	43.0%
Net Expense Ratio	**24.3%**	**23.5%**	**25.5%**	**23.5%**
Combined Ratio:				
Motor:				
Motor – Own Damage	100.1%	97.7%	97.1%	87.4%
Motor – Third-party	132.2%	130.4%	131.2%	139.6%
Motor	114.4%	112.2%	112.7%	109.6%
Health and Personal Accident:				
Health	93.1%	103.5%	92.5%	96.8%
Personal Accident	63.0%	64.5%	87.0%	96.4%
Health and Personal Accident	87.8%	99.1%	92.5%	97.1%
Crop/Weather	130.0%	72.1%	120.1%	54.5%
Fire	46.4%	58.4%	39.0%	97.0%
Marine	108.4%	120.5%	127.0%	129.9%
Engineering	62.1%	57.4%	69.6%	64.2%
Other	83.5%	102.5%	110.2%	98.3%
Combined Ratio	**102.4%**	**104.1%**	**107.1%**	**104.9%**

Organisation Structure

Our operational structure is designed to cater to our customers, distribution partners and other stakeholders. We have three business groups: retail, corporate and government business.

Retail Group

Our retail group offers a comprehensive set of products and services for our individual and SME customers. These include insurance solutions in the motor, health, personal accident, home and travel segments. Individual and SME customers are served through multiple channels, such as individual agents, direct channel, brokers, and corporate agents which include bank partners and other corporate agents.

The spread and diversity of the Indian market has required us to adopt customised strategies. We have divided the market into two segments – the top 20 cities and other locations in India. We cater to the top 20 cities by adopting a centralised customer industry-focused approach as we believe that there is sufficient similarity between such locations in terms of the demand for insurance products. On the other hand, we cater to the locations other than the top 20 cities by adopting decentralised branch-level strategies, where teams focus on certain products and channels that are appropriate to the needs of the specific market. We have branches in more than 200 cities (other than the top 20 cities) and have more than 5,000 individual agents in such markets.

We use technology to offer our products and services through 140 virtual offices without any physical infrastructure to cater to small and remote locations. These virtual offices may be used by our employees or individual agents, thereby bringing cost efficiencies to the business.

Motor Vehicle Manufacturers

In India, motor insurance is heavily dependent on MVMs for the distribution. MVMs play an important role since customers generally purchase motor insurance along with new vehicles. As a result, we are focused on ensuring a strong presence in such MVM-driven insurance programmes for the dealers. We distribute our policies to customers of over 80% of the MVMs in India in fiscal 2017, by vehicle sales. As a result of this network, we have been able to continue to grow our market-leading position in the motor insurance segment.

These direct or indirect partnerships with MVMs demand constant product innovation and enhancement along with regular efficiency improvement in servicing and support. We have invested in building end-to-end offerings along with the MVMs with various add-ons and support solutions like roadside assistance and guidance to service stations. Digitization initiatives like virtual survey for dealers and mobile-based cashless claims adjustment has helped harness these relationships to a greater extent.

Small and Medium Enterprises

We also service SMEs across various industries through our retail group. The SME segment forms one of the key focus areas for us. The GDPI contributed by SMEs has increased from ₹ 2.24 billion in fiscal 2015 to ₹ 3.35 billion in fiscal 2017, representing a CAGR of 22.4%. The GDPI contributed by SMEs for the three months ended June 30, 2017 was ₹1.32 billion.

As the Indian economy has grown, many SMEs have also started to differentiate between insurers based on the quality of service provided. To capture this market segment, we have put in place a comprehensive SME service channel within our retail group. We offer tailored solutions to cater to the needs of SMEs in India.

Some of our initiatives related to SMEs are listed below:

- Focus on underpenetrated channels such as individual agents;
- Emphasize convenience through technological platforms like mobile inspections, iPartner and "OTC calculator";
- Explore new and emerging locations in non-metro cities for our SME business; and
- Focus on profitable products such as liability insurance and over-the-counter products.

We have also made available value-added services such as marine loss control engineering ("**MLCE**") and property loss prevention exercise ("**PLPE**") to our SME clients that are provided to our corporate clients. In addition, we have created a new platform that allows our SME clients to purchase various insurance products directly from us.

Key Relationship Group

We have established a key relationship group that is tasked with creating partnerships and collaborating in relation to distribution with various banks and financial institutions (excluding the ICICI Group). The key relationship group has established distribution partnerships with 38 banking and financial services institutions.

Corporate Group

Our corporate group caters to large corporate firms across industries and provides customers with customised solutions. It comprises various subdivisions that include:

- the corporate solutions group that provides insurance solutions to large corporations across industries;
- the specialised industry group that caters to large clients in specialised business segments, including customers in the oil & gas, aviation and construction sectors; and
- the international business group that covers international risks of Indian corporate clients.

The corporate group is primarily focused on fire, marine, engineering, health and liability insurance. Our position as one of the leading companies in the corporate segment is reliant on certain key strengths: our focus on direct customer engagement, customised value-added services, proactive claims management, broker relationships and large reinsurance capacities across product lines.

As part of our focus on offering customised solutions to our customers, we have trained our sales personnel to transition from a product-centric to a solution-centric approach, which has further strengthened our relationship with corporate accounts and helps us establish ourselves as a risk management partner, rather than an insurance provider. For instance, we have started MLCE initiatives to control losses of marine insurance customers that have a high frequency of claims. In the fire and engineering insurance segments, we developed a risk solution programme with customers called PLPE, which includes an array of risk mitigation services. These solutions are centred on property risk inspections, benchmarking of the risk and customised solutions for specific industries.

We also regularly organize knowledge-sharing events to keep our customers updated on emerging trends in risk management and new products.

Government Business Group

Our government business group caters to rural India and provides insurance solutions for social initiatives of the central and state governments. In partnership with such governments, we have delivered bespoke solutions to cater to individual needs of the underprivileged and the rural sections of the society. The products designed are simple, affordable and provide coverage for basic risks like a failed crop or a major illness. Currently, we participate in various government programmes, including the PMFBY and RWBCIS (crop insurance) and RSBY (health insurance).

We use technology extensively to facilitate our government business, and in particular, our crop/weather insurance business. This use of technology in this segment enables us to scale the business, manage risks and facilitate fast claims settlement. We have collaborated with government research centre to pilot the use of drones and remote sensing technology for crop yield estimation.

Sales and Marketing

We employ a segment-specific, multi-channel approach to market and sell our products, including through direct, individual agents, bank partners, other corporate agents and brokers. The retail group primarily utilizes bank partners, brokers, individual agents and the online channel for its sales. The primary channels employed by corporate group are the direct and broker channels, while our government business group largely uses the direct channel for its sales.

The following table sets forth our GDPI with respect to each of the channels for the periods indicated:

Distribution Channels	**For the three months ended June 30, 2017**		**Fiscal 2017**		**Fiscal 2016**		**Fiscal 2015**	
	₹ (in bn)	**%**	**₹ (in bn)**	**%**	**₹ (in bn)**	**%**	**₹ (in bn)**	**%**
Direct:								
Online	0.62	1.9%	2.17	2.0%	1.97	2.4%	1.64	2.4%
Others	13.77	41.5%	44.13	41.1%	32.53	40.2%	27.59	41.3%
Direct-Total	14.38	43.3%	46.30	43.2%	34.51	42.7%	29.22	43.8%
Broker	10.90	32.8%	32.66	30.5%	26.05	32.2%	19.00	28.5%
Corporate agents:								
Banks partners	2.02	6.1%	7.24	6.8%	5.96	7.4%	5.78	8.7%
Others	2.34	7.1%	8.14	7.6%	1.45	1.8%	1.42	2.1%
Corporate agents-Total	4.37	13.2%	15.37	14.3%	7.41	9.2%	7.21	10.8%
Individual agents	3.56	10.7%	12.92	12.0%	12.94	16.0%	11.35	17.0%
Total	**33.21**	**100.0%**	**107.25**	**100.0%**	**80.91**	**100.0%**	**66.78**	**100.0%**

Direct

Our direct channel accounted for ₹ 46.30 billion and ₹ 14.38 billion in GDPI in fiscal 2017 and the three months ended June 30, 2017, respectively, which represented 43.2% and 43.3% of our overall GDPI for the same period, respectively.

We use our direct channel for retail and corporate sales and we have one of the largest direct sales force for corporate business among all non-life insurers in India. We believe that direct engagement acts as a significant differentiator in the market and allows us to strengthen relationships with our corporate clients and increases retention rates.

Our direct channel in our corporate group consists of more than 200 experienced and highly qualified employees, as of June 30, 2017, who are equipped with thorough knowledge of insurance products as well as clients' industries. Our direct channel is responsible for client acquisition, retention and servicing. They are tasked with using their close client relationships and industry knowledge to identify insurance opportunities with existing and prospective customers and provide them with solutions. In addition to providing customers with insurance products, our direct channel also works with customers to provide solutions to mitigate risks.

Our corporate clients also have access to a corporate portal for self-service, where they can access details related to their policies, endorsement and claims. Dedicated service desks are available for all clients with high transaction requirements.

Online Channel

Our online channels accounted for ₹ 2.17 billion and ₹ 0.62 billion in GDPI in fiscal 2017 and the three months ended June 30, 2017, respectively, which represented 2.0% and 1.9% of our overall GDPI for the same period, respectively. Our online channel includes online sales and sales through our mobile platform.

In fiscal 2005, we became one of the first non-life insurers in India to sell insurance products online. Through this experience, we have developed expertise in online insurance sales, leveraging search engine optimisation and search engine marketing tools. Our website icicilombard.com had approximately 1.0 million unique visitors in March 2017. Our website is responsive, mobile friendly and works seamlessly across multiple user interfaces. We have also developed a mobile application to sell products and services to our customers. We believe that we are well placed to grow our online channel into one of our largest sales outlet in the coming years.

Broker

Our broker channel accounted for ₹ 32.66 billion and ₹ 10.90 billion in GDPI in fiscal 2017 and the three months ended June 30, 2017, respectively, which represented 30.5% and 32.8% of our overall GDPI for the same period, respectively.

Insurance brokers represent customers that are looking to purchase insurance. Thus, in addition to the direct channel, we work closely with brokers to service corporate and SME clients and customers of MVMs. We also rely on brokers in connection with the enrolment of farmers for the PMFBY crop insurance programme when the farmers' purchase of insurance is not in connection with a loan.

Insurance brokers have a significant presence in the Indian corporate market, and their presence has been increasing consistently over the years. Most corporations appoint insurance brokers to advise them on the optimal insurance programme, place the same with the appropriate insurer and support them with the ongoing servicing requirements. We collaborate closely with most large insurance brokers and have emerged as one of the preferred insurance partners for many such brokers.

Corporate Agents

Bank Partners

Our bank partners channel accounted for ₹ 7.24 billion and ₹ 2.02 billion in GDPI in fiscal 2017 and the three months ended June 30, 2017, respectively, which represented 6.8% and 6.1% of our overall GDPI for the same period, respectively.

We work with five scheduled banks including ICICI Bank, which provide us with access to potential new customers and their distribution network to expand our market reach. As of June 30, 2017 we also work with 19 other bank partners. We offer motor, health, fire, personal accident, engineering and liability insurance to customers of these bank partners through varied means, including their branch network, direct physical sales, online, mobile apps and lead management at point of sales.

While our products are the only non-life insurance products that ICICI Bank currently distributes, ICICI Bank is permitted distribute products of our competitors and most of our other bank partners also work with at least one of our competitors. Consequently, we tailor our offerings through our bank partners to complement their offerings and to cater to their average customer profile. For example, we offer a health benefit product which provides a comprehensive protection plan covering critical illness, personal accident and loss of job to home loan borrowers since it insures the borrower against risks that affect to their ability to pay back their loans, while simultaneously addressing the risk management needs of the bank.

As of June 30, 2017, our bank partners gave us access to 6,211 branches.

Others

Our other corporate agents channel accounted for ₹ 8.14 billion and ₹ 2.34 billion in GDPI in fiscal 2017 and the three months ended June 30, 2017, respectively, which represented 7.6% and 7.1% of our overall GDPI for the same period, respectively.

As of June 30, 2017, we had 27 other corporate agents.

Individual Agents

Our individual agents channel accounted for ₹ 12.92 billion and ₹ 3.56 billion in GDPI in fiscal 2017 and the three months ended June 30, 2017, respectively, which represented 12.0% and 10.7% of our overall GDPI for the same period, respectively.

Insurance agents are independent contractors that exclusively sell our non-life insurance products to individual and SME customers. We have been actively trying to grow our individual agents channel. As of June 30, 2017, we had 20,775 agents as compared to 17,848 as of March 31, 2016. In addition to growing the number of our individual agents, we have leveraged technology to set up virtual offices for our agents. The agent's laptop or tablet functions as their complete office, from which they can track their business, support their customers in relation to claims and manage renewals. We have also developed engagement and training programmes for our agents to upgrade their skills and keep them abreast with the latest developments in the non-life insurance industry in India.

We believe that the opportunities for the individual agents channel are varied and require very different and unique skills. We therefore train and encourage certain agents to specialize in selling particular products or to particular clients. We also reward agents who sell preferred products that have lower predicted loss ratios or are a strategic priority.

Geographical Distribution

The following table sets forth the geographical distribution (on the basis of the source of origination) of our GDPI for the periods indicated:

Location	**For the three months ended June 30, 2017**	**Fiscal 2017**	**Fiscal 2016**	**Fiscal 2015**
	₹ (in bn)			
Maharashtra	8.57	27.99	23.85	19.52
Madhya Pradesh	5.18	14.12	1.79	1.33
Delhi	3.49	8.93	8.29	8.29
Gujarat	2.33	8.08	7.06	5.82
Uttar Pradesh	1.44	6.37	6.47	4.50
West Bengal	1.25	5.96	2.92	2.61
Tamil Nadu	2.02	5.89	4.59	4.20
Karnataka	1.66	5.76	5.21	5.23
Telangana	2.83	5.70	2.58	0.61
Kerala	0.18	2.71	1.33	1.19
Odisha	0.52	2.54	1.07	0.79
Haryana	0.55	2.06	1.95	1.74
Andhra Pradesh	0.50	1.92	1.79	3.19
Bihar	0.42	1.52	1.25	0.99
Rajasthan	0.44	1.44	5.12	1.40
Punjab	0.41	1.38	1.27	1.08
Chandigarh	0.19	0.73	0.88	0.62
Chhattisgarh	0.17	0.62	0.54	1.46
Others	1.04	3.54	2.96	2.23
Total	**33.21**	**107.25**	**80.91**	**66.78**

Underwriting and Pricing

Our underwriting philosophy is aimed at building a profitable book of business through prudent selection of risk as well as meeting the objectives of the customers. Our underwriting process helps us to identify and control risks to ensure that any policy that we decide to issue is within our risk tolerance framework and priced appropriately. We follow a balanced approach that seeks to ensure fairness and convenience to our customers, while being profitable. We periodically review, and where necessary, revise the parameters for products and services based on factors such as evolving market practice, claims experience and reinsurance feedback.

The key characteristics of our underwriting philosophy are as follows:

- offering optimal insurance products to our customers at reasonable cost;
- adapting to customer requirements and changes in the industry;
- leveraging technology to ensure faster and more accurate evaluation of risks;
- continuing appropriate review mechanism to update the underwriting policy and systems on a regular basis;
- maintaining adequate reinsurance protection; and
- building margin rates by limiting management expenses and distributing acquisition costs and promotional costs within different segments.

Following the above philosophy, we have adopted segment-specific policies which are fine-tuned, taking into account the segment's characteristics. Comprehensive underwriting guidelines have been laid down for careful risk selection in each segment and we monitor them on a continuous basis. We apply more stringent underwriting requirements for segments in which we expect higher claims. We also have in place a board-approved solvency margin framework to monitor the solvency margin for large risks that may be underwritten.

The following table sets forth the losses we suffered on catastrophic risks since April 1, 2013:

Catastrophic Event	**Date**	**Place**	**Total Economic Losses**	**Total Loss Incurred by Indian Non-life Insurers**	**Total Loss Incurred by us**	**Our Share of Total Loss Incurred by Indian Non-life Insurers**
			(₹ in bn)			
Floods [1]	Nov-Dec 2015	Tamil Nadu and Andhra Pradesh	144.95	49.40	3.08	6.2%
Cyclone Hudhud	Oct 2014	Odisha and Andhra Pradesh	461.50	41.60	1.03	2.5%
Severe Monsoon Floods	Sep 2014	Jammu and Kashmir	388.05	15.60	0.42	2.7%
Severe monsoon floods	Sep 2014	Assam, Bihar, Meghalaya, Uttar Pradesh and West Bengal	393.30	15.60	-[2]	-[2]
Cyclone Phailin	Oct 2013	Odisha	292.50	6.50	0.21	3.2%
Floods	Jun 2013	Uttarakhand	73.45	33.80	0.51	1.5%
Grand Total			**1,754.35**	**162.50**		

Source: CRISIL Report; Company data for total economic losses and total loss incurred by Indian non-life insurers have been computed from U.S. Dollars using an exchange rate of US$1 = ₹ 65.

(1) *Also referred to as the "Chennai Floods".*

(2) *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.*

We delegate some of our underwriting responsibility and have robust mechanisms on monitoring the same. In delegating underwriting authority, our approach is based on matching the segment and size of the risks with the underwriter's skills and experience. We also train our underwriters on a regular basis to update their skills and assess their skill level to decide on their underwriting authority levels. Large risks are approved by our senior-most underwriters and specialized segments are reviewed by the respective specialist underwriters within our company.

We have adopted review mechanisms to ensure the effectiveness of our underwriting process and analyse various developments. Furthermore, we review the risk evaluation mechanism for each segment of risk in light of new developments in the tools and techniques for risk evaluation, rating factors and emerging risks under that segment.

The pricing of our products is based on various factors, including expense ratios, interests of our customers, our ability to bundle add-on services, competition, historical claim frequency and amounts, projection of future events, IRDAI regulations and strategic considerations.

Reinsurance

We use reinsurance primarily to mitigate risk exposure and obtain technical advice on underwriting and pricing. Our reinsurance programme is a combination of proportional and non-proportional programmes for both conventional and specialty lines of business. The reinsurance programme is structured keeping in mind our philosophy of buying adequate cover in order to protect our balance sheet and reduce volatility of our earnings. We have a well-defined retention limit for each product segment which defines its maximum "per risk" and "per event" exposure.

In the non-life insurance business, natural catastrophes such as floods, earthquakes, and cyclones are considered to be key risks. We use catastrophic risk models to assess the level of catastrophic protection and purchase coverage for a 1-in-250 year return period.

While the reinsurance regulations in India prescribe a minimum financial strength rating of BBB (S&P or equivalent international rating) for reinsurers, we primarily work with reinsurers having a rating of A- or above. The details of premium on reinsurance ceded for fiscal 2017 is set forth below:

S&P or equivalent international rating	Premium Ceded to Reinsurers			%
	Treaty	Facultative	Total	
	(₹ in bn, except percentages)			
> AA	7.92	1.03	8.95	20.5%
A- to AA (1)	29.46	3.61	33.08	75.8%
BBB and Below	0.06	0.01	0.07	0.2%
Domestic Capacity (2)	-	1.56	1.56	3.6%
Total	37.44	6.22	43.66	100.0%

(1) Includes reinsurance ceded to GIC Re

(2) Domestic capacity includes reinsurance ceded to other Indian non-life insurers and does not include reinsurance ceded to GIC Re.

For the three months ended June 30, 2017, the details of premium on reinsurance ceded is set forth below:

S&P or equivalent international rating	Premium Ceded to Reinsurers			%
	Treaty	Facultative	Total	
	(₹ in bn, except percentages)			
> AA	2.37	0.20	2.57	18.8%
A- to AA (1)	9.70	0.91	10.62	77.6%
BBB and Below	0.01	0.00	0.01	0.1%
Domestic Capacity (2)	-	0.48	0.48	3.5%
Total	12.08	1.60	13.68	100.0%

(1) Includes reinsurance ceded to GIC Re

(2) Domestic capacity includes reinsurance ceded to other Indian non-life insurers and does not include reinsurance ceded to GIC Re.

Under IRDAI regulations, we are required to offer domestic reinsurers the right of first refusal for all reinsurance that we cede. Due to such regulations, and the unique attributes of the Indian insurance market, GIC Re is our largest reinsurance partner. However, we have managed to maintain our association with many top global reinsurers, including Scor Re, Munich Re, Hannover Re, Swiss Re, Lloyds, and XL Catlin.

We also write a small amount of reinsurance, which we refer to as "reinsurance inward". This is mainly related to India's nuclear insurance pool and terrorism pool and certain international risks, primarily in the aviation and group health sectors, and arising from foreign operations of Indian companies. In fiscal 2017, we had reinsurance inward premiums of ₹ 2.35 billion as compared ₹ 2.05 billion in fiscal 2016. For the three months ended June 30, 2017, our reinsurance inward premiums were ₹ 0.74 billion. See also "Risk Factors—Risks relating to our business—Any terrorist attack or nuclear disaster in India could have a continuing negative impact on our business" and "Risk Factors—Risks relating to our business—We are also subject to a number of additional risks associated with our business outside India" on pages 45 and 50.

Claims Reserving and Actuarial Practices

Non-life insurers in India are required to establish a liability in their accounts (claim reserves) for the unpaid portion of ultimate costs (including loss adjustment expenses) of claims that been reported but not settled (IBNER) and of claims that have been incurred but not reported (IBNR). We determine our reserves based on actuarial assumptions, methods and models, historical loss experience, adjustments for future trends and actuarial judgment. See "Risk Factors—Risks relating to our business—The actuarial valuations in respect of IBNR and IBNER are not required to be audited and if such valuation is incorrect, it could have an adverse effect on our financial condition" on page 34.

Our appointed actuary is responsible for the assessment of our IBNR and IBNER reserves, which is conducted on a quarterly basis. Our approach is consistent with regulatory guidelines, which do not permit discounting of reserves or negative provisions for any particular year of occurrence derived in accordance with relevant IRDAI regulations and Actuarial Practice Standards issued by the Institute of Actuaries of India.

One of the significant factors involved in estimating the future claims liability is the effect of inflation on claims. The anticipated effect of inflation is implicitly considered when estimating liabilities for unpaid losses and loss adjustment expenses. Estimates of the ultimate value of all unpaid losses are based in part on the development of average paid losses, which reflects inflation. Inflation is also reflected in the reserve estimates established on reported open claims, which, when combined with paid losses, form another basis for the derivation of estimates of reserves for all unpaid losses. We also consider specific factors that may impact losses, such as changing trends in medical costs, minimum wages and other economic indicators, and changes in legislation and social attitudes that may affect the decision to file a claim or the magnitude of court awards.

Reserves Experience

A substantial share of our reserves relate to motor third-party liabilities, which tend to involve longer periods of time for the reporting and settlement of claims. This may increase the inherent risk and uncertainty associated with the loss reserve development. The development of insurance liabilities determines our ability to estimate the ultimate value of claims. The loss development tables (which are also called "reserving triangles") below show the estimate of ultimate losses, including loss adjustment expenses, at the end of each accident (occurrence) year (net of claims to be recovered from reinsurance ceded), and each accident year's provision for losses and loss adjustment expenses in subsequent years. We have been disclosing reserving triangles as part of our annual reports since fiscal 2016. See "Risk Factors—Risks relating to our business—Our loss reserves are based on estimates as to future claims liabilities and if they prove inadequate, it could lead to further reserve additions and materially adversely affect our results of operations" on page 22.

This estimate of losses and their corresponding provision are increased or decreased as more information becomes known about the development of losses for each accident year. The increase or decrease is reflected in the operating results during the period in which the estimate is changed. The accident year's outstanding provisions reflect remaining unpaid claims for us pertaining to the accident year, but that are yet to be settled. The following are a combination of our IBNR and IBNER provisions:

Incurred losses and allocated expenses (Ultimates movement):

As at March 31, 2017	Prior	AY 07-08	AY 08-09	AY 09-10	AY 10-11	AY 11-12	AY 12-13	AY 13-14	AY 14-15	AY 15-16	AY 16-17
	(₹ in bn, except percentages)										
End of First Year	14.57	9.75	12.85	15.13	20.66	22.53	27.97	35.96	34.16	39.13	49.49
One year later	15.48	10.43	13.24	15.23	20.44	21.97	27.02	34.63	33.95	38.58	
Two years later	15.72	10.73	13.03	15.39	20.41	21.74	26.52	34.37	33.53		
Three years later	15.89	10.88	13.21	15.52	20.36	21.85	26.40	34.29			
Four years later	15.96	11.17	13.35	15.55	20.47	21.83	26.46				
Five years later	16.12	11.41	13.39	15.66	20.48	21.81					
Six years later	16.42	11.43	13.46	15.91	20.53						
Seven Years later	16.49	11.71	13.53	15.96							
Eight Years later	16.70	11.77	13.50								
Nine Years later	16.82	11.87									
Ten Years later	16.87										
Deficiency/ (Redundancy) (%)	15.8%	21.7%	5.0%	5.5%	(0.6)%	(3.2)%	(5.4)%	(4.6)%	(1.8)%	(1.4)%	

Note: AY: Accident Year.

Unpaid losses and loss adjustment expenses:

As at March 31, 2017	Prior	AY 07-08	AY 08-09	AY 09-10	AY 10-11	AY 11-12	AY 12-13	AY 13-14	AY 14-15	AY 15-16	AY 16-17
	(₹ in bn)										
End of First Year	3.24	3.65	4.81	5.31	7.18	7.98	12.01	17.32	17.10	20.44	26.84
One year later	1.78	1.64	1.61	1.83	2.67	3.33	6.11	9.70	11.58	14.06	
Two years later	1.28	1.20	0.85	1.34	2.00	2.46	4.72	7.92	9.61		
Three years later	1.04	0.99	0.73	1.15	1.58	2.12	3.84	6.73			
Four years later	0.83	0.95	0.71	0.97	1.39	1.76	3.39				
Five years later	0.72	0.93	0.62	0.90	1.13	1.47					
Six years later	0.80	0.74	0.59	0.83	1.00						
Seven Years later	0.70	0.85	0.59	0.76							
Eight Years later	0.78	0.75	0.50								
Nine Years later	0.74	0.69									
Ten Years later	0.70										

Note: AY: Accident Year.

The accident year losses and expenses in the above tables, as well as the reserves outstanding, do not include the erstwhile IMTPIP or the IMTPDRP arrangements, which have been dismantled.

The following are a combination of IBNR and IBNER provisions in respect of the policies underwritten by us from fiscal 2008 to 2012 which we ceded to the IMTPIP and which were retroceded to us upon the dismantling of the IMTPIP:

Incurred losses and allocated expenses (ultimates movement):

As at March 31, 2017	AY 07-08	AY 08-09	AY 09-10	AY 10-11	AY 11-12	AY 12-13
	(₹ in bn, except percentages)					
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	
Six years later	2.61	6.46	5.96	4.99		
Seven Years later	2.86	6.55	6.05			
Eight Years later	2.95	6.69				
Nine Years later	3.00					
Deficiency/ (Redundancy) (%)	15.2%	8.5%	4.2%	11.2%	14.5%	0.9%

Note: AY: Accident Year.

Unpaid losses and loss adjustment expenses:

As at March 31, 2017	AY 07-08	AY 08-09	AY 09-10	AY 10-11	AY 11-12	AY 12-13
	(₹ in bn)					
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	
Six years later	0.63	1.89	1.56	1.19		
Seven Years later	0.72	1.50	1.26			
Eight Years later	0.65	1.23				
Nine Years later	0.55					

Note: AY: Accident Year.

Customer Service

Superior customer service is an integral part of our value proposition to our customers. We believe that an easy and simple on-boarding process, efficient service delivery, and robust claims management and grievance redressal processes are the key elements of our service proposition.

Customer Relationship Team

In keeping with our aim to be a truly customer-centric service provider, we decided to "in house" our customer call centre, which we refer to as the CRT, in fiscal 2014. Today, the CRT serves as a crucial point of contact for customers to experience our brand and service and helps us create long-lasting relationships with our customers. The CRT operates from two locations – Mumbai and Hyderabad – providing it the flexibility to handle a large number of customers and to maintain continuity of operations.

Our customer service is guided by the principle of being fair, fast and friendly. We have built technology to enable our customer relationship managers (the "**CRMs**") to have a "360 degree" view of the customer when speaking to a customer on a call. This 360 degree view includes details of the policy, prior customer interactions, claims, payments and all communication that has been sent or received from the customer to or by us.

At the CRT, we train our CRMs to ensure that they are equipped to provide comprehensive service to our customers in a time efficient manner. Besides technical training, our CRMs are educated about our brand, culture and values so that they can truly deliver comprehensive service consistent with our principles.

We have set up a priority desk at the CRT. The priority desk is a team of high skilled CRMs, handpicked based on their product knowledge and excellent customer service skills to provide comprehensive resolutions to customers for critical or overdue cases. In addition, we have set up a repeat call desk (the "**RCD**") to reduce customer repeat calls. The RCD receives calls from customers that have called more than once in a specified time period and aims to swiftly resolve their problem. We believe that the RCD has been a successful initiative as evidenced by the reduction in the number of repeat calls the CRT receives from 4.0% in fiscal 2016 to 3.3% in fiscal 2017 and to 2.87% for the three months ended June 30, 2017.

Due to the above measures, our first call resolution rates have increased from 67.8% in fiscal 2015 to 85.3% in fiscal 2017 and to 85.4% for the three months ended June 30, 2017. Our CRT has been chosen as the Contact Centre of the Year (over 100 seats) in the Business Services & Financial Services Industries category by Stevie Awards in 2017 – Bronze category.

The following table sets forth our net promoter score, based on internal surveys, for the periods set forth therein:

Product	Type	Fiscal 2015	Fiscal 2016	Fiscal 2017	For the three months ended June 30, 2017
Motor – Own Damage	Motor Purchase	12	29	42	45
	Claims Cashless	39	42	44	43
Health	Health Purchase	-3	11	21	27
	Claims Cashless	29	44	51	54

Claim Settlement

We have an in-house team to survey motor own-damage, health and personal accident, and marine insurance claims. Our claims management operations and overall customer service depend on broad IT support in all stages. In addition to IT platforms, we also rely on a highly skilled claims management team with various experts, including more than 100 doctors and 600 engineers. This has helped us improve operational efficiency by streamlining business processes and increasing the speed of claims settlement. We have leveraged this increased operational efficiency to become one of the first non-life insurers in India to provide claim service guarantees in connection with certain cashless health insurance products, where we guarantee a response to a claim within a specified time period.

We are among the leaders in the area of claims settlement across product lines in terms of the time taken to pay claims and low level of repudiation. We paid 92.2% of our motor own damage insurance claims in fiscal 2017 within 30 days, as compared to an Indian non-life private-sector average of 81.9%. We also paid 99.3% of our health and personal accident insurance claims in fiscal 2017 within 30 days, as compared to an Indian non-life private-sector average of 85.2%, according to the CRISIL Report. For further details, see “Industry Overview ‑ Policies and Claims Settlement” on page 145. We paid 92.4% of our motor own damage insurance claims and 99.8% of our health and personal accident insurance claims for the three months ended June 30, 2017 within 30 days.

Our claim settlement services have received several awards, including being named a “Claim Service Leader” at the Indian Insurance Awards in 2016.

Internal Control and Loss Minimisation

Our internal control and loss minimisation (“**ICLM**”) team was established in fiscal 2006 to exercise control on various processes prone to fraud risks and to keep check on various forms of fraud. We have implemented policies and procedures to ensure the proper and efficient functioning of our business. Specifically, the ICLM team is tasked with the prevention, detection and correction of irregularities and frauds, the inspection of claims and premium related leakage, and the provision of support to our claims team with loss minimisation efforts. In addition, the work flow of ICLM is largely automated and connected with our base claim systems. Based on our many years of experience, we have identified various triggers and patterns of fraud and anomaly behaviours which have been synced into various base systems to raise alerts in real time during claims processing. Our ICLM team also facilitates the recovery of salvage value from property through online auctions in cases where replacement value is paid to the customers pursuant to a claim. The recovery of salvage value helps in loss minimisation and a consequent reduction in our claims ratio.

See also “Risk Factors—Risks relating to our business—If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be materially and adversely affected” on page 39.

Grievances

Our grievance policy aims at addressing grievances in a fast and sensitive manner. We have improved our grievance resolution processes through detailed root cause analysis and subsequent closure of process gaps. Each customer complaint is given utmost attention by a dedicated team to help find an appropriate resolution. Whenever we identify gaps in our resolution process, we take measures to fix the shortcomings to prevent any recurrence in the future.

We undertake a lifecycle tracking of customer claims from initiation to settlement/repudiation. All repudiations which result in litigation are tracked for their win/loss result. Lost cases are analysed and used to re-calibrate our repudiation process.

Our service quality is reflected in the low grievance ratio among our individual customers. Our grievance to policy ratio improved from 0.04% in fiscal 2015 to 0.02% in fiscal 2017 and to 0.01% for the three months ended June 30, 2017.

For details in relation to the complaints filed by our customers, see "Risk Factors—Risks relating to our business—We, some of our Directors, our Promoter and certain Group Companies are involved in certain legal and other proceedings" on page 24.

Investments

Normally, non-life insurers in India receive premiums upfront and claims are incurred and settled later including, in some cases like third-party motor insurance claims, over years. The time lag between the receipt of such premiums and the actual payment of claims creates investable assets, which is normally referred to as "float" in industry parlance. Float is an important financial characteristic that is unique to the non-life insurance industry and the size of our float is critical to our financial condition and results of operations. In addition to such investable assets from insurance underwriting, our total investment assets are built up through the float generated from shareholders' capital and other forms of capital, such as the Debentures issued by us.

We define investment leverage as the ratio of our total investments assets to our net worth. We believe that investment leverage is a good metric to assess our ability to generate investment income. The following table sets forth our total investment assets and investment leverage for the periods indicated:

	As at June 30, 2017	As at March 31,		
		2017	2016	2015
	(₹ in bn, except for investment leverage)			
Total investment assets	164.46	150.79	115.63	102.00
Net worth	39.19	37.25	32.35	28.85
Borrowings	4.85	4.85	—	—
Investment leverage (1)	4.07x	3.92x	3.57x	3.54x

(1) Investment leverage is computed net of borrowings

Our investment leverage, net of borrowings has increased from 3.54x in fiscal 2015 to 3.92x in fiscal 2017. During the same period, we have grown our total investment assets from ₹ 102.00 billion in fiscal 2015 to ₹ 150.79 billion in fiscal 2017, which represents a CAGR of 21.6%. As of June 30, 2017, our investment leverage, net of borrowings was 4.07x, and total investment assets were ₹ 164.46 billion.

Investment Strategy

Our investment strategy is to earn investment returns commensurate with the risks undertaken, following the principle of capital preservation and a total income approach. Our investment strategy is also governed by internal norms of exposure and regulatory guidelines. See "Regulations and Policies—Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016" on page 182. Applicable regulations restrict the proportion of funds that can be allocated to specified types of investments. We select investments based on value-investing principles and diversify our portfolio to reduce the risk of loss. Investments are considered from a longer-term perspective without regard for strategies such as timing, momentum, rotation or indexing. Our asset allocation is determined by claim obligations and the availability of investment opportunities, and our asset allocation strategy is driven by factors such as liquidity, security, diversification and expected returns.

Our investment management is governed by the guiding principles set by an investment policy reviewed bi-annually by our Board. The investment policy lays down, among other things, the asset allocation strategy to ensure financial liquidity, security and diversification. The implementation of our investment policy is overseen by the Investment Committee of the Board, which also has the responsibility of reviewing the investment strategies and amending counterparty/intermediary exposure norms from time to time.

Composition

Our total investment assets include debt, equities, mutual funds, real estate and other alternative investments. As of June 30, 2017, 30.6% of our total investment assets, by carrying value, were held in government securities, 43.5% in corporate bonds, 15.7% in equities and the remaining in other investments. We also monitor and limit our exposure to any single non-government counterparty to less than 5% of our total investment assets, by carrying value, without the specific approval of our Investment Committee. While we have a few counterparties where our total exposure exceeds 5% of our total investment assets, by carrying value, such exposure does not exceed 10% in any case. Our internal exposure norms are more conservative than the limits allowed under the applicable regulations.

The following table sets forth the composition of our funds, by carrying value, at the dates indicated:

Security Type	As at June 30,		As at March 31,					
	2017	%	2017	%	2016	%	2015	%
	(₹ in bn, except for percentages)							
Fixed Income								
Government Securities	50.38	30.6%	44.84	29.7%	46.09	39.9%	38.18	37.4%
Corporate Bonds	71.56	43.5%	63.05	41.8%	42.35	36.6%	41.02	40.2%

Security Type	As at June 30,		As at March 31,					
	2017	%	2017	%	2016	%	2015	%
	(₹ in bn, except for percentages)							
Certificates of Deposit and Commercial Paper	5.37	3.3%	6.71	4.5%	5.65	4.9%	7.23	7.1%
Fixed Deposits	0.25	0.2%	1.38	0.9%	1.48	1.2%	1.97	1.9%
Reverse Repo	0.00	0.0%	0.00	0.0%	0.00	0.0%	0.42	0.5%
Mutual Funds	9.28	5.6%	7.35	4.9%	2.74	2.4%	0.96	0.9%
Equity	25.80	15.7%	25.67	17. 0%	15.68	13.6%	10.59	10.4%
Real Estate	1.44	0.9%	1.45	1.0%	1.37	1.2%	1.40	1.4%
Alternative Investments								
Venture Capital Fund and Securitized Receipts	0.38	0.2%	0.34	0.2%	0.27	0.2%	0.23	0.2%
Total	**164.46**	**100.0%**	**150.79**	**100.0%**	**115.63**	**100%**	**102.00**	**100%**

Fixed Income

Our fixed income portfolio consists of central and state government securities, treasury bills issued by the Reserve Bank of India, corporate debentures and bonds, reverse repo and mutual funds. Fixed income securities are not marked to market in the profit and loss account statement and for the purposes of determining solvency levels, allowing us to take a medium to long-term view in connection with our investments. We aim to maintain a fixed income portfolio of high asset quality. We have not had any defaults or delayed payments in our fixed income portfolio.

The following table sets forth the credit ratings of our fixed income portfolio, by carrying value, at the dates indicated:

Domestic Rating	As at June 30,		As at March 31,					
	2017	%	2017	%	2016	%	2015	%
	(₹ in bn, except for percentages)							
AAA	54.24	39.6%	57.26	46.4%	39.30	40.0%	41.60	46.3%
AA or AA+	22.70	16.6%	12.00	9.7%	7.70	7.8%	6.05	6.7%
AA-	0.00	0.0%	0.50	0.4%	1.00	1.0%	0.60	0.7%
Unrated – Sovereign	50.38	36.8%	44.84	36.4 %	46.09	46.9%	38.18	42.5%
Unrated – Fixed Deposits, Reverse Repo and Mutual funds	9.53	7.0%	8.73	7.1%	4.22	4.3 %	3.35	3.8 %
Total	**136.85**	**100.0%**	**123.33**	**100.0%**	**98.31**	**100.0%**	**89.78**	**100.0%**

The duration of our fixed income assets is varied, with our corporate bonds typically having a lower duration than that of our government securities. The following table sets forth our fixed income assets, by carrying value, based on their maturity dates as at the dates indicated:

Maturity	As at June 30,		As at March 31,					
	2017	%	2017	%	2016	%	2015	%
	(₹ in bn, except for percentages)							
Up to one year	20.17	14.7%	19.40	15.7%	12.42	12. 7%	12.12	13.5%
More than one year and up to three years	11.20	8.2%	10.95	8.9%	5.45	5.5%	11.51	12.8%
More than three years and up to seven years	26.02	19.0%	13.68	11.1%	9.19	9.3%	7.60	8.5%
More than seven years and up to 10 years	56.28	41.1%	40.96	33.2%	24.54	25.0%	11.55	12.9%
Above 10 years	23.18	16.9%	38.34	31.1%	46.71	47.5%	47.00	52.3 %
Total	**136.85**	**100.0%**	**123.33**	**100.0%**	**98.31**	**100.0%**	**89.78**	**100.0%**

Our fixed income asset allocation broadly takes into account the following objectives:

- to ensure adequate allocation to money market instruments and instruments maturing under 365 days so that any unexpected obligations may be met without exposing our investments to market risk;
- to generate returns over and above the prevailing inflation in the economy;
- to ensure that it is unlikely that long-duration instruments have to be liquidated to meet claim obligations;
- to minimize reinvestment risks;
- to maximize post-tax returns;

- to ensure reasonable credit spreads commensurate with credit risks; and
- to match assets to liabilities.

Equities

We invest in equities with the objective of long-term returns and our approach to equity investing is based on value-investing principles. We select our equity investments through a bottom-up approach, investing in specific equities when an opportunity for value presents itself with adequate downside protection. Equities are marked-to-market for the purposes of determining solvency levels, but not in the profit and loss account, and are generally considered a riskier asset class than fixed income. However, we consider equities as an important segment of our total investment assets as it offers us the ability to compound investment returns with least reinvestment risks if held for a longer term. While we mostly invest in publicly listed securities, a small proportion of our equity investments are in unlisted equities. We cap our exposure to equities at the lower of a proportion of our total investment assets and a proportion of our net worth.

Real Estate

The IRDAI investment regulations permit us to invest up to 5% of our total investment assets in real estate. We utilize real estate investments to diversify our investment portfolio and serve as a partial hedge against long-term inflation. We have invested in commercial assets which provide rental income and possible capital appreciation over time. As at June 30, 2017, 0.9% of our total investment assets, by carrying value, were in real estate.

Alternative Investments

We have minimal exposure to alternative investments, which include private equity funds, venture capital funds, real estate funds and securitized receipts. We utilize alternative investments to diversify our investment portfolio, with a view towards long-term gains. We cap our investments in such assets to 5% of our total investment assets, by carrying value, under our Investment Policy. As at June 30, 2017, 0.2% of our total investment assets, by carrying value, were in such alternative investments.

Investment Performance

The following table sets forth the investment income and return for periods indicated:

Particulars	For the three months ended June 30, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015
	(₹ in bn, except for percentages)			
Realised investment income	4.65	13.10	11.57	9.61
Realised return (annualised)	11.4%	10.0%	10.3%	10.4%
Total portfolio return (including unrealised gains) (annualised) (1)(2)	14.4%	13.0%	8.8%	18.0%
Total listed equity return (including unrealised gains)	6.9%	32.3%	4.6%	65.9%

(1) Excludes unrealised gains or losses on real estate and unlisted equity

(2) Total return computed using the modified Dietz method

Our long term oriented total return approach has produced consistent investment performance across interest rate and equity market cycles.

Since fiscal 2004, our listed equity portfolio has generated (including unrealised gains) a total annualised return of 30.8%, as compared to a return of 17.5% on the benchmark S&P NIFTY index. During that time period, our equity portfolio outperformed the benchmark S&P NIFTY index in all but one fiscal year. For the three months ended June 30, 2017, our listed equity portfolio has generated (including unrealised gains) a total return of 6.9%, as compared to a return of 3.8% on the benchmark S&P NIFTY index.

We believe that our total return approach allows us build a stronger financial position over time and enhances our ability to allocate investments to long-term assets, including equities and real estate. The unrealised gains in our listed equity and fixed income portfolio amounted to ₹ 11.00 billion, ₹ 4.56 billion, ₹ 10.01 billion and ₹ 10.88 billion as at March 31, 2015, 2016, 2017 and June 30, 2017 respectively.

There have been no instances of default in our fixed income portfolio and the fixed income instruments that we own have had their credit rating downgraded only six times.

Risk Management

We recognise that risks are an integral element of our business and managed acceptance of risk is essential for the creation of shareholder value. We have established a company-wide risk management framework. Our acceptance of risk is dependent on the return on risk-adjusted capital and consistency with our strategic objectives. For a description of the risks relating to our business, see "Risk Factors—Risks relating to our business" on page 22.

Risk Management Framework

The objective of our risk management framework is to ensure that various risks are identified, measured, mitigated and that policies, procedures and standards are established to address these risks for systemic response and adherence.

The risk management framework is designed, governed, reviewed and monitored by a risk management committee, whose functions include assisting the Board in the effective operation of our risk management programme by performing specialised analysis and quality reviews, maintaining a group-wide and aggregated view on our risk profile in addition to the solo and individual risk profile, reporting details of risk exposures to the Board and the actions taken to manage such exposures, advising the Board with regard to risk management decisions in relation to strategic and operational matters, reviewing outsourcing guidelines, reviewing our risk-reward performance and their alignment with overall policy objectives, periodically reviewing our solvency position, reviewing regular updates on business continuity, reviewing our risk management and operational risk related policies/frameworks, including the fraud monitoring policy and framework and the anti-fraud policy and framework, and reviewing and recommending appropriate policy to the Board as may be prescribed by the IRDAI from time to time.

The broad structure of our risk management framework is as follows:

- Risk identification, assessment and mitigation process;
- Risk management and oversight structure; and
- Risk monitoring and reporting mechanism.

As part of the our enterprises risk management exercise, critical risks along with the detailed mitigation plan are presented to our risk management committee on a quarterly basis. The risk mitigation plans are monitored regularly by us to ensure their timely and appropriate execution. We further measure each of our risk items against a set of predefined tolerance levels. These levels and the subsequent tolerance scores are classified as high, medium and low risk respectively. The risks are further monitored on a quarterly basis by using a heat map based on probability and severity. A risk register is maintained to capture the inventory of risks that we are exposed to along with mitigation and corrective action plans. Our risk management committee is updated on the progress of such plans on a quarterly basis.

Our senior management is responsible for periodic review of the risk management process to ensure that the process initiatives are aligned to the desired objectives. Our internal audit department is responsible for the review of our risk management process and self-assessments of risk management activities. Further, compliance testing is done on a periodic basis and our risk management committee is kept appraised of the outcome of the same.

Our reinsurance programme defines the retention limit for various classes of products. Further, we have in place a risk retention reinsurance philosophy, which defines the product-wise retention limits on a per-risk basis as well as a retention limit on a per-event basis. Our underwriting policy also defines product wise approval limits for various underwriters while our investment policy lays down the asset allocation strategy to ensure financial liquidity, security and diversification.

We also have in place a capital adequacy and liquidity management framework and an asset liability management policy. These policies ensure maintenance of adequate level of capital at all times to meet diverse risks related to market and operations. Our operational risk policy on the other hand defines the tolerance limits and lays down the framework for monitoring, supervision, reporting and management of our operational risks.

We stress test and assess the overall impact of different stress scenarios on our financial position. While these tests do not predict what will happen, we believe that they are useful for examining what might happen.

Our risk management framework is overseen by our risk management committee and we have a Chief Risk Officer who is responsible for the implementation and monitoring of the framework.

Enterprise-wide Risks and Mitigation Strategy

We have identified enterprise-wide risks, which are categorised under five broad groups – credit risk, market risk, underwriting risk, operational risk and strategic risk.

Credit Risk

Risk: Credit risk is the risk of loss resulting from the failure of our obligors or counterparties to perform or timely perform their contractual obligations or the deterioration in the credit profile of relevant parties. Credit risk arises predominantly with respect to investments in debt instruments, insurance contract receivables, recoverable from reinsurers and receivables from counterparties. See "Risk Factors—Risks relating to our business—Credit risks in our day-to-day operations, including in our reinsurance contracts, may expose us to significant losses" and "Risk Factors—Risks relating to our business—Credit risks related to our investments may expose us to significant losses" on pages 34 and 38.

Mitigation Strategy: We have a long-term investment philosophy, with investments in accordance with prudential norms prescribed by the IRDAI. We invest a high proportion of our fixed income portfolio in sovereign or domestically AAA rated securities and try to limit our exposures to a single issuer to 5% of our overall investment portfolio. As at June 30, 2017, 76.4% of our fixed income portfolio (including mutual funds), by carrying value, was comprised of sovereign or domestically AAA rated securities.

We also believe that our reinsurance exposure is well balanced with proportional and catastrophic insurance contract and we place a significant portion of our reinsurance with reinsurers rated A- (S&P or equivalent international rating) or higher. For fiscal 2017, over 95.0% of our reinsurance was placed with such reinsurers.

Market Risk

Risk: Market risk is the risk of a firm's sensitivity to adverse changes in values of financial instruments resulting from fluctuations in foreign currency exchange rates, interest rates, property prices and equity prices. While a majority of our investment assets are invested in fixed income assets, we also have exposure to foreign currency exchange rates, property prices, equity prices and certain other rates. We also face some liquidity risk since some of our investments are in illiquid assets. See "Risk Factors—Risks relating to our business—Our investment portfolio is subject to liquidity risk which could decrease its value" on page 50.

Mitigation Strategy: We diversify our total investment assets to reduce the impact of adverse market movements on our whole investment portfolio. In addition, most of our assets are held in fixed income assets whose value does not fluctuate with market rates as we are only required to recognise realised losses. To counter movements in foreign currency exchange rates, we have arrangements in place to purchase foreign exchange hedging instruments.

We allocate a certain portion of our total investment assets to money market instruments and instruments maturing under 365 days so that any unexpected sudden obligations may be met without exposing our investments to market risk. We also believe that we are in a position to liquidate a substantial portion of our investment portfolio within 15 days, without suffering significant losses due to such sales. Additionally, most of our reinsurance contracts provide us with an option to draw on "cash calls" from reinsurers in the case of a large claims, thereby mitigating liquidity risk.

Underwriting Risk

Risk: Underwriting risks includes risks stemming from the underwriting process or the failure thereof. These risks include, among others, the risk of mispricing, under-reserving, suffering a catastrophe and concentration. See "Risk Factors—Risks relating to the Indian insurance industry—Adverse changes in the reinsurance markets could have a material adverse effect on our business, financial condition, results of operations and prospects, and we are exposed to the risk that our reinsurers may not perform their obligations" on page 56.

Mitigation Strategy: To manage our exposure to pricing risk, we have established an underwriting policy which dictates our approach towards product offering and selection, the evaluation of risks, the pricing approach and the delegation of underwriting authority. We have also adopted risk-based pricing across various product lines and have a risk retention framework to contain concentration risk. To manage our reserve risk, we use proprietary and commercially available actuarial models, as well as historical loss development patterns, to assist in the establishment of appropriate claim reserves. In addition, we review the adequacy of our reserves on a quarterly basis.

We also purchase catastrophic reinsurance based upon our risk retention policy. We use a modelling technique to simulate various disaster scenarios, periodically stress test our exposure, and aim to keep our exposure well diversified across geographies and product lines.

Operational Risk

Risk: Operational risks are risks related to operational execution and include, among others systems risk, fraud risk, legal risk, compliance risk, process risk and outsourcing risk. See "Risk Factors—Risks relating to the Indian insurance industry—There are operational risks associated with the non-life insurance industry which, when realised, may have a material adverse effect on our business, financial condition, results of operations and prospects" on page 57.

Mitigation Strategy: We have adopted an operational risk policy, an anti-fraud policy, a whistle-blower policy and an information security policy, each of which has been approved by the Board and addresses a different type of operational risk. We periodically capture risk incidents for different units, perform a root cause analysis for all risk incidents and maintain a risk register that is monitored periodically. We have a policy approval committee that periodically reviews our processes for quality and compliance. We also report any operational risk incidents that occur to our risk committee on a quarterly basis.

Strategic Risk

Risk: Strategic risks are risks the implementation of our business strategy. The strategic risks are varied but include, among others, reputation risk, regulatory risk, solvency risk, competition risk, and downgrade risk. See "Risk Factors—Internal Risks" on page 22.

Mitigation Strategy: We monitor key strategic risks while monitoring key day-to-day business risks. We regularly monitor new regulations and regulatory actions, our reputation risk, our competitive landscape, our solvency position and our claims paying ability.

Compliance

Our Board, through the Audit Committee, oversees our compliance framework. We have formulated various internal compliance policies and procedures, including a compliance policy, code of conduct, code of business conduct and ethics, policy against sexual harassment at workplace, professional workplace conduct, anti-bribery and anti-corruption policy, whistle-blower policy and code of conduct for personal investments. These policies ensure compliance with relevant laws and applicable regulatory guidelines issued by the relevant regulatory, statutory and enforcement authorities from time to time.

Our compliance function creates company-wide awareness regarding relevant laws, regulations and circulars on requirements by the IRDAI related to the non-life insurance industry and on other matters such as anti-money laundering, and monitors the adequacy of our compliance framework. We have a standard process of identifying and addressing compliance risks in a systematic manner through appropriate policies and procedures and regular review of their compliance.

Information Technology

We believe that our information technology capability is critical to the efficient operation and performance of our business and one of the key contributors to our success as well as our future growth. Our excellence in products and services is backed by a robust technology infrastructure, user-friendly web and mobile applications and customer-centric support structure. Our focus on digitisation and transformation of our sales, customer on-boarding and internal processes, has led to a cultural change within our organisation. Important operational and management areas that rely upon information technology include, among others, product development, underwriting and claims settlement, sales support and distribution channel management, customer service, investment management, actuarial and financial management, business analytics and risk management. We intend to continue to make investments in our IT systems to improve our operational efficiency, customer service and decision making process and to reduce the risk of system failures and the negative impacts these failures may have on our business.

We have been at the forefront of technology innovation in the non-life insurance industry in India, as illustrated by the following:

- We were amongst the first non-life insurers in India to introduce web-based issuance of policies;
- We were among the first non-life insurers in India to introduce point of sales systems at petrol stations to issue two-wheeler motor insurance policies;
- We provide motor service centres with an app to allow claims managers to perform a live remote inspection;
- We conduct virtual risk inspections for fire and engineering policies issued to SMEs without any intermediary;
- We have introduced a "Mobile Self-Inspection" feature on our "Insure" mobile app, through which customers can renew their expired car insurance policies by simply taking a video and uploading it through the app to obtain approval within a few hours;
- We use drones for inspecting wind turbine and solar photovoltaic modules to identify defects and improve efficiency; and
- We have invested in technologies like artificial intelligence to mimic human engagement in the process of issuing policies.

Technological advancements, especially in the cloud, mobile and big data space, are becoming critical for our organisation to deliver solutions to our customers in the shortest possible time and make services available to customers anywhere and on any device. We have adopted cloud technology platform for our development and testing system which we believe has helped in the faster release of product enhancements and new functionalities, and for reducing defects. We have also moved our production system to the cloud, which has helped our employees manage their tasks with added efficiency and ease.

In addition, we have also created various mobile apps, including "Assure", an app that allows our agents to generate quotes and policies from any device anywhere; and "Garage Claim for FNOL", which allows designated garages to report claims by quickly filling in certain required details over the app through voice memos, thereby helping to reduce the number of calls to our call centre.

We provide our executives and frontline staff with access to dashboards, to better enable them to interact with and analyse the vast amount of data sets that we own. The dashboards allow users to visually explore critical drivers, examine opportunities hidden deep in the data sets, view quick summaries of key performance metrics, collaborate on insights and better understand business performance, and to take advantage of predictive analytics to make smarter data-driven decisions.

After achieving technological advancements, specifically in the field of cloud, mobile and big data space, we created a robotic business process automation approach which automates unvarying human resource tasks with routine definite process, methods, rules and validations. We also implemented a chatbot "MyRA" using a natural language processing platform that not only responds to customer queries in real time but also enables customer to buy or renew two-wheeler policies over an automated chat without any human intervention. Robotics and chatbots have helped us achieve faster turn-around times with respect to customers, error-free operations and self-help options for customers and employees. In addition to innovating with robotics and chatbots, we launched a new and improved website portal which is device agnostic and more responsive, making it easier to find sustainable information and engage with customers.

We won the prestigious Celent Model Insurer Asia Award, 2017 in the "digital and omnichannel" and "legacy and ecosystem transformation" categories for our agency application and our chatbot "MyRA", respectively. We received the "Technology Innovation" award at the Indian Insurance Awards, 2016 and the "E-Business Leader" award at the Indian Insurance Awards, 2015. We also received the "Bancassurance Leader of the year" and "Technology Initiative of the year" at the Fintelekt Insurance Awards, 2017.

As a result of our investments in technology, while our number of policies increased by 13.1% between fiscal 2015 and fiscal 2017, our employee productivity, measured in terms of GDPI per employee, has increased from ₹ 11.4 million in fiscal 2015 to ₹ 16.6 million in fiscal 2017.

Competition

We face intense competition in the Indian insurance market from both public and private-sector competitors. We believe that competition in the Indian insurance sector is based on a number of factors, including brand recognition and the reputation of the provider of products and services, customer satisfaction, underwriting and pricing of risks, distribution network and access to services and service personnel, pricing and quality of services, product design and diversification, financial strength, high-quality and stable professional team and information technology capabilities. Some of our competitors also have competitive strengths based on operating experience, capital base and product diversification.

According to provisional and unaudited figures for non-life insurers released by IRDAI, within the non-life insurance industry in India, there were 29 other public and private-sector non-life insurers operating as at June 30, 2017. Our primary competitors are the major public-sector non-life insurers - The New India Assurance Company Limited, United India Insurance Company Limited, National Insurance Company Limited and Oriental Insurance Company Limited - and private-sector non-life insurers. We also face competition from smaller monoline insurers, including health insurers, which have been seeking to expand their market shares in recent years and may develop strong positions in certain customer segments.

Legal Proceedings

We are subject to insurance claims and legal proceedings in the ordinary course of our business. Our pending litigations mostly comprise of claims against us and proceedings pending with tax authorities. We have reviewed all our pending litigations and proceedings and have made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in our financial statements. We do not expect the outcome of these proceedings to have a material impact on our financial position. See "Risk Factors—Risks relating to our business—We, some of our Directors, our Promoter and certain Group Companies are involved in certain legal and other proceedings" on page 24 for details.

We had ₹ 302.8 million in outstanding tax demands as at June 30, 2017. For details, see also "Risk Factors—Risks relating to our business—We, some of our Directors, our Promoter and certain Group Companies are involved in certain legal and other proceedings" on page 24. In the past five fiscal years, we have been subject to five instances of warning or cautions or actions by the IRDAI in connection with certain practices or transactions by us, our employees or our agents. For details, see "Risk Factors—Risks relating to our business—Regulatory and statutory actions against us or our distribution partners could cause us reputational harm and have a material adverse effect on our business, financial condition, results of operations and prospects" beginning on page 35.

For more details about legal proceedings, see also "Outstanding Litigation and Material Developments" on page 356.

Employees

As of June 30, 2017, we had 6,528 employees. Our agents are not our employees.

Our corporate philosophy is based around "Vishvas", which is set of guiding principles that inform our approach to interactions with customers, intermediaries, employees and the broader community. In addition to performance metrics, we also recognise our employees based on the level to which they embody these guiding principles in their interactions with key stakeholders. We also offer employees workshops, trainings, team-building exercises and other avenues to improve their skills, aid their career development and improve retention.

Property

Our registered office is located in Prabhadevi, Mumbai and our corporate office is located in Lower Parel, Mumbai. As of June 30, 2017, our operations were spread across 25 states and three union territories in India through our 251 offices, out of which 248 offices were operated from leased premises. For further details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations – Fixed assets, Intangibles and Impairments" on page 331 for details.

Insurance

We have obtained insurance policies to cover our assets against losses from fire, burglary and risks to our property. We also maintain insurance policies against third-party liabilities, including a public liability policy. Additionally, we maintain a group term insurance policy, a group personal accident policy and a group health insurance policy to cover the medical expenses incurred by our employees during hospitalisation, for any illness or injury suffered. We are also covered for directors' and officers' liability insurance, and cyber security insurance.

Intellectual Property

The "ICICI" trademark is owned by our Promoter – ICICI Bank. Pursuant to the ICICI Trademark License Agreement entered into between ICICI Bank and us, ICICI Bank has granted us a non-exclusive license and the right to use the 'ICICI' and 'I-man logo' as part of our corporate name and/or trade name and style, for the purposes of our business. The consideration for such license shall be a license fee, payable within first 10 business days of every financial year, which is higher of (a) 0.1% of its net written premium in the preceding financial year, or (b) 1% of its profit after tax in the preceding financial year, subject to the license fee not exceeding ₹ 0.25 billion or as prescribed by the IRDAI from time to time. ICICI Bank has the right to increase the aforementioned cap, subject to the approval of our Board and relevant statutory provisions. ICICI Bank is also entitled to terminate the agreement if both the following conditions are met (i) ICICI Bank ceases to hold, whether directly, indirectly or beneficially, equity share capital in us at any time, representing 50% of our total equity share capital on a fully diluted basis; and (ii) ICICI Bank notifies us of its intention to terminate the agreement as per the above mentioned terms. Further, ICICI Bank may elect not to terminate the agreement upon fulfilment of condition (i) above subject to mutually agreed terms. Any change in the terms of this license would be as agreed between the contracting parties and subject to requisite approvals.

Pursuant to the Deed of Assignment entered into between NFC and us, NFC has assigned and transferred 'Lombard' trademark and logo to us with effect from the date of execution of this agreement.

REGULATIONS AND POLICIES

The following description is an indicative summary of certain sector specific key laws and regulations in India, which are applicable to our Company. The information detailed in this section has been obtained from publications available in the public domain. The regulations, as amended, set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed as nor intended to be a substitute for professional legal advice.

The Insurance Act and the IRDA Act

The Insurance Act along with the various regulations, guidelines and circulars issued by IRDAI, govern, amongst other matters, registration of the insurers, opening of new places of business, accounts and balance sheet, audit of financial statements, actuarial report and abstract, insurance intermediaries and agents, investment of funds, valuation of assets and liabilities, solvency margins, restriction on dividends, limits on expenses of management, commission and/or remuneration and/ or rewards payable to insurance agents and intermediaries, reinsurance, Indian owned and controlled and obligation of insurers in respect of motor third party insurance business. The IRDAI came into existence by virtue of promulgation of the IRDA Act to regulate, promote and ensure orderly growth of the insurance sector in India and to protect the interests of policyholders.

Insurers are required to be registered with the IRDAI under the Insurance Act for carrying out any class of insurance business, including general insurance in India. The Insurance Act stipulates, among other things, certain requirements with respect to the capital structure for insurers including minimum paid-up equity capital and equal voting rights. Insurers are required to maintain records of policies, including the details of policyholders, nominations of claims, details of discharge or rejection of claims, register of insurance agents, etc. Under the Insurance Act, an insurer is obligated to be "Indian Owned and controlled". Additionally, in terms of the Foreign Investment Rules, the term "Indian control" has been defined to mean control of such Indian insurance company by resident Indian citizens or Indian companies, which are owned and controlled by resident Indian citizens. The term "control" has been defined in the Insurance Act to include the right to appoint a majority of the directors or to control the management or policy decisions including by virtue of their shareholding or management rights or shareholders agreements or voting agreements. The term "Indian Ownership of an Indian Insurance Company" has been defined as more than 50% of the equity capital in a company which is beneficially owned by Indian residents or Indian entities which are owned and controlled by resident Indian citizens. Further, a general insurance company is required to have capital consisting of equity shares each having a single face value and such other form of capital as may be specified by the regulations. The voting rights of the shareholders are required to be restricted to such equity shares and to be proportionate to the paid-up amount of the equity shares held by them. The paid-up amount is required to be the same for all equity shares, whether existing or new (except during any period not exceeding one year allowed by the company for payment of calls on shares). As regards to investments of assets, the Insurance Act mandates insurers to keep invested assets in a prescribed manner in Government securities and such other approved investments. Further, the Government securities and other approved securities where assets are to be invested are required to be held by the insurers free of any encumbrance, charge, hypothecation or lien. Certain restrictions on investments of assets and controlled fund have also been prescribed, including investment in shares or debentures of a private limited company. IRDAI has issued the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 which replaced the Investment Regulations issued in 2000. See "Regulations and Policies - Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016" on page 182.

Further, any appointment, re-appointment or termination of appointment or amendment of the terms of remuneration, of a managing or whole-time director, executive directors, manager or chief executive officer of an insurance company requires the prior approval of the IRDAI.

IRDAI has specified norms for issuance of capital which require insurers to obtain prior approval of the IRDAI for issuance of capital by way of public issue or any subsequent issue of equity shares.

As regards transfer of equity shares, insurers are required to obtain prior approval of the IRDAI in the event (i) the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, or (ii) the nominal value of equity shares intended to be transferred by any individual, firm, group, constituents of a group or body corporate under the same management, jointly or severally, exceeds 1% of the paid up capital of the insurance company. The above stated regulatory prescriptions have also been stipulated under the IRDAI (Transfer of Equity Shares of Insurance Companies) Regulations, 2015. In case there are one or more investors (excluding foreign investors) in an insurance company, an investor cannot hold more than 10% of the paid up equity share capital of such insurance company. Further, all such investors, excluding foreign investors, jointly are permitted to hold a maximum of 25% of the paid up equity share capital of such insurance company. The IRDAI has prescribed relevant regulations in this regard. Additionally, the IRDAI has issued the "Insurance Regulatory and Development Authority of India (Listed Indian Insurance Companies) Guidelines, 2016", which are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. Accordingly, the transfer of equity shares in insurance companies shall be in the manner as prescribed under the aforementioned guidelines.

The Insurance Laws (Amendment) Act, 2015 ("Amendment")

The Amendment has introduced several changes in the scheme of the Insurance Act, amongst other things, in relation to ownership and control, capital, enhancement of administrative and enforcement powers and responsibilities of IRDAI. Additionally, encouraging electronic form of policy records, administration and management of agents and intermediaries.

As regards foreign investors, the cap on aggregate holding of equity shares by foreign investors, including portfolio investors, has been raised to 49% of paid up capital from the erstwhile 26% and insurance companies are required to be Indian owned and controlled. Accordingly, the ownership as well as the control are required to remain in Indian hands. Further, the Amendment has permitted insurers to raise capital through instruments other than equity. In this regard, IRDAI has issued regulations which permit insurers to raise capital by way of preference shares and subordinate debt instruments after obtaining prior approval from the IRDAI. The Amendment empowers the insurance companies to appoint agents subject to fulfilment of the criteria stipulated by IRDAI. The Amendment has further accorded powers to IRDAI to regulate the commission payable to the agents and intermediaries through appropriate regulations.

The Amendment has extended the powers of the IRDAI for regulating various day to day operations and activities of insurance companies by issuing regulations with respect to the same. In furtherance to the Amendments, the IRDAI has issued regulations and guidelines on registration and licensing of insurance companies, investments, assets liability and solvency margin requirements, insurance agents and intermediaries, corporate governance requirements, transfer of shares, opening, closure and relocation of branches, expenses of management, advertising, accounting procedure and reporting formats, granting of loans and advances, maintenance of records, obligation of insurer in respect of motor third party insurance business, reinsurance and outsourcing of activities.

The Amendment has included new definitions like health insurance business and reinsurance and modified the definition of Indian insurance company to include health insurance business. Further, the Amendment has simplified the process for payment to nominee of policyholder and has also vested the policyholder with a power to assign an insurance policy, wholly or in part, provided that such assignment is bonafide, in the interest of the policyholder not contrary to public interest and not for the purpose of trading of the insurance policy. The Amendment has entrusted the Securities Appellate Tribunal in the interest of the policyholder with the power to entertain appeals against the orders relating to investigation/inspection conducted by IRDAI.

The Amendment has removed various redundant clauses in the Insurance Act including the sections relating to acceptance of deposits by insurance companies, appointment of chief agent and principal agent, divesting excess shareholding above 26% by promoters, etc. The Amendment has enhanced the quantum of penalties for insurers with respect to contravention of the provisions of the Insurance Act ranging from ₹ 0.1 million for each day during which contravention continues, ₹ 10 million to ₹ 250.0 million for different kinds of violations. A person who carries on the business of insurance without obtaining a certificate of registration may additionally be punishable with imprisonment extending to 10 years.

Certain regulations prescribed by the IRDAI

Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000 ("Registration Regulations")

The Registration Regulations, as amended from time to time prescribe the manner and procedure for obtaining registration for undertaking insurance business in India. The Registration Regulations also lays down the provisions relating to renewal, suspension and cancellation of registrations. Further, the insurer is required to pay an annual fee to the IRDAI in accordance with the regulations.

Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) Regulations, 2016 ("ALSM Regulations")

The ALSM Regulations prescribes the procedures to be followed for determining the value of assets, liabilities and solvency margin of insurers. Further, the ALSM Regulations require insurers to prepare a statement of valuation of assets, determine amount of liabilities and solvency margin of insurers in the formats prescribed under the regulations on an annual basis. An insurer is required to maintain its available solvency margin at a level which is not less than the higher of (i) 50% of the amount of minimum capital as prescribed under the Insurance Act; and (ii) 100% of the required solvency margin.

An insurer is required to maintain a control solvency margin as stipulated by the IRDAI, which currently is a solvency ratio of 150%. In this regard, the Insurance Act prescribes that if at any time the insurer is not able to maintain the required control level of solvency margin, the IRDAI may require such insurer to submit a financial scheme indicating a plan of action to correct the deficiency within a specified period not exceeding six months.

Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2017 ("Protection of Policyholders' Interests Regulations")

On June 22, 2017 the IRDAI notified the Protection of Policyholders' Interest Regulations which superseded the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002. The Protection of Policyholders' Interest Regulations prescribes specifications with respect to various aspects including insurance product solicitation, grievance redressal, and claim settlement, which are required to be complied by all insurers in order to protect the interests of policyholders. It mandates insurers to have in place a policy approved by its board of directors, which is required to provide the steps that an insurer proposes to take for matters such as insurance awareness, expeditious resolution of complaint, and preventing mis-selling and unfair business practices at point of sale and service. The Protection of Policyholders' Interest Regulations prescribe the form and content requirements that are required to be fulfilled by insurers in relation to their policy documents, proposal forms and prospectuses. The insurers are mandated to disclose in their policy documents all material information such as the terms and conditions of a policy, details of premium payable, free look period, requirements to be fulfilled for lodging a claim, coverage of the policy, exclusions, grounds for cancellation, and details of grievance redressal mechanism available to policyholders. Further these regulations set out the procedure that is required to be followed by insurers for expeditiously settling any claims made by a policyholder.

Insurance Regulatory and Development Authority (Appointed Actuary) Regulations, 2017 ("Appointed Actuary Regulations") and Insurance Regulatory and Development Authority of India (Transitory Provisions under Regulation 6 of IRDAI (Appointed Actuary) Regulations, 2017) Guidelines, 2017 ("Appointed Actuary Guidelines")

The Appointed Actuary Regulations state that a general insurer shall not carry on business of insurance without an appointed actuary and require that the insurers appoint a person fulfilling the eligibility requirements, to act as an appointed actuary, after seeking the approval of the IRDAI in this regard. The appointed actuary needs to keep available all the records of the company to conduct actuarial valuation of the liabilities and assets of the insurer, express opinions on the underwriting policy, reinsurance arrangements and effective implementation of risk management systems and pay due regards to generally accepted actuarial principles while carrying out any task. The appointed actuary of a general insurance company is also required to inter alia, ensure that the premium rates of insurance products are fair and the actuarial principles have been creed in determination of IBNR, IBNER and other reserves. Additionally, IRDAI has issued the Appointed Actuary Guidelines on appointment of Appointed Actuaries and their mentors when the Appointed Actuaries do not meet the minimum period of experience as prescribed under the Appointed Actuary Regulations. The Appointed Actuary Guidelines also provide the conditions for appointment of mentors to Appointed Actuary. IRDAI may allow appointment of Appointed Actuary who does not meet the requirement of experience subject to certain conditions mentioned in the Appointed Actuary Guidelines. Additionally, IRDAI has permitted an insurer/reinsurer to carry on business without an Appointed Actuary for not more than one year subject to certain conditions mentioned therein.

Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations")

IRDAI by virtue of gazette notification dated August 1, 2016 issued the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("**IRDAI Investment Regulations**") which supersedes the erstwhile Investment Regulations issued by IRDAI in the year 2000. These IRDAI Investment Regulations are effective from March 31, 2017. The IRDAI Investment Regulations have primarily laid down the category of "approved investments" which was earlier defined in the Insurance Act. Additionally, the IRDAI Investment Regulations have modified the composition of investment committee and prescribed certain changes in investment pattern and exposure norms for an insurer.

The IRDAI Investment Regulations prescribe the manner and limits with respect to the investment of the assets of a general insurer including an insurer carrying on business of reinsurance or health insurance. Maximum exposure limits for a single "investee" company, group of investee companies and for the industry sector to which the investee company belongs to have been defined. Additionally, limits at various asset classes and exposure to credit instruments including limits based on credit ratings have also been prescribed. The IRDAI Investment Regulations prohibit replacement of appropriate risk analysis and management on the part of the insurer in lieu of credit ratings.

Insurers are also required to implement investment risk management systems and processes which are to be a certified by a chartered accountant firm and are required to be audited at least once at the beginning of every two financial years. The IRDAI Investment Regulations also stipulates certain Investment Management mechanism, including constitution of an investment committee, formulating of an investment policy, risk management and audit and reporting to the Board/ Committees thereof. Further, the net asset value as declared by the insurer shall be subject to a daily concurrent audit. The insurer is also required to adopt a model code of conduct, duly approved by its board of directors, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016 ("EOM Regulations")

The EOM Regulations prescribe the limit and scope of the expenses of the management in general insurance or health insurance business, i.e. all operating expenses including commission/brokerage payable to intermediaries. The EOM Regulations prescribe the percentage of the allowable expenses under various segments of general insurance business and the insurers are obligated to ensure that the expenses of management are within the allowable limit. The EOM Regulations provide that for any violation of such limits, the IRDAI may inter alia, direct the excess expense to be charged to the shareholder's account or impose restrictions on payment of performance incentives to the managing directors / chief executive officers, whole time director and key management persons.

Insurance Regulatory and Development Authority of India (Obligations of Insurers to Rural and Social Sectors) Regulations, 2015

The Regulations create an obligation on the insurers to undertake such percentages of general insurance business in the rural and social sector as prescribed in the Regulations. These regulations prescribe the percentage of gross premium income to be underwritten (direct) in the respective year with respect to rural sector by general insurance companies. Similarly the regulations also provide the percentage of lives to be insured in social sector (computed on the total business procured in the preceding financial year and applicable to all insurers).

Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000 and Master Circular on Insurance Advertisements, 2015

The Advertisement Regulations prescribe certain compliances and controls in relation to insurance advertisements issued by insurers, intermediaries or insurance agents. The insurers are required to establish and maintain a system of control over the content, form and method of dissemination of all advertisements relating to the insurance products offered to the prospects. Such advertisements are required to be filed with the IRDAI within seven days after its release. Insurers are also required to ensure that advertisements are not unfair or misleading in as much as, it should clearly identify the insurance product, describe benefits as detailed in the provisions of the policy and indicate the risks involved. In addition to the Advertisement Regulations, IRDAI has issued a master circular dated August 13, 2015 prescribing the minimum standards (including do's and don'ts) to be adhered by the insurers and insurance intermediaries while publishing insurance advertisements. Further, every insurer, intermediary or insurance agent is required to maintain an advertisement register and maintain specimens of all advertisements for a minimum period of three years.

Insurance Regulatory and Development Authority of India (General Insurance - Reinsurance) Regulations, 2016 and Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015

In terms of the Insurance Act, insurers are obligated to reinsure with Indian reinsurers such percentage of sum assured on each policy, as notified by IRDAI from time to time, however, such percentage should not exceed 30% of the sum assured on such policy. As per the reinsurance regulation, every general insurer is required to prepare a reinsurance programme which should commence from the beginning of every financial year and the insurer is required to file the board approved reinsurance program 45 days before the commencement of financial year. The objective of the reinsurance programme is required to develop adequate capacity and maximum retention within the country. The insurers are required to ensure that the reinsurance arrangements in respect of catastrophe accumulations are adequate and the details of catastrophe modelling and basis on which quantum of catastrophe protection is purchased needs to be incorporated in the reinsurance programme.

The Insurance Regulatory and Development Authority of India (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015 specify the eligibility criteria for registration of the branches of foreign reinsurers in India, including obtaining approval from their home country regulator, registration in a national regulatory environment, minimum net owned fund, minimum credit rating, solvency margin, minimum assigned capital, existence of double taxation avoidance agreement of the home country of the reinsurer with the Government of India as prescribed by IRDAI. Further the Regulation also prescribes the stipulations governing the order of preference of cession by the Indian insurers.

Guidelines on Product Filing Procedures for General Insurance Products, 2016 (the "Product Filing Guidelines")

The Product Filing Guidelines provides regulatory framework for the 'file and use' procedures and 'use and file' procedures for general insurance products in India. As per the Guidelines the insurers are required to classify the products into 'retail' or 'commercial' products and accordingly the insurers may either apply under 'File and Use' or 'Use and File' procedures. The Guidelines lay down guiding principles for product design, product filing and rating. Further, the Guidelines specify the compliance requirement common to both 'file and use' and 'use and file' procedures along with the documents required to be filled with respect to the same. The Guidelines also specify the manner of product management, maintenance of records, furnishing of information, etc.

The Guidelines requires the insurer to set up a Product Management Committee (PMC) to ensure quality product design, filling with complete compliance of regulatory requirement and performance review. The composition of the PMC and the role of its members are specified in the Guidelines.

Insurance Regulatory and Development Authority of India (Health Insurance) Regulations, 2016 ("Health Insurance Regulations"), Guidelines on Standardisation in Health Insurance and Guidelines on Product Filing in Health Insurance Business

The Health Insurance Regulations are applicable to all registered life insurers, general insurers and health insurers, undertaking health insurance business. Health insurance products are permitted to be offered by entities with a valid registration to carry on life insurance, general insurance or health insurance business. General insurers are permitted to offer individual health insurance products with a minimum tenure of one year and maximum tenure of three years provided that the premium remains unchanged for the tenure. Further, group health policies may be offered by any insurer for a term of one year except credit linked products where the term can be extended up to the loan period not exceeding five years. General Insurers may also offer credit linked group personal accident policies for a term extended up to the loan period not exceeding five years. Group personal accident policies may be offered by general insurers with term less than one year also to provide coverage to specific events. Other insurance products offering travel cover and individual personal accident cover may also be offered for a period less than one year. Overseas or domestic travel Insurance policies may only be offered by general insurers and health insurers.

Insurers are required to ensure that the premium for a health insurance policy is based on age and other relevant risk factors as applicable. Further, the insurers are required to adopt a board approved health insurance underwriting policy, which is required to be periodically reviewed. Other provisions of the health insurance regulations include filing, pricing, designing, administering of health insurance policies, special provisions for senior citizens and health service agreements.

In addition, on July 29, 2016, IRDAI has issued "Guidelines on Standardisation in Health Insurance" pursuant to the Health Insurance Regulations, which contain standard definitions for health insurance policies, standard nomenclature and procedures for critical illnesses etc. to enable the prospective policyholders and insured to understand these policies without ambiguity.

Further, on July 29, 2016, IRDAI has also issued "Guidelines on Product Filing in Health Insurance Business" pursuant to the Health Insurance Regulations, which require the insurers to adopt an underwriting policy for health insurance business, duly approved by the board of directors, and file the same with IRDAI. Additionally, these guidelines stipulate the filing procedure applicable to new individual health insurance products, add-ons, riders or any modifications thereto and additional guidelines for group health insurance products.

Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 ("**Financial Statement and Auditor's Report Regulations)**

The Financial Statement and Auditor's Report Regulations prescribe accounting principles and other financial disclosures to be adhered to while preparing financial statements. Additionally, the financial statements are required to be prepared in conformity with the accounting standards issued by the ICAI, to the extent applicable, except for accounting standard 3 for cash flow statements which is to be prepared only under the direct method of accounting and accounting standard 17 for segment reporting which is to be applicable to all insurers irrespective of the requirements regarding listing and turnover specified in such accounting standard. Preparation of financial statements which includes balance sheet, revenue account, profit and loss account and receipts and payments account of an insurer, management report and auditor's report are required to be prepared in accordance with the formats as prescribed under these regulations.

Certain regulations prescribed by the IRDAI for agents and insurance intermediaries

In order to regulate agents and intermediaries, IRDAI has notified certain regulations in relation to individual agents, corporate agents, brokers, web aggregators, insurance marketing firms and others. Individual agents are appointed by insurers as per the Insurance Regulatory and Development Authority of India (Appointment of Insurance Agents) Regulations, 2016. Under these regulations, an individual agent is permitted to act as an agent for one life, general, health and mono-line insurer each. Corporate agents are granted a certificate of registration by IRDAI in accordance with the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015. A corporate agent is permitted to act as a corporate agent for a maximum of three life, three general and three health insurers and is required to adopt a Board Policy on the same. The Corporate Agents is required to adhere to a code of conduct on soliciting and servicing of insurance policies as prescribed by the regulations. There are similar regulations for other insurance intermediaries.

Insurance Regulatory and Development Authority (Payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries) Regulations, 2016

These regulations prescribe the mode, manner and limits for payment of Commission or Remuneration or Reward to Insurance Agents and Insurance Intermediaries. The regulation also specifies the eligibility criteria for payment of rewards to insurance agents and insurance intermediaries. Further, an insurer is also required to adopt a Board approved policy with respect to the same. Rewards for general insurance are to be calculated separately for health insurance and other than health insurance for insurance agents and insurance intermediaries respectively and not linked to each and every policy solicited by an insurance agent or an insurance intermediary; being not more than 30% of commission or remuneration paid to insurance agents and insurance intermediaries.

Insurance Regulatory and Development Authority of India (Obligation of Insurer in respect of Motor Third Party Insurance Business) Regulations, 2015

This regulation lays down the obligation of an insurer in respect to motor third party insurance business for a Financial Year. As per the regulation the obligation is computed on the basis of prescribed formula arrived based on the following factors (i) Total 'Gross Direct Premium Income(GDPI)' under all lines of business of all insurers in the immediate preceding financial year, (ii) Total GDPI under motor insurance business of all insurers in the immediate preceding financial year (iii) Insurer's GDPI under all lines of business in the immediate preceding financial year (iv) Insurer's GDPI under motor insurance business in the immediate preceding financial year and (v) Total GDPI under motor third party insurance business of all insurers during the immediate preceding financial year.

Every insurer shall submit the financial returns to IRDAI for every quarter of the financial year within forty five days of the end of the quarter as per the prescribed schedule in under these regulations.

Certain guidelines and circulars prescribed by the IRDAI

Guidelines for Corporate Governance for Insurers in India dated May 18, 2016

The IRDAI Corporate Governance Guidelines encompass the corporate governance requirements stipulated under the Companies Act, 2013. These guidelines stipulate the governance structure in insurance companies, including board of directors, key management personnel, constitution of various committees such as investment committee, policyholder protection committee, role of appointed actuaries, appointment of auditors, relationship with stakeholders, whistle blower policy and certain disclosure requirements in relation to financial statements, including quantitative and qualitative information on financial and operating ratios, actual solvency margin *vis-a-vis* required margin, description of risk management architecture, payments made to group entities from the policyholders funds and pecuniary relationships with the non-executive directors.

Anti-Money Laundering Guidelines dated February 7, 2013

On February 7, 2013, IRDAI issued guidelines pertaining to anti-money laundering and counter- financing of terrorism ("**Anti Money Laundering Guidelines**") in relation to the general insurance sector. The Guidelines *inter alia* lays down the adoption of AML/CFT Program in order to discharge the statutory responsibility through internal policies, procedures and controls, recruitment and training of employees/agents on AML, and internal controls to combat any possible money laundering attempts. Further, it prescribes the reporting obligations to track any money laundering attempts for further investigation and action.

Guidelines on Indian owned and controlled dated October 19, 2015

The IRDAI issued guidelines on Indian owned and controlled, which *inter alia* prescribes that majority of directors excluding independent directors should be nominated by Indian promoters or Indian investors. Further, the key management personnel (KMP) should be nominated by the board of directors or by the Indian promoters or Indian investors. It also lay downs quorum requirements, requiring presence of majority of the Indian directors irrespective of presence of nominees of foreign investors.

Guidelines on 'Stewardship Code for Insurers in India' dated March 20, 2017

The Guidelines on 'Stewardship Code for Insurers in India' focus on role of insurance companies to be played in general meetings of investee companies wherein they act as institutional investors and to engage themselves with the managements at a greater level to improve the governance of such investee companies to whom the insurer act as a institutional investors. The guidelines prescribe the stewardship code in the form of set of principles which the insurers need to adopt. The code broadly requires the insurers to have a policy as regards their conduct at general meetings of the investee companies and the disclosures relating thereto. It shall be applicable from FY 2017-18.

Guidelines on Point of Sales – Non life & Health Insurers dated October 26, 2015

In order to facilitate the growth of insurance business in the country and to enhance insurance penetration and insurance density, IRDAI as part of its developmental agenda issued the guidelines on "Point of Sales Persons". The IRDAI has relaxed the eligibility criteria and educational qualifications for the "Point of Sales Persons" in order to facilitate solicitation and marketing of products as specified in the guidelines or prescribed by IRDAI from time to time.

Guidelines on Motor Insurance Service Provider dated August 31, 2017 ("MISP Guidelines")

The MISP Guidelines will come into force from November 1, 2017. The objective of the MISP Guidelines is to recognize the role of automotive dealer in distributing and servicing motor insurance policies in order to have regulatorty oversight over their activities connected to insurance. The Motor Insurance Service Provider (**"MISP"**) can undertake distribution of motor insurance policies based on an agreement entered with the insurer or insurance intermediary as the case may be. MISP Guidelines *inter alia*, list down (i) eligibility conditions for appointment of an MISP; (ii) responsibilities of an MISP; (iii) code of conduct governing the MISP; and (iv) the obligations of insurers/insurance intermediaries.

IRDAI master circular on Unclaimed Amounts of Policyholders dated July 25, 2017 (the "Master Circular") and Senior Citizens' Welfare Fund Rules, 2016 ("SCWF Rules")

The Master Circular contains directions relating to the accounting, administration and disclosures regarding the unclaimed amounts of Policyholders held by insurers. The Master Circular prohibits the insurer from appropriating or writing back any part of the unclaimed amount belonging to the policyholders / beneficiaries under any circumstances. The Master Circular mandates the Policyholder Protection Committee ("**PPC**") of an insurance company to oversee timely payout of the dues of policyholders and requires PPC to review the aging analysis, progress of settlement and steps taken to reduce the unclaimed amount by the insurers at the end of each quarter. Additionally, the Audit Committee is required to oversee the compliance of the provisions of the Master Circular. Every insurer is required to display information about any unclaimed amount of ₹ 1000 or more on their respective websites and facility is to be provided on the website to enable policyholders or beneficiaries to verify unclaimed amount due to them. Further, the Master Circular prescribes the procedures relating to the mode of payment of the unclaimed amount, communication to the policyholders, accounting, utilization of investment income etc. The Master Circular prescribes that the unclaimed amount, on completion of 10 years, will be treated in accordance with SCWF Rules.

The Ministry of Finance ("**MoF**") had notified the Senior Citizens' Welfare Act, 2015, which mandates the transfer of unclaimed amounts of the policyholders held beyond a period of 10 years to the Senior Citizens' Welfare Fund ("**SCWF**"). It has also notified the Senior Citizens' Welfare Fund Rules, 2016 which specifies the entities that are required to transfer the amounts into the SCWF and provisions pertaining to administration of the SCWF. The Ministry of Social Justice and Empowerment has been empowered as the nodal ministry for administration of the SCWF.

IRDAI (Listed Indian Insurance Companies) Guidelines, 2016 ("Listed Indian Insurance Companies Guidelines") dated August 5, 2016

The Listed Indian Insurance Companies Guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. These Guidelines, inter alia, require self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person proposing to acquire equity shares is likely to result in the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or 5% or more of the total voting rights of the insurer, such acquisition would require prior approval of the IRDAI.

Further, an existing shareholder who has previously obtained IRDAI permission as a major shareholder (holding 5% or more of the paid up equity share capital) of the insurer may acquire up to 10% of equity shares or voting rights of the concerned insurer without prior approval of IRDAI, subject to, inter alia, furnishing details of the source of funds for such incremental acquisition to the insurer. However, if the shareholding of the major shareholder along with persons acting in concert results in the aggregate holding to exceed or likely to exceed 10% of the paid up equity share capital or of the total voting rights of the insurer, then such an acquisition would require prior fresh approval of the IRDAI. In addition to the above, the Listed Indian Insurance Companies Guidelines also prescribe continuous monitoring obligations by insurers in case of major shareholders. The Guidelines also prescribe the procedure for making an application before the IRDAI for transfer of the equity shares above the prescribed thresholds.

The Listed Indian Insurance Companies Guidelines prescribe the following shareholding and voting limits for an insurance company:

Category of Shareholders	**Promoter and Promoter Group (minimum)(1)**	**All shareholders in the long run (except promoters)**				
		Natural Person	**Legal person**			
			Non-financial institution / entities	**Financial institution**		
				Non-regulated or non-diversified and non-listed(2)	**Regulated, diversified and listed / supranational institution / public sector undertaking / government**	**Others (3)**
Shareholding Caps	50%	10%	10%	15%	30%	As permitted on a case to case basis.

The table illustrates the holding limits in category and sub-category of shareholders.

(1) The promoter includes Indian promoter and also includes a foreign investor who has taken a stake in the concerned insurance company in such capacity. Where the present holding is below 50%, such holding shall be the minimum holding.

(2) *In case of financial institutions that are owned to the extent of 40% or more or controlled by individuals, the shareholding would be deemed to be by a natural person and the shareholding will be capped at 10%.*

(3) *High stake / strategic investment by non-promoters through capital infusion by domestic or foreign entities / institution shall be permitted on a cases to case basis under circumstances such as relinquishment by existing promoters, rehabilitation / restructuring of problem / weak insurers / entrenchment of existing promoters or in the interest of the insurance company or in the interest of consolidation in the insurance sector, etc. The shareholders permitted 10% or more in an insurance company will be subject to a minimum lock-in period of five years.*

IRDAI circular in relation to Operationalisation of Central KYC Records Registry ("CKYCR")

On July 12, 2016, the IRDAI issued a circular in relation to operationalisation of Central KYC Records Registry ("**CKYCR**") to facilitate banks and financial institutions with the KYC related information of customers so as to avoid multiplicity of undertaking KYC each time a customer avails any financial product or services. The Central Registry of Securitisation and Asset Reconstruction and Security Interest of India ("**CERSAI**") has been authorised, to perform the functions of CKYCR under the Prevention of Money Laundering (Maintenance of Records) Rules 2005, which includes receiving, storing, safeguarding and retrieving the KYC records of a client in digital form. The CERSAI has finalised the KYC template for individuals and the operating guidelines for uploading KYC records by reporting entities to CKYCR. Insurers are required to upload KYC records only in respect of claim where claims are received on or after July 15, 2016. In addition, insurers are required to submit a monthly statement of the number of KYC records to be uploaded and records actually uploaded to the IRDAI.

IRDAI Circular on Complaints of Mis-selling /Unfair Business Practices by Banks/NBFCs dated August 1, 2016

The IRDAI on August 1, 2016 issued a Circular on "Complaints of Mis-selling /Unfair Business Practices by Banks/NBFCs" based on a series of complaints from policyholders on mis-selling of insurance policies by banks / non-banking financial companies registered as corporate agents. Most complaints pertained to instances where an insurance policy was forcibly sold or mis-sold by banks and non-banking financial companies when approached for (i) housing or other loans; (ii) availing locker facility; (iii) issued without consent and with incorrect contact details; (iv) in lieu of fixed deposit receipts; and (v) regular premium policies issued instead of single premium and renewal premiums debited without intimation.

IRDAI was informed by the insurers in most cases that the banks had taken necessary action against the erring employees and in many cases, the premium amount collected by the Insurer had been refunded to the policyholder or he/she was allowed to change the payment mode/ plan type. However, IRDAI has emphasised that such action is not the solution for this issue, and instead, banks and non-banking financial companies should have a system which proactively detects and discourages such kinds of *mis-selling*. Banks, non-banking financial companies and insurers have been advised to follow the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015 scrupulously and bring them to the notice of the Specified Persons/ concerned officials.

Circular on creation of debenture redemption reserve dated August 4, 2017 ("DR Circular")

Pursuant to the IRDAI (Other Forms of Capital) Regulations, 2015, IRDAI issued the DR Circular clarifying that creation of Debenture Redemption Reserve ("**DRR**") is mandatory in terms of the Companies Act, 2013 and the rules made thereunder. The DRR shall be ignored and not considered as a liability for the purposes of computing solvency margin and ratio.

Circular on clarification on Aadhaar based e-KYC dated August 31, 2017 (the "Aadhar Circular")

The Aadhar Circular has clarified that for accessing details of a client from Unique Identification Authority of India ("**UIDAI**") for identification and authentication, consent of the client needs to be obtained on a voluntary basis. The insurers shall perform the verification through the e-KYC authentication facility provided by UIDAI and the information downloaded from UIDAI shall be considered as sufficient for the purpose of e-KYC verification. Additional due diligence by the insurer is required to be carried out if material difference is observed in the name or the photograph is not clear.

Guidelines on Remuneration of Non-executive Directors and Managing Director /Chief Executive Officer / Whole-time Directors of Insurers" dated August 5, 2016

On August 5, 2016, IRDAI has issued "Guidelines on Remuneration of Non-executive Directors and Managing Director /Chief Executive Officer / Whole-time Directors of Insurers" ("**Remuneration Guidelines**"), effective from October 1, 2016 or from the date of appointment / re-appointment of chief executive officers / whole-time directors / managing directors and non-executive directors, whichever is later.

The Remuneration Guidelines prescribe adoption of a remuneration policy, for non-executive directors and chief executive officers / whole-time directors / managing directors. Such policy formulated for non-executive directors may allow for payment of remuneration in the form of profit related commission, subject to the insurer making profits while capping the amount of remuneration for each non-executive director at ₹ 1.0 million per annum, however, the remuneration for the chairman has been left to the discretion of the board of directors. Additionally, it has been prescribed that the company may pay sitting fees and reimburse expenses to the non-executive directors.

The Remuneration Guidelines provide minimum indicative parameters for implementation of risk adjustment in the remuneration payable to the chief executive officer/ whole-time director/ managing director. The provision of 'guaranteed bonus' is prohibited from being a part of remuneration plan of the chief executive officers / whole-time directors / managing directors. For such remuneration, the insurers are required to ensure that the fixed portion of the remuneration is reasonable and a proper balance is maintained between the percentage of fixed and variable pay. The variable pay may be in the form of cash, stock linked instruments or a combination of both, excluding employee stock options. Further, the Remuneration Guidelines require that where variable pay constitutes a substantial portion of the total pay, an appropriate portion of such variable pay shall be deferred over a period of not less than three years, and may be appropriately 'clawed back' in case of any negative trend observed in the risk parameters. For annual remuneration in excess of ₹ 15.0 million, such excess shall be required to be borne by the shareholders' account.

The Remuneration Guidelines also lays down certain details to be disclosed in the annual report and the financial statements of the insurer.

The Insurance Ombudsman Rules, 2017 ("Ombudsman Rules")

Ministry of Finance, Department of Financial Service (Financial Division) vide notification dated April 25, 2017 issued 'The Insurance Ombudsman Rules', 2017 ("**Ombudsman Rules**") to resolve all complaints of all personal lines of insurance, group insurance policies, policies issued to sole proprietorships and micro enterprises in a cost effective and impartial manner. The Ombudsman Rules are applicable to all the insurers and their agents and intermediaries and prescribe for constitution and composition of Executive Council of Insurer which shall issue guidelines relating to administration, secretariat, infrastructure and other aspects of the functioning of insurance ombudsman system. They also lay down the procedure for selection, term of office, remuneration and territorial jurisdiction of ombudsman and rules also prescribe the duties and functions of insurance ombudsman and the manner in which the complaint is to be made, the procedure for redressal of grievance, nature of complaints to be entertained and the manner of passing award in case the complaint is not settled by way of mediation.

IRDAI (Issuance of e-insurance policies) Regulations, 2016 ("E-insurance Regulations") and Guidelines on Insurance e-Commerce

The IRDAI in order to regulate and govern the online insurance business has issued IRDAI (Issuance of e-insurance policies) Regulations, 2016 and Guidelines on Insurance e-Commerce for marketing and solicitation of insurance business through online mode. The IRDAI (Issuance of e-insurance policies) Regulations, 2016 lays down the procedure for electronic issuance of policies and mandates issuance of policies in electronic mode with respect to the specified products enlisted in the regulation. Guidelines on Insurance e-Commerce mandates all insurers and insurance intermediaries to file an application for registering their electronic platform set up as an Insurance Self- Network Platform (ISNP) with the Authority. The Guidelines directs internal monitoring, review and evaluation of systems and controls. The Guidelines further prescribe a code of conduct, adherence to regulatory prescriptions; grievance mechanism and for annual audit.

IRDAI (Outsourcing of activities by Indian Insurers) Regulations, 2017 ("Outsourcing Regulations")

The Outsourcing Regulations have been issued by IRDAI to ensure sound management practices for effective oversight and adequate due diligence with regard to outsourcing activities of the insurers. The objective of the Outsourcing Regulations is to further ensure that outsourcing arrangements neither diminish the ability of the insurer to fulfil its obligations towards its policyholders nor impede the effective supervision of the regulator. The Outsourcing Regulations prescribe a list of activities prohibited from outsourcing such as compliance with AML/KYC, product design, grievance redressal etc. and permits the insurer to outsource activities which are generally not expected to be carried out internally by insurer.

The Outsourcing Regulations lay down the mode and manner of evaluating the eligibility criteria, due diligence procedures, record maintenance mechanism, regulatory access, contractual obligations with the outsourced vendor, data security of policy holders information, business continuity plan and principles to be followed in case service provider is a related party and also require insurers to formulate an outsourcing policy, establish an outsourcing committee and report outsourcing arrangements to the IRDAI.

Other Exposure Drafts

Exposure Draft of Insurance Regulatory and Development Authority of India (Preparation of Financial Statements of Insurers) Regulations, 2017

In order to address the implementation issues relating to adoption of Ind-AS to insurance companies, IRDAI has issued an 'Exposure Draft of Insurance Regulatory and Development Authority of India (Preparation of Financial Statements of Insurers) Regulations, 2017. Pursuant to the above, IRDAI (based on a report submitted by the Implementation Group on Ind-AS in Insurance Sector in India) proposes to replace the existing Insurance Regulatory and Development Authority (Preparation of

Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 with the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements of Insurers) Regulations, 2017 to be effective from April 1, 2018. The draft regulations, inter alia, provide for general instructions and accounting principles for preparation of financial statements, and segments which are to be disclosed by the insurance companies.

However, the IRDAI has approved a regulatory override whereby the implementation of Ind AS in the insurance sector has been deferred for a period of two years and insurance companies shall be required to implement it for periods after April 1, 2020.

Other Regulations

In addition to the above, our Company is required to comply with the provisions of the Companies Act, FEMA, labour laws, various tax related legislations, various other IRDAI related regulations notifications and guidelines, and other applicable statutes and policies along with the rules formulated thereunder for its day-to-day operation.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

ICICI Bank (then known as ICICI Limited), Fairfax, Lombard Canada Ltd., Lombard General Insurance Company of Canada, Lombard Insurance Company and Zenith Insurance Company had executed the Original Joint Venture Agreement on October 4, 2000 for incorporation of a joint venture company under the name of "ICICI Lombard General Insurance Company Limited" for operating the general insurance business in all regions in India and for providing general insurance products and related services.

Consequently, our Company was incorporated on October 30, 2000 as ICICI Lombard General Insurance Company Limited, a public limited company under the Companies Act, 1956 with the Registrar of Companies, Mumbai. Our Company obtained the certificate of commencement of business on January 11, 2001 from the Registrar of Companies, Mumbai. Our Company is registered with IRDAI for carrying out the Class of Business pursuant to the registration certificate dated August 3, 2001. At that time, ICICI Bank and Lombard Canada Ltd. (a nominee of Fairfax) held 74% and 26% of our then issued and paid-up capital, respectively.

In August 2003, pursuant to a rights issue wherein Equity Shares were allotted to ICICI Bank and Winterthur Insurance (Far East) Pte Limited (a nominee of Fairfax), the shareholding of ICICI Bank and Fairfax (through its affiliates Lombard Canada Ltd. (holding 13% of our then issued and paid-up capital) and Winterthur Insurance (Far East) Pte Limited (holding 13% of our then issued and paid-up capital)) remained at 74% and 26% of our issued and paid-up capital, respectively. In October 2003, Winterthur Insurance (Far East) Pte Limited transferred its entire undertaking to First Capital Insurance Limited, which was approved by Court of Republic of Singapore. Thereafter, the entire shareholding of Lombard Canada Ltd. and First Capital Insurance Limited aggregating to 26% of our then issued and paid-up capital was transferred to FAL (a nominee of Fairfax) and the same was approved by IRDAI through its letters dated June 28, 2006 and September 15, 2006, respectively.

The Original Joint Venture Agreement was subsequently amended vide an amendment agreement dated October 30, 2015 after which there was a sale of 9% of our then issued and paid-up capital of our Company by ICICI Bank to Fairfax and/or its affiliates nominated in writing on March 31, 2016. The Original Joint Venture Agreement, was amended and restated vide the Amended and Restated Joint Venture Agreement executed on March 8, 2016 (and as amended on April 11, 2016) among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company, to consolidate the amendments made by the amendment agreement dated October 30, 2015 and to ensure compliance with the IRDAI Control Guidelines.

On June 16, 2017, Oben General Insurance Limited, an entity in which Fairfax has invested, obtained an in-principle approval from IRDAI to form an insurance company in India subject to terms and conditions mentioned in the approval letter. One of the conditions mentioned therein required Fairfax to reduce its equity holding in our Company to below 10%.

Thereafter, the Amended and Restated Joint Venture Agreement was terminated pursuant to the termination agreement dated July 3, 2017 subject to certain terms and conditions set out therein, Fairfax has withdrawn the nomination of all its directors from our Board, and has issued a waiver letter dated July 2, 2017 whereby it waived its special rights, under the Articles of Association. For further details, please refer to "History and Certain Corporate Matters - Key shareholders' agreement - Original Joint Venture Agreement and Amended and Restated Joint Venture Agreement" on page 195. Additionally, pursuant to the Deed of Assignment executed between Northbridge Financial Corporation and our Company, the trademark "Lombard" has been assigned to our Company for a consideration of ₹ 10,000.

On July 6, 2017, FAL transferred 48,101,387 Equity Shares constituting 10.60% of our issued and paid-up capital to certain private equity / financial investors. On July 7, 2017, FAL transferred 72,11,596 Equity Shares constituting 1.59% of our issued and paid-up capital to a financial investor. Therefore, as on date of this Red Herring Prospectus, ICICI Bank and FAL hold 285,605,284 Equity Shares and 99,464,479 Equity Shares constituting 62.92% and 21.91% our issued and paid-up capital, respectively. Further, pursuant to the Offer, ICICI Bank and FAL proposes to sell 31,761,478 Equity Shares and 54,485,709 Equity Shares constituting 7.00% and 12.00% of our issued and paid-up capital, to the public (the "**Proposed Reduction**") respectively. Accordingly, immediately following the Offer, ICICI Bank and FAL will hold 253,843,806 Equity Shares and 44,978,770 Equity Shares constituting 55.92% and 9.91% of our issued and paid-up capital, respectively (calculated on the basis of the issued and paid-up capital as on date of this Red Herring Prospectus).

Our Company has pursuant to its letters dated July 3, 2017 and July 4, 2017 informed the IRDAI and the Stock Exchanges, respectively, in relation to (i) the execution of the abovementioned termination agreement dated July 3, 2017, (ii) withdrawal of nomination of the directors, and (iii) issuance of the abovementioned waiver letter dated July 2, 2017 and that FAL and Fairfax shall not be disclosed as promoter in the offer document to be filed with SEBI and in the shareholding pattern of our Company. The IRDAI through its letter dated July 6, 2017 advised our Company to note that FAL shall continue to be promoter of our Company till such time as their shareholding is in excess of 10% in our Company.

In terms of the proviso to Regulation 2(1)(x) of the IRDAI Issuance of Capital Regulations, for the purpose of filing of the offer document with SEBI, the definition of "promoter" under the SEBI Regulations shall apply. Given the definition of "promoter" under the SEBI Regulations and the Companies Act, 2013, and the facts mentioned herein above, (i) ICICI Bank is considered to be in "control" of our Company as per the provisions of the SEBI Regulations, (ii) in light of (i) above, ICICI Bank is instrumental in the formulation of a plan or programme pursuant to which Equity Shares are being offered to public through the Offer, and the rights relating to IPO provided to Fairfax / FAL under the termination agreement dated July 3, 2017 are merely protective in nature, and (iii) while our Company has identified Fairfax or FAL as promoter in its annual return for Fiscal 2016, the aforementioned developments (including execution of the termination agreement dated July 3, 2017, the nomination of all its directors being withdrawn by Fairfax and issuance of the waiver letter dated July 2, 2017) have taken place after March 31, 2016 and after the filing of such annual return, and (iv) post the Offer, the shareholding of Fairfax / FAL would be below 10% of our issued and paid-up capital.

In light of the above, we believe that (i) ICICI Bank is the only entity which on an ongoing basis satisfies the tests which have been specified under the SEBI Regulations and the Companies Act, 2013 for the purposes of identification of a promoter and therefore, our Company shall consider ICICI Bank as its only promoter for purposes of this Red Herring Prospectus and (ii) FAL Corporation does not on an ongoing basis satisfy the tests which have been specified under the SEBI Regulations and the Companies Act, 2013 for the purposes of identification of a promoter and therefore, our Company shall not consider FAL Corporation as its promoter for purposes of this Red Herring Prospectus.

The products and services offered by our Company include motor insurance, health insurance, personal accident insurance, crop insurance, fire insurance, marine insurance and engineering insurance, through multiple distribution channels. For information of our Company's profile, activities, services, products, market, growth, technology, managerial competence, capacity built-up, standing with reference to prominent competitors and major customers, see "Our Management", "Our Business" and "Industry Overview" on pages 197, 151 and 127, respectively.

As on the date of this Red Herring Prospectus, our Company has 1,023 Shareholders.

Changes in Registered Office

Except as disclosed below, there has been no change in the Registered Office of our Company since the date of its incorporation.

Date of change	Details of change in the address of the Registered Office	Reasons for change in the address of the Registered Office
July 24, 2013	Change of registered office from ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400 051 to ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai 400 025.	To ensure greater operational efficiency.

Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as follows:

1. *To carry on all kinds of general insurance business, and all kinds of guarantee and indemnity business, and in particular without prejudice to the generality of the foregoing words, to carry on all branches of fire, marine, aviation, accident, motor vehicle, employers liability, workmen's compensation, disease, sickness, survivorship, failure of issue, third party liability, burglary and robbery, theft, fidelity and transit insurance and further without prejudice to the generality of the foregoing words:*

    a. *To carry on the business of marine and aerial insurance in all its branches, and in particular to make or effect insurance on ships, vessels, boats, craft and acroplanes of all kinds and on goods, merchandise, live or dead stock, luggage, effects, specie, bullion or other property, respondentiar and bottomry interests, commissions, profits and freights.*

    b. *To carry on all kinds of transit insurance business.*

    c. *To carry on the business of sickness and accident insurance in all its branches.*

    d. *To carry on the business of fire insurance in all its branches, and to grant insurance against injury or damage to or loss of property directly or indirectly caused by or resulting from fire, storms, lighting, explosions, accident or otherwise.*

    e. *To establish different classes or clubs of insuring members upon the footing that the members of each class or club shall insure one another on the mutual principle and to manage and regulate such classes or clubs.*

f. *To transact insurances to protect employers and principals against liability on account of injury, loss or damage, either sustained or caused by workmen, servants, employees or agents in their employment or acting on their behalf.*

g. *To transact insurances to protect and indemnify principals or employers against loss or damage by fraud, breach of trust or misconduct of their servants, agents or others acting on their behalf, and to guarantee and provide security for the fidelity and good conduct of persons filling or about to fill offices or appointments and situations of trust or confidence and also to protect and relieve private sureties against loss arising to them from their liability as cautioners or guarantors for others.*

h. *To transact insurances against claims upon the assured for injuries to the person and property of third parties caused by the assured or his property or by others for whom he is responsible.*

i. *To transact insurances against loss of property by burglary or theft by housebreaking or larceny.*

j. *To insure or give any guarantee in relation to any stock, shares, debentures, debenture stock, bonds, obligations or securities issued by or having any guarantee of any company or institution or of any authority supreme, municipal, local or otherwise, or of any person or persons whomsoever, whether corporate or unincorporate.*

k. *To insure or give any guarantee against calls and demands for contribution in respect of any liability incident to the ownership of any shares or stock in any company or undertaking.*

l. *To insure or guarantee the holders of, or persons interested in, or proposing or intending to become holders of any shares, stock or securities issued at a premium or standing at a premium, against loss arising from redemption at par, depreciation or otherwise.*

m. *To insure or guarantee the safety of securities and property of all kinds placed on deposit with the Company or elsewhere, or entrusted to the Company or other persons or companies for transmission, or otherwise howsoever.*

n. *To insure and guarantee the due payment and performance of bills of exchange, promissory notes, debts, contracts and obligations of all kinds, on the del credere system or otherwise.*

o. *To insure and grant, issue and effect policies and assurances in respect of horses, cattle, sheep, pigs, and other live stock against death, whether arising in the course of nature or caused by or the result of or arising from or out of disease or accident, and against injury or depreciation in value by accident, or by fire, flood, inundation, lightning, or tempest.*

p. *To insure and grant, issue and effect insurances upon and in respect of crops, whether growing or severed, against loss, destruction, or injury by fire, flood, or inundation, or in any other manner.*

q. *To insure and grant, issue and effect policies and assurances in respect of loss or damage to property caused by an insured peril, including with respect to building, furniture and fixtures & contents including stock and equipment.*

r. *To insure and grant, issue and effect policies and assurances in respect of inland marine, specialised coverage for property away from the insured premises including contractors equipment, cargo.*

s. *To insure and grant, issue and effect policies and assurances in respect of damage to property resulting in a business interruption or loss of income and continuing expenses thereto.*

t. *To insure and grant, issue and effect policies and assurances in respect of boiler & machinery including sudden and accidental breakdown of any object including heating and air conditioning equipment.*

u. *To insure and grant, issue and effect policies and assurances in respect of legal liability for bodily injury or property damage caused by automobile or otherwise.*

v. *To insure and grant, issue and effect policies and assurances in respect of accident benefits, including providing no fault coverage, medical and loss of income caused by automobile or otherwise.*

w. *To insure and grant, issue and effect policies and assurances in respect of physical damage, loss or damage to the insured vehicle or automobile or other mode of transportation.*

x. *To insure and grant, issue and effect policies and assurances in respect of commercial general liability or personal liability or legal liability for bodily injury or property damage.*

y. To insure and grant, issue and effect policies and assurances in respect of umbrella or excess liability.

z. To insure and grant, issue and effect policies and assurances in respect of errors & omissions, legal liability for economic loss caused by rendering or failing to render professional services.

aa. To insure and grant, issue and effect policies and assurances in respect of directors & officers including legal liability for designated directors and officers for wrongful acts.

bb. To insure and grant, issue and effect policies and assurances in respect of workers compensation including no fault coverage for employees injured in the scope of their duties.

cc. To insure and grant, issue and effect policies and assurances in respect of employers liability including for legal liability for employees injured in the scope of coverage.

dd. To insure and grant, issue and effect policies and assurances in respect of crime, loss or destruction of money, securities or property by third party.

ee. To insure and grant, issue and effect policies and assurances in respect of fidelity including loss of money or securities by employees.

ff. To insure and grant, issue and effect policies and assurances in respect of aircraft including for legal liability for passengers or other third parties or physical damage to the hull.

gg. To insure and grant, issue and effect policies and assurances in respect of legal expenses legal expenses for a specified coverage.

hh. To insure and grant, issue and effect policies and assurances in respect of marine including legal liability and physical damage to the vessel.

ii. To insure and grant, issue and effect policies and assurances in respect of hail including damage to crops caused by hail.

jj. To insure and grant, issue and effect policies and assurances in respect of residual guarantee including guarantees the value of leased property (such as a vehicle) at the end of the lease.

kk. To insure and grant, issue and effect policies and assurances in respect of credit (personal lines only) including guarantees the payments under a mortgage, hire purchase or similar arrangement in the event of default by the obligor and/or the occurrence of some other event (eg. disability), so long as such insurance is not classified by the insurance regulatory and development authority as "life insurance".

ll. To insure and grant, issue and effect policies and assurances in respect of accident & sickness (other than stand-alone) including medical expenses and income replacement resulting from accident or serious sickness.

mm. To insure and grant, issue and effect policies and assurances in respect of accidental death & disability including medical and income replacement resulting from death or permanent disability.

nn. To insure and grant, issue and effect policies and assurances in respect of surety (excluding financial guarantee) including guarantee of performance of a contract.

2. To acquire or extinguish or otherwise deal with any insurance made with the Company.

3. To effect as agents for other assurances of every kind and against every and any contingency.

4. To give to any class or section of those who insure, or have dealings with the Company, any rights over or in relation to any fund or funds, or a right to participate in the profits of the Company, or in the profits of any particular branch or part of its business, either equally with other classes or sections or otherwise and any other special privileges, advantages or benefits and either by way of rebate or otherwise subject nevertheless to the rights of existing policyholders under policies already issued to them and for the time being in force.

5. To pay, satisfy or compromise any claims against the Company in respect of any policies or contracts granted by dealt with or entered into by the Company which claims it may deem expedient to satisfy or compromise notwithstanding that the same may not be enforceable.

6. To take, or otherwise acquire, and hold shares, debentures, or other securities of any other company or to invest or otherwise deal in securities or securitised debt of any company, body corporate, trust or individual or the Government of India or any state Government and to lend money and make investments or give credit to any person or company and on *such terms as may be considered expedient, and either with or without security; to secure or undertake in any way the repayment of moneys or investments lent to or the liabilities incurred by any person or company, and otherwise to assist any person or company and to further invest and deal with the money of the Company not immediately required in any such manner as may from time to time be thought fit.*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out.

Amendments to our Memorandum of Association

Date of Shareholder's resolution / effective date	Particulars
February 16, 2001	Increase in authorised capital from ₹ 500,000 comprising 50,000 Equity Shares to ₹ 1,100,000,000 comprising 110,000,000 Equity Shares pursuant to a resolution passed by our Shareholders in their EGM
June16, 2003	Increase in authorised capital from ₹ 1,100,000,000 comprising 110,000,000 Equity Shares to ₹ 2,200,000,000 comprising 220,000,000 Equity Shares pursuant to a resolution passed by our Shareholders in their AGM
March 2, 2006	Increase in authorised capital from ₹ 2,200,000,000 comprising 220,000,000 Equity Shares to ₹ 2,600,000,000 comprising 260,000,000 Equity Shares pursuant to a resolution passed by our Shareholders in their EGM
June 20, 2006	Increase in authorised capital from ₹ 2,600,000,000 comprising 260,000,000 Equity Shares to ₹ 3,500,000,000 comprising 350,000,000 Equity Shares pursuant to a resolution passed by our Shareholders in their EGM
March 14, 2007	Increase in authorised capital from ₹ 3,500,000,000 comprising 350,000,000 Equity Shares to ₹ 4,500,000,000 comprising 450,000,000 Equity Shares pursuant to a resolution passed by our Shareholders in their EGM
March 26, 2013	Increase in authorised capital from ₹ 4,500,000,000 comprising 450,000,000 Equity Shares to ₹ 4,750,000,000 comprising 475,000,000 Equity Shares pursuant to a resolution passed by our Shareholders in their EGM
July 24, 2013	Change of registered office from ICICI Bank Towers, Bandra-Kurla Complex, Mumbai – 400 051 to ICICI Lombard House, 414, Veer Savarkar Marg, Near Siddhivinayak Temple, Prabhadevi, Mumbai 400 025

Major events and milestones of our Company

Fiscal	Particulars
2001	Our Company started operations
2004	Became the largest private sector general insurer
2006	Crossed the mark of 1 million policies Crossed the receipt of ₹ 10.00 billion of GDPI
2010	Settled more than 5 million claims
2014	Number of policies issued by our Company crossed 10 million Profit after tax crossed ₹ 5.00 billion
2015	Investment book size crossed ₹ 100.00 billion
2016	First general insurance company of India to issue subordinated debt
2017	Crossed ₹ 100.00 billion of GDPI

Awards and Accreditations

Calendar year	Award/Certification/Recognition
2017	Bancassurance Leader of the Year (General Insurance – Large Category) and Technology Initiative of the Year (General Insurance Category) at 'Fintelekt Insurance Awards, 2017'
	Celent Model Insurer Asia Awards, in the Digital and Omnichannel category Chatbot 'MyRA' was presented the award the category 'Legacy and Ecosystem Transformation'
	Silver Medal Winner for Best Contact Center in Asia Pacific 2017 presented by Contact Center World, the Global Association for Contact Center and Customer Engagement Best Practices
	Best Legal Department, Asia Pacific Region at International Legal Alliance Awards, New York
2016	Golden Peacock Award for Business Excellence 2016
	Claim Service Leader (General Insurance - Large Category) at Indian Insurance Awards
	Technology Innovation – General Insurance Award at Indian Insurance awards
	Frost and Sullivan India Best Practices Award for Most Innovative Health Insurance Company of the Year

Calendar year	Award/Certification/Recognition
	World Quality Congress - Global Awards 2016
	LACP, USA 2015 / 2016 'Vision Awards' - A Gold Award in the Insurance Category for its Annual Report 2015-16
	Best Legal Department for 2016 at India Legal Summit & Legal Awards
	IPRCCA 2016 in CSR & NOT-FOR-PROFIT Category for 'Ride to Safety' CSR campaign
2015	Outlook Money Non-Life Insurer of the Year, 2015
	Golden Peacock Corporate Social Responsibility Award 2015
	Golden Peacock Innovation Management Award 2015
	e-Business Leader General Insurance (Large Company Category) - Award 2015 at the Indian Insurance Awards
	Best Travel Insurance Company 2015 at CNBC Awaaz Travel Awards

Key shareholders' agreement

Original Joint Venture Agreement and Amended and Restated Joint Venture Agreement

ICICI Bank (then known as ICICI Limited), Fairfax, Lombard Canada Ltd., Lombard General Insurance Company of Canada, Lombard Insurance Company and Zenith Insurance Company had executed the Original Joint Venture Agreement on October 4, 2000 for incorporation of a joint venture company under the name of "ICICI Lombard General Insurance Company Limited" for operating the general insurance business in all regions in India and for providing general insurance products and related services.

The Original Joint Venture Agreement was amended vide an amendment agreement dated October 30, 2015 among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company, pursuant to which ICICI Bank sold 9% of its Equity Shares in our Company to FAL.

Thereafter, the Original Joint Venture Agreement, was amended and restated vide the Amended and Restated Joint Venture Agreement executed on March 8, 2016 among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company, to consolidate the amendments made by the amendment agreement dated October 30, 2015 and to ensure compliance with the IRDAI Control Guidelines.

The Amended and Restated Joint Venture Agreement was further amended vide the amendment agreement executed on April 11, 2016 among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company. Pursuant to the Amended and Restated Joint Venture Agreement, ICICI Bank and Fairfax were entitled to certain rights, inter alia, including (i) right to nominate directors in proportion to their shareholding (subject to certain conditions), (ii) approval of the majority of the nominee directors of both parties required in relation to various affirmative voting items, (iii) the right of first refusal on the Equity Shares proposed to be sold by the other party to a third party other than a permitted transferee, and (iv) rights relating to exclusive and non-exclusive business activities.

Subsequently, the Amended and Restated Joint Venture Agreement was terminated pursuant to the termination agreement dated July 3, 2017 (the "**Termination Agreement**") subject to terms and conditions mentioned therein. However, in terms of the Termination Agreement, if (i) the draft red herring prospectus is not filed with SEBI by July 31, 2017; or (ii) the equity shares of the Company are not listed on recognized stock exchanges in India by December 31, 2017, or within six months from the date on which SEBI's comments on the draft red herring prospectus are received by the Company, whichever is earlier, then in each case, the Amended and Restated Joint Venture Agreement shall, automatically and without need for any further action on the part of the parties thereto, shall stand revived, reinstated and in full force and effect on and from the date of occurrence of any of the events referred to in (i) or (ii) above, whichever is earlier. In addition to the above, Fairfax vide letter dated July 2, 2017 has waived (i) its right to nominate directors to our Board in terms of Article 131 of the Articles of Association, and (ii) all other rights under the Articles of Association.

Other agreements

A letter agreement dated May 27, 2017 has been entered into among FAL, Red Bloom Investment Ltd. ("**Red Bloom**", a company incorporated under the laws of Mauritius and wholly owned by private equity funds managed by Warburg Pincus LLC), ICICI Bank and our Company (in reference to the share purchase agreement dated May 27, 2017 by and between FAL and Red Bloom) for recording the transfer of Equity Shares and shareholders rights in respect of our Company. The Letter Agreement was subsequently amended pursuant to the amendment letter dated July 6, 2017 (the "**Amendment Agreement**", together with the letter agreement dated May 27, 2017, "**Letter Agreement**"). Pursuant to the Letter Agreement, Red Bloom has certain special rights until consummation of the IPO which includes inter alia (i) information rights, (ii) investor affirmative voting rights (as a shareholder), (iii) pre-emptive rights, and (iv) tag-along right. In terms of the Letter Agreement, the parties are required to undertake an IPO (on best efforts basis) of our Company by no later than three years from the date of the Letter Agreement (subject to terms and conditions mentioned therein). Additionally, pursuant to the Amendment Agreement, Red Bloom has waived the requirement to convene a meeting of our Shareholders to approve an amendment to the Articles of Association (for inclusion of necessary rights therein) subject to the completion of the IPO by December 31, 2017.

Trademark agreement

The ICICI Trademark Licensing Agreement has been entered into between ICICI Bank and us pursuant to which ICICI Bank has granted a non-exclusive, non-proprietary, non-transferable, revocable license to use 'ICICI' and 'I-man logo' to our Company as part of its corporate name and/or trade name and style, for the purposes of our business. The Deed of Assignment has been entered into between Northbridge Financial Corporation and us pursuant to which Northbridge Financial Corporation has assigned and transferred 'Lombard' trademark to us with effect from the date of execution of this agreement. For details, see "Our Business - Intellectual Property" on page 179.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity or debt, see "Capital Structure", "Financial Indebtedness" and "Financial Statements" on pages 99, 354 and 300, respectively.

Defaults or rescheduling of borrowings with financial institutions / banks

There have been no defaults or rescheduling of borrowings with the financial institutions / banks.

Lock-out, Strikes, etc.

There have been no lock-outs, strikes etc. during the five years preceding the date of this Red Herring Prospectus.

Injunctions or restraining order against our Company

Except as disclosed in the section "Outstanding Litigation and Material Developments" on page 365, as of the date of this Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Guarantees provided by our Promoter

Our Promoter has not given any guarantees to third parties that are outstanding as of the date of this Red Herring Prospectus.

Financial and Strategic Partners

Our Company does not have any financial or strategic partners.

Our Holding Company

ICICI Bank is our holding company. For details of our holding company, see "Our Promoter and Promoter Group" on page 215.

Our Subsidiary

Our Company does not have any subsidiary, joint venture or associates.

OUR MANAGEMENT

In terms of our Articles of Association, our Company is required to have not less than six and not more than 16 directors. As on the date of this Red Herring Prospectus, our Board comprises 10 Directors.

The following table sets forth details of our Board:

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Chanda Deepak Kochhar *Designation*: Non-Executive Chairperson and Nominee Director *Address*: CCI Chambers, Flat number 45, Dinshaw Vachha Road, Churchgate, Mumbai 400 020 *Occupation*: service *Nationality*: Indian *Term*: not liable to retire by rotation *DIN*: 00043617	55	• Catalyst Inc.; • ICICI Bank; • ICICI Prudential Life Insurance Company Limited; • ICICI Prudential Asset Management Company Limited; • I-Sec; and • ICICI Bank Canada.
Ved Prakash Chaturvedi *Designation*: Independent Director *Address*: D-3301, Ashok Towers, Dr. Babasaheb Ambedkar Road, Parel, Mumbai 400 012 *Occupation*: professional *Nationality*: Indian *Term*: appointed for a period of five years with effect from July 13, 2016 to July 12, 2021 *DIN*: 00030839	52	• ICICI Prudential Asset Management Company Limited.
Uday Madhav Chitale *Designation*: Independent Director *Address*: 167-C, Poonawadi, Dr. Ambedkar Road, Dadar (East) Mumbai 400 014 *Occupation*: professional *Nationality*: Indian *Term*: appointed for a period of five years with effect from April 19, 2016 to April 18, 2021 *DIN*: 00043268	67	• Axis Mutual Fund Trustee Limited; • DFK Consulting Services (India) Private Limited; • GMR Vemagiri Power Generation Limited; • Indian Council for Dispute Resolution; • ICICI Prudential Pension Funds Management Company Limited; • India Infradebt Limited; • Janalakshmi Financial Services Limited; • JSW Energy Limited; and • Raj Westpower Limited.
Lalita Dileep Gupte *Designation*: Independent Director *Address*: 153-C, Mhaskar Building, Sir Bhalchandra	68	• Bharat Forge Limited; • Godrej Properties Limited; • India Infradebt Limited;

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Road, Matunga (East) Mumbai 400 019 *Occupation*: professional *Nationality*: Indian *Term*: appointed for a period of five years with effect from October 18, 2016 to October 17, 2021 *DIN*: 00043559		• Kirloskar Brothers Limited; and • Vedanta Limited.
Kannan Narayanan Srinivasa *Designation*: Nominee Director *Address*: Flat number 204, Tower B, Kalpataru Horizon, S. K. Ahire Marg, Worli, Mumbai 400 018 *Occupation*: service *Nationality*: Indian *Term*: liable to retire by rotation *DIN*: 00066009	52	• ICICI Bank; • ICICI Securities Primary Dealership Limited; • ICICI Prudential Asset Management Company Limited; • ICICI Prudential Life Insurance Company Limited; • ICICI Bank U.K. PLC; and • ICICI Bank Canada.
Suresh Muthukrishna Kumar *Designation*: Independent Director *Address*: Nr. Clock Tower, (Flat-813), 125/110 Al Maktoum Street Dm.42, 71342, Dubai *Occupation*: professional *Nationality*: Indian *Term*: Appointed for a period of five years with effect from June 1, 2016 to May 31, 2021 *DIN*: 00494479	67	• Aster DM Healthcare Limited; • Emirates REIT (CEIC) Limited; • ICICI Prudential Asset Management Company Limited; • Tricolour Values Investments PSC; • Tricolours Investments Limited; • Tricolour Financial Services Private Limited; • Tricolour Realties & Reits Limited; and • Values Alternative Investments International Private Limited.
Ashvin Dhirajlal Parekh *Designation*: Independent Director *Address*: Flat number 501, 5th Floor, Raheja Princess, 845-848, S.K. Bole Marg, Agar Bazar, Prabhadevi, Mumbai 400 028 *Occupation*: professional *Nationality*: Indian *Term*: Appointed for a period of five years with effect from April 18, 2014 to April 17, 2019 *DIN*: 06559989	64	• I-Sec; and • ICICI Securities Primary Dealership Limited.

Name, Designation, Address, Occupation, Nationality, Term and DIN	Age (in years)	Other Directorships
Bhargav Dasgupta *Designation*: Managing Director and Chief Executive Officer *Address*: Flat number 2601-02, Marathon Next Gen, ERA III, Opposite Peninsula Corporate Park, Off Ganpatrao Kadam Marg, Lower Parel (West), Mumbai 400 013 *Occupation*: service *Nationality*: Indian *Term*: appointed for a period of five years with effect from May 1, 2014 to April 30, 2019 *DIN*: 00047728	51	• BFSI Sector Skill Council of India.
Alok Kumar Agarwal *Designation*: Executive Director *Address*: B-604, Sumer Tower, New Prabhadevi Road, Mumbai 400 025 *Occupation*: service *Nationality*: Indian *Term*: appointed for a period of five years with effect from January 19, 2016 to January 18, 2021 *DIN*: 03434304	50	• Nil
Sanjeev Radheyshyam Mantri *Designation*: Executive Director *Address*: B-1602, Vivrea, Saat Rasta, near Jacob Circle, Mahalaxmi, Mumbai 400 011 *Occupation*: service *Nationality*: Indian *Term*: Appointed for a period of three years with effect from May 2, 2015 to May 1, 2018 *DIN*: 07192264	46	• Nil

Relationship between our Directors

None of our Directors are related to each other.

Arrangements or understandings with major shareholders, customers, suppliers or others

Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are appointed as Nominee Directors on the Board of our Company by ICICI Bank. For further details, see "History and Corporate Matters" on pages 190, 191 and 195. Other than as disclosed above, none of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Brief Biographies of Directors

Chanda Deepak Kochhar, aged 55, is a Non-Executive Chairperson of our Board and Nominee Director of ICICI Bank. She has obtained a bachelor's degree in arts from the University of Mumbai. She has also obtained a master's degree in management studies from Jamnalal Bajaj Institute of Management Studies, Mumbai. She has received an honorary doctorate of laws from Carleton University, Canada. She has been associated with our Company since September 1, 2008. She has been the managing director and chief executive officer of ICICI Bank since 2009. She is the recipient of the Padma Bhushan Award, 2011, the third highest civilian honour awarded by the Government of India. She has been a member of the Prime Minister's Council of Trade and Industry and High-Level Committee on Financing Infrastructure and is currently a member of the Board of Trade.

Ved Prakash Chaturvedi, aged 52, is an Independent Director of our Company. He holds a post graduate diploma in management from Indian Institute of Management, Bengaluru. He has been associated with our Company since July 13, 2016. He has experience in building investment management and wealth management businesses both organically and through acquisitions. Previously, he worked with Tata Asset Management Limited as the managing director from October 2004 to October 2010 and with L & T Investment Management Limited as a director from September 2011 to September 2014. He has served on the board of Association of Mutual Funds in India (AMFI) from June 2004 to September 2010.

Uday Madhav Chitale, aged 67, is an Independent Director of our Company. He is a member of the Institute of the Chartered Accountants of India, a Centre for Dispute Resolution (CEDR) Accredited Mediator and is a senior partner of M/s M. P. Chitale & Co., Chartered Accountants. He has been associated with our Company since April 19, 2016. He has experience in corporate auditing, commercial dispute resolution (mediation/conciliation and arbitration), business negotiations and valuation.

Lalita Dileep Gupte, aged 68, is an Independent Director of our Company. She holds a bachelor's degree in economics from the University of Delhi and a master's degree in management studies from Jamnalal Bajaj Institute of Management Studies. She has been associated with our Company as an Independent Director since October 18, 2016. She has experience in corporate and retail banking, strategy, resources and international banking and other areas. Previously, she worked with ICICI Limited from June 15, 1971. She retired in October 2006 as joint managing director.

Kannan Narayanan Srinivasa, aged 52, is a Nominee Director of ICICI Bank. He has obtained a bachelor's degree in mechanical engineering from the National Institute of Technology, Tiruchirappalli and post graduate diploma in management from the Indian Institute of Management, Bengaluru. He is also a qualified Chartered Financial Analyst registered with the Institute of Chartered Financial Analysts of India. He has been associated with our Company since May 1, 2009. He has been with the ICICI Group for over 25 years. He was the Executive Director and Chief Financial Officer of ICICI Bank from May 1, 2009 to October 25, 2013. Since May 1, 2009, he is an Executive Director of ICICI Bank.

Suresh Muthukrishna Kumar, aged 67, is an Independent Director of our Company. He holds a bachelor's of commerce degree from University of Bombay and was a member of the London-Stanford International Investment Management Programme at London School of Business. He has been elected as a Fellow of the Indian Institute of Bankers. He has been associated with our Company since June 1, 2016. He has experience in corporate banking, remedial credit management, treasury and capital markets, asset management and investment banking companies. He is a board member of ICICI Prudential Asset Management Company Limited since June 2012, Aster DM Healthcare Limited since September 2015 and Value Services International Private Limited since September 2008.

Ashvin Dhirajlal Parekh, aged 64, is an Independent Director of our Company. He is a member of the Institute of Chartered Accountants of India. He has been associated with our Company since April 18, 2014. He has experience in business strategies, corporate planning, institutional strengthening and business transformation across industries including banking, insurance, pension and capital markets both in domestic and global markets. He is currently a director on the board of I-Sec, ICICI Securities Primary Dealership Limited and a designated partner of Ashwin Parekh Advisory Services LLP.

Bhargav Dasgupta, aged 51, is the Managing Director and Chief Executive Officer of our Company. He holds a bachelor's degree in mechanical engineering from Jadavpur University and a post graduate diploma in business administration from the Indian Institute of Management, Bengaluru. He has been associated with our Company since May 1, 2009 as the Managing Director and Chief Executive Officer. He has experience in project finance and corporate banking, e-commerce and technology management, international banking and life insurance. Previously, he worked with ICICI Limited from May 18, 1992 and with ICICI Prudential Life Insurance Company Limited as executive director from October 2006 till April 30, 2009.

Alok Kumar Agarwal, aged 50, is an Executive Director and Chief Marketing Officer, Wholesale of our Company. He holds a bachelor's degree in chemical engineering from Jadavpur University and a post graduate diploma in management from the Indian Institute of Management, Calcutta. He has been associated as an Executive Director with our Company since January 19, 2011. He has experience in the banking and insurance sector. Previously, he worked with Reliance Petrochemicals Limited as an engineer from July, 1989 to April, 1991. Subsequently, he worked with ICICI Limited from April 1993 to October 2004 and was deputy general manager of ICICI Bank at the time of his transfer to our Company.

Sanjeev Radheyshyam Mantri, aged 46, is an Executive Director and Chief Marketing Officer, Retail of our Company. He holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics and is a member of the Institute of

Chartered Accountants of India and the Institute of Cost and Works Accountants of India. He has been associated with our Company since May 2, 2015. He has experience in strategy, products, analytics, pricing, marketing and corporate communication. Previously, he worked with ICICI Bank from October 2003 to May 2015.

Confirmations

None of our Directors is or was a director of any listed company during the last five years preceding the date of the Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchanges.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges during the term of their directorship in such companies.

None of our Directors have been declared as Wilful Defaulters.

Terms of appointment of whole-time directors

Bhargav Dasgupta

Bhargav Dasgupta is currently the Managing Director and Chief Executive Officer of our Company. Our Board, at its meeting held on April 25, 2009 appointed Bhargav Dasgupta as Managing Director and Chief Executive Officer of the Company, subject to the approval of our Shareholders and IRDAI for a period of five years effective May 1, 2009. Subsequently, the appointment of Bhargav Dasgupta as Managing Director and Chief Executive Officer of the Company was approved by our Shareholders at the AGM held on July 21, 2009 and IRDAI vide letter dated May 7, 2009. Our Board in its meeting held on April 18, 2014 and our Shareholders in their AGM held on June 20, 2014, approved the re-appointment of Bhargav Dasgupta as Managing Director and Chief Executive Officer with effect from May 1, 2014 for a period of five years till April 30, 2019. The approval from IRDAI has been obtained by our Company in relation to the remuneration and re-appointment of Bhargav Dasgupta, Managing Director and Chief Executive Officer for a period of five years with effect from May 1, 2014. Pursuant to the Shareholders' resolution dated July 10, 2017, Bhargav Dasgupta is entitled to remuneration, perquisites and allowances with effect from April 1, 2017, as detailed below subject to IRDAI approval for the revised remuneration:

Particulars	Remuneration (in ₹ million) (per month)
Basic salary	1.69
Allowances	1.35
Perquisites	Please refer to Note below
Retirals (includes provident fund and gratuity)	0.34

Note: Perquisites include cost of company car as per the eligibility in line with the group scheme, fuelled and maintained by our Company and our Company provided driver, membership of two clubs, group life insurance of ₹ 15.0 million, accident insurance of ₹ 60.0 million, medical reimbursement up to ₹ 0.08 million per annum, out of which ₹ 0.02 million is included in the above allowances, for self, spouse, dependent parents & two children, medical insurance of ₹ 0.4 million covering self, spouse, dependent children and dependent parents, soft furnishing of ₹ 2.5 million for a period of five years, reimbursement of home phone, internet usage charges, electricity, gas, water bill reimbursement, children's scholarship as per employee's children scholarship scheme, interest subsidy at 5% per annum on any home loan (up to a maximum loan value of ₹ 80.0 million) under the interest subsidy scheme and post retirement group health insurance of ₹ 1.2 million per annum with floater amount of ₹ 3.6 million in a block of three years and transportation to home town.

In addition to the above, Bhargav Dasgupta is entitled to 753,500 stock options of ICICI Bank (subject to necessary regulatory approval), vesting over three years, in proportions of 30%, 30% and 40% under ICICI Bank Employees Stock Options Scheme, 2000, subject to the necessary regulatory approvals. Further, proposed target performance bonus for Fiscal 2018 subject to IRDAI approval is as follows – 70% of total fixed salary (i.e. ₹ 25,511,126). Additionally, in the event the bonus is more than 50% of fixed salary, 60% of the bonus would be paid upfront and balance equally deferred over three years.

Alok Kumar Agarwal

Our Board, at its Meeting held on January 19, 2011 appointed Alok Kumar Agarwal as Executive Director of the Company, subject to the approval of our Shareholders and IRDAI for a period of five years effective January 19, 2011. Subsequently, the appointment of Alok Kumar Agarwal as Executive Director of the Company was approved by our Shareholders at the AGM held on June 20, 2011 and IRDAI vide letter dated February 3, 2011. Our Board in its meeting held on January 15, 2016 and our Shareholders in their AGM held on July 1, 2016, approved the re-appointment of Alok Kumar Agarwal as Executive Director with effect from January 19, 2016 for a period of five years till January 18, 2021. The approval from IRDAI has been obtained by our Company in relation to the remuneration and re-appointment of Alok Kumar Agarwal, Executive Director for a period of five years with effect from January 19, 2016. Pursuant to the Shareholders' resolution dated July 10, 2017, Alok Kumar Agarwal is entitled to remuneration, perquisites and allowances with effect from April 1, 2017, as detailed below subject to IRDAI approval for the revised remuneration:

Particulars	Remuneration (in ₹ million) (per month)
Basic salary	0.79
Allowances	1.00
Perquisites	Please refer to Note below
Retirals (provident fund, gratuity)	0.16

Note: Perquisites include cost of company car as per the eligibility in line with the group scheme, one club membership, group life insurance of ₹ 9.0 million, accident insurance of ₹ 36.0 million, medical reimbursement upto ₹ 0.08 million, out of which ₹ 0.02 million is included in the above allowances, for self, spouse, dependent parents and two children, medical insurance of ₹ 0.4 million covering self, spouse, dependent children & dependent parents, reimbursement of home phone upto ₹ 3,000.00 per month and post retirement group health insurance of ₹ 1.2 million per annum with floater amount of ₹ 3.6 million in a block of three years and transportation to home town.

In addition to the above, Alok Kumar Agarwal is entitled to 99,770 stock options of ICICI Bank (subject to necessary regulatory approval), vesting over three years, in proportions of 30%, 30% and 40%under ICICI Bank Employees Stock Options Scheme, 2000, subject to the necessary regulatory approvals. Further, proposed target performance bonus for Fiscal 2018 subject to IRDAI approval is as follows – 70% of total fixed salary (i.e. ₹ 15,014,313). Additionally, in the event the bonus is more than 50% of fixed salary, 60% of the bonus would be paid upfront and balance equally deferred over three years.

Sanjeev Radheyshyam Mantri

Our Board, at its Meeting held on March 31, 2015 appointed Sanjeev Radheyshyam Mantri as an Executive Director of the Company, subject to the approval of our Shareholders and IRDAI for a period of five years effective May 2, 2015. Subsequently, the appointment of Sanjeev Radheyshyam Mantri as an Executive Director of the Company was approved by our Shareholders at the AGM held on June 25, 2015 and IRDAI vide letter dated September 7, 2015 had approved the appointment of Sanjeev Radheyshyam Mantri for a period of three years with effect from May 2, 2015. Pursuant to the Shareholders' resolution dated July 10, 2017, Sanjeev Radheyshyam Mantri is entitled to remuneration, perquisites and allowances with effect from April 1, 2017, as detailed below subject to IRDAI approval for the revised remuneration:

Particulars	Remuneration (in ₹ million) (per month)
Basic salary	0.89
Allowances	1.04
Perquisites	Please refer to Note below
Retirals (provident fund, gratuity)	0.18

Note: Perquisites include cost of company car as per the eligibility in line with the group scheme, one club membership, group life insurance of ₹ 9.0 million, accident insurance of ₹ 36.0 million, medical reimbursement upto ₹ 0.08 million, out of which ₹ 0.02 million is included in the above allowances, for self, spouse, dependent parents and two children, medical insurance of ₹ 0.4 million covering self, spouse, dependent children and dependent parents, reimbursement of home phone upto ₹ 3000.00 per month and post retirement group health insurance of ₹ 1.2 million per annum with floater amount of ₹ 3.6 million in a block of three years and transportation to home town.

In addition to the above, Sanjeev Radheyshyam Mantri is entitled to 303,050 stock options of ICICI Bank (subject to necessary regulatory approval), vesting over three years, in proportions of 30%, 30% and 40% under ICICI Bank Employees Stock Options Scheme, 2000, subject to the necessary regulatory approvals. Further, proposed target performance bonus for Fiscal 2018 subject to IRDAI approval is as follows – 70% of total fixed salary (i.e. ₹ 15,159,793). Additionally, in the event the bonus is more than 50% of fixed salary, 60% of the bonus would be paid upfront and balance equally deferred over three years.

Payment and Benefits to our Directors

Remuneration paid to our Managing Director and Chief Executive Officer

Following are the details of remuneration paid to our Managing Director and Chief Executive Officer for Fiscal 2017:

Particulars	Remuneration (in ₹ million)
Gross salary	58.63
Perquisites	0.47
Others	2.11
Total	61.21

Bhargav Dasgupta is entitled to 5,893,113 stock options of ICICI Bank and 753,500 stock options of ICICI Bank (which is subject to necessary regulatory approval), under ICICI Bank Employees Stock Options Scheme, 2000.

Remuneration of Executive Directors

Following are the details of the remuneration paid to the Executive Directors in Fiscal 2017:

Sr. No.	Name of Director	Particulars	Remuneration (in ₹ million)
1.	Alok Kumar Agarwal	Gross salary	29.08
		Perquisites	0.02
		Others	37.54
		Total	66.64
2.	Sanjeev Radheyshyam Mantri	Gross Salary	29.83
		Perquisites	0.31
		Others	1.15
		Total	31.29

Alok Kumar Agarwal is entitled to 1,255,595 stock options of ICICI Bank and 99,770 stock options of ICICI Bank (which is subject to necessary regulatory approval) under ICICI Bank Employees Stock Options Scheme, 2000. Sanjeev Radheyshyam Mantri is entitled to 2,511,850 stock options of ICICI Bank and 303,050 stock options of ICICI Bank (which is subject to necessary regulatory approval) under ICICI Bank Employees Stock Options Scheme, 2000.

Remuneration of Non-Executive Directors and Independent Directors

In terms of with the resolution of the Board dated April 18, 2014, the Board has approved payment of sitting fees of ₹ 0.1 million for attending each Board meeting and ₹ 0.02 million for attending each meeting of the committee of the Board. Further, our Board in its meeting held on October 18, 2016 approved payment of profit related commission to non-executive Directors other than nominee Directors of ₹ 0.75 million per annum.

The following table sets forth details of sitting fees and profit related commission paid to the Non-Executive and Nominee Directors during Fiscal 2017:

Sr. No.	Name of the Director	Sitting Fees (In ₹ million)	Commission (In ₹ million)	Total (In ₹ million)
1.	Chanda Deepak Kochhar	-	-	-
2.	Kannan Narayanan Srinivasa	-	-	-

The following table sets forth details of sitting fees paid to the Independent Directors during Fiscal 2017:

Sr. No.	Name of the Director	Sitting Fees (In ₹ million)	Commission (In ₹ million)	Total (In ₹ million)
1.	Ashvin Dhirajlal Parekh	0.86	0.38	1.24
2.	Uday Madhav Chitale	0.60	0.38	0.98
3.	Suresh Muthukrishna Kumar	0.44	0.38	0.82
4.	Lalita Dileep Gupte	0.20	0.34	0.54
5.	Ved Prakash Chaturvedi	0.34	0.38	0.72

Remuneration paid to our Directors by our Subsidiaries and Associate Companies

As on the date of this Red Herring Prospectus, our Company does not have any subsidiary or associate company.

Shareholding of Directors in our Company

The following table sets forth details of shareholding of our Directors in our Company:

Sr. No.	Name of the Director	Number of Equity Shares held in our Company
1.	Bhargav Dasgupta	375,000
2.	Alok Kumar Agarwal	455,000

Our Articles of Association do not require our Directors to hold any qualification shares.

Appointment of relatives of Directors to any office or place of profit

None of the relatives of our Directors currently hold any office or place of profit in our Company.

Interests of Directors

Our Managing Director and Chief Executive Officer may be deemed to be interested to the extent of remuneration, other perquisites and stock options for which he may be entitled to as part of his services rendered to our Company as an officer or an employee of our Company.

Our Executive Directors may be interested to the extent of remuneration, other perquisites and stock options for which they may be entitled to as part of their service rendered to our Company as an officer or employee of our Company.

Our Nominee Directors may be interested to the extent of their appointment as a Nominee Director in our Company.

Our Independent Directors may be interested to the extent of fees, commission and reimbursement of other expenses payable to them for attending the meetings of our Board and committees thereof.

Certain of our Directors may also be regarded as interested in the Equity Shares that may be allotted, pursuant to the Offer, to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. Certain of our Directors will also be deemed to be interested to the extent of any dividends payable to them and other distributions in respect of the Equity Shares held by them in our Company.

Our Directors have no interests in the promotion of our Company other than in the ordinary course of business.

Our Company has not entered into any service contracts with our Directors which provide for benefits upon termination of employment of our Directors.

Further, our Directors have no interests in any property acquired within two years from the date of the Draft Red Herring Prospectus or proposed to be acquired by our Company.

No loans have been availed by our Directors or Key Management Personnel from our Company

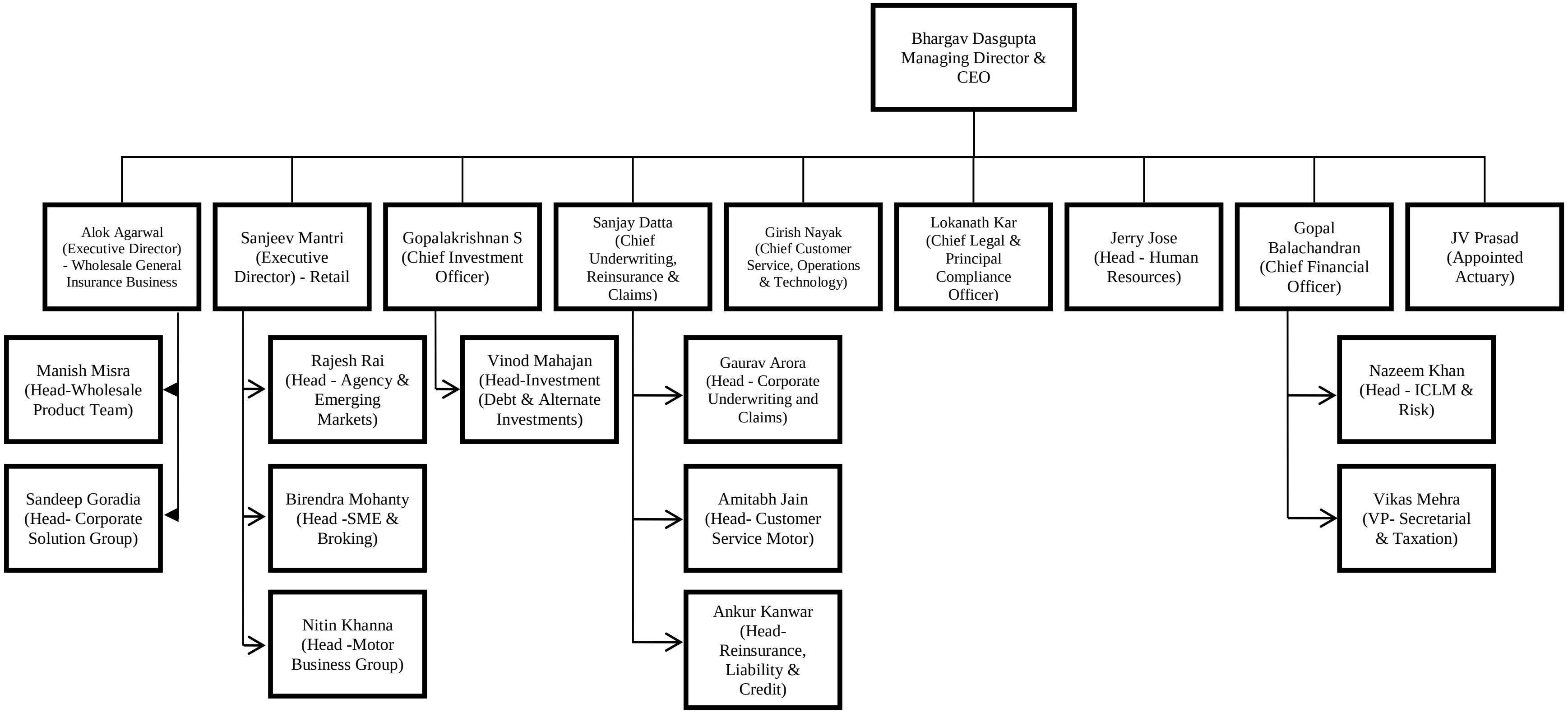
Changes in our Board in the last three years

Name	Date of appointment / cessation	Reason
Neelesh Garg	February 2, 2015	Ceased to be an Executive Director
Sanjeev Radheyshyam Mantri	May 2, 2015	Appointed as an Executive Director
M.K. Sharma	July 31, 2015	Ceased to be an Independent Director
Zarin Daruwala	January 5, 2016	Ceased to be a Nominee Director
Vijay Kumar Chandok	January 15, 2016	Appointed as an Additional (Nominee) Director
Uday Madhav Chitale	April 19, 2016	Appointed as an Additional (Independent) Director
Suresh Muthukrishna Kumar	June 1, 2016	Appointed as an Additional (Independent) Director
Dileep Choksi	July 1, 2016	Ceased to be an Independent Director
Ved Prakash Chaturvedi	July 13, 2016	Appointed as an Additional (Independent) Director
Lalita Dileep Gupte	October 18, 2016	Appointed as an Additional (Independent) Director
Ramaswamy Athappan	June 8, 2017	Ceased to be a Nominee Director
Chandran Ponnaiah Ratnaswami	July 2, 2017	Ceased to be a Nominee Director
Subrata Nakul Chandra Mukherji	July 3, 2017	Ceased to be a Nominee Director
Vijay Kumar Chandok	July 3, 2017	Ceased to be a Nominee Director

Borrowing powers of our Board

Our Board has in its meeting held on April 18, 2017 increased the borrowing limit to ₹19,515.9 million.

Management Organisation Chart



Key Management Personnel

Apart from our Managing Director and Chief Executive Officer, and Executive Directors, the following persons are our Key Management Personnel. For details in relation to biography of our Managing Director and Chief Executive Officer, and Executive Directors, see “Our Management - Brief Biographies of Directors” on page 200.

Lokanath Kar, aged 46, is the Chief Legal and Principal Compliance Officer of our Company. He holds bachelor’s degrees in science and law from Utkal University, Bhubaneswar. He has been associated with our Company since August 10, 2006. He has experience in financial services laws and corporate law and governance. Previously, he worked with Indiabulls Securities Limited. He was paid a remuneration of ₹ 31.86 million in Fiscal 2017.

Sanjay Datta, aged 52, is the Chief - Underwriting, Reinsurance and Claims of our Company. He holds a bachelor’s degree in science from University of Calcutta and a master’s in business administration from Jadavpur University. He is also an associate of the Insurance Institute of India. He has been associated with our Company since December 24, 2001. He has work experience in the field of claims, underwriting, product development and pricing. Previously, he worked with Royal Sundaram Alliance Insurance Company Limited as the branch manager, prior to which he worked with Oriental Insurance Company Limited from July 1987 to July 2001 as an assistant manager. He was paid a remuneration of ₹ 23.23 million in Fiscal 2017.

Vikas Mehra, aged 46, is the Vice President - Secretarial and Taxation of our Company. He is also Company Secretary of our Company. He holds a bachelor’s degree in commerce from Government College, Ajmer and is an associate member of the Institute of Chartered Accountants of India and Institute of Company Secretaries of India. He has been associated with our Company since November 14, 2005. He has work experience in the field of finance and accounts, secretarial, compliance, taxation and corporate governance. Previously, he worked with Netafim Irrigation India Private Limited. He was paid a remuneration of ₹ 12.36 million in Fiscal 2017.

Gopal Balachandran, aged 42, is the Chief Financial Officer and Chief Risk Officer of our Company. He holds a bachelor’s degree in commerce from University of Mumbai and an associate member of the Institute of Chartered Accountants of India. He has been associated with our Company since March 6, 2002. He has work experience in the field of finance and taxation, secretarial compliance and enterprise risk. Previously, he worked with ICICI Bank, prior to which he has worked with N. A. Shah Associates LLP, Chartered Accountants as the assistant manager - direct tax from July 1998 to December 1999. He was paid a remuneration of ₹ 28.94 million in Fiscal 2017.

Girish Nayak, aged 47, is the Chief Customer Service, Operations and Technology Officer of our Company. He holds a bachelor’s degree in chemical engineering from Indian Institute of Technology, Bombay and a post-graduate diploma in business management from Indian Institute of Management, Ahmedabad. He has been associated with our Company since April 2013. He has work experience in sales, corporate banking, project finance, wealth management, technology, customer service, operations strategy and administration. Previously, he worked with ICICI Bank as the senior general manager until March 2013. He was paid a remuneration of ₹ 22.5 million in Fiscal 2017.

J. V. Prasad, aged 40, is the Appointed Actuary of our Company. He holds a bachelor’s degree in civil engineering, a master’s degree in business administration from University of Delhi and a master’s degree in actuarial science from the University of Waterloo. He is a fellow of the Institute of Actuaries of India and of the Institute and Faculty of Actuaries, United Kingdom. He has been associated with our Company since December 1, 2005. He has work experience in the field of insurance, product development and actuarial reserving and pricing. Previously, he worked with CRISIL Limited from February 2005 to November 2005 as a manager - ratings in the structure finance division, prior to which he has worked with our Company from May 2003 to February 2005 as a manager. He was paid a remuneration of ₹ 17.7 million in Fiscal 2017.

Gopalakrishnan S., aged 55, is the Chief Investment Officer of our Company. He holds a bachelor’s degree in commerce from Madras University and is a graduate of the Institute of Chartered Accountants of India. He is also a Chartered Financial Analyst and a member of the CFA Institute, USA. He has been associated with our Company since April 2001. He has experience in the field of equity research, trading and fund management. Previously, he worked with BNP Paribas Equities India Private Limited as the director-equity sales from September 2000 to April 2001, prior to which he has worked with UTI Securities Exchange Limited as the senior vice president. He was paid a remuneration of ₹ 125.16 million in Fiscal 2017.

Jerry Jose, aged 45, is the Head - Human Resources of our Company. He holds a bachelor’s degree in arts from the University of Poona, a master’s degree in economics from Gokhale Institute of Politics and Economics, Pune and a master’s degree in personnel management and industrial relations from Tata Institute of Social Sciences, Mumbai. He has been associated with our Company since December 15, 2015. He has work experience in the field of human resources, communications, administration and corporate social responsibility. Previously, he worked with Hindustan Unilever Limited with the last position held as leadership and organisation development director, South Asia. He was paid a remuneration of ₹ 11.66 million in Fiscal 2017.

None of our Key Management Personnel are related to each other.

All our Key Management Personnel are permanent employees of our Company.

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel were selected as members of our senior management.

Shareholding of Key Management Personnel

The following table sets outs the shareholding of our Key Management Personnel as of the date of this Red Herring Prospectus apart from our Managing Director and Chief Executive Officer, and Executive Directors:

Sr. No.	Name	Number of Equity Shares
1.	Gopal Balachandran	253,250
2.	Vikas Mehra	13,500
3.	Lokanath Kar	88,000
4.	J. V. Prasad	107,000
5.	Gopalakrishnan S.	225,400
6.	Sanjay Datta	256,000

Sanjay Datta is entitled to 1,203,675 stock options of ICICI Bank under ICICI Bank Employees Stock Options Scheme, 2000. Girish Nayak is entitled to 2,073,225 stock options of ICICI Bank under ICICI Bank Employees Stock Options Scheme, 2000. Gopalakrishnan S. is entitled to 1,203,675 stock options of ICICI Bank under ICICI Bank Employees Stock Options Scheme, 2000. Gopal Balachandran is entitled to 214,225 stock options of ICICI Bank under ICICI Bank Employees Stock Options Scheme, 2000. Lokanath Kar is entitled to 214,225 stock options of ICICI Bank under ICICI Bank Employees Stock Options Scheme, 2000..

Variable pay, long term pay and non-cash benefits of the Key Management Personnel

Except for the variable pay, long term pay and non-cash benefits applicable to the Key Management Personnel, our Company does not have any bonus or profit sharing plan for the Key Management Personnel.

Variable pay (Performance bonus)

Variable pay is given in the form of a performance bonus. The payout is a function of overall performance of the Company and performance of an individual as determined by the Company subject to a payout capped at a maximum of 100% of basic salary for the individual with highest rating. The design of the variable pay is linked to the individual employees' performance rating which is arrived on the basis of assessment of performance delivered against a set of pre-defined performance objectives.

Long- term pay

Long- term pay may be administered either through employee stock options or deferred cash. This is a critical element in rewarding middle and senior management of the Company and is given to (i) align senior management behavior to long term view of the Company's performance in the interest of the shareholders; (ii) retain key talent in the Company; and (iii) reward performance behaviors which are linked to institution building.

Non-cash benefits

Non-Cash Benefits are provided to supplement rewards which inter-alia include (i) group health insurance; (ii) group term life insurance; and (iii) personal accident insurance.

Interests of Key Management Personnel

The Key Management Personnel do not have any interests in our Company other than to the extent of the remuneration or benefits, including contingent or deferred compensation, to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business, the annual performance bonus, a long term performance pay, the employee stock options and the insurance policies of our Company. Some of the Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them.

Our Company has not entered into any service contracts with our Key Management Personnel which provide for benefits upon termination of employment of our Key Management Personnel. For details on interest of Directors in our Company, see "Interests of Directors" on page 204.

Changes in our Key Management Personnel

The changes in our Key Management Personnel in the last three years are as follows:

Name	Date of change	Reason for change
Jerry Jose	December 15, 2015	New appointment as Head- Human Resource

Name	Date of change	Reason for change
Sanjeev Mantri	May 2, 2015	New appointment as Executive Director (Retail)
J. V. Prasad	December 1, 2015	New appointment as Appointed Actuary
Rajkamal Vempati	September 24, 2015	Resignation as Head – Human Resource
Neelesh Garg	May 1, 2015	Resignation as Executive Director
Manalur Sandilya	November 30, 2015	Resignation as Appointed Actuary

Payment or Benefit to officers of our Company

Except for the payment of remuneration or commission for services rendered by our officers, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer and consideration for payment of giving of the benefit. For details of grants made to employees under the ESOS Scheme, see "Capital Structure - ESOS Scheme" on page 110.

Corporate Governance

In terms of the Listing Regulations, the disclosure requirements and corporate governance norms as specified for listed companies shall *mutatis mutandis* apply to our Company upon listing of the Equity Shares. Our Company is in compliance with the requirements of the Listing Regulations, the Companies Act and the SEBI Regulations in respect of corporate governance requirements including constitution of our Board and committees thereof. Our Company is also in compliance with the IRDAI Corporate Governance Guidelines, issued by IRDAI on May 18, 2016. Our corporate governance framework is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, and the Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board or its committees detailed reports on its performance periodically.

Currently, our Board has 10 Directors comprising the Managing Director and Chief Executive Officer, two Executive Directors, two non-executive Nominee Directors and five Independent Directors. Further, in compliance with the Listing Regulations and the Companies Act, our Company has at least one woman director on our Board.

Committees of our Board in accordance with Listing Regulations

In addition to the committees of our Board detailed below, our Board may, from time to time, constitute committees for various functions.

1. Audit Committee

The members of the Audit Committee are:

- Ashvin Dhirajlal Parekh, Independent Director (Chairman);
- Kannan Narayanan Srinivasa, Nominee Director;
- Uday Madhav Chitale, Independent Director; and
- Lalita Dileep Gupte, Independent Director.

The Audit Committee was last re-constituted by our Board on July 3, 2017. Our Audit Committee met five times during the preceding Fiscal. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013, Clause 7.1 of the IRDAI Corporate Governance Guidelines and Regulation 18(3) of the Listing Regulations and its terms of reference include the following:

(i) **Accounts and Audit**:

(a) Oversee the financial statements, financial reporting process under Indian GAAP and US GAAP, statement of cash flow and disclosure of its financial information, both on an annual and quarterly basis, to ensure that the financial statement is correct, sufficient and credible.

(b) Recommend the appointment, re-appointment, terms of appointment and, if required, the replacement or removal; remuneration, reviewing (with management) performance, and oversight of the work of the auditors (internal/statutory/concurrent) and to review and monitor the auditor's independence and performance, and effectiveness of audit process.

(c) Evaluation of internal financial controls and risk management systems.

(d) Discuss with the statutory auditors before the audit commences, about the nature and scope of audit, as well as, have post-audit discussions to address areas of concern.

(e) Approval of payment to statutory auditors and internal auditors or any of its associated persons or companies, for any other services rendered by them.

(f) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:

- o Matters required to be included in the director's responsibility statement to be included in the board's report in terms of the Section 134(3)(c) of the Companies Act, 2013.

- o Changes, if any, in accounting policies and practices and reasons for the same.

- o Major accounting entries involving estimates based on the exercise of judgment by management.

- o Significant adjustments made in the financial statements arising out of audit findings.

- o Compliance with listing and other legal requirements relating to financial statements to the extent applicable.

- o Approval or any subsequent modification and disclosure of any related party transactions of our Company. Provided that the Audit Committee may grant omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed.

- o Modified opinion(s) in the draft audit report.

(g) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to our Board for approval.

(h) To the extent applicable, review with the management, the statement of uses/end use / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) and related matter, the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our Board to take up steps in this matter.

(i) Scrutiny of inter-corporate loans and investments, if any.

(j) Valuation of undertakings or assets of our Company, wherever it is necessary.

(k) Oversight of the procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having a bearing on the financial position of our Company, whether raised by the auditors or by any other person.

(l) Carrying out any other function, if any, as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by our Board and/or specified / provided under the Companies Act, 2013 or the Listing Regulations, or by any other regulatory authority.

(ii) **Internal Audit**:

(a) Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

(b) Oversee the efficient functioning of the internal audit department and review its reports. The Committee would additionally monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice.

(c) Set-up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.

(d) Discussion with internal auditors of any significant findings and follow up there on.

(e) Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board.

(f) Review with the management, performance of internal auditors, and the adequacy of the internal control systems.

(g) Look into the reasons for substantial defaults in the payment, if any, to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(h) Review the functioning of the whistle blower / vigil mechanism.

(iii) **Compliance and Ethics**:

(a) Review reports on the above and on proactive compliance activities aimed at increasing our Company's ability to meet its legal and ethical obligations, on identified weaknesses, lapses, breaches or violations and the controls and other measures in place to help detect and address the same.

(b) Discuss the level of compliance in our Company and any associated risks and to monitor and report to our Board on any significant compliance breaches.

(c) Supervise and monitor matters reported using our Company's whistle blowing or other confidential mechanisms for employees and others to report ethical and compliance concerns or potential breaches or violations.

(d) Review of policy on appointment of insurance agents.

(e) To review and recommend appropriate policy to our Board as may be prescribed by IRDAI from time to time.

(f) Review key transactions involving conflict of interest.

(g) Monitor the directives issued / penalties imposed/penal action taken against our Company under various laws and statutes and action taken for corrective measures.

(h) Approval of appointment of Chief Financial Officer or any other person heading the finance function or discharging that function after assessing the qualifications, experience and background, etc. of the candidate.

(i) To act as Compliance Committee to discuss level of compliance in our Company including our Company's code of ethics or conduct and any associated risks and to monitor and report to our Board on any significant compliance breaches.

2. Board Nomination and Remuneration Committee

The members of the Board Nomination and Remuneration Committee are:

- Uday Madhav Chitale, Independent Director, (Chairman);
- Chanda Deepak Kochhar, Nominee Director;
- Ashvin Dhirajlal Parekh, Independent Director; and
- Lalita Dileep Gupte, Independent Director.

The Nomination and Remuneration Committee was last re-constituted by our Board on July 3, 2017. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act 2013, Regulation 19(4) of the Listing Regulations and Clause 7.5 of the IRDAI Corporate Governance Guidelines. The terms of reference of the Nomination and Remuneration Committee include the following:

(i) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

(ii) To consider and approve employee stock option schemes and to administer and supervise the same.

(iii) To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to our Board their appointment and removal, and formulate a criteria for evaluation of every director's performance.

(iv) To consider whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

(v) To approve the compensation programme and to ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of our Company and its goals.

(vi) To ensure that the proposed appointments / re-appointments of key managerial personnel or directors are in conformity with our Board approved policy.

(vii) To recommend re-constitution of board constituted committees to our Board.

(viii) Approval of the policy for and quantum of bonus / long term performance pay payable to the members of the staff.

(ix) To devise a policy on diversity of our Board.

(x) To carry out any other function, if any, as prescribed in the terms of reference of the Board Nomination and Remuneration Committee and any other terms of reference as may be decided by our Board and/or specified / provided under the Companies Act, 2013 or the Listing Regulations, or by any other regulatory authority.

3. Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

- Suresh Muthukrishna Kumar, Independent Director (Chairman);
- Kannan Narayanan Srinivasa, Nominee Director;
- Bhargav Dasgupta, Managing Director and Chief Executive Officer; and
- Sanjeev Radheyshyam Mantri, Executive Director.

The Stakeholders' Relationship Committee was re-constituted by our Board on July 3, 2017. This committee is responsible for the redressal of shareholder grievances.

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20(4) of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee of our Company include the following:

(i) Consider and resolve grievances of security holders of our Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;

(ii) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(iii) Issue of duplicate certificates and new certificates on split / consolidation / renewal;

(iv) Redemption of securities and the listing of securities on stock exchanges;

(v) Allotment of shares and securities; and

(vi) Carrying out any other function as may be decided by our Board or prescribed under the Companies Act, 2013, the Listing Regulations, or by any other regulatory authority.

4. Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility Committee are:

- Uday Madhav Chitale, Independent Director (Chairman);
- Ved Prakash Chaturvedi, Independent Director;
- Kannan Narayanan Srinivasa, Nominee Director; and
- Bhargav Dasgupta, Managing Director and Chief Executive Officer.

The Corporate Social Responsibility Committee was re-constituted by Our Board on July 3, 2017. The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act and Clause 7.6 of the IRDAI Corporate Governance Guidelines.

The terms of reference of Corporate Social Responsibility Committee include:

(i) Formulation of corporate social responsibility policy indicating the activities to be undertaken by our Company.

(ii) Recommend to our Board the amount of expenditure to be incurred on the corporate social responsibility activities.

(iii) Monitor the corporate social responsibility policy of our Company from time to time.

5. Policy Holders Protection Committee

The members of the Policy Holders Protection Committee are:

- Ashvin Dhirajlal Parekh, Independent Director (Chairman);
- Ved Prakash Chaturvedi, Independent Director;
- Kannan Narayanan Srinivasa, Nominee Director; and
- Bhargav Dasgupta, Managing Director and Chief Executive Officer.

The Policy Holders Protection Committee was re-constituted by our Board on July 3, 2017. The terms of reference of the Policy Holders Protection Committee are in accordance with Clause 7.4 of the IRDAI Corporate Governance Guidelines. The terms of reference of the Policy Holders Protection Committee of our Company include:

(i) Putting in place proper procedures and effective mechanism to address complaints and grievances of Policyholders including mis-selling by intermediaries.

(ii) Ensuring compliance with the statutory requirements as laid down in the regulatory framework.

(iii) Reviewing the mechanism at periodic intervals.

(iv) Ensuring adequacy of "material information" to the policyholders to comply with the requirements laid down by the authority both at the point of sale and periodic intervals.

(v) Reviewing the status of complaints at periodic intervals.

(vi) Providing the details of grievance at periodic intervals in such formats as may be prescribed by the authority.

(vii) Providing details of insurance ombudsman to the policyholders.

(viii) Monitoring of payments of dues to the policyholders and disclosure of unclaimed amount thereof.

(ix) Review of regulatory reports to be submitted to various authorities.

(x) To review the standard operating procedures for treating the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof.

(xi) To review the framework for awards given by Insurance Ombudsman/ Consumer Forums. Analyse the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any.

(xii) To review all the awards given by Insurance Ombudsman/ Consumer Forums remaining unimplemented for more than three (3) months with reasons therefore and report the same to our Board for initiating remedial action, where necessary.

(xiii) To review claim report including status of outstanding claims with ageing of outstanding claims.

(xiv) To review repudiated claims with analysis of reasons.

6. **Investment Committee**

The members of the Investment Committee are:

- Kannan Narayanan Srinivasa, Nominee Director (Chairman);
- Bhargav Dasgupta, Managing Director and Chief Executive Officer;
- Suresh Muthukrishna Kumar, Independent Director;
- J.V. Prasad, Appointed Actuary;
- Gopalakrishnan S., Chief Investment Officer; and
- Gopal Balachandran, Chief Financial Officer and Chief Risk Officer.

The Investment Committee was re-constituted by our Board on July 3, 2017. The terms of reference of the Investment Committee are in accordance with Clause 7.2 of the IRDAI Corporate Governance Guidelines. The terms of reference of the Investment Committee of our Company include:

(i) Overseeing the implementation of the investment policy approved by our Board from time to time.

(ii) Reviewing the investment policy.

(iii) Periodical updating to our Board with regard to investment activities of our Company

(iv) Reviewing the investment strategies adopted from time to time and giving suitable directions as needed in the best interest of our Company.

(v) Reviewing the broker policy and making suitable amendments from time to time

(vi) Reviewing counter party/intermediary exposure norms.

(vii) Supervising the asset allocation strategy to ensure financial liquidity, security and diversification through liquidity contingency plan and asset liability management policy.

(viii) Overseeing the assessment, measurement and accounting for other than temporary impairment in investments in accordance with the policy adopted by our Company.

(ix) Reviewing the stewardship policy of the Company.

7. **Risk Management Committee**

The members of the Risk Management Committee are:

- Lalita Dileep Gupte, Independent Director (Chairperson);
- Kannan Narayanan Srinivasa, Nominee Director;
- Uday Madhav Chitale, Independent Director;
- Ashvin Dhirajlal Parekh, Independent Director;
- Suresh Muthukrishna Kumar, Independent Director;
- Ved Prakash Chaturvedi, Independent Director; and
- Bhargav Dasgupta, Managing Director and Chief Executive Officer.

The Risk Management Committee was re-constituted by our Board on July 3, 2017. The terms of reference of the Risk Management Committee are in accordance with Clause 7.3 of the IRDAI Corporate Governance Guidelines. The risk management function is also under the overall guidance and supervision of the Chief Risk Officer with a clearly defined role. The terms of reference of the Risk Management Committee of our Company include:

(i) Assisting our Board in effective operation of the risk management programme by performing specialised analysis and quality reviews.

(ii) Reporting to our Board details on the risk exposures and the actions taken to manage the exposures.

(iii) Advising to our Board with regard to risk management decisions in relation to strategic and operational matters.

(iv) Review of our Company's risk management and operational risk related policies / frameworks.

(v) Review of status update on deviation cases under framework on IIB rates.

(vi) To review our Company's risk - reward performance to align with overall policy objectives.

(vii) To review the solvency position of our Company on a regular basis.

(viii) To monitor and review regular updates on business continuity.

(ix) To review and recommend appropriate policy including establishment of effective risk management framework, risk management policy and processes, to the Board as may be prescribed by IRDAI from time to time.

(x) To review the Company's risk management and operational risk related policies / frameworks including fraud monitoring policy and framework and anti-fraud policy and framework and monitoring implementation of anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds.

(xi) To maintain a group-wide and aggregated view on the risk profile of our Company in addition to the solo and individual risk profile for all categories of risk including insurance risk, market risk, credit risk, liquidity risk, operational risk, compliance risk, legal risk, reputation risk, etc.

(xii) To carry out any other function, if any, as prescribed in the terms of reference of the Risk Management Committee and any other terms of reference as may be decided by our Board and/or specified / provided under the Listing Regulations, as amended, or by any other regulatory authority.

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

The Promoter of our Company is ICICI Bank. Further, our Company is an "Indian owned and controlled" company under the Insurance Act and applicable regulations. ICICI Bank currently holds 285,605,284 Equity Shares, equivalent to 62.92% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company.

In 2001, when our Company had obtained the registration certificate dated August 3, 2001 from IRDAI for carrying out the business of general insurance, ICICI Bank and Lombard Canada Ltd. (a nominee of Fairfax) held 74% and 26% of our then issued and paid-up capital, respectively.

In August 2003, pursuant to a rights issue wherein Equity Shares were allotted to ICICI Bank and Winterthur Insurance (Far East) Pte Limited (a nominee of Fairfax), the shareholding of ICICI Bank and Fairfax (through its affiliates Lombard Canada Ltd. (holding 13% of our then issued and paid-up capital) and Winterthur Insurance (Far East) Pte Limited (holding 13% of our then issued and paid-up capital)) remained at 74% and 26% of our issued and paid-up capital, respectively. In October 2003, Winterthur Insurance (Far East) Pte Limited transferred its entire undertaking to First Capital Insurance Limited, which was approved by Court of Republic of Singapore. Thereafter, the entire shareholding of Lombard Canada Ltd. and First Capital Insurance Limited aggregating to 26% of our then issued and paid-up capital was transferred to FAL (a nominee of Fairfax) and the same was approved by IRDAI through its letters dated June 28, 2006 and September 15, 2006, respectively.

The Original Joint Venture Agreement was subsequently amended vide an amendment agreement dated October 30, 2015 after which there was a sale of 9% of our then issued and paid-up capital of our Company by ICICI Bank to Fairfax and/or its affiliates nominated in writing on March 31, 2016. The Original Joint Venture Agreement, was amended and restated vide the Amended and Restated Joint Venture Agreement executed on March 8, 2016 (and as amended on April 11, 2016) among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company, to consolidate the amendments made by the amendment agreement dated October 30, 2015 and to ensure compliance with the IRDAI Control Guidelines.

On June 16, 2017, Oben General Insurance Limited, an entity in which Fairfax has invested, obtained an in-principle approval from IRDAI to form an insurance company in India subject to terms and conditions mentioned in the approval letter. One of the conditions mentioned therein required Fairfax to reduce its equity holding in our Company to below 10%.

Thereafter, the Amended and Restated Joint Venture Agreement was terminated pursuant to the termination agreement dated July 3, 2017 subject to certain terms and conditions set out therein, Fairfax has withdrawn the nomination of all its directors from our Board, and has issued a waiver letter dated July 2, 2017 whereby it waived its special rights, under the Articles of Association. For further details, please refer to "- Key shareholders' agreement - Original Joint Venture Agreement and Amended and Restated Joint Venture Agreement" on page 195. Additionally, pursuant to the Deed of Assignment executed between Northbridge Financial Corporation and our Company, the trademark "Lombard" has been assigned to our Company for a consideration of ₹ 10,000.

On July 6, 2017, FAL transferred 48,101,387 Equity Shares constituting 10.60% of our issued and paid-up capital to certain private equity / financial investors. On July 7, 2017, FAL transferred 72,11,596 Equity Shares constituting 1.59% of our issued and paid-up capital to a financial investor. Therefore, as on date of this Red Herring Prospectus, ICICI Bank and FAL hold 285,605,284 Equity Shares and 99,464,479 Equity Shares constituting 62.92% and 21.91% our issued and paid-up capital, respectively. Further, pursuant to the Offer, ICICI Bank and FAL proposes to sell 31,761,478 Equity Shares and 54,485,709 Equity Shares constituting 7.00% and 12.00% of our issued and paid-up capital, to the public (the "**Proposed Reduction**") respectively. Accordingly, immediately following the Offer, ICICI Bank and FAL will hold 253,843,806 Equity Shares and 44,978,770 Equity Shares constituting 55.92% and 9.91% of our issued and paid-up capital, respectively (calculated on the basis of the issued and paid-up capital as on date of this Red Herring Prospectus).

Our Company has pursuant to its letters dated July 3, 2017 and July 4, 2017 informed the IRDAI and the Stock Exchanges, respectively, in relation to (i) the execution of the abovementioned termination agreement dated July 3, 2017, (ii) withdrawal of nomination of the directors, and (iii) issuance of the abovementioned waiver letter dated July 2, 2017 and that FAL and Fairfax shall not be disclosed as promoter in the offer document to be filed with SEBI and in the shareholding pattern of our Company. The IRDAI through its letter dated July 6, 2017 advised our Company to note that FAL shall continue to be promoter of our Company till such time as their shareholding is in excess of 10% in our Company.

In terms of the proviso to Regulation 2(1)(x) of the IRDAI Issuance of Capital Regulations, for the purpose of filing of the offer document with SEBI, the definition of "promoter" under the SEBI Regulations shall apply. Given the definition of "promoter" under the SEBI Regulations and the Companies Act, 2013, and the facts mentioned herein above, (i) ICICI Bank is considered to be in "control" of our Company as per the provisions of the SEBI Regulations, (ii) in light of (i) above, ICICI Bank is instrumental in the formulation of a plan or programme pursuant to which Equity Shares are being offered to public through the Offer, and the rights relating to IPO provided to Fairfax / FAL under the termination agreement dated July 3, 2017 are merely protective in nature, and (iii) while our Company has identified Fairfax or FAL as promoter in its annual return for Fiscal 2016, the aforementioned developments (including execution of the termination agreement dated July 3, 2017, the nomination of all its directors being withdrawn by Fairfax and issuance of the waiver letter dated July 2, 2017) have taken place after March 31, 2016 and after the filing of such annual return, and (iv) post the Offer, the shareholding of Fairfax / FAL would be below 10% of our issued and paid-up capital.

In light of the above, we believe that (i) ICICI Bank is the only entity which on an ongoing basis satisfies the tests which have been specified under the SEBI Regulations and the Companies Act, 2013 for the purposes of identification of a promoter and therefore, our Company shall consider ICICI Bank as its only promoter for purposes of this Red Herring Prospectus and (ii) FAL Corporation does not on an ongoing basis satisfy the tests which have been specified under the SEBI Regulations and the Companies Act, 2013 for the purposes of identification of a promoter and therefore, our Company shall not consider FAL Corporation as its promoter for purposes of this Red Herring Prospectus.

Details of our Promoter

1. **ICICI Bank**

ICICI Bank was incorporated on January 5, 1994 as a public limited company under the Companies Act, 1956 at Vadodara, Gujarat. In 2002, ICICI Limited, a non-bank financial institution, and two of its subsidiaries, ICICI Personal Financial Services Limited and ICICI Capital Services Limited, were amalgamated with ICICI Bank. The registered office of ICICI Bank is located at ICICI Bank Tower, near Chakli Circle, Old Padra Road, Vadodara, 390 007. ICICI Bank is registered with RBI as a banking company. ICICI Bank provides a wide range of banking and financial services including commercial banking and treasury operations.

ICICI Bank does not have any identifiable promoters and is a professionally managed company.

The equity shares of ICICI Bank are currently listed on BSE and NSE. The American Depository Shares ("**ADS**") of ICICI Bank are listed on the New York Stock Exchange.

There has been no change in control or management of ICICI Bank in the three years preceding the date of the Draft Red Herring Prospectus.

Board of directors of ICICI Bank

The following table sets forth details of the board of directors of ICICI Bank as on the date of this Red Herring Prospectus:

Sr. No.	Name of the director	Designation
1.	M. K. Sharma	Chairman, Independent Director
2.	Dileep Choksi	Independent Director
3.	Homi Khusrokhan	Independent Director
4.	Tushaar Shah	Independent Director
5.	V. K. Sharma	Independent Director
6.	V. Sridar	Independent Director
7.	Amit Agrawal	Government Nominee Director
8.	Chanda Kochhar	Managing Director and Chief Executive Officer
9.	Kannan Narayanan Srinivasa	Executive Director
10.	Vishakha Mulye	Executive Director
11.	Vijay Chandok	Executive Director
12.	Anup Bagchi	Executive Director

Shareholding pattern of ICICI Bank

The following table sets forth details of the shareholding pattern of ICICI Bank as on June 30, 2017:

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Equity Shares held in dematerialised form
(A)	**Promoter & Promoter Group**	0	0	-	0	0	0
(B)	**Public**	931,164	4,803,343,717	-	4,803,343,717	100	4,771,738,550

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up Equity Shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Equity Shares held in dematerialised form
(C)	**Non Promoter-Non Public**	1	1,609,486,267	-	1,609,486,267	0	1,609,486,267
(C1)	**Shares underlying DRs**	1	1,609,486,267	-	1,609,486,267	0	1,609,486,267
(C2)	**Shares held by Employee Trusts**	0	0	0	0	0	0
	Total	**931,165**	**6,412,829,984**		**6,412,829,984**	**100**	**6,381,224,817**

Our Company confirms that the PAN, bank account numbers, the company registration number and address of the registrar of companies where ICICI Bank is registered has been submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

ICICI Bank will not participate in the Offer, except for the Equity Shares offered by ICICI Bank as part of the Offer. Mutual fund schemes of ICICI Prudential Asset Management Limited will participate in the Offer. For details see "Offer Procedure – Part A - Participation by Promoter, Promoter Group, GCBRLMs and BRLMs, Syndicate Members and persons related to them" on page 442.

Financial Performance

The following table sets forth details of the brief audited financial results of ICICI Bank for Fiscal 2017, Fiscal 2016 and Fiscal 2015:

(in ₹ million, except per share data)

Particulars	Fiscal 2017	Fiscal 2016	Fiscal 2015
Equity Capital	11,651.1	11,631.7	11,596.6
Reserves (excluding revaluation reserves) and surplus	957,375.7	857,482.4	792,622.6
Sales/turnover (income, including other income)	736,607.6	680,624.9	612,672.7
Profit after tax/loss	98,010.9	97,262.9	111,753.5
Earning per share (face value ₹ 2 each) (Basic)	16.8	16.8	19.3
Earning per share (face value ₹ 2 each) (Diluted)	16.8	16.7	19.1
Net asset value per share	NA	NA	NA

Except as mentioned below, there are no significant notes of the auditors in relation to the aforementioned financial statements:

Independent auditor has drawn attention to Note 25 to the standalone financial statements, which provide details with regard to the creation of provision relating to funded interest term loan through the utilisation of reserves pertaining to the year ended March 31, 2015, as permitted by RBI vide letter dated January 6, 2015. The independent auditor's opinion is not modified in respect of this matter.

ICICI Bank has not had negative net worth in the past. Further, ICICI Bank has not incurred loss as per their last available audited financial statements and the profit/ (loss) made by them during Fiscal 2017, Fiscal 2016 and Fiscal 2015 is as stated above.

Share price information

The following table sets forth details of the highest and lowest price on BSE during the preceding six months:

(in ₹)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly Low
1.	March 2017	74,079,245	287.60	264.80
2.	April 2017	25,500,467	291.60	265.20
3.	May 2017	51,195,178	327.10	271.45
4.	June 2017	17,309,313	327.50	283.50

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly Low
5.	July 2017	35,513,452	314.50	288.60
6.	August 2017	22,735,367	305.10	280.70

Source: *www.bseindia.com*

The following table sets forth details of the highest and lowest price on NSE during the preceding six months:

(*in* ₹)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly Low
1.	March 2017	337,097,624	288.20	264.50
2.	April 2017	267,969,533	291.60	265.20
3.	May 2017	624,352,702	327.40	271.25
4.	June 2017	30,00,21,176	327.00	283.45
5.	July 2017	273,787,529	314.45	288.5
6.	August 2017	230,083,469	305.20	261.55

Source: www.nseindia.com

The closing equity share price of ICICI Bank as on September 1, 2017, on BSE and NSE were ₹ 298.20 and ₹ 298.30, respectively.

Interest of ICICI Bank

ICICI Bank is interested in our Company to the extent of being a Promoter of our Company, its shareholding and the dividends payable, if any and certain services provided in the ordinary course of business. Further, our Company has entered into the ICICI Corporate Insurance Agency Agreement with ICICI Bank, under which ICICI Bank has agreed to act as the corporate agent (as defined under the Insurance Regulatory and Development Authority of India (Registration of Corporate Agents) Regulations, 2015) of our Company. In this regard, ICICI Bank is interested to the extent of receiving commission in the capacity of a corporate agent, as per the terms and conditions specified in the ICICI Corporate Insurance Agency Agreement. Additionally, the Company has entered into the ICICI Trademark Licensing Agreement with ICICI Bank for the use of 'ICICI' and 'I-man logo' trademarks for the purposes of its business. Our Company has entered into the credit arrangement letter dated September 9, 2016 with ICICI Bank. For details, see "Financial Indebtedness" on page 355.

ICICI Bank is not interested in transactions related to any property acquired by our Company in the two years immediately preceding the date of the Draft Red Herring Prospectus, or proposed to be acquired by our Company, as a vendor of the property or otherwise.

ICICI Bank is not interested in any transaction in acquisition of land or property, construction of building and supply of machinery contract, or any agreement or arrangement in this regard entered into by the Company and no payments in respect of such contracts, agreements or arrangements have been made or are proposed to be made.

Further, Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are nominee directors of ICICI Bank on the Board of our Company.

Except as disclosed below, ICICI Bank is not involved with any ventures which are in the same line of activity or business as that of our Company, being non-life insurance business:

Sr. No.	Name of the entity	Area of business	ICICI Bank's Shareholding
1.	ICICI Prudential Life Insurance Company Limited	Providing life insurance business, including health insurance	54.89%

Companies with which ICICI Bank has disassociated in the last three years

Except as provided below, ICICI Bank has not disassociated itself from any companies during the three years preceding the date of the Draft Red Herring Prospectus:

Name of company from which disassociated	Reasons for disassociation	Date of disassociation (in terms of shareholding)
MITCON Consultancy & Engineering Services Limited	Divestment	March 16, 2017
I-Ven Biotech Limited	Divestment	March 31, 2016

Name of company from which disassociated	Reasons for disassociation	Date of disassociation (in terms of shareholding)
ICICI Bank Eurasia	Strategic sale	March 17, 2015
ICICI Kinfra Limited	Strategic sale	October 1, 2014

Investor grievance

As of June 30, 2017, there are no investor complaints pending with respect to ICICI Bank.

Mechanism for redressal of investor grievance

The board of directors of ICICI Bank has constituted a stakeholders' relationship committee in accordance with the Listing Regulations to look into the redressal of shareholder/investor complaints. It normally takes seven days to address / dispose off investor grievances. ICICI Bank received 424 investor complaints in the last three financial years and 424 investor complaints were disposed in that period.

Other Confirmations

ICICI Bank does not fall under the definition of sick companies under SICA or equivalent thereof under the Insolvency and Bankruptcy Code, 2016 and it is not under winding up.

Further, during the five years preceding the date of the Draft Red Herring Prospectus, ICICI Bank has not been a defunct company nor has there been an application made to the registrar of companies for striking off its name.

Payment or Benefits to our Promoter and Promoter Group.

Except as stated otherwise in "Related Party Transactions" which provides the related party transactions, as per Accounting Standard 18 on page 230, there has been no payment or benefit to our Promoter or Promoter Group during the two years preceding the filing of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Red Herring Prospectus. Our Company may, from time to time, enter into future business arrangements (or amend existing business arrangements) with our Promoter and members of our Promoter Group, provided that any new business arrangements (or amendments made to existing business arrangements) will be undertaken in accordance with applicable law. Additionally, our Company has invested in non-convertible debentures of India Infradebt Limited for an aggregate amount of ₹ 500.0 million in Fiscal 2017.

Our Promoter has not been declared as Wilful Defaulters.

Except as disclosed herein, our Promoter has not been found to be non-compliant with the securities laws of India or abroad.

Our Promoter and Promoter Group entities have not been debarred or prohibited from accessing capital markets under any order or direction passed by SEBI or any other authority.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of this Red Herring Prospectus against our Promoter, except as disclosed under "Outstanding Litigation and Material Developments – Litigation against our Promoter – Litigation against ICICI Bank" on page 386.

Our Promoter is not and have never been a promoter of any other company which is debarred or prohibited from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

Except as disclosed in "Related Party Transactions" on page 230, our Promoter are not related to any sundry debtors of our Company.

Promoter Group

Persons constituting our Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations are set out below:

1. ICICI Bank Canada;

2. ICICI Bank UK Plc;

3. ICICI Home Finance Company Limited;

4. ICICI International Limited;

5. ICICI Investment Management Company Limited;

6. ICICI Merchant Services Pvt. Ltd;

7. ICICI Prudential Asset Management Company Limited;

8. ICICI Prudential Life Insurance Company Limited;

9. ICICI Prudential Pension Funds Management Company Limited;

10. ICICI Prudential Trust Limited;

11. ICICI Securities Holdings Inc.;

12. ICICI Securities Inc;

13. ICICI Securities Primary Dealership Limited;

14. ICICI Trusteeship Services Limited;

15. ICICI Venture Funds Management Company Limited;

16. India Infradebt Limited;

17. I-Process Services (India) Pvt. Ltd;

18. I-Sec; and

19. NIIT Institute of Finance, Banking and Insurance Training Limited.

Life Insurance Corporation of India ("**LIC**") which holds more than 10% of the share capital of ICICI Bank as of June 30, 2017 has not been considered as a member of the Promoter Group. LIC is a public sector insurance company and a financial institution. LIC has made a financial investment in ICICI Bank among many similar investments made by LIC in various entities. LIC does not exercise direct or indirect control or any significant influence over ICICI Bank. In addition, as of June 30, 2017, Deutsche Bank Trust Company Americas in its capacity as the depositary held 1,609,486,267 equity shares of ICICI Bank represented by the American Depositary Shares ("**ADRs**") issued by ICICI Bank. Since such equity shares are held by the depositary on behalf of the holders of the ADRs, Deutsche Bank Trust Company Americas has also not been considered as a Promoter Group entity.

Further, ICICI Bank being a financial institution holds investment of 10% or more in (i) 15 companies pursuant to debt restructuring on conversion of loans granted to such companies including through the Strategic Debt Restructuring Scheme issued by Reserve Bank of India. ICICI Bank's shareholding in such companies ranges from 10% to 24%. However, ICICI Bank does not, directly or indirectly, control these companies or promote these companies. These companies are also not categorised as related parties of ICICI Bank for accounting purposes under the Indian Accounting Standards; (ii) 10 companies to facilitate the development of such companies and to support certain governmental initiatives. ICICI Bank's shareholding in such companies ranges from 10% to 20%. These companies are professionally managed companies and are under the supervision of their respective board of directors. These companies are also not categorised as related parties of ICICI Bank for accounting purposes under the Indian Accounting Standards; and (iii) 16 companies which are non-strategic investments acquired in the ordinary course of its financing activities (including by way of conversion of debt into equity), of which investments in 12 companies have been fully written off. ICICI Bank's shareholding in such companies ranges from 10% to 30%. ICICI Bank does not, directly or indirectly, control these companies or promote these companies. These companies are also not categorised as related parties of ICICI Bank for accounting purposes under the Indian Accounting Standards. In light of the above, these entities have not been considered as Promoter Group entities.

OUR GROUP COMPANIES

Our Board has approved that '*group companies*' shall mean and include only those companies which constitute part of the related parties of our Company under Accounting Standard 18, as per the latest audited financial statements of our Company and also any other companies considered material by the Board.

Accordingly, the Board has considered the list of related parties appearing in the Annexure of 'Related Party Disclosures' included in the restated audited financial statements of our Company as of and for Fiscal 2017 ("**Financial Statements**"). For details, see "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Related party" on page 277. In addition to the above, our Board has also identified the following related parties as group companies: (i) ICICI Bank Canada, (ii) ICICI International Limited, (iii) ICICI Investment Management Company Limited, (iv) ICICI Trusteeship Services Limited, (v) ICICI Prudential Pension Funds Management Company Limited, (vi) ICICI Prudential Trust Limited, (vii) ICICI Securities Holdings Inc., and (viii) ICICI Securities Inc.

Accordingly, we have set out below the details of our Group Companies which have also been disclosed in this Red Herring Prospectus in "Financial Statements" on page 277.

In addition to ICICI Bank, the following companies are our Group Companies:

1. FAL;
2. ICICI Bank Canada;
3. ICICI Bank UK Plc;
4. ICICI Home Finance Company Limited;
5. ICICI International Limited;
6. ICICI Investment Management Company Limited;
7. ICICI Prudential Asset Management Company Limited;
8. ICICI Prudential Life Insurance Company Limited;
9. ICICI Prudential Pension Funds Management Company Limited;
10. ICICI Prudential Trust Limited;
11. ICICI Securities Holdings Inc.;
12. ICICI Securities Inc.;
13. ICICI Securities Primary Dealership Limited;
14. ICICI Trusteeship Services Limited;
15. ICICI Venture Funds Management Company Limited; and
16. I-Sec.

Details of the top five Group Companies:

The top five Group Companies on the basis of turnover (other than ICICI Prudential Life Insurance Company Limited, which is a listed entity) are as follows:

1. **ICICI Prudential Life Insurance Company Limited**

Corporate Information

ICICI Prudential Life Insurance Company Limited was incorporated on July 20, 2000, as a public limited company, under the Companies Act, 1956 in India. ICICI Prudential Life Insurance Company Limited is a life insurance company.

Interest of the Promoter

Our Promoter, namely ICICI Bank, holds 787,816,604 equity shares of ₹ 10 each, aggregating to 54.89% of the issued and paid-up capital of ICICI Prudential Life Insurance Company Limited.

Share price information

The following table sets forth details of the highest and lowest price on BSE during the preceding six months:

(in ₹)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly Low
1.	March 2017	4,673,149	382.25	361.45
2.	April 2017	2,136,003	418.70	385.05
3.	May 2017	1,724,591	417.10	392.60
4.	June 2017	3,013,908	473.60	401.55
5.	July 2017	3,359,699	495.20	438.10
6.	August 2017	1,556,992	443.80	412.75

Source: *www.bseindia.com*

The following table sets forth details of the highest and lowest price on NSE during the preceding six months:

(in ₹)

Sr. No.	Month	Quantum of equity shares traded	Monthly high	Monthly Low
1.	March 2017	35,942,425	382.40	362.40
2.	April 2017	13,845,619	419.90	385.35
3.	May 2017	11,871,357	417.50	391.95
4.	June 2017	15,927,863	473.65	400.95
5.	July 2017	26,807,080	494.45	439.05
6.	August 2017	16,530,572	443.95	413.80

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Source: www.nseindia.com

During Fiscal 2017, ICICI Prudential Life Insurance Company Limited completed an IPO of 181,341,058 equity shares of face value of ₹ 10 each by way of an offer for sale by ICICI Bank for cash at a price of ₹ 334 per equity share aggregating to ₹ 60,567.91 million. The issue period was closed on September 21, 2016. The issued, subscribed and paid-up capital of ICICI Prudential Life Insurance Company Limited immediately after the IPO was ₹ 14,353,240,100.00 (comprising 1,435,324,010 equity shares of face value of ₹ 10 each). As on August 31, 2017, the issued, subscribed and paid-up capital of ICICI Prudential Life Insurance Company Limited was ₹ 14,354,279,600.00 (comprising 1,435,427,960 equity shares of face value of ₹ 10 each). The increase in issued, subscribed and paid-up share capital since the initial public offer was on account of equity shares issued to employees upon exercise of the employee stock option(s) held by them.

The closing equity share price of ICICI Prudential Life Insurance Company Limited as on August 31, 2017 on BSE and NSE were ₹ 427.10 and ₹ 426.90, respectively.

Financial Performance

The following table sets forth details of the brief audited financial results of ICICI Prudential Life Insurance Company Limited for Fiscal 2017, Fiscal 2016 and Fiscal 2015:

(in ₹ million, except per share)

	Fiscal 2017	Fiscal 2016	Fiscal 2015
Equity Capital	14,353.47	14,323.19	14,317.17
Reserves and Surplus (excluding revaluation reserve)	46,878.29	36,405.15	34,320.45
Total Income	378,844.63	208,275.15	344,363.26
Profit/(Loss) after Tax	16,822.30	16,504.61	16,342.92
Earnings per share (basic) (₹) (face value ₹ 10 each)	11.73	11.53	11.43
Earnings per share (diluted) (₹) (face value ₹ 10 each)	11.72	11.51	11.41
Net asset value per share	44.64	37.18	36.79

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Investor grievance

In the past financial three years, ICICI Prudential Life Insurance Company Limited has received 547 investor complaints and all of them have been disposed off. We ensure that the investor grievances are resolved within the regulatory timelines. As of June 30, 2017, 8 investor complaints are pending against ICICI Prudential Life Insurance Company Limited.

Mechanism for redressal of investor grievance

The board of directors of ICICI Prudential Life Insurance Company Limited has constituted a stakeholders' relationship committee in accordance with the Listing Regulations to look into the redressal of shareholder/investor complaints. ICICI Prudential Life Insurance Company Limited disposes off various types of investor grievances within the regulatory timelines. It received 547 investor complaints in the last three financial years and and all of them have been disposed off in that period.

2. **ICICI Prudential Asset Management Company Limited**

Corporate Information

ICICI Prudential Asset Management Company Limited was incorporated on June 22, 1993, as a public limited company, under the Companies Act, 1956 in India. ICICI Prudential Asset Management Company Limited is an asset management company and is involved in providing inter alia financial management, financial advisory and portfolio management services.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, hold 9,001,873 equity shares of ₹ 10.0 each, aggregating to approximately 51.0% of the issued and paid-up capital of ICICI Prudential Asset Management Company Limited.

Financial Performance

The following table sets forth details of the brief audited financial results of ICICI Prudential Asset Management Company Limited for Fiscal 2017, Fiscal 2016 and Fiscal 2015:

(in ₹ million, except per share)

	Fiscal 2017	**Fiscal 2016**	**Fiscal 2015**
Equity Capital	176.5	176.5	176.5
Reserves and Surplus (excluding revaluation reserve)	7,155.2	6,196.0	4,213.8
Total Income	13,497.3	10,123.6	8,399.8
Profit/(Loss) after Tax	4,804.7	3,256.9	2,468.2
Earnings per share (basic) (₹) (face value ₹ 10)	272.19	184.51	139.83
Earnings per share (diluted) (₹) (face value ₹ 10)	272.19	184.51	139.83
Net asset value per share[1]	415.34	361.00	248.71

[1] *Net asset value per share = book value per equity share*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

3. **ICICI Home Finance Company Limited**

Corporate Information

ICICI Home Finance Company Limited was incorporated on May 28, 1999, as a public limited company, under the Companies Act, 1956 in India. ICICI Home Finance Company Limited is a registered housing finance company engaged in the business of mortgage finance. It is also engaged in providing advisory, consultancy and broking services in the real estate industry.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, holds 1,098,750,000 equity shares of ₹ 10.0 each, aggregating to 100.0% of the issued and paid-up capital of ICICI Home Finance Company Limited.

Financial Performance

The following table sets forth details of the brief audited financial results of ICICI Home Finance Company Limited for Fiscal 2017, Fiscal 2016 and Fiscal 2015:

(in ₹ million, except per share)

	Fiscal 2017	Fiscal 2016	Fiscal 2015
Equity Capital	10,987.5	10,987.5	10,987.5
Reserves and Surplus	4,854.5	4,304.6	3,929.1
Total Income	10,528.2	10,713.7	9,877.3
Profit/(Loss) after Tax	1,832.6	1,798.5	1,975.7
Earnings per share (basic) (₹) (face value ₹ 10 each)	1.67	1.64	1.80
Earnings per share (diluted) (₹) (face value ₹ 10 each)	1.67	1.64	1.80
Net asset value per share[1]	14.63	13.92	13.58

[1] *Net asset value per share = book value per equity share*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

4. **I-Sec**

Corporate Information

I-Sec was incorporated on March 9, 1995, as public limited company, under the Companies Act, 1956 in India. I-Sec is engaged in the business of broking and merchant banking and distribution of financial product.

Interest of our Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, holds 805,353,500 equity shares of ₹ 2.00 each, aggregating to 100.0% of the issued and paid-up capital of I-Sec. Further, ICICI Securities Limited is a corporate distribution agent of our Company.

I-Sec has been appointed as a Global Co-ordinator and Book Running Lead Manager in the Offer with the limited responsibility of marketing of the Offer.

Financial Performance

The following table sets forth details of the brief audited financial results of I-Sec for Fiscal 2017, Fiscal 2016 and Fiscal 2015:

(in ₹ million, except per share)

	Fiscal 2017	Fiscal 2016	Fiscal 2015
Equity Capital	1,610.7	1,610.7	1,610.7
Reserves and Surplus	3,239.8	2,331.6	1,910.6
Total Income	14,039.0	11,235.6	12,094.6
Profit/(Loss) after Tax	3,376.1	2,357.4	2,439.6
Earnings per share (basic) (₹) (face value ₹ 2)	4.2	2.9	3.0
Earnings per share (diluted) (₹) (face value ₹ 2)	4.2	2.9	3.0
Net asset value per share[1]	6.0	4.9	4.4

[1] *Net asset value per share = book value per equity share*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

5. **ICICI Securities Primary Dealership Limited**

Corporate Information

ICICI Securities Primary Dealership Limited was incorporated on February 22, 1993, as a public limited company, under the Companies Act, 1956 in India. ICICI Securities Primary Dealership Limited is engaged in the business of dealing in securities, acting as inter alia portfolio managers and merchant bankers.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, holds 15,634 equity shares of ₹ 100,000.0 each, aggregating to 100.0% of the issued and paid-up capital of ICICI Securities Primary Dealership Limited and has such rights as listed in the articles of association of ICICI Securities Primary Dealership Limited.

Financial Performance

The following table sets forth details of the brief audited financial results of ICICI Securities Primary Dealership Limited for Fiscal 2017, Fiscal 2016 and Fiscal 2015:

(in ₹ million, except per share)

	Fiscal 2017	Fiscal 2016	Fiscal 2015
Equity Capital	1,563.4	1,563.4	1,563.4
Reserves and Surplus	7,871.8	7,105.2	6,542.9
Total Income	16,271.4	13,619.4	13,088.2
Profit/(Loss) after Tax	4,116.0	1,954.7	2,173.7
Earnings per share (basic) (₹) (face value ₹ 100,000)	263,269.2	125,030.1	139,039.3
Earnings per share (diluted) (₹) (face value ₹ 100,000)	263,269.2	125,030.1	139,039.3
Net asset value per share[1]	603,504.5	554,472.30	518,507.10

[1] *Net asset value per share = book value per equity share*

There are no significant notes of the auditors in relation to the aforementioned financial statements.

Other Group Companies

Apart from our Promoter and holding company, ICICI Bank, the details of the rest of our Group Companies are provided below:

1. **FAL**

Corporate Information

FAL was incorporated on December 23, 2003 as a private Company limited in Mauritius. Its registration number is 48869C1/GBL. FAL is an investment company with a focus on holding and coordinating investments in Asian insurance companies. FAL's investment objective is to generate returns in the form of long-term capital appreciation.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, does not hold any equity shares of FAL.

2. **ICICI Bank Canada**

Corporate Information

ICICI Bank Canada was incorporated on September 12, 2003 as a limited liability company in Canada. ICICI Bank Canada is engaged in the business of providing wide range of financial solutions to cater to personal, commercial, corporate, investment, treasury and trade requirements.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, holds 839,500,000 equity shares amounting to CAD 569.5 million aggregating to 100.0% of the issued and paid-up capital of ICICI Bank Canada.

3. **ICICI Bank UK Plc**

Corporate Information

ICICI Bank UK Plc was incorporated on February 11, 2003 as ICICI Bank UK Ltd, a private company with limited liability, in England and Wales. Subsequently, the name of the company was changed to ICICI Bank UK Plc as a result of change in the status of the company from a private company to a public limited company on October 30, 2006. ICICI Bank UK Plc is engaged in the business of banking.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank holds 420,000,000 equity shares of US$ 1.00 and holds 50,002 equity shares of GBP 1.00 each, aggregating to 100.0% of the issued and paid-up capital of ICICI Bank UK Plc.

4. **ICICI International Limited**

Corporate Information

ICICI International Limited was incorporated on January 18, 1996, as a private limited company, in Republic of Mauritius. ICICI International Limited is registered as a CIS manager with the Financial Services Commission, Mauritius and is in the business of investment management.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, holds 90,000 equity shares of US$ $10.00 each, aggregating to 100.0% of the issued and paid-up capital of ICICI International Limited.

5. **ICICI Investment Management Company Limited**

Corporate Information

ICICI Investment Management Company Limited was incorporated on March 9, 2000, as a public limited company under the Companies Act, 1956 in India. ICICI Investment Management Company Limited is engaged in the business of providing *inter alia*, financial management, financial consultancy and advisory services.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, holds 10,000,700 equity shares of ₹ 10.00 each, aggregating to 100.0% of the issued and paid-up capital of ICICI Investment Management Company Limited.

6. **ICICI Prudential Pension Funds Management Company Limited**

Corporate Information

ICICI Prudential Pension Funds Management Company Limited was incorporated on April 22, 2009 at Mumbai under the Companies Act, 1956. It acts as a pension funds manager for National Pension System (NPS) - private sector. On June 24, 2016, ICICI Prudential Life Insurance Company Limited received an extension for ICICI Prudential Pension Funds Management Company Limited's appointment as a fund manager under the National Pension System for a transitory period, in accordance with regulation 3(5) of the Pension Fund Regulations, until the completion of the fresh selection process to be initiated under the aforementioned regulations. On September 17, 2016 the PFRDA has released a request for proposal ("**RFP**") for selection of pension funds for NPS private sector and the company's proposal in response to the same was submitted to the PFRDA on October 17, 2016. The company now awaits the issue of formal Letter of Appointment from PFRDA.

Interest of the Promoter

ICICI Prudential Life Insurance Company Limited, along with its nominees, holds 29,000,000 equity shares of ₹ 10.0 each, aggregating to 100% of the issued and paid-up capital of ICICI Prudential Pension Funds Management Company Limited. Our Promoter, namely ICICI Bank, holds 787,816,604 equity shares of ₹ 10 each, aggregating to 54.89% of the issued and paid-up capital of ICICI Prudential Life Insurance Company Limited.

7. **ICICI Prudential Trust Limited**

Corporate Information

ICICI Prudential Trust Limited was incorporated on June 22, 1993, as a public limited company, under the Companies Act, 1956 in India. ICICI Prudential Trust Limited is a trustee company and is involved in the business of and acquiring, holding, managing and disposing of properties or assets and securities, in its capacity as a trustee.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, holds 51,157 equity shares of ₹ 10.0 each, aggregating to 50.80% of the issued and paid-up capital of ICICI Prudential Trust Limited.

8. **ICICI Securities Holdings Inc.**

Corporate Information

ICICI Securities Holdings Inc. was incorporated on June 12, 2000, in United States of America. ICICI Securities Holdings Inc. is a holding company and is not currently registered with any regulatory authority.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, holds 1,664 equity shares amounting to US$ 16,640,000, aggregating to 100.0% of the issued and paid-up capital of ICICI Securities Holdings Inc. through its 100.0% subsidiary ICICI Securities Limited.

9. **ICICI Securities Inc.**

Corporate Information

ICICI Securities Inc. was incorporated on June 13, 2000, a company, in United States of America. ICICI Securities Inc. is engaged in the business of securities broking.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, has 1,298 equity shares amounting to US$ 12,980,000, aggregating to 100.0% of the issued and paid-up capital of ICICI Securities Inc. through its 100.0% subsidiary ICICI Securities Holdings, Inc.

10. **ICICI Trusteeship Services Limited**

Corporate Information

ICICI Trusteeship Limited was incorporated on April 29, 1999, as a public limited company, under the Companies Act, 1956 in India. ICICI Trusteeship Services Limited is engaged in the business of providing trusteeship services and acquiring, holding, managing, disposing of securities or money market instruments or property or assets and receivables or financial assets or any other assets or property, in its capacity as a trustee.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, holds 50,000 equity shares of ₹ 10.0 each, aggregating to 100.0% of the issued and paid-up capital of ICICI Trusteeship Services Limited.

11. **ICICI Venture Funds Management Company Limited**

Corporate Information

ICICI Venture Funds Management Company Limited was incorporated on January 5, 1988, as a public limited company, under the Companies Act, 1956 in India. ICICI Venture Funds Management Company Limited is involved in the business of providing venture capital funding to start-up companies and private equity to a range of companies.

Interest of the Promoter

Our Company's Promoter, namely ICICI Bank, along with its nominees, holds 1,000,000 equity shares of ₹ 10.0 each, aggregating to 100.0% of the issued and paid-up capital of ICICI Venture Funds Management Company Limited.

Nature and Extent of Interest of Group Companies

1. ***In the promotion of our Company***

I-Sec is appointed as a Global Co-ordinator and Book Running Lead Manager and is interested to the extent of marketing the Offer. In addition, except for ICICI Bank, none of our Group Companies have any interest in the promotion of our Company.

2. ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing the Draft Red Herring Prospectus***

None of our Group Companies is interested in the properties acquired by our Company in the two years preceding the filing of the Draft Red Herring Prospectus, or proposed to be acquired.

3. ***In transactions for acquisition of land, construction of building and supply of machinery***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits between our Group Companies and our Company

There are no common pursuits among any of our Group Companies (other than ICICI Bank) and our Company.

Related Business Transactions within our Group Companies and significance on the financial performance of our Company

For more information, see "Related Party Transactions" on page 230.

Significant Sale / Purchase with our Group Companies

Except as disclosed in "Related Party Transactions" on page 230, our Company is not involved in any sales or purchases with any of our Group Companies where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

Business Interest of Group Companies

We have entered into certain business contracts with some of our Group Companies. For details, see "Our Business" from page 151 and "Related Party Transactions" from page 230.

Other than as stated above, none of our Group Companies (other than ICICI Bank) have any business interest in our Company.

Defunct Group Companies

None of our Group Companies remain defunct and no application has been made to the relevant registrar of companies for striking off the name of any of our Group Companies, during the five years preceding the date of the Draft Red Herring Prospectus.

Loss making Group Companies

The following table sets forth the details of our Group Companies which have incurred loss as per their last available audited financial statements and the profit/(loss) made by them during Fiscal 2017, Fiscal 2016 and Fiscal 2015 are as follows:

Name of Group Company	Profit / (loss)		
	Fiscal 2017	Fiscal 2016	Fiscal 2015
ICICI Bank UK Plc (in US$ million)	(16.1)	0.5	18.3
ICICI Bank Canada (in CAD million)	(33.00)	22.41	33.74
ICICI Securities Holdings Inc. (in ₹ million)	(.01)	(477.49)	(0.66)
ICICI Investment Management Company Limited (in ₹ million)	(6.6)	(18.5)	(20.3)
ICICI International Limited (in ₹ million)	(4.18)	(4.9)	(7.9)
ICICI Prudential Pension Funds Management Company Limited (in ₹ million)	(5.69)	(3.15)	1.00

Other Confirmations

Except for the equity shares of ICICI Bank and ICICI Prudential Life Insurance Company Limited, no equity shares of our Group Companies are listed on any stock exchange. Except ICICI Prudential Life Insurance Company Limited, none of our Group Companies have made any public or rights issue of securities in the preceding three years. For further details, see "Other Regulatory and Statutory Disclosures - Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company" and "Other Regulatory and Statutory Disclosures - Previous issue during the previous three years by listed Group Companies" on page 430. The following Group Companies have issued debt securities which are listed on the Stock Exchanges:

(i) ICICI Home Finance Company Limited; and

(ii) ICICI Securities Primary Dealership Limited.

None of our Group Companies hold any Equity Shares of the Company.

None of our Group Companies have a negative net worth. None of our Group Companies fall under the definition of sick companies under SICA or equivalent thereof under the Insolvency and Bankruptcy Code, 2016 and none of them is under winding up.

None of our Group Companies have been debarred or prohibited from accessing or operating in the capital market under any orders of or directions made by SEBI or any other authorities.

None of our Group Companies have been identified as Wilful Defaulters.

For details of related party transactions entered into by our Company with our Group Companies, as per Accounting Standard 18, the nature of transactions and the cumulative value of transactions, see "Related Party Transactions" on page 230.

For further details, see "Outstanding Litigation and Material Developments" and "Other Regulatory and Statutory Disclosures" on pages 386 and 411.

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five Fiscals, as per the requirements under Accounting Standard 18 "Related Party Disclosures", see "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Related party" on page 277.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Section 49 of the Insurance Act states that an insurer for the purpose of declaring and paying any dividend to shareholders is prohibited from utilising directly or indirectly any portion of the life insurance fund or any other such equivalent fund, apart from the surplus as represented in the valuation balance sheet submitted to the IRDAI as part of the actuarial abstract. The dividend policy of our Company was approved and adopted by our Board in their meeting on April 18, 2014.

The dividend policy provides for declaration of dividend in accordance with the applicable law and provisions of the Articles of Association. Under the dividend policy, our Company is permitted to pay a dividend out of the profits for the financial year or out of the profits for the previous financial years which have not been transferred to the reserves or out of both after providing for depreciation provided there is a surplus in the valuation balance sheet. Our Company is however restrained from paying a dividend, if our Company is, or would be after the payment of such dividend, in contravention of the solvency margins, as required under the Insurance Act. In addition, our Company shall consider the impact of declaration of a dividend on the financial position and strategy of our Company. These considerations shall include our business plan, anticipated business and profit growth, strategic investments, cash flows, regulations relating to accumulated losses (if any) and continuing resilience of the balance sheet.

Our Board may consider declaration of an interim dividend at any time during the year in accordance with applicable law, however consideration for declaration of final dividend will take place at the meeting of our Board approving the annual financial statements each year.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. For details of risks in relation to our capability to pay dividend, see "Risk Factors - Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, working capital, capital expenditure requirements and solvency ratio, and is subject to restrictions under Indian laws and regulations" on page 45. The details of dividend paid by our Company in the last five Fiscals are given below:

	2017	2016	2015	2014	2013
Number of Equity Shares	447,709,026[1]	446,780,116[5]	445,170,916[9]	-	-
	448,083,026[2]	447,164,556[6]	445,259,916[10]	-	-
	448,433,126[3]	447,444,556[7]	445,380,424[11]	-	-
	450,712,186[4]	447,538,446[8]	446,594,032[12]	-	-
Dividend per Equity Share (in ₹)	0.70[1]	0.75[5]	0.25[9]	-	-
	0.80[2]	0.75[6]	0.75[10]	-	-
	1.00[3]	0.75[7]	0.50[11]	-	-
	1.00[4]	0.75[8]	0.50[12]	-	-
Rate of dividend on Equity Share (%)	7.00[1]	7.50[5]	2.50[9]	-	-
	8.00[2]	7.50[6]	7.50[10]	-	-
	10.00[3]	7.50[7]	5.00[11]	-	-
	10.00[4]	7.50[8]	5.00[12]	-	-
Total dividend on Equity Share (in ₹billion)	0.31[1]	0.34[5]	0.11[9]	-	-
	0.36[2]	0.34[6]	0.33[10]	-	-
	0.45[3]	0.34[7]	0.22[11]	-	-
	0.45[4]	0.34[8]	0.22[12]	-	-
Dividend Tax (in ₹billion)	0.06[1]	0.07[5]	0.02[9]	-	-
	0.07[2]	0.07[6]	0.06[10]	-	-
	0.09[3]	0.07[7]	0.04[11]	-	-
	0.09[4]	0.07[8]	0.04[12]	-	-

1. *Our Board approved an interim dividend of ₹ 0.70 by way of a circular resolution on June 27, 2016.*

2. *Our Board approved an interim dividend of ₹ 0.8 by way of a circular resolution on September 26, 2016.*

3. *Our Board approved an interim dividend of ₹ 1.0 by way of a circular resolution on December24, 2016.*

4. *Our Board approved an interim dividend of ₹ 1.0 by way of a circular resolution on March 25, 2017.*

5. *Our Board approved an interim dividend of ₹ 0.75 by way of a circular resolution on June 23, 2015.*

6. *Our Board approved an interim dividend of ₹ 0.75 by way of a circular resolution on September 24, 2015.*

7. *Our Board approved an interim dividend of ₹ 0.75 by way of a circular resolution on December 24, 2015*

8. *Our Board approved an interim dividend of ₹ 0.75 by way of a circular resolution on March 22, 2016.*

9. *Our Board approved an interim dividend of ₹ 0.25 by way of a circular resolution on June 26, 2014.*

10. *Our Board approved an interim dividend of ₹ 0.75 by way of a circular resolution on September 22, 2014.*

11. *Our Board approved an interim dividend of ₹ 0.50 by way of a circular resolution on December 29, 2014.*

12. *Our Board approved an interim dividend of ₹ 0.50 by way of a circular resolution on March 26, 2015.*

Pursuant to circular resolution dated June 23, 2017, our Board has declared an interim dividend of ₹ 0.75 per Equity Share for the quarter ended June 30, 2017.

The annual dividends have been approved by our Shareholders in the respective annual general meetings.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

[*This has been left blank intentionally*]

Chaturvedi & Co.
Chartered Accountants
81, Mittal Chambers,
228, Nariman Point,
Mumbai – 400021.

PKF Sridhar & Santhanam LLP
Chartered Accountants
201, 2nd Floor, Center Point Building,
Dr. BR Ambedkar Road,
Parel, Mumbai - 400012.

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED SUMMARY FINANCIAL INFORMATION

The Board of Directors
ICICI Lombard General Insurance Company Limited
ICICI Lombard House
414 Veer Savarkar Marg
Near Siddhivinayak Temple
Prabhadevi
Mumbai 400 025
Maharashtra, India

Dear Sirs,

We have examined the attached Restated Summary Financial Information of ICICI Lombard General Insurance Company Limited (the 'Company') which comprise the Restated Summary Statement of Assets and Liabilities as at 30 June 2017, 31 March 2017, 30 June 2016, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, the Restated Summary Statement of Revenue Account, the Restated Summary Statement of Profit and Loss Account, the Restated Summary Statement of Receipts and Payments Account and other financial information (as described more in detail in paragraph 7 below, referred as "Other Restated Summary Financial Information") for each of the quarters ended 30 June 2017, 30 June 2016, for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 as approved by the Board of Directors of the Company on 24 August 2017, prepared by the management of the Company in terms of the requirements of Section 26 (1) (b) of the Companies Act, 2013 (the "Companies Act") read with Rule 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 ("Rules"); Part (B) of Item (IX) of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (the 'SEBI Regulations'); the Insurance Regulatory and Development Authority of India (Issuance of capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015 (the 'IRDAI Regulations'), to the extent applicable and the Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (the "ICAI") ("Guidance Note"), to the extent applicable, in connection with the proposed offer for sale of equity shares of the Company by certain selling shareholders (the "Offer").

The preparation of the Restated Summary Financial Information is the responsibility of the Management of the Company for the purpose set out in paragraph 12 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Summary Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Companies Act, the Rules, IRDAI Regulations and SEBI Regulations.

Our responsibility is to examine the Restated Summary Financial Information and confirm whether such Restated Summary Financial Information comply with the requirements of the IRDAI Regulations, the Companies Act, the Rules, the SEBI Regulations and the Guidance Note, to the extent applicable.

1) We have examined such Restated Summary Financial Information taking into consideration;

   a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated May 16, 2017 in connection with the proposed Offer;

   b) The Guidance Note; and

   c) The Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), which include the concepts of test checks and materiality. This Guidance Note requires us to obtain reasonable assurance based on verification of evidence supporting the Restated Summary Financial Information.

2) The Restated Summary Financial Information have been extracted by the Company's Management from the Company's audited interim financial statements as at and for the quarters ended 30 June 2017 and 30 June 2016 and from the Company's annual audited financial statements as at and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 and other relevant accounting records maintained by the Company. The interim financial statements as at and for the quarters ended 30 June 2017 and 30 June 2016 and the annual financial statements as at and for the year ended 31 March 2017 were audited jointly by M/s Chaturvedi & Co., Chartered Accountants ("C&CO") and M/s PKF Sridhar & Santhanam LLP, Chartered Accountants ("PKFS&S"). The financial statements as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 were audited jointly by C&CO and M/s Khandelwal Jain & Co., Chartered Accountants ("KJ&CO"). PKFS&S, for the purpose of its opinion on the Restated Summary Financial Information to the extent it relates to as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014, have placed reliance on the financial statements as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 audited jointly by C&CO and KJ&CO and the financial report

included for these years are based on the reports submitted thereon. The financial statements as at and for the year ended 31 March 2013 were audited jointly by PKFS&S (PKF Sridhar & Santhanam (a partnership firm with ICAI registration number 003990S), converted into PKF Sridhar & Santhanam LLP (a Limited Liability Partnership with ICAI registration number 003990S / S200018), with effect from 21 April 2015) and KJ&CO. C&CO, for the purpose of its opinion on the Restated Summary Financial information to the extent it relates to as at and for the year ended 31 March 2013, have placed reliance on the financial statements as at and for the year ended 31 March 2013 audited by PKFS&S and KJ&CO and the financial report included for that year is based on the report submitted thereon.

3) In accordance with the requirements of Section 26 (1) (b) of the Companies Act, 2013 read with Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Regulations, the IRDAI Regulations and the Guidance Note, as amended from time to time, read in conjunction with Para 2 above, we further report that:

   a) The Restated Summary Statement of Assets and Liabilities as at 30 June 2017, 31 March 2017, 30 June 2016, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, examined by us, as set out in Annexure I to this report read with the summary of significant accounting policies and notes to accounts in Annexure V, are after making such adjustments and regroupings as in our opinion were appropriate and which are more fully described in the Notes on Adjustments for Restated Summary Financial Statements enclosed as Annexure VI to this report. Consequent to these adjustments, the amounts reported in the above mentioned statement is not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial periods.

   b) The Restated Summary Statement of Revenue Account and Restated Summary Statement of Profit and Loss Account for each of the quarters ended 30 June 2017, 30 June 2016, for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 as set out in Annexure II and Annexure III to this report read with the summary of significant accounting policies and notes to accounts in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Summary Financial Statements enclosed as Annexure VI to this report. Consequent to these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial periods.

   c) The Restated Summary Statement of Receipts and Payment Account for each of the quarters ended 30 June 2017, 30 June 2016, for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 as set out in Annexure IV to this report read with the summary of significant accounting policies and notes to accounts in Annexure V are after making such adjustments and regroupings as in our opinion were appropriate and are more fully described in the Notes on Adjustments for Restated Summary Financial Statements enclosed as Annexure VI to this report. Consequent to these adjustments, the amounts reported in the above mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial periods.

4) The Auditors report on the financial statements of the Company as at and for the quarter ended 30 June 2017, 30 June 2016, as at and for the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 have, without qualifying the opinion, mentioned the following matter in the report for the respective periods:

   "The actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR') and Incurred But Not Enough Reported ('IBNER') as at 30 June 2017, 31 March 2017, 30 June 2016, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 other than for reinsurance accepted from Declined Risk Pool ('DR Pool') has been duly certified by the Appointed Actuary of the Company and relied upon by us. The Appointed Actuary has also certified that the assumptions considered by him for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Actuarial Society of India in concurrence with the IRDAI. In respect of reinsurance accepted from DR Pool, IBNR / IBNER has been recognized based on estimates received from DR Pool."

5) We draw attention to the fact that the Auditors report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013, of the financial statements of the Company as at and for the year ended 31 March 2017 and 31 March 2016 has, without qualifying the opinion, drawn attention to the following matter in the report for the respective years:

   "The Actuarial valuation of liabilities in respect of Incurred But Not Reported ('IBNR') and Incurred But Not Enough Reported ('IBNER') as at March 31, 2017 and 31 March 2016, other than for reinsurance accepted from Declined Risk Pool ('DR Pool') has been duly certified by the Appointed Actuary of the Company as per the Regulations whereas in respect of reinsurance accepted from DR Pool, IBNR / IBNER has been recognized based on estimates received from DR Pool. The said actuarial valuations have been relied upon by us as mentioned in para 9(h) of our Audit Report on the financial statements for the year ended 31 March, 2017 and 31 March, 2016. Accordingly, our opinion on the internal financial controls over financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities."

6) Based on the above and according to information and explanations given to us and read with Para 2 above we are of the opinion that the Restated Summary Financial Information:

    i) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial periods to reflect the same accounting treatment as per the changed accounting policy for all the reporting periods based on the significant accounting policies adopted by the Company as at 30 June 2017;

    ii) have been made after incorporating adjustments for material amounts in the respective financial periods to which they relate to; and

    iii) do not contain any extra-ordinary items that need to be disclosed separately in the Restated Summary Financial Information and also do not contain any qualifications requiring adjustments.

7) We have also examined the following Other Restated Summary Financial Information, proposed to be included in the Red Herring Prospectus, Prospectus, Preliminary Offering Memorandum and Final Offering Memorandum as set out in the Annexures prepared by the management of the Company and approved by the Board of Directors on 24 August 2017, relating to the Company as at and for each of the quarter ended 30 June 2017, 30 June 2016, for each of the years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013:

    i. Notes on Adjustments for Restated Summary Financial Information, included in Annexure VI;
    ii. Restated Statement of Accounting Ratios, included in Annexure VII;
    iii. Restated Statement of Segment Disclosure, included in Annexure VIII;
    iv. Restated Statement of Premium Earned (net), included in Annexure IX;
    v. Restated Statement of Claims Incurred (net), included in Annexure X;
    vi. Restated Statement of Commission Expenses (Net), included in Annexure XI;
    vii. Restated Statement of Breakup of Commission Paid - Direct, included in Annexure XIA
    viii. Restated Statement of Operating Expenses related to Insurance business, included in Annexure XII;
    ix. Restated Statement of Share Capital, included in Annexure XIII;
    x. Restated Statement of Shareholding Pattern, included in Annexure XIIIA;
    xi. Restated Statement of Reserves and Surplus, included in Annexure XIV;
    xii. Restated Statement of Borrowings, included in Annexure XV;
    xiii. Restated Statement of Investments – Shareholders, included in Annexure XVI;
    xiv. Restated Statement of Investments – Policyholders, included in Annexure XVIA;
    xv. Restated Statement of Loans, included in Annexure XVII;
    xvi. Restated Statement of Fixed Assets, included in Annexure XVIII;
    xvii. Restated Statement of Cash and Bank Balances, included in Annexure XIX;
    xviii. Restated Statement of Advances and Other Assets, included in Annexure XX;
    xix. Restated Statement of Current Liabilities, included in Annexure XXI;
    xx. Restated Statement of Provisions, included in Annexure XXII;
    xxi. Restated Statement of Miscellaneous Expenditure (to the extent not written off or adjusted), included in Annexure XXIII;
    xxii. Restated Statement of Capitalization, included in Annexure XXIV;
    xxiii. Restated Statement of Tax Shelter, included in Annexure XXV; and
    xxiv. Restated Statement of Dividend, included in Annexure XXVI;

8) In our opinion, the above Restated Summary Financial Information contained in Annexure I to Annexure IV accompanying this report read along with the Summary of Significant Accounting Policies and Notes to Accounts in Annexure V and Notes on Adjustments for Restated Summary Financial Statements enclosed as Annexure VI to this report are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Companies Act, 2013 read with The Companies (Prospectus and Allotment of Securities) Rules, 2014, to the extent applicable, SEBI Regulations, IRDAI Regulations, to the extent prescribed and the Guidance Note.

9) We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

10) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or other firms of Chartered Accountants, nor should this report be construed as an opinion on any of the financial statements referred to herein.

11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12) Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, National Stock Exchange, Bombay Stock Exchange and the Registrar of Companies, Mumbai in connection with the proposed Offer. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

For Chaturvedi & Co.
Chartered Accountants
Firm Registration No. 302137E

S N Chaturvedi
Partner
Membership No. 040479

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Registration No. 003990S/S200018

T. V. Balasubramanian
Partner
Membership No. 027251

Place: Mumbai
Date: 24 August 2017

Annexure – I: Restated Summary Statement of Assets and Liabilities

(₹ in million)

Particulars	**Annexure No.**	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Sources of funds								
Share capital	XIII	4,529.3	4,477.1	4,511.5	4,475.4	4,465.9	4,450.6	4,370.2
Reserves and Surplus	XIV	34,665.0	28,806.7	32,739.1	27,879.4	24,386.7	19,482.6	14,216.4
Share application money-pending allotment		12.0	0.2	12.8	-	2.0	3.0	1,004.4
Fair value change account								
Shareholders funds		1,814.6	996.1	1,745.3	605.2	687.4	182.8	120.0
Policyholders funds		5,409.6	3,738.8	5,027.1	2,485.0	2,872.2	951.8	579.5
Borrowings	XV	4,850.0	-	4,850.0	-	-	-	-
Total		**51,280.5**	**38,018.9**	**48,885.8**	**35,445.0**	**32,414.2**	**25,070.8**	**20,290.5**
Application of funds								
Investments - Shareholders	XVI	42,309.6	27,150.2	39,826.4	23,886.1	20,887.6	15,080.8	12,889.0
Investments - Policyholders	XVI-A	122,153.9	101,267.4	110,962.6	91,739.1	81,109.6	77,819.1	65,110.6
Loans	XVII	-	-	-	-	-	-	-
Fixed assets	XVIII	3,781.3	3,800.0	3,826.7	3,831.5	3,896.6	3,894.9	4,004.3
Deferred tax asset		1,041.2	1,133.7	873.4	1,239.2	969.4	350.9	484.6
Current assets								
Cash and bank balances	XIX	1,265.8	738.6	1,940.4	1,948.0	1,416.9	1,619.7	2,696.2

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

(₹ in million)

Particulars	Annexure No.	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
Advances and other assets	XX	79,524.1	67,049.4	76,077.0	48,498.4	38,177.0	48,671.8	41,183.1
Sub-Total (A)		**80,789.9**	**67,788.0**	**78,017.4**	**50,446.4**	**39,593.9**	**50,291.5**	**43,879.3**
Current liabilities	XXI	158,367.6	127,897.2	149,135.8	104,597.7	89,118.0	99,340.3	85,413.2
Provisions	XXII	40,427.8	35,223.2	35,484.9	31,099.6	24,924.9	23,026.1	21,558.0
Sub-Total (B)		**198,795.4**	**163,120.4**	**184,620.7**	**135,697.3**	**114,042.9**	**122,366.4**	**106,971.2**
Net current assets (C)=(A - B)		**(118,005.5)**	**(95,332.4)**	**(106,603.3)**	**(85,250.9)**	**(74,449.0)**	**(72,074.9)**	**(63,091.9)**
Miscellaneous expenditure (to the extent not written off or adjusted)	XXIII	-	-	-	-	-	-	-
Debit balance in profit and loss account		-	-	-	-	-	-	893.9
Total		**51,280.5**	**38,018.9**	**48,885.8**	**35,445.0**	**32,414.2**	**25,070.8**	**20,290.5**

The Accompanying Summary of Significant Accounting Policies and Notes to Accounts (Annexure V) and other disclosures (Annexure VI - XXVI) are an integral part of this statement

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn No.: 003990S/S200018

For and on behalf of the Board

SN Chaturvedi
Partner
Membership No: 040479

T. V. Balasubramanian
Partner
Membership No: 027251

Chanda Kochhar
Chairperson
DIN 00043617

N. S. Kannan
Director
DIN 00066009

Ashvin Parekh Director
DIN 06559989

Bhargav Dasgupta
Managing Director & CEO
DIN 00047728

Alok Kumar Agarwal
Executive Director DIN 03434304

Sanjeev Mantri
Executive Director
DIN 07192264

Mumbai
August 24, 2017

Gopal Balachandran
Chief Financial Officer

Vikas Mehra Company Secretary

Annexure – II: Restated Summary Statement of Revenue Accounts

(₹ in million)

Particulars	**Annexure No.**	**For the quarter ended**		**For the year ended**				
		June 30, 2017	**June 30, 2016**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
1. Premiums earned (net)	IX	15,337.8	13,931.1	61,577.8	48,263.4	42,340.5	43,522.5	40,123.0
2. Profit on sale/ redemption of investments		1,638.1	957.1	3,291.5	2,796.8	2,020.2	1,747.6	772.0
Less : Loss on sale/ redemption of Investment		(50.3)	(8.8)	(322.0)	(92.9)	(265.8)	(530.4)	(197.3)
3. Others -								
Foreign exchange gain/ (loss)		(11.8)	1.6	(70.5)	(18.6)	(8.9)	17.4	(7.9)
Investment income from pool (Terrorism)		59.3	58.7	244.9	242.1	218.2	178.5	140.6
Miscellaneous Income		0.7	1.5	94.4	259.6	106.0	19.2	13.5
4. Interest, Dividend & Rent Gross		1,845.0	1,638.1	6,988.8	6,592.1	6,037.9	5,329.3	4,030.0
Total (A)		**18,818.8**	**16,579.3**	**71,804.9**	**58,042.5**	**50,448.1**	**50,284.1**	**44,873.9**
1. Claims Incurred (net)	X	11,974.7	11,532.9	49,655.7	39,390.6	34,456.0	36,288.9	33,501.7
2. Commission (net)	XI	(1,037.1)	(973.2)	(4,341.3)	(3,279.7)	(3,462.5)	(2,290.9)	(1,831.2)
3. Operating expenses related to insurance business	XII	5,963.9	4,789.3	19,820.4	17,112.0	13,870.6	12,157.9	10,194.2
4. Premium deficiency		-	-	-	-	-	-	(17.3)
Total (B)		**16,901.5**	**15,349.0**	**65,134.8**	**53,222.9**	**44,864.1**	**46,155.9**	**41,847.4**
Operating Profit /(Loss) C=(A - B)		**1,917.3**	**1,230.3**	**6,670.1**	**4,819.6**	**5,584.0**	**4,128.2**	**3,026.5**

ICICI Lombard General Insurance Company Limited
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(₹ in million)

Particulars	Annexure No.	For the quarter ended		For the year ended				
		June 30, 2017	June 30, 2016	2016-17	2015-16	2014-15	2013-14	2012-13
APPROPRIATIONS								
Transfer to Shareholders' Account		**1,917.3**	**1,230.3**	**6,670.1**	**4,819.6**	**5,584.0**	**4,128.2**	**3,026.5**
Transfer to Catastrophe Reserve		-	-	-	-	-	-	-
Transfer to Other Reserves		-	-	-	-	-	-	-
Total (C)		**1,917.3**	**1,230.3**	**6,670.1**	**4,819.6**	**5,584.0**	**4,128.2**	**3,026.5**

The Accompanying Summary of Significant Accounting Policies and Notes to Accounts (Annexure V) and other disclosures (Annexure VI - XXVI) are an integral part of this statement

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn No.: 003990S/S200018

For and on behalf of the Board

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Partner
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DIN 06559989

Bhargav Dasgupta
Managing Director & CEO
DIN 00047728

Alok Kumar Agarwal
Executive Director DIN 03434304

Sanjeev Mantri

Executive Director
DIN 07192264

Mumbai
August 24, 2017

Gopal Balachandran
Chief Financial Officer

Vikas Mehra Company Secretary

Annexure – III: Restated Summary Statement of Profit & Loss Account

(₹ in million)

Particulars	**Annexure No.**	**For the quarter ended**		**For the year ended**				
		June 30, 2017	**June 30, 2016**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
1. Operating profit/(loss)								
(a) Fire Insurance		340.8	390.3	996.0	1,104.0	448.2	621.9	394.5
(b) Marine Insurance		(72.8)	(92.0)	(150.0)	(284.1)	(293.8)	(250.4)	3.5
(c) Miscellaneous Insurance		1,649.3	932.0	5,824.1	3,999.7	5,429.6	3,756.7	2,628.5
2. Income from investments								
(a) Interest, Dividend & Rent – Gross		658.0	436.4	2,204.7	1,605.3	1,470.3	1,121.4	999.6
(b) Profit on sale/ redemption of investments		577.5	259.0	1,042.8	695.7	412.8	340.7	151.1
Less : Loss on sale/ redemption of investments		(17.7)	(2.3)	(101.2)	(22.6)	(63.6)	(101.9)	(38.6)
3. Other income								
(a) Interest income on tax refund		-	-	17.2	138.9	17.8	49.8	9.2
(b) Profit on sale/ discard of fixed assets		0.2	1.1	2.9	5.3	2.1	1.5	14.3
(c) Recovery of bad debts written off		-	-	-	-	1.0	23.4	-
Total (A)		**3,135.3**	**1,924.5**	**9,836.5**	**7,242.2**	**7,424.4**	**5,563.1**	**4,162.1**
4. Provisions (Other than taxation)								
(a) For diminution in the value of investments		-	-	-	-	141.6	85.3	21.1
(b) For doubtful debts		13.7	24.1	90.8	45.3	67.6	162.2	304.1
(c) For future recoverable under reinsurance contracts		(14.8)	(17.6)	(39.4)	(35.4)	10.7	(122.4)	235.3
(d) Others		-	-	-	-	-	-	-
5. Other expenses								

(₹ in million)

Particulars	**Annexure No.**	**For the quarter ended**		**For the year ended**				
		June 30, 2017	**June 30, 2016**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
(a) Expenses other than those related to Insurance Business								
(i) Employees' remuneration and other expenses		5.9	5.1	22.5	15.6	14.3	10.1	9.7
(ii) Managerial remuneration		7.8	19.3	77.6	66.9	81.7	41.3	16.1
(iii) Directors' fees		1.5	0.4	4.0	1.9	1.9	0.6	0.7
(iv) CSR Expenditure		3.9	0.3	125.2	97.1	27.8	-	-
(v) Charges on issuance of Non-convertible Debentures		-	-	21.3	-	-	-	-
(vi) Interest on Non-convertible Debentures		99.8	-	270.8	-	-	-	-
(vii) Expense related to Investment property		9.7	-	9.5	-	-	-	-
(viii) Operating expenses borne by shareholders		-	-	427.9	-	-	-	-
(b) Bad debts written off		-	0.4	-	-	1.8	27.0	37.9
(c) Loss on sale/discard of fixed assets		0.2	2.4	25.1	1.8	24.7	24.1	23.5
(d) Penalty		-	-	-	1.0	5.0	0.5	-
Total (B)		**127.7**	**34.4**	**1,035.3**	**194.2**	**377.1**	**228.7**	**648.4**
Profit before tax		**3,007.6**	**1,890.1**	**8,801.2**	**7,048.0**	**7,047.3**	**5,334.4**	**3,513.7**
Provision for taxation:								
(a) Current tax /MAT payable		1,032.0	493.3	2,017.2	2,264.4	2,217.2	892.8	582.0
Less: MAT credit entitlement		-	-	-	-	-	(892.8)	(582.0)
(b) Excess Tax Provision written back		-	-	-	-	(404.6)	-	-
(c) Deferred tax (Income)/ Expense		(167.8)	105.5	365.8	(269.8)	(618.5)	133.7	(14.1)
Profit after tax		**2,143.4**	**1,291.3**	**6,418.2**	**5,053.4**	**5,853.2**	**5,200.7**	**3,527.8**
Appropriations								
(a) Interim dividends paid during the period		339.4	313.4	1,571.0	1,341.7	891.2	-	-
(b) Proposed final dividend		-	-	-	-	-	-	-

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

(₹ in million)

Particulars	**Annexure No.**	**For the quarter ended**		**For the year ended**				
		June 30, 2017	**June 30, 2016**	**2016-17**	**2015-16**	**2014-15**	**2013-14**	**2012-13**
(c) Dividend distribution tax		69.1	63.8	319.8	273.1	164.8	-	-
(d) Transfer to General Reserves		-	-	-	-	-	-	-
Balance of Profit / (Loss) brought forward from last year		17,070.0	12,542.6	12,542.6	9,104.0	4,306.8	(893.9)	(4,421.7)
Balance carried forward to Balance sheet		**18,804.9**	**13,456.7**	**17,070.0**	**12,542.6**	**9,104.0**	**4,306.8**	**(893.9)**
Basic earnings per share of ₹ 10 face value (not annualized)		₹4.74	₹2.88	₹14.32	₹11.30	₹13.14	₹11.70	₹8.08
Diluted earnings per share of ₹ 10 face value (not annualized)		₹4.73	₹2.87	₹14.25	₹11.23	₹13.04	₹11.57	₹7.98

The Accompanying Summary of Significant Accounting Policies and Notes to Accounts (Annexure V) and other disclosures (Annexure VI - XXVI) are an integral part of this statement

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn No.: 003990S/S200018

For and on behalf of the Board

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Chanda Kochhar
Chairperson
DIN 00043617

N. S. Kannan
Director
DIN 00066009

Ashvin Parekh Director
DIN 06559989

Bhargav Dasgupta
Managing Director & CEO
DIN 00047728

Alok Kumar Agarwal
Executive Director DIN 03434304

Sanjeev Mantri
Executive Director
DIN 07192264

Mumbai
August 24, 2017

Gopal Balachandran
Chief Financial Officer

Vikas Mehra Company Secretary

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

Annexure – IV: Restated Summary Statement of Receipts and Payments Account

(₹ in million)

	Particulars	**For the quarter ended**		**For the year ended**				
		June 30, 2017	**June 30, 2016**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
A	**CASH FLOW FROM OPERATING ACTIVITIES**							
1	Premium received from policyholders, including advance receipt	33,776.8	24,583.5	103,976.2	88,077.0	73,525.9	71,675.9	65,678.9
2	Other receipts (including - Environment Relief Fund & Motor TP Pool and Terrorism Pool)	62.0	61.4	536.8	559.9	255.3	242.0	169.6
3	Receipt / (Payment) from/ to reinsurer net of commissions & claims recovery	(4,232.1)	1,621.5	(5,645.4)	(5,834.8)	4,054.3	(2,211.4)	2,880.4
4	Receipt /(payment) from/ to coinsurer net of claims recovery	627.1	976.7	2,940.4	1,878.1	1,045.6	2,694.7	409.1
5	Payments of claims (net of salvage)	(11,592.2)	(10,665.5)	(49,937.9)	(49,416.1)	(56,174.1)	(44,210.0)	(41,795.2)
6	Payments of commission and brokerage	(1,472.4)	(1,309.1)	(5,201.0)	(4,206.9)	(3,771.0)	(3,737.7)	(3,055.5)
7	Payments of other operating expenses*[2]	(6,322.7)	(5,169.6)	(20,925.6)	(17,664.7)	(13,823.1)	(12,716.9)	(9,595.3)
8	Preliminary and preoperative expenses	-	-	-	-	-	-	-
9	Deposits, advances & staff loans (net)	(1,012.9)	(794.7)	(167.6)	61.3	(171.4)	(97.4)	935.8
10	Income tax paid (net)	(520.9)	(331.3)	(1,968.8)	(1,811.7)	(1,234.1)	(884.6)	(602.2)
11	Service taxes paid	(1,670.9)	(2,260.7)	(7,329.2)	(6,527.6)	(4,686.2)	(4,805.9)	(5,183.8)
12	Cash flows before extraordinary items	7,641.8	6,712.2	16,277.9	5,114.5	(978.8)	5,948.7	9,841.8
13	Cash flows from extraordinary operations	-	-	-	-	-	-	-
14	**Net cash from operating activities**	**7,641.8**	**6,712.2**	**16,277.9**	**5,114.5**	**(978.8)**	**5,948.7**	**9,841.8**
B	**CASH FLOW FROM INVESTING ACTIVITIES**							
1	Purchase of fixed assets (including capital advances)	(87.7)	(95.4)	(538.3)	(528.4)	(520.7)	(384.5)	(516.9)
2	Proceeds from sale of fixed assets	0.3	1.3	3.6	5.8	4.5	1.9	17.1
3	Purchase of investments	(49,114.4)	(36,804.4)	(138,143.0)	(80,314.1)	(83,740.5)	(108,635.1)	(92,436.2)

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

(₹ in million)

	Particulars	For the quarter ended		For the year ended				
		June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
4	Loans disbursed	-	-	-	-	-	-	-
5	Sale of investments	39,998.5	27,801.6	116,769.1	69,269.9	78,508.5	98,891.4	73,434.2
6	Repayments received	-	-	-	-	-	-	-
7	Rent/interest/dividends received	2,761.5	2,372.3	7,793.4	7,200.3	6,821.1	5,835.0	4,278.4
8	Investments in money market instruments and liquid mutual fund (net)	(1,745.1)	(825.4)	(5,761.2)	1,283.5	1,598.9	(2,676.9)	5,617.2
9	Other payments (Interest on IMTPIP)	-	-	-	-	(962.5)	(85.4)	(8.8)
10	Other payments (Advance payment for purchase of real estate)	-	-	-	-	-	-	-
11	Expenses related to investments	(6.1)	(5.0)	(22.5)	(15.5)	(14.4)	(10.1)	(9.7)
12	Other(Deposit received on leasing of premises)	-	-	-	-	15.9	-	-
13	**Net cash from investing activities**	**(8,193.0)**	**(7,555.0)**	**(19,898.9)**	**(3,098.5)**	**1,710.8**	**(7,063.7)**	**(9,624.7)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**							
1	Proceeds from issuance of share capital/ application money (including share premium & net of share issue expenses)	208.0	15.1	381.2	61.6	121.2	38.5	1,021.7
2	Proceeds from borrowing	-	-	4,850.0	-	-	-	-
3	Repayments of borrowing	-	-	-	-	-	-	-
4	Brokerage and other expenses on borrowings	-	-	(21.3)	-	-	-	-
5	Interest / Dividends paid	(331.4)	(381.7)	(1,596.5)	(1,546.5)	(1,056.0)	-	-
6	**Net cash from financing activities**	**(123.4)**	**(366.6)**	**3,613.4**	**(1,484.9)**	**(934.8)**	**38.5**	**1,021.7**
D	Effect of foreign exchange rates on cash and cash equivalents, net	-	-	-	-	-	-	-
E	Net increase/(decrease) in cash and cash equivalents	(674.6)	(1,209.4)	(7.6)	531.1	(202.8)	(1,076.5)	1,238.8

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

(₹ in million)

	Particulars	For the quarter ended		For the year ended				
		June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
1	Cash and cash equivalents at the beginning of the period	1,940.4	1,948.0	1,948.0	1,416.9	1,619.7	2,696.2	1,457.4
2	Cash and cash equivalents at end of the period*1	1,265.8	738.6	1,940.4	1,948.0	1,416.9	1,619.7	2,696.2

Notes:
For June 30, 2017 : *1 Cash and cash equivalent at the end of the period includes short term deposits of ₹ 282.6 million (previous period: ₹ 310.2 million), balances with banks in current accounts ₹ 747.8 million (previous period: ₹ 279.1 million) and cash including cheques and stamps in hand amounting to ₹ 235.4 million (previous period: ₹ 149.3 million)
For June 30, 2016 : *1 Cash and cash equivalent at the end of the period includes short term deposits of ₹ 310.2 million (previous period: ₹ 220.2 million), balances with banks in current accounts ₹ 279.1 million (previous period: ₹ 345.3 million) and cash including cheques and stamps in hand amounting to ₹ 149.3 million (previous period: ₹ 182.0 million)
For March 31, 2017 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 322.8 million (previous year: ₹ 420.2 million), balances with banks in current accounts ₹ 1,233.6 million (previous year: ₹ 1,291.6 million) and cash including cheques and stamps in hand amounting to ₹ 384.0 million (previous year: ₹ 236.2 million) *2 Includes payments towards Corporate Social Responsibility of ₹ 125.2 million (previous year: ₹ 97.1 million)
For March 31, 2016 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 420.2 million (previous year: ₹ 590.2 million), balances with banks in current accounts ₹ 1,291.6 million (previous year: ₹ 500.5 million) and cash including cheques and stamps in hand amounting to ₹ 236.2 million (previous year: ₹ 326.2 million) *2 Includes payments towards Corporate Social Responsibility of ₹ 97.1 million (previous year: ₹ 27.8 million)
For March 31, 2015 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 590.2 million (previous year: ₹ 560.3 million), balances with banks in current accounts ₹ 500.5 million (previous year: ₹ 650.9 million) and cash including cheques and stamps in hand amounting to ₹ 326.2 million (previous year: ₹ 408.5 million) *2 Includes payments towards Corporate Social Responsibility of ₹ 27.8 million (previous year: ₹ NIL)
For March 31, 2014 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 560.3 million (previous year: ₹ 1,550.3 million), balances with banks in current accounts ₹ 650.9 million (previous year: ₹ 658.2 million) and cash including cheques and stamps in hand amounting to ₹ 408.5 million (previous year: ₹ 487.7 million) *2 Includes payments towards Corporate Social Responsibility of ₹ NIL (previous year: ₹ NIL)
For March 31, 2013 : *1 Cash and cash equivalent at the end of the year includes short term deposits of ₹ 1,550.3 million (previous year: ₹ 110.2 million), balances with banks in current accounts ₹ 658.2 million (previous year: ₹ 741.6 million) and cash including cheques and stamps in hand amounting to ₹ 487.7 million (previous year: ₹ 605.6 million) *2 Includes payments towards Corporate Social Responsibility of ₹ NIL (previous year: ₹ NIL)

The Accompanying Summary of Significant Accounting Policies and Notes to Accounts (Annexure V) and other disclosures (Annexure VI - XXVI) are an integral part of this statement

For Chaturvedi & Co.
Chartered Accountants
Firm Regn No.: 302137E

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Regn No.: 003990S/S200018

For and on behalf of the Board

SN Chaturvedi
Partner
Membership No: 040479

T. V. Balasubramanian
Partner
Membership No: 027251

Chanda Kochhar
Chairperson
DIN 00043617

N. S. Kannan
Director
DIN 00066009

Ashvin Parekh Director
DIN 06559989

Bhargav Dasgupta
Managing Director & CEO
DIN 00047728

Alok Kumar Agarwal
Executive Director DIN 03434304

Sanjeev Mantri
Executive Director
DIN 07192264

Mumbai
August 24, 2017

Gopal Balachandran
Chief Financial Officer

Vikas Mehra Company Secretary

Annexure – V: Summary of Significant accounting policies and Notes to Accounts

1 Background

ICICI Lombard General Insurance Company Limited ('the Company') was incorporated on October 30, 2000 and is a joint venture between ICICI Bank Limited and Fairfax Financial Holdings Limited. The Company obtained Regulatory approval to undertake General Insurance business on August 3, 2001 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.

2 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, unless otherwise specifically stated, on the accrual basis of accounting, and comply with the applicable accounting standards referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 ('the Regulations') and orders / directions prescribed by the IRDAI in this behalf, the provisions of the Companies Act, 2013 (to the extent applicable) in the manner so required and current practices prevailing within the insurance industry in India.

3 Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date, reported amounts of revenues and expenses for the year ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

4 Significant accounting policies

4.1 Revenue recognition

Premium income

Premium including reinsurance accepted is recorded for the policy period at the commencement of risk and for installment cases, it is recorded on installment due dates. Reinstatement premium is recorded as and when such premiums are recovered. Premium earned including reinstatement premium and re-insurance accepted is recognised as income over the period of risk or the contract period based on 1/365 method, whichever is appropriate on a gross basis net of service tax. Any subsequent revisions to premium as and when they occur are recognised over the remaining period of risk or contract period, as applicable.

Adjustments to premium income arising on cancellation of policies are recognised in the period in which these are cancelled.

Income from reinsurance ceded

Commission on reinsurance ceded is recognised as income in the period of ceding the risk.

Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of profits as confirmed by reinsurers and combined with commission on reinsurance ceded.

Income earned on investments

Interest and rental income on investments are recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities and non convertible preference shares is recognised over the holding/maturity period on a constant yield basis.

Dividend income is recognised when the right to receive dividend is established. Dividend income in respect of listed equity shares is recognised on ex-dividend date.

Realised gain/loss on securities, which is the difference between the sale consideration and the carrying value in the books of the Company, is recognised on the trade date. In determining the realised gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of listed equity shares and mutual fund units the profit or loss on sale also includes the accumulated changes in the fair value previously recognised in the fair value change account.

Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

4.2 Premium received in advance

This represents premium received during the period, where the risk commences subsequent to the balance sheet date.

4.3 Reinsurance premium

Insurance premium on ceding of the risk is recognised in the period in which the risk commences in accordance with reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which they are cancelled.

4.4 Reserve for unexpired risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable to, and is to be allocated to succeeding accounting periods. For Fire, Marine Cargo and Miscellaneous business it is calculated on a daily pro-rata basis, except in the case of Marine Hull business it is computed at 100% of net premium written on all unexpired policies on the balance sheet date.

4.5 Claims

Claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/coinsurers) are recognised on the date of intimation based on internal management estimates or on estimates from surveyors/insured in the respective revenue account(s).

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers and salvage to the extent there is certainty of realisation. Salvaged stock is recognised at estimated net realisable value based on independent valuer's report.

Estimated liability for outstanding claims is determined by the management on the basis of ultimate amounts likely to be paid on each claim based on the past experience and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates are progressively revalidated on availability of further information.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed Actuary of the Company. The actuarial estimate is derived in accordance with relevant IRDAI regulations and Guidance Note GN 21 issued by the Institute of Actuaries of India.

4.6 Acquisition costs

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

4.7 Premium deficiency

Premium deficiency is recognised at segmental revenue account level when the sum of expected claim costs and related expenses and maintenance costs (related to claims handling) exceed the reserve for unexpired risks. In computing the overall Premium deficiency in Miscellaneous revenue account level, the Premium deficiency arising out of reinsurance acceptances from declined risk pool is not considered as per regulatory guidelines. The premium deficiency is calculated and duly certified by the Appointed Actuary.

4.8 Investments

Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc., if any, and exclude interest accrued up to the date of purchase.

(A) Classification

- Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose off within twelve months are classified as ‘short term investments’.
- Investments other than ‘short term investments’ are classified as ‘long term investments’.
- Investments that are earmarked, are allocated separately to policyholder’s or shareholder’s, as applicable; balance investments are segregated at Shareholder’s level and Policyholder’s level notionally based on policyholder’s funds and shareholder’s funds at the end of period.

(B) Valuation

Investments are valued as follows:

Debt securities and Non – convertible preference shares

All debt securities including government securities and non-convertible preference shares are considered as ‘held to maturity’ and accordingly stated at amortised cost determined after amortisation of premium or accretion of discount on a constant yield basis over the holding period/maturity.

Equity shares and Convertible preference shares

Listed equities and convertible preference shares at the balance sheet date are stated at fair value, being the last quoted closing price on the National Stock Exchange and in case these are not listed on National Stock Exchange, then based on the last quoted closing price on the Bombay Stock Exchange.

Mutual funds (Other than venture capital fund)

Mutual fund investments are stated at fair value, being the closing net asset value at balance sheet date.

Investment Properties – Real Estate

Investment Properties- Real Estate are stated at historical cost less accumulated depreciation.

Investments other than those mentioned above are valued at cost.

(C) Fair Value Change Account

In accordance with the Regulations, unrealised gain/loss arising due to changes in fair value of listed equity shares, convertible preference shares and mutual fund investments are taken to the 'fair value change account'. This balance in the fair value change account is not available for distribution, pending realisation.

(D) Impairment of Investments

The Company assesses at each Balance Sheet date whether any impairment has occurred in respect of investment in equity, units of mutual fund. The impairment loss, if any, is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed to the profit & loss account and the investment is restated to that extent.

Impairment for Investment properties is assessed at each balance sheet date. The impairment loss, if any is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value.

4.9 Employee Stock Option Scheme ("ESOS")

The Company follows the intrinsic method for computing the compensation cost, for options granted under the scheme(s). The difference if any, between the intrinsic value and the grant price, being the compensation cost is amortised over the vesting period of the options.

4.10 Fixed assets, Intangibles and Impairments

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use.

Depreciation on assets purchased/disposed off during the year is provided on pro rata basis with reference to the date of additions/deductions.

Depreciation on fixed assets is provided using the rates based on the economic useful life of assets as estimated by the management/limits specified in Schedule II of the Companies Act, 2013 as below:

Nature of Fixed Assets	Management Estimate of Useful Life in years	Useful life as per the limits prescribed in Schedule II of the Companies Act, 2013 in Years
Building	60.00	60.00
Information Technology equipment – Servers & Networks	3.00	6.00
Information Technology equipment – Others	3.00	3.00
Furniture & Fittings	6.67	10.00
Office Equipment	10.00	5.00
Vehicles	5.00	8.00

In case of Office Equipment, the management estimate of the useful life is higher and for Information Technology equipment (Servers & Networks), Furniture & Fitting and Vehicles, the management estimate of the useful life is lower than that prescribed in Schedule II of the Companies Act, 2013. This is based on the consistent practices followed, past experience and is duly supported by technical advice.

Depreciation on Furniture & Fittings and Office Equipment in leased premises is recognised on a straight-line basis over the primary period of lease or useful life as determined by management, whichever is lower.

All assets including intangibles individually costing up to ₹ 5,000 are fully depreciated/amortised in the year in which they are acquired.

Intangibles Assets

Intangible assets comprising computer software are stated at cost less accumulated amortisation. Computer software's including improvements are amortised over a period of 4 years, being the management's estimate of the useful life of such intangibles.

Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognised in the profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

4.11 Operating Lease

Payments made towards assets/premises taken on operating lease are recognised as an expense in the revenue account(s) and profit and loss account over the lease term on straight-line basis.

4.12 Employee benefits

Provident fund

This is a defined contribution scheme and contributions payable to the Regional Provident Fund Authority are provided on the basis of prescribed percentage of salary and are charged to revenue account(s) and profit and loss account.

Gratuity

Gratuity, which is a defined benefit scheme, is provided on the basis of actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

Accrued leave

Compensated absences are provided based on actuarial valuation including actuarial gains/losses at balance sheet date and are recognised in the revenue account(s) and profit and loss account.

Long Term Performance Pay

Long Term Performance Pay is provided based on actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

4.13 Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of the transaction. Foreign exchange denominated monetary assets and liabilities, are restated at the rates prevalent at the date of the balance sheet. The gains/losses on account of restatement and settlement are recognised in the revenue account(s) and profit and loss account.

The premium or discount arising at the inception of a forward exchange contract, not intended for trading or speculation purpose, is amortised as expense or income as the case may be over the life of the contract. Exchange difference on account of change in rates of underlying currency at the expiry of the contract period is recognised in the revenue account(s) and profit and loss account. Any profit or loss arising on cancellation or roll-over of such a forward exchange contract is recognised as income or expense for the contract period.

4.14 Borrowings

Borrowing costs are charged to the Profit and Loss account in the period in which they are incurred.

4.15 Grants

The Company recognises grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Grants related to assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the assets concerned in arriving at their book value. Grants related to revenue are recognised over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis. Such grants are deducted in reporting the related expense.

Unspent balances of grants are carried forward to the subsequent years under the head "Current Liabilities" for adjustment against expenses in those years.

A grant that becomes refundable is treated as an extraordinary item. The amount of such refundable grant related to revenue is applied first against any unamortised deferred credit remaining in respect of the grant. To the extent that the amount refundable exceeds any such deferred credit, or where no deferred credit exists, the amount is charged immediately to the profit and loss account.

The amount refundable related to a specific fixed asset is recorded by increasing the book value of the asset. Where the book value of the asset is increased, depreciation on the revised book value is provided.

4.16 Taxation

Current tax

The Company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ('MAT') credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the year.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets thereon are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

4.17 Share issue expenses

Share issue expenses are adjusted against share premium account.

4.18 Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax by weighted average number of equity shares outstanding during the reporting period.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic earnings per share and also weighted average number equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered.

4.19 Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

Show Cause Notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

4.20 Cash and cash equivalents

Cash & cash equivalent include cash and cheques in hand, bank balances and other investments (fixed deposits) with original maturity of three months or less which are subject to insignificant risk of changes in values.

5. Notes to accounts

5.1 Statutory disclosures as required by IRDAI

5.1.1 Contingent liabilities

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Partly-paid up investments	-	-	-	-	-	-	-
Claims, other than those under policies, not acknowledged as debt	-	-	-	-	-	-	-
Underwriting commitments outstanding	NA	NA	NA	NA	NA	NA	NA
Guarantees given by or on behalf of the Company	-	-	-	-	-	-	-
Statutory demands/liabilities in dispute, not provided for*	302.8	95.9	302.7	100.7	681.4	1,103.2	548.3
Reinsurance obligations to the extent not provided for in accounts	-	-	-	-	-	-	-
Others**	90.8	-	90.8	-	-	-	-

***The Company has disputed the demand raised by Income Tax Authorities of ₹ 230.2 million for Q1 FY 2018 (previous corresponding period: ₹ 23.5 million), ₹ 230.2 million for FY 2017, ₹ 23.5 million for FY 2016, ₹ 606.8 million for FY 2015, ₹ 1,029.7 million for FY 2014 and ₹ 474.8 million for FY 2013 and Service Tax Authorities of ₹ 72.6 million for Q1 FY 2018 (previous corresponding period: ₹ 72.4 million), ₹ 72.5 million for FY 2017, ₹ 77.2 million for FY 2016, ₹ 74.6 million for FY 2015, ₹ 73.5 million for FY 2014 & FY 2013 respectively.

**In FY 2017, the Company has disputed the demands raised by Comprehensive Health Insurance Agency of Kerala (CHIAK) of ₹ 90.8 million for Q1 FY 2018 (previous corresponding period: NIL) and ₹ 90.8 million for FY 2017, the appeals of which are pending before National Grievance Redressal Committee (NGRC).

5.1.2 The assets of the Company are free from all encumbrances.

5.1.3 Commitments

The commitments made by the Company for the respective years is as below:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Estimated amount of contracts remaining to be executed in respect of fixed assets (net of advances)	248.3	289.9	169.9	238.2	215.5	203.2	90.6
Commitment in respect of Investments	659.3	1.8	401.8	1.8	85.5	110.5	110.5
Commitment in respect of Loans	NIL	NIL	NIL	NIL	NIL	NIL	NIL

5.1.4 Claims

Claims, less reinsurance paid to claimants in/outside India are as under:

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
In India	7,318.3	6,970.3	31,423.4	26,724.7	40,422.5	30,569.4	27,851.8
Outside India	237.5	433.3	1,146.6	856.8	289.6	550.4	471.5

Ageing of gross claims outstanding of respective year is set out in the table below:

(₹ in million)

Particulars	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
More than six months	31,390.4	26,252.2	28,733.2	37,559.6	31,371.4	30,462.3	25,885.8
Others	94,550.6	83,496.4	89,317.4	51,869.4	43,681.5	52,372.3	47,286.2

(₹ in million)

Particulars	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
Claims settled and remaining unpaid for more than six months	NIL	NIL	NIL	NIL	NIL	NIL	NIL

Claims where the claim payment period exceeds four years:

As per circular F&A/CIR/017/May-04, the claims made in respect of contracts where claims payment period exceeds four years, are required to be recognised on actuarial basis. Accordingly, the Appointed Actuary has certified the fairness of the liability assessment, assuming 'Nil' discount rate.

In this context, the following claims have been valued on the basis of a contractually defined benefit amount payable in monthly installments.

Product Name: Personal protect

(₹ in million)

Particulars	Count	Amount
For quarter ended June 30, 2017		
- Intimated	112	83.0
- Paid	166	3.6
- Outstanding	286	226.7
For quarter ended June 30, 2016		
- Intimated	72	44.2
- Paid	141	11.4
- Outstanding	196	153.0
For year ended March 31, 2017		
- Intimated	306	208.3
- Paid	497	55.9
- Outstanding	370	300.4
For year ended March 31, 2016		
- Intimated	273	149.9
- Paid	459	38.9
- Outstanding	184	154.3
For year ended March 31, 2015		
- Intimated	225	121.0
- Paid	288	19.0
- Outstanding	150	96.3
For year ended March 31, 2014		
- Intimated	165	94.0
- Paid	63	12.6
- Outstanding	87	71.0
For year ended March 31, 2013		
- Intimated	113	50.0
- Paid	40	2.2
- Outstanding	52	37.0

5.1.5 Sector wise details of the policies issued are given below:

Sector		Q1 2018	Q1 2017	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Rural	GDPI ₹ in million	6,025.0	4,924.8	24,032.1	7,290.7	5,116.2	7,232.7	7,729.0
	No. of Policies	166,372	153,442	566,999	693,465	529,854	419,492	370,896
	% of Policy	3.18	3.79	3.20	4.39	3.82	3.74	4.04
	No. of lives	-	-	-	-	-	-	-
	% of GDPI	18.14	17.10	22.41	9.01	7.66	10.55	12.60
Social	GDPI ₹ in million	214.7	1,908.2	2,223.0	25.9	41.3	42.6	29.6
	No. of Policies	-	14	18	8	2	2	2
	% of Policy	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	No. of lives	6,273,997	15,952,707	17,727,686	233,707	77,050	81,389	75,640
	% of GDPI	0.65	6.62	2.07	0.03	0.06	0.06	0.05
Urban	GDPI ₹ in million	26,968.8	21,971.1	80,996.9	73,590.5	61,620.5	61,286.3	53,581.3
	No. of Policies	5,068,533	3,897,955	17,165,474	15,106,671	13,336,943	10,802,590	8,813,298
	% of Policy	96.82	96.21	96.80	95.61	96.18	96.26	95.96
	No. of lives	-	-	-	-	-	-	-
	% of GDPI	81.21	76.28	75.52	90.96	92.28	89.39	87.35
Total	GDPI ₹ in million	33,208.5	28,804.1	107,252.0	80,907.1	66,778.0	68,561.6	61,339.9
	No. of Policies	5,234,905	4,051,411	17,732,491	15,800,144	13,866,799	11,222,084	9,184,196
	% of Policy	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	% of GDPI	100.00	100.00	100.00	100.00	100.00	100.00	100.00

5.1.6 Extent of risks retained and reinsured is set out below (excluding excess of loss and catastrophe reinsurance)

Particulars	Basis	Q1 2018	Q1 2017	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013
Fire	Total sum insured							
- Retention		22%	20%	22%	21%	25%	31%	37%
- Ceded		78%	80%	78%	79%	75%	69%	63%
Marine-Cargo	Value at risk							
- Retention		74%	74%	68%	77%	80%	79%	71%
- Ceded		26%	26%	32%	23%	20%	21%	29%
Marine-Hull	Value at risk							
- Retention		10%	13%	9%	19%	18%	19%	12%
- Ceded		90%	87%	91%	81%	82%	81%	88%
Miscellaneous								
Engineering	Total sum insured							
- Retention		31%	32%	31%	34%	33%	34%	31%
- Ceded		69%	68%	69%	66%	67%	66%	69%
Motor	Total sum insured							
- Retention		89%	83%	83%	83%	76%	75%	75%
- Ceded		11%	17%	17%	17%	24%	25%	25%
Workmen's Compensation	Value at risk							
- Retention		95%	95%	95%	95%	95%	95%	90%
- Ceded		5%	5%	5%	5%	5%	5%	10%
Public Liability	Value at risk							
- Retention		62%	89%	65%	65%	61%	50%	57%
- Ceded		38%	11%	35%	35%	39%	50%	43%
Personal Accident	Value at risk							
- Retention		74%	78%	76%	76%	73%	75%	72%

- Ceded		26%	22%	24%	24%	27%	25%	28%
Aviation	Value at risk							
- Retention		42%	54%	55%	60%	63%	73%	51%
- Ceded		58%	46%	45%	40%	37%	27%	49%
Health	Value at risk							
- Retention		72%	78%	70%	68%	71%	68%	75%
- Ceded		28%	22%	30%	32%	29%	32%	25%
Credit Insurance	Value at risk							
- Retention		7%	10%	7%	7%	7%	8%	8%
- Ceded		93%	90%	93%	93%	93%	92%	92%
Crop/Weather Insurance	Value at risk							
- Retention		27%	26%	26%	20%	22%	35%	40%
- Ceded		73%	74%	74%	80%	78%	65%	60%
Others	Value at risk							
- Retention		71%	71%	70%	74%	73%	75%	68%
- Ceded		29%	29%	30%	26%	27%	25%	32%

5.1.7 The Company determines the premium deficiency (excluding IMTPIP & Declined Risk Pool) on the basis of actuarially determined ultimate loss ratio.

In accordance with regulatory guidelines, there is no premium deficiency on an overall basis in miscellaneous segment; however there is premium deficiency in respect of sub – segments within miscellaneous segment as under:

(₹ in million)

Particulars	**At March 31, 2013**	**At March 31, 2012**
Motor TP (other than IMTPIP)	52.2	-
Motor TP pool Inward (IMTPIP)*	-	1,408.9

Further, there is no premium deficiency in respect of any reportable segment which contributes 10% or more to the premium underwritten other than those which are provided for in accordance with the Regulation.

* Calculated as per actuarially determined ultimate loss ratio as prescribed by IRDA vide circular no. IRDA/NL/ORD/MPL/72/03/2012 dated March 22, 2012.

5.1.8 Investments

(A) Value of contracts in relation to investments

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Purchases where deliveries are pending	NIL	NIL	NIL	0.6	11.7	27.5	7.6
Sales where payments are overdue	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(B) Historical cost of investments that are valued on fair value basis

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Historical cost of investments that are valued on fair value basis	26,473.0	17,916.3	24,860.1	15,127.3	7,884.3	4,134.2	6,057.4

All investments are made in accordance with Insurance Act, 1938 and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 and are performing investments.

Allocation of investment income

Investment income which is directly identifiable is allocated on actuals to revenue account(s) and profit and loss account as applicable. Investment income which is not directly identifiable has been allocated on the basis of the ratio of average policyholder's investments to average shareholder's investments, average being the balance at the beginning of the year and at the end of the reporting period.

Further, investment income across segments within the revenue account(s) has also been allocated on the basis of segment-wise policyholders funds.

5.1.9 Allocation of expenses

The Company has put in place a Board approved methodology on the allocation and apportionment of expenses as required by IRDAI (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016 as set out below:

Allocation/apportionment of Operating Expenses is based on the Organisational Structure of the Company comprising of Business, Service and Support Groups. Business comprises of Wholesale Business Group, Retail Business Group and Government Business Group. Expenses incurred by Business Group are direct in nature. Service Group comprises of Customer Service Group which consists of Underwriting and Claims Group, created based on product segments. Support Group consists of Investments, Operations, Legal, Finance and Accounts, Reinsurance, Technology etc. Expenses incurred by Service and Support Groups are indirect in nature.

Operating expenses relating to insurance business are allocated to specific classes of business on the following basis:

- Direct expenses pertaining to Business Group that are directly identifiable to a product segment are allocated on actuals and other direct expenses are apportioned in proportion to the net written premium of the product within the Business Group;
- Expenses pertaining to Service Group are apportioned directly to the product to which it pertains. In case of multiple products, expenses are apportioned in proportion to the net written premium of the multiple products;
- Expenses pertaining to Support Group and any other expenses, which are not directly allocable, are apportioned on the basis of net written premium in each business class; and

In accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016, operating expenses of ₹ NIL for quarter ended June 30, 2017 and ₹ 427.9 million for year ended March 31, 2017, in excess of segmental limits pertaining to Motor segment are reduced proportionately from each expenditure head and are borne by the shareholders.

5.1.10 Employee Benefit Plans

(A) Defined contribution plan

(₹ in million)

Expenses on defined contribution plan	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Contribution to staff provident fund	41.6	38.8	155.5	138.2	131.5	118.1	105.3

(B) Defined benefit plan

Gratuity

The Company has a defined gratuity benefit plan payable to every employee on separation from employment. The Company makes the contribution to an approved gratuity fund which is maintained and managed by ICICI Prudential Life Insurance Company Limited.

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits of the Company is given below.

(₹ in million)

Reconciliation of Benefit Obligations and Plan Assets	Quarter ended June 30, 2017	Quarter ended June 30, 2016	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013
Change in Defined Benefit Obligation							
Opening Defined Benefit Obligation	540.4	417.5	417.5	384.4	307.9	273.0	228.4
Current Service Cost	17.9	15.6	62.6	56.9	48.5	46.5	41.2
Interest Cost	9.8	8.5	33.9	31.9	31.0	24.6	22.1
Actuarial Losses/(Gain)	67.1	59.8	66.1	(27.0)	27.3	(0.2)	7.1
Liabilities assumed on Acquisition	-	-	-	14.4	5.2	-	-
Benefits Paid	(6.2)	(7.4)	(39.7)	(43.1)	(35.5)	(36.0)	(25.8)
Closing Defined Benefit Obligation	629.0	494.0	540.4	417.5	384.4	307.9	273.0
Change in the Fair Value of Assets							
Opening Fair Value of Plan Assets	542.7	421.4	421.4	382.9	293.8	236.5	237.0
Expected Return on Plan Assets	9.9	7.8	31.5	28.5	22.5	18.3	17.3
Actuarial Gains/(Losses)	10.6	9.9	18.7	(11.3)	26.9	14.9	8.0
Contributions by Employer	-	-	110.8	50.0	70.0	60.0	(0.0)
Assets acquired on acquisition	-	-	-	14.4	5.2	-	-
Benefits paid	(6.2)	(7.4)	(39.7)	(43.1)	(35.5)	(35.9)	(25.8)
Closing Fair Value of Plan Assets	557.0	431.7	542.7	421.4	382.9	293.8	236.5
Expected Employer's contribution Next Year	70.0	70.0	70.0	70.0	70.0	60.0	60.0

(₹ in million)

Reconciliation of Present Value of the obligation and the Fair Value of the Plan Assets	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
Fair Value of Plan Assets at the end of the year	(557.0)	(431.7)	(542.7)	(421.4)	(382.9)	(293.8)	(236.5)
Present Value of the defined obligations at the end of the year	629.0	494.0	540.4	417.5	384.4	307.9	273.0
Liability recognised in the balance sheet	72.0	62.3	-	-	1.5	14.1	36.5
Asset recognised in the balance sheet	-	-	2.3	3.9	-	-	-
Investment details of plan assets							
100% Insurer Managed Funds	557.0	431.7	542.7	421.4	382.9	293.8	236.5

(₹ in million)

Expenses to be recognised in statement of Profit and Loss Account	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Current Service Cost	17.9	15.6	62.6	56.9	48.5	46.5	41.2
Interest on Defined Benefit Obligation	9.8	8.5	33.9	31.9	31.0	24.6	22.1
Expected return on Plan Assets	(9.9)	(7.8)	(31.5)	(28.5)	(22.5)	(18.3)	(17.3)
Net Actuarial Losses / (Gains) recognised in year	56.5	49.9	47.4	(15.7)	0.4	(15.1)	(0.9)
Past Service Cost	-	-	-	-	-	-	-
Losses / (Gains) on "Curtailments & Settlements"	-	-	-	-	-	-	-
Losses/(Gains) on "Acquisition/ Divestiture"	-	-	-	-	-	-	-
Effect of limit in Para 59(b)	-	-	-	-	-	-	-
Total included in Employee Benefit Expense	**74.3**	**66.2**	**112.4**	**44.6**	**57.4**	**37.7**	**45.1**

Experience adjustments for the period is given below

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Defined Benefit Obligation	629.0	494.0	540.4	417.5	384.4	307.9	273.0
Plan assets	557.0	431.7	542.7	421.4	382.9	293.8	236.5
Surplus / (Deficit)	(72.0)	(62.3)	2.3	3.9	(1.5)	(14.1)	(36.5)
Exp.Adj on Plan Liabilities	58.5	54.6	44.7	(32.5)	6.0	25.5	3.6
Exp.Adj on Plan Assets	10.6	9.9	18.7	(11.4)	26.9	14.9	8.0

Assumptions:

Discount Rate	6.65% p.a.	7.45% p.a.	6.90% p.a.	7.65% p.a.	7.90% p.a.	9.33% p.a.	8.23% p.a.
Expected Rate of Return on Plan Assets	7.50% p.a.	7.50% p.a.	7.50% p.a.	7.50% p.a.	7.50% p.a.	7.50% p.a.	7.50% p.a.
Salary Escalation Rate	9.00% p.a.	9.00% p.a.	9.00% p.a.	9.00% p.a.	9.00% p.a.	9.00% p.a.	9.00% p.a.

Accrued Leave

The Company has a scheme for accrual of leave for employees, the liability for which is determined on the basis of Actuarial Valuation carried out at the year end. Assumptions stated above are applicable for accrued leaves also.

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Opening balance	105.0	81.8	81.8	71.8	67.6	62.8	160.1
Add: Provision made during the period	5.3	14.1	23.2	10.0	4.2	4.8	(97.3)
Closing balance	110.3	95.9	105.0	81.8	71.8	67.6	62.8

Long Term Performance Pay

The Company has schemes for Long Term Performance incentive plan. The plan is discretionary deferred compensation plan with a vesting period of three years. The Company has determined the liability on the basis of Actuarial valuation.

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Opening balance	283.4	252.2	252.2	258.0	348.7	311.6	23.5
Add: Provision made during the period	(49.0)	(46.9)	31.2	(5.8)	(90.7)	37.1	288.1
Closing balance	234.4	205.3	283.4	252.2	258.0	348.7	311.6
Assumptions							
Discount Rate	6.50% p.a.	7.15% p.a.	6.35% p.a.	7.35% p.a.	8.00% p.a.	9.33% p.a.	8.23% p.a.

5.1.11 Managerial remuneration

(A) The details of remuneration of MD & CEO and two Wholetime Directors' as per the terms of appointment are as under:

(₹ in million)

Particulars (see note below)	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Salaries and allowances	46.9	61.9	117.5	107.6	123.1	80.8	55.3
Contribution to provident and other funds	1.1	0.9	4.3	3.7	3.2	2.9	2.5
Perquisites	-	-	0.8	0.6	0.4	2.6	3.3

Managerial remuneration in excess of ₹ 15 million, for each Managerial personnel has been charged to profit and loss account.

(B) The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 and as per the terms of appointment of Company are as under:

(₹ in million)

Particulars (see note below)	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**
Salaries and allowances	127.9	127.7	137.9
Contribution to provident and other funds	2.4	2.1	4.5
Perquisites	-	-	-

Note: Provision towards gratuity, leave accrued and Long Term Performance Pay are determined actuarially on an overall basis and accordingly have not been considered for the above disclosures.

5.1.12 (A) Share Capital

Details of allotment of equity shares under ESOPs:

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
No of equity shares allotted	1,781,868	170,580	3,612,240	944,414	1,538,516	948,080	431,326
Money raised under allotment (₹ in million)	208.8	14.9	368.4	63.6	122.2	40.8	19.2

Details of preferential allotment of equity shares:

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
No of equity shares allotted (₹10 each)	NIL	NIL	NIL	NIL	NIL	7,092,197	NIL
Equity shares allotted at premium of (in ₹ per share)	NIL	NIL	NIL	NIL	NIL	131	NIL
Money raised under allotment (₹ in million)	NIL	NIL	NIL	NIL	NIL	1,000.0	NIL

(B) Share Application pending allotment:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Share application money pending for allotment	12.0	0.2	12.8	NIL	2.0	3.0	1,004.4

5.1.13 Outsourcing, business development and marketing support expenses

Expenses relating to outsourcing, business development and marketing support are:

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Outsourcing expenses	406.3	309.9	1,473.3	1,093.3	1,337.6	1,227.1	1,182.3
Business development							
- Sales promotion	975.2	660.7	3,090.2	2,873.0	1,932.6	1,260.5	884.2
- Business support services	2,107.4	1,702.7	7,387.4	6,353.8	4,486.5	3,822.8	3,083.5
Marketing support	321.7	207.4	1,124.5	1,106.1	953.2	883.4	575.6

5.1.14 Details of penal actions taken by various Govt. authorities:

For quarter ended June 30, 2017:

(₹ in million)

Sl. No.	**Authority**	**Non-Compliance/ Violation**	**Penalty Awarded**	**Penalty Paid**	**Penalty Waived/ Reduced**
1	Insurance Regulatory and Development Authority of India	-	-	-	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	NA	NA	NA	NA
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	-	-	-	-

For quarter ended June 30, 2016:

(₹ in million)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	-	-	-	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	NA	NA	NA	NA
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	-	-	-	-

During year ended March 31, 2017:

(₹ in million)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	-	-	-	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	NA	NA	NA	NA
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	-	-	-	-

During year ended March 31, 2016:

(₹ in million)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	1.0	1.0	1.0	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any other Tax Authorities	-	-	-	-

5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	NA	NA	NA	NA
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	-	-	-	-

During year ended March 31, 2015:

(₹ in million)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	5.0	5.0	5.0	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	NA	NA	NA	NA
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	-	-	-	-

During year ended March 31, 2014:

(₹ in million)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	0.5	0.5	0.5	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	NA	NA	NA	NA
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	2.5	2.5	2.5	-

During year ended March 31, 2013:

(₹ in million)

Sl. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India	-	-	-	-
2	Service Tax Authorities	-	-	-	-
3	Income Tax Authorities	-	-	-	-
4	Any other Tax Authorities	-	-	-	-
5	Enforcement Directorate/ Adjudicating Authority/ Tribunal or any Authority under FEMA	-	-	-	-
6	Registrar of Companies/ NCLT/CLB/ Department of Corporate Affairs or any Authority under Companies Act, 1956	-	-	-	-
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	-	-	-	-
8	Securities and Exchange Board of India	NA	NA	NA	NA
9	Competition Commission of India	-	-	-	-
10	Any other Central/State/Local Govt / Statutory Authority (Tariff Advisory Committee)	0.0	0.0	-	-

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

5.1.15 Summary of Financial Statements for the period:

(₹ in million)

Particulars	**Q1 FY 2018**	**Q1 FY 2017**	**FY 2016-17**	**FY 2015-16**	**FY 2014-15**	**FY 2013-14**	**FY 2012-13**
Operating Result							
Gross direct premium	33,208.5	28,804.1	107,252.0	80,907.1	66,778.0	68,561.6	61,339.9
Net premium income #	20,267.2	18,208.5	65,948.1	54,348.8	44,277.0	44,980.1	41,454.9
Income from investments (net)@	3,432.8	2,586.4	9,958.3	9,296.0	7,792.3	6,546.5	4,604.7
Other income	48.2	61.8	268.8	483.1	315.3	215.1	146.2
Total income	23,748.2	20,856.7	76,175.2	64,127.9	52,384.6	51,741.7	46,205.8
Commissions (net) (including brokerage)	(1,037.1)	(973.2)	(4,341.3)	(3,279.7)	(3,462.5)	(2,290.9)	(1,831.2)
Operating expenses	5,963.9	4,789.3	19,820.4	17,112.0	13,870.6	12,157.9	10,194.2
Net incurred claims & other outgoes	11,974.7	11,532.9	49,655.7	39,390.6	34,456.0	36,288.9	33,484.4
Change in unexpired risk reserve	4,929.4	4,277.4	4,370.3	6,085.4	1,936.5	1,457.6	1,331.9
Operating Profit/(Loss)	1,917.3	1,230.3	6,670.1	4,819.6	5,584.0	4,128.2	3,026.5
Non - Operating Result							
Total income under shareholder's account(net of expenses)	1,090.3	659.8	2,131.1	2,228.4	1,463.3	1,206.2	487.2
Profit/(Loss) before tax	3,007.6	1,890.1	8,801.2	7,048.0	7,047.3	5,334.4	3,513.7
Tax expenses	864.2	598.8	2,383.0	1,994.6	1,194.1	133.7	(14.1)
Profit/(Loss) after tax	2,143.4	1,291.3	6,418.2	5,053.4	5,853.2	5,200.7	3,527.8
Miscellaneous							
Policy holder's account:							
Total funds	116,987.7	95,821.0	107,240.1	88,583.5	70,161.5	73,883.4	66,400.6
Total investments	Not applicable as investments are not earmarked						
Yield on investments							
Shareholder's account:							
Total funds	39,194.3	33,283.8	37,250.6	32,354.8	28,852.6	23,933.2	17,692.7

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

Particulars	**Q1 FY 2018**	**Q1 FY 2017**	**FY 2016-17**	**FY 2015-16**	**FY 2014-15**	**FY 2013-14**	**FY 2012-13**
Total investments	Not applicable as investments are not earmarked						
Yield on investments							
Paid up equity capital	4,529.3	4,477.1	4,511.5	4,475.4	4,465.9	4,450.6	4,370.2
Net worth **	39,194.3	33,283.8	37,250.6	32,354.8	28,852.6	23,933.2	17,692.7
Total assets	250,075.9	201,139.3	233,506.5	171,142.3	146,457.1	147,437.2	125,473.9
Yield on total investments (annualised)	12%	11%	10%	11%	10%	9%	8%
Earnings per share - Basic (not annualized) ₹	4.74	2.88	14.32	11.30	13.14	11.70	8.08
Book value per share (₹)	86.54	74.34	82.57	72.30	64.61	53.78	40.49
Total dividend (excluding dividend tax)	339.4	313.4	1,571.0	1,341.7	891.2	-	-
Dividend per share (₹)	0.75	0.70	3.50	3.00	2.00	-	-
#Net of Reinsurance							
@includes Profit Net of Losses on sale/redemption of investments and at gross Interest, Dividend & Rent							
***Shareholders funds / Net worth= (Share capital + Reserve & Surplus) – (Miscellaneous Expenditure + Debit balance in profit & loss account)*							

5.1.16 Ratio Analysis:

(A) For ratios of respective restated financials refer Annexure - VII

(B) Solvency Margin

(₹ in million)

Solvency Margin	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Required solvency margin under IRDAI Regulations (A)	18,446.9	16,001.9	18,102.5	14,508.1	11,894.7	11,856.2	10,377.0
Available solvency margin (B)	39,331.0	28,455.0	38,064.4	26,387.6	23,156.1	20,372.3	16,093.2
Solvency ratio actual (times) (B/A)	2.13	1.78	2.10	1.82	1.95	1.72	1.55
Solvency ratio prescribed by Regulation	1.50	1.50	1.50	1.50	1.50	1.50	1.40

5.1.17 Employee Stock Option Scheme (ESOS)

The Company has granted Stock options to employees in compliance with the Securities and Exchange board of India (Employee stock option scheme and employee stock purchase scheme) guidelines, 1999 based on an independent valuer's report. The salient features of the Scheme which is stated below:

Founder ESOPs:

Scheme	
Date of grant	April 26, 2005
No. of Options granted	917,500
Grant Price	₹ 35
Graded Vesting Period	
1st Year	50% of option
2nd Year	50% of option
Maximum term of option granted	Later of the thirteenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement	Equity

Performance ESOPs (2005, 2006 & 2007):

Scheme		
Date of grant	2005	April 26, 2005
	2006	April 24, 2006
	2007	April 21, 2007
No. of Options granted		13,321,060
Grant Price		₹ 35 – ₹ 60
Graded Vesting Period		
1st Year		20% of option
2nd Year		20% of option
3rd Year		30% of option
4th Year		30% of option
Maximum term of option granted		Later of the thirteenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

Performance ESOPs (2008):

Scheme		
Date of grant	2008	April 24, 2008
No. of Options granted		5,050,000
Grant Price		₹ 200
Graded Vesting Period		
1st Year		20% of option
2nd Year		20% of option
3rd Year		30% of option
4th Year		30% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

Performance ESOPs (2009):

Scheme		
Date of grant	2009	July 21, 2009
No. of Options granted		1,249,000
Grant Price		₹ 91
Graded Vesting Period		
1st Year		0% of option
2nd Year		20% of option
3rd Year		20% of option
4th Year		30% of option
5th Year		30% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

Performance ESOPs (2010):

Scheme		
Date of grant	2010	April 19, 2010
No. of Options granted		2,311,800
Grant Price		₹ 114
Graded Vesting Period		
1st Year		20% of option
2nd Year		20% of option
3rd Year		30% of option
4th Year		30% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

Performance ESOPs (2011):

Scheme		
Date of grant	2011	April 25, 2011
No. of Options granted		722,900
Grant Price		₹ 109
Graded Vesting Period		
1st Year		40% of option
2nd Year		60% of option
Maximum term of option granted		Later of the tenth anniversary of the date of grant of options or fifth anniversary of the date of vesting
Mode of settlement		Equity

The estimated fair value is computed on the basis of binomial tree pricing model, of each stock option granted for Founder ESOPs and Performance ESOPs.

A summary of status of Company's Employee Stock Option Scheme in terms of option granted, forfeited and exercised by the employees and Wholetime Directors is given below:

(A) Other than Wholetime Directors'

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Outstanding at the beginning of the period	2,185,324	5,904,248	5,904,248	7,021,462	8,009,494	9,222,924	10,534,020
Add: Granted during the period	-	-	-	-	-	-	-
Add/Less: Options reclassified during the period*	-	-	-	-	715,000	-	-
Less: Forfeited / lapsed during the period	(21,250)	-	(78,000)	(200,200)	(254,516)	(318,750)	(854,670)
Less: Exercised during the period	(1,068,184)	(170,580)	(3,640,924)	(917,014)	(1,448,516)	(894,680)	(456,426)
Outstanding at the end of the period	1,095,890	5,733,668	2,185,324	5,904,248	7,021,462	8,009,494	9,222,924
Exercisable at the end of the period	1,095,890	5,733,668	2,185,324	5,904,248	7,021,462	7,508,684	7,927,704

(B) Wholetime Directors'

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Outstanding at the beginning of the period	995,000	1,100,000	1,100,000	1,100,000	1,835,000	1,875,000	1,915,000
Add: Granted during the period	-	-	-	-	-	-	-
Add/Less: Options reclassified during the period*	-	-	-	-	(715,000)	-	-
Add/Less: Forfeited / lapsed during the period	-	-	-	-	-	-	-
Less: Exercised during the period	(580,000)	-	(105,000)	-	(20,000)	(40,000)	(40,000)
Outstanding at the end of the period	415,000	1,100,000	995,000	1,100,000	1,100,000	1,835,000	1,875,000
Exercisable at the end of the period	415,000	1,100,000	995,000	1,100,000	1,100,000	1,645,000	1,308,000

*Consequent to resignation of Mr. Neelesh Garg – Executive Director with effect from February 2, 2015, options were reclassified during the financial year March 31, 2015.

During the below mentioned financial periods, the Company has followed the intrinsic value method and hence the Company has recognised a compensation cost as set out below. If the Company followed the fair valuation method for accounting the options, the impact would have been as below:

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015***	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Additional cost on revenue account and profit and loss account (₹ in million)	NIL	NIL	NIL	NIL	16.8	20.6	7.5
Profit after tax would have been (₹ in million)	2,143.4	1,291.3	6,418.2	5,053.4	5,836.4	5,180.1	3,520.3
Basic EPS would have been ₹ (not annualized)	4.74	2.88	14.32	11.30	13.11	11.65	8.06
Diluted EPS would have been ₹ (not annualized)	4.73	2.87	14.25	11.23	13.00	11.53	7.96
Weighted average price of options exercised during the period ₹	119.0	87.2	101.8	67.1	81.8	43.4	43.7

*During the year ended March 31, 2015, the Company had extended the maximum term of options by an additional period of 3 years for options which were granted between the years 2005 to 2007. The incremental compensation cost and charge to profit and loss account for the year ended March 31, 2015 of ₹ 12.4 million has been included in the above disclosed amount.

5.2 Other disclosures

5.2.1 Basis used by the Actuary for determining provision required for IBNR/IBNER

IBNR (including IBNER) liability for all lines of business, other than reinsurance accepted from declined risk pool has been estimated by the Appointed Actuary in compliance with the guidelines issued by IRDAI from time to time and the applicable provisions of the Guidance Note 21 issued by the Institute of Actuaries of India.

During the year ended March 31, 2017, pursuant to IRDAI notifying the revised Asset, Liabilities, and Solvency margin of General Insurance Business Regulations 2016 (IRDAI/Reg/7/119/2016 dated April 7, 2016); claim reserves are to be determined as the aggregate amount of Outstanding Claim Reserve and Incurred but Not Reported (IBNR) claim reserve for 28 stipulated lines of business. Consequently the method of estimation of IBNR/IBNER liability in respect of Motor Own Damage lines and Health lines has been changed by the Appointed Actuary to Chain Ladder Method from the Bornhuetter-Ferguson Method. Similarly, method for Weather and Crop has been changed to Bornhuetter-Ferguson Method from Chain Ladder Method.

During the year ended March 31, 2014, in general, the Appointed Actuary has relied on the Chain Ladder method to arrive at the estimates. These estimates have been modified wherever needed based on the Bornheutter-Ferguson procedure.

During the year ended March 31, 2013:
a) in general, the Appointed Actuary has relied on the Chain Ladder method to arrive at the estimates. These estimates have been modified wherever needed based on the Bornheutter-Ferguson procedure;

b) these methods are standard actuarial procedures wherever sufficient claim development data points are available. In the case of Credit Insurance and the business ceded to Declined Risk Pool, the Appointed Actuary has adopted the loss ratio method due to the paucity of reliable development data.

There is no financial impact of above mentioned changes for the respective restated financial years.

5.2.2 Provision for Free Look period

The provision for Free Look period is duly certified by the Appointed Actuary.

5.2.3 Contribution to terrorism pool

The Company in accordance with the requirements of IRDAI has participated in contributing to the Terrorism Pool. This pool is managed by the General Insurance Corporation of India ('GIC'). Amounts collected as terrorism premium are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and an overall limit of ₹ 20 billion.

In accordance with the terms of the agreement, GIC retrocedes, to the Company, terrorism premium to the extent of the Company's share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded based on intimation/confirmation received from GIC. Accordingly, reinsurance accepted, on account of the terrorism pool has been recorded as below for respective restated period.

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Reinsurance accepted on account of terrorism pool is recorded upto	March 31, 2017	March 31, 2016	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013	September 30, 2012

5.2.4 India Nuclear Insurance Pool

In view of the passage of the Civil Liability for Nuclear Damage Act, 2010, GIC Re as Indian Reinsurer initiated the formation of the India Nuclear Insurance Pool (INIP) along with other domestic non-life insurance companies by pooling the capacity to provide insurance covers for nuclear risks. INIP is an unregistered reinsurance arrangement among its members i.e. capacity providers without any legal entity. GIC Re and 11 other non-life insurance companies are Founder Members with their collective capacity of ₹ 15,000.0 million. GIC Re is also appointed as the Pool Manager of the INIP. The business underwritten by the INIP will be retroceded to all the Member Companies including GIC Re in proportion of their capacity collated. Out of the total capacity of ₹ 15,000.0 million of the INIP, the capacity provided by the Company is ₹ 1,000.0 million. The Company has booked its share of retrocession from the INIP based on statements received from the INIP Administrator.

5.2.5 Declined Risk Pool

In accordance with the directions of the IRDAI, effective April 1, 2012, the Company, together with other insurance companies has participated in the Declined Risk Pool, a multilateral reinsurance arrangement, administered by the General Insurance Corporation of India (‘GIC’). No comprehensive motor insurance policy or part thereof, is to be ceded to the Pool. Every insurer is required to underwrite a minimum percentage of standalone (liability only) commercial vehicle motor third party insurance which shall be in proportion to the sum of 50% of the Company's percentage share in total gross premium and 50% of the Company's percentage share in total motor premium of the industry of the relevant year.

The obligatory cessions to the GIC, ceding cession to insurers and remaining cession to the Declined Risk Pool for the period are as below:

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Obligatory cession to GIC	NA	NA	NA	5%	5%	5%	10%
Retention by Insurers	NA	NA	NA	20%	20%	20%	20%
Cession to Declined Risk Pool	NA	NA	NA	75%	75%	75%	70%

Ultimate Loss Ratio (ULR) and its impact for the years are as below:

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Provisional Ultimate Loss Ratio	-	-	-	184%	175%	210%	145%
Final Ultimate Loss Ratio	-	-	-	150%	184%	175%	210%
Impact on determination of final Ultimate Loss Ratio for previous year (₹ in million)	-	-	(8.3)	7.8	(174.2)	402.8	-

IRDAI vide Circular IRDA/NL/CIR/MISC/051/03/2016 dated March 15, 2016 directed the dismantling of Declined Risk Pool with effect from April 1, 2016.

5.2.6 Indian Motor Third Party Insurance Pool (IMTPIP)

During the year ended March 31, 2012, in accordance with the directions of the IRDA, the Company had ceded 100% of the third party premium collected to the pool and had recorded its share of results in the pool based on unaudited statements received from the IMTPIP for the period March 2011 to February 2012 and on management’s estimates for March 2012.

During the year ended March 31, 2013, the Company has received the audited statements from the IMTPIP for the period March 2011 to March 2012. On the basis of the audited statements, the Company has revised the provisionally estimated results. The impact of the revision has resulted in reduction of previously accounted losses to the tune of ₹ 203.7 million and increase in profit for the period by the same amount.

Consequent to dismantling of IMTPIP and the clean cut settlement the appointed actuary has additionally determined IBNR/IBNER on policies earlier ceded to IMTPIP for the risk period incepting from the year 2007-08 to 2011-12 at ₹ 1,018.6 million and has revised the position reflected in books.

5.2.7 Interest, Rent and Dividend income

Interest, Dividend & Rent income is net of interest expense as below:

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
On account of dues to IMTPIP	NIL	NIL	NIL	NIL	106.7	444.9	505.0
On account of REPO transactions	1.7	16.0	24.3	3.1	NIL	NIL	NIL

5.2.8 Re-insurance inward

The results of reinsurance inward are accounted as per last available statement of accounts/confirmation from reinsurers.

5.2.9 Contribution to Solatium fund

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at the General Insurance Council meeting held on February 4, 2005 and as per letter no. HO/MTD/Solatium Fund/2010/482 dated July 26, 2010 from The New India Assurance Co. Ltd. (Scheme administrator), the Company has provided 0.1% of the total Motor TP premium of the Company towards solatium fund.

5.2.10 Grants

The Company had received disbursement from the International Labour Organisation (ILO) through its Microinsurance Innovation Facility, towards an Innovation Grant in order to carry out providing Outpatient Insurance to complement Rashtriya Swastya Bima Yojana (RSBY).

A summary of status of disbursement towards Grant in terms of capital and revenue expenditure incurred as well as the unspent amount are given below:

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Disbursement received	NIL	NIL	NIL	NIL	1.9	1.8	12.3
Capital expenditure	NIL	NIL	NIL	NIL	2.3	NIL	7.4
Revenue expenditure	NIL	NIL	NIL	(0.1)	0.6	1.3	4.4
Unspent amount	NIL	NIL	NIL	-	0.1	1.0	0.5

5.2.11 Environment Relief Fund

The amount outstanding towards Environment Relief fund (ERF) under Public Liability policies for the respective period is as below:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Outstanding towards ERF	2.4	0.9	0.9	0.1	0.1	0.2	0.3

5.2.12 Leases

In respect of premises taken on operating lease, the lease agreements are generally mutually renewable / cancelable by the lessor/lessee.

Non-Cancelable operating lease

The details of future rentals payable at the respective balance sheet dates are summarised as below:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
not later than one year	1.1	1.4	1.5	1.7	2.2	2.7	1.8
later than one year and not later than five years	0.3	1.2	0.5	1.4	2.6	4.6	3.6
later than five years	-	-	-	-	-	-	-

Summary of Lease payments recognised in the statement of revenue account for the respective years is as below:

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**	**Year ended March 31, 2014**	**Year ended March 31, 2013**
Total Lease rentals	0.3	1.3	2.6	3.0	2.3	3.1	1.6

5.2.13 Micro and Small scale business entities

There are no Micro, Small & Medium enterprises to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013. This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

5.2.14 Segmental reporting

Primary reportable segments

The Company's primary reportable segments are business segments, which have been identified in accordance with "AS 17 – Segment Reporting" read with the Regulations. The income and expenses attributable to the business segments are allocated as mentioned in paragraph 5.1.8 & 5.1.9 above. Segment revenue & results have been disclosed in the Revenue accounts.

Segmental Assets & Liabilities to the extent identifiable to business segments for the respective periods are given below:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Fire							
- Claims Outstanding	10,315.2	9,675.9	9,744.6	8,317.6	7,513.4	5,202.9	4,319.4
- Outstanding Premium	36.7	171.2	47.3	8.7	8.0	8.0	15.7
Engineering							
- Claims Outstanding	4,124.7	4,177.3	3,823.1	3,186.1	2,978.3	2,761.6	1,787.9
- Outstanding Premium	19.7	29.8	157.8	13.7	17.2	10.5	0.7
Marine Cargo							
- Claims Outstanding	2,699.8	3,111.5	2,932.3	2,512.5	1,650.7	1,601.0	1,297.8
- Outstanding Premium	7.9	3.5	-	0.3	-	-	5.5

Marine Hull							
- Claims Outstanding	2,151.7	2,211.2	2,094.6	1,221.1	1,480.4	1,011.2	779.8
- Outstanding Premium	-	-	-	-	-	-	-
Motor OD							
- Claims Outstanding	6,827.8	7,451.7	6,419.4	6,231.9	4,648.5	4,310.5	3,234.1
- Outstanding Premium	0.0	-	0.0	-	-	-	-
Motor TP							
- Claims Outstanding	57,895.3	49,965.7	55,193.5	46,864.3	40,747.3	49,836.8	48,975.3
- Outstanding Premium	-	-	-	-	-	-	-
Workmen's Compensation							
- Claims Outstanding	479.5	444.5	475.0	409.0	362.9	322.1	269.1
- Outstanding Premium	-	-	-	-	-	-	-
Public/Product Liability							
- Claims Outstanding	436.0	235.0	192.9	214.2	144.2	65.5	75.6
- Outstanding Premium	0.0	-	-	-	-	-	-
Personal Accident							
- Claims Outstanding	4,215.4	5,770.8	4,166.7	3,949.1	3,608.9	3,070.8	2,704.2
- Outstanding Premium	10.8	13.5	11.7	12.6	-	-	0.0
Aviation							
- Claims Outstanding	1,667.5	1,942.1	1,762.0	1,519.5	1,227.1	1,184.3	1,016.4
- Outstanding Premium	-	-	-	-	-	-	-
Health							
- Claims Outstanding	4,944.0	5,484.5	4,810.6	4,325.1	3,873.2	4,496.8	4,018.8
- Outstanding Premium	1,849.7	3,651.4	1,609.8	2,125.3	2,431.5	2,055.3	2,140.3
Credit Insurance							
- Claims Outstanding	587.8	868.8	584.4	492.0	407.7	348.5	302.8
- Outstanding Premium	-	-	-	-	-	-	-
Crop/Weather Insurance							
- Claims Outstanding	25,227.1	15,414.1	22,339.5	7,674.3	4,643.4	6,963.7	2,808.4
- Outstanding Premium	16,263.0	5,909.6	17,967.4	3,087.8	1,707.9	2,629.5	1,535.0
Others							
- Claims Outstanding	4,369.2	2,995.5	3,512.0	2,512.3	1,766.9	1,658.9	1,582.4
- Outstanding Premium	119.0	106.4	8.6	8.0	3.0	4.2	0.3
Total							
- Claims Outstanding	125,941.0	109,748.6	118,050.6	89,429.0	75,052.9	82,834.6	73,172.0
- Outstanding Premium	18,306.8	9,885.4	19,802.6	5,256.4	4,167.6	4,707.5	3,697.5

Secondary reportable segments

There are no reportable geographical segments since the Company provides services only to customers in the Indian market or Indian interests abroad and does not distinguish any reportable regions within India.

5.2.15 Related party

List of related parties with whom transactions have taken place during the respective years:

Related Parties and nature of relationship

Name of related party	Relationship
ICICI Bank Limited	Holding Company
FAL Corporation (Affiliate of Fairfax Financial Holdings Limited)	Venturer in Joint Venture
ICICI Home Finance Company Limited	Fellow Subsidiary
ICICI Prudential Asset Management Company Limited	Fellow Subsidiary
ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary
ICICI Securities Limited	Fellow Subsidiary
ICICI Securities Primary Dealership Limited	Fellow Subsidiary
ICICI Strategic Investments Fund	Fellow Subsidiary
ICICI Bank UK PLC	Fellow Subsidiary
ICICI Equity Fund (Effective till FY 2015)	Fellow Subsidiary
ICICI Venture Funds Management Company Limited	Fellow Subsidiary
ICICI Eco-net Internet & Technology Fund (Effective till FY 2013)	Fellow Subsidiary
ICICI Emerging Sectors Fund (Effective till FY 2013)	Fellow Subsidiary

Key Management Personnel (KMP):

Bhargav Dasgupta, Managing Director & CEO
Alok Kumar Agarwal, Executive Director
Sanjeev Mantri, Executive Director (Director w.e.f May 2, 2015)
Neelesh Garg, Executive Director (ceased to be Director w.e.f February 2, 2015)

Relatives of KMP with whom transactions have taken place during the respective year:

Name of related Party	Relative of KMP	Nature of relationship
Ranjana Dasgupta	Bhargav Dasgupta	Spouse
Meghna Dasgupta	Bhargav Dasgupta	Daughter
Brij Mohan Gupta	Alok Kumar Agarwal	Brother
Manoj Kumar Agarwal	Alok Kumar Agarwal	Brother
Vibha Mantri	Sanjeev Mantri	Spouse
Aditya Mantri	Sanjeev Mantri	Son
Anoushka Mantri	Sanjeev Mantri	Daughter
Nimisha Chandak	Sanjeev Mantri	Sister
Sohan Lal Garg	Neelesh Garg	Father
Shubhra Sharma	Neelesh Garg	Spouse
Dhruv Garg	Neelesh Garg	Son

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Details of transaction with related parties for the respective period are given below:

(₹ in million)

Name of related party	Relation	Nature of transaction	For quarter ended		For the year ended				
			June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
ICICI Bank Limited	Holding Company	Premium income	765.0	553.4	1,270.9	1,180.2	1,070.1	978.5	871.7
		Income from interest & dividend	-	4.3	16.6	19.9	17.3	10.0	25.0
		Application money received	-	-	-	-	-	-	740.0
		Issue of share capital	-	-	-	-	-	52.5	-
		Share premium on share issued	-	-	-	-	-	687.5	-
		Claims payment net of claims received	11.0	4.6	31.3	73.0	158.5	326.7	444.3
		Commission / Brokerage payouts	241.1	184.9	882.2	732.2	677.2	538.9	466.3
		Investment							
		- Purchases	768.7	7,990.0	24,719.4	22,472.9	15,608.7	12,107.8	8,381.2
		- Sales	476.3	8,364.8	23,130.8	19,700.0	14,500.1	10,392.5	9,824.5
		Establishment & other expenditure	63.8	73.3	256.3	292.5	256.7	219.8	195.9
		Dividend paid	214.2	199.9	999.6	977.7	651.8	-	-
ICICI Home Finance Company Limited	Fellow Subsidiary	Premium income	3.2	2.5	10.3	9.9	8.2	8.2	8.9
		Claims payment net of claims received	-	-	0.4	-	-	-	-
		Commission / Brokerage payouts	4.8	5.4	22.2	21.2	25.9	14.3	2.8
		Establishment & other expenditure	(4.2)	(4.1)	(16.7)	(15.7)	(12.7)	(10.1)	(7.7)

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Name of related party	Relation	Nature of transaction	For quarter ended		For the year ended				
			June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
ICICI Securities Primary Dealership Limited	Fellow Subsidiary	Premium income	4.1	4.3	4.3	3.7	2.7	2.7	2.6
		Claims payment net of claims received	0.5	1.3	3.0	1.4	1.9	0.7	1.7
		Investment							
		- Purchases	1,053.3	-	1,622.9	582.7	6,474.7	3,270.9	2,965.3
		- Sales	549.4	-	500.8	2,316.9	878.5	1,707.6	301.1
		Issue of debentures	-	-	150.0	-	-	-	-
		Interest on debentures issued	-	-	2.6	-	-	-	-
		Arranger fees for debenture issue	-	-	14.6	-	-	-	-
ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary	Premium income	1.5	2.1	153.2	141.5	162.0	177.3	154.6
		Claims payment net of claims received	(4.3)	2.4	(2.5)	(0.2)	(1.6)	10.4	10.5
		Investment							
		- Purchases	1,626.2	1,185.0	3,321.0	2,351.9	2,691.9	676.9	887.5
		- Sales	2,578.6	2,917.2	5,711.5	3,282.9	2,509.5	-	1,696.4
		Premium paid	-	-	9.0	6.7	5.4	5.8	6.2
		Establishment & other expenditure	(0.6)	(0.6)	(2.6)	(3.5)	(3.7)	(5.8)	(7.2)
ICICI Securities Limited	Fellow Subsidiary	Premium income	78.0	72.7	81.2	80.4	66.4	66.1	70.7
		Claims payment net of claims received	6.6	4.8	25.9	28.5	27.2	23.5	32.8
		Commission / Brokerage payouts	1.2	1.6	5.9	7.5	9.1	9.6	12.5
		Establishment & other expenditure	1.0	0.4	1.2	(0.6)	0.6	(0.1)	(0.2)

Name of related party	Relation	Nature of transaction	For quarter ended		For the year ended				
			June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
ICICI Venture Funds Management Company Limited	Fellow Subsidiary	Premium income	0.0	0.1	17.2	9.6	8.7	9.5	10.3
		Claims payment net of claims received	0.0	-	0.1	0.0	0.0	0.1	0.1
ICICI Prudential Asset Management Company Limited	Fellow Subsidiary	Premium income	38.8	24.9	33.5	25.1	23.3	21.5	20.3
		Claims payment net of claims received	11.8	-	0.0	0.1	0.0	-	-
ICICI Bank UK PLC	Fellow Subsidiary	Premium income	-	-	-	3.5	-	-	4.8
ICICI Eco-net Internet and Technology Fund	Fellow Subsidiary	Premium income	-	-	-	-	-	0.0	0.0
ICICI Emerging Sectors Fund	Fellow Subsidiary	Premium income	-	-	-	-	-	0.1	0.1
ICICI Equity Fund	Fellow Subsidiary	Premium income	-	-	-	0.1	0.1	0.1	0.1
ICICI Strategic Investment Fund	Fellow Subsidiary	Premium income	-	-	0.1	0.2	0.3	0.2	0.2
FAL Corporation	Venturer in Joint Venture	Application money received	-	-	-	-	-	-	260.0
		Issue of share capital	-	-	-	-	-	18.4	-
		Share premium on share issued	-	-	-	-	-	241.6	-
		Dividend paid	116.1	108.3	541.7	343.5	229.0	-	-
Key Management Personnel	Key Management Personnel	Premium income	0.2	0.2	0.3	0.1	0.1	0.0	0.1
		Application money received	-	-	-	-	-	-	1.4
		Issue of share capital	5.8	-	1.1	-	0.2	0.4	-
		Share premium on share issued	47.5	-	2.9	-	0.5	1.0	-
		Claims payment net of claims received	-	-	0.0	-	-	-	-
		Establishment & other expenditure	49.7	62.8	122.6	111.9	126.8	86.3	61.1
		Dividend paid	0.6	-	0.1	-	0.1	-	-

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Details of balances with related parties for the respective period are given below:

(₹ in million)

Name of related party	Relation	Nature of transaction	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
ICICI Bank Limited	Holding Company	**Assets**							
		Cash, Bank balances & Deposits	(594.8)	(1,150.2)	(1,346.0)	(908.5)	(827.6)	(762.7)	(212.7)
		Income accrued on Investments	-	0.2	-	0.3	0.5	0.2	0.5
		Liabilities							
		Capital	2,856.1	2,856.1	2,856.1	2,856.1	3,258.8	3,258.8	3,206.4
		Share Premium	10,872.2	10,872.2	10,872.2	10,872.2	10,872.2	10,872.2	10,184.7
		Application Money	-	-	-	-	-	-	740.0
		Premium received in advance / Cash deposits	8.5	8.5	29.4	43.8	421.0	379.8	386.2
		Other liabilities / Payables	255.8	215.9	353.2	268.0	187.2	225.4	220.4
ICICI Home Finance Company Limited	Fellow Subsidiary	**Liabilities**							
		Premium received in advance / Cash deposits	0.2	3.8	3.8	3.8	2.1	8.9	10.6
		Other liabilities / Payables	(9.0)	(1.6)	(4.8)	(0.9)	5.2	(4.5)	0.1
ICICI Securities Primary Dealership Limited	Fellow Subsidiary	**Liabilities**							
		Premium received in advance / Cash deposits	0.3	0.2	0.3	0.2	0.1	0.1	0.4
		Other liabilities / Payables	-	0.4	0.2	0.7	0.3	-	0.1

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Name of related party	Relation	Nature of transaction	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
ICICI Prudential Life Insurance Company Limited	Fellow Subsidiary	**Liabilities**							
		Premium received in advance / Cash deposits	12.1	11.7	0.1	3.1	1.0	0.2	0.3
		Other liabilities / Payables	3.4	16.6	20.2	18.6	17.1	21.2	21.7
ICICI Securities Limited	Fellow Subsidiary	**Liabilities**							
		Premium received in advance / Cash deposits	1.5	1.6	0.5	0.7	0.6	0.6	1.1
		Other liabilities / Payables	(0.9)	8.2	6.8	6.4	7.2	10.4	6.3
ICICI Venture Funds Management Company Limited	Fellow Subsidiary	**Liabilities**							
		Premium received in advance / Cash deposits	1.3	1.3	1.3	1.4	0.8	0.8	0.6
		Other liabilities / Payables	-	0.1	0.1	1.2	0.2	1.5	0.0
ICICI Prudential Asset Management Company Limited	Fellow Subsidiary	**Liabilities**							
		Premium received in advance / Cash deposits	0.0	0.0	2.5	0.1	0.2	16.4	1.7
		Other liabilities / Payables	0.1	2.6	17.6	1.4	2.4	1.1	1.5
FAL Corporation	Venturer in Joint Venture	**Liabilities**							
		Capital	1,547.8	1,547.8	1,547.8	1,547.8	1,145.0	1,145.0	1,126.6
		Share Premium	3,820.0	3,820.0	3,820.0	3,820.0	3,820.0	3,820.0	3,578.4
		Application Money	-	-	-	-	-	-	260.0
Key Management Personnel	Key Management Personnel	**Liabilities**							
		Capital	-	-	-	-	-	0.6	0.2
		Share Premium	-	-	-	-	-	1.4	0.4
		Application Money	-	-	-	-	-	-	1.4

5.2.16 Details of age-wise analysis of the unclaimed amount of the policyholders for the year ended March 31, 2017

At March 31, 2017 the Company has not appropriated / written back the unclaimed amount of policyholders. (Reference IRDAI circular no IRDA/F&I/CIR/CMP/174/11/2010 dated 4th November, 2010)

a. Claims settled but not paid to the policyholders/ insured's due to any reasons except under litigation from the insured/ policyholders

(₹ in million)

At	Total Amount	Agewise analysis					
		4-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
June 30, 2017	-	-	-	-	-	-	-
June 30, 2016	-	-	-	-	-	-	-
March 31, 2017	-	-	-	-	-	-	-
March 31, 2016	-	-	-	-	-	-	-
March 31, 2015	-	-	-	-	-	-	-
March 31, 2014	-	-	-	-	-	-	-
March 31, 2013	-	-	-	-	-	-	-

b. Sum due to the insured/ policyholders on maturity or otherwise

(₹ in million)

At	Total Amount	Agewise analysis					
		4-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
June 30, 2017	-	-	-	-	-	-	-
June 30, 2016	-	-	-	-	-	-	-
March 31, 2017	-	-	-	-	-	-	-
March 31, 2016	-	-	-	-	-	-	-
March 31, 2015	-	-	-	-	-	-	-
March 31, 2014	-	-	-	-	-	-	-
March 31, 2013	-	-	-	-	-	-	-

c. Any excess collection of the premium/ tax or any other charges which is refundable to the policyholders either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far

(₹ in million)

At	Total Amount	Agewise analysis					
		4-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
June 30, 2017	**204.2**	1.1	0.7	2.1	2.6	3.0	194.7
June 30, 2016	**192.4**	0.1	0.1	1.4	9.9	5.9	175.0
March 31, 2017	**203.9**	0.8	2.1	2.6	1.7	7.4	189.3
March 31, 2016	**192.4**	0.1	0.1	5.1	9.1	5.6	172.4
March 31, 2015	**193.2**	5.6	9.5	5.7	5.8	7.6	159.0
March 31, 2014	**182.7**	9.8	5.9	7.8	5.0	14.9	139.3
March 31, 2013	**170.3**	9.4	3.5	15.8	4.4	4.1	133.1

d. Cheques issued but not encashed by the policyholder/ insured

(₹ in million)

At	Total Amount	Agewise analysis					
		4-12 months	13-18 months	19-24 months	25-30 months	31-36 months	Beyond 36 months
June 30, 2017	**830.2**	110.1	32.3	17.7	29.6	17.1	623.4
June 30, 2016	**805.8**	71.6	38.8	21.4	33.3	48.2	592.5
March 31, 2017	**810.5**	106.3	20.9	28.0	21.3	23.4	610.6
March 31, 2016	**841.1**	74.2	33.4	48.7	48.4	52.1	584.3
March 31, 2015	**797.4**	81.4	60.1	58.1	56.4	68.0	473.4
March 31, 2014	**753.3**	136.2	65.1	72.6	80.5	72.7	326.2
March 31, 2013	**739.5**	107.5	85.1	178.8	56.9	51.4	259.8

IRDAI circular no. IRDA/F&A/CIR/CLD/114/05/2015 dated May 28, 2015 which came into effect from the financial year 2016-17 required disclosure of the following information on unclaimed amount of policy holders.

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**
Opening Balance at beginning of the period	1,330.3	1,231.5	1,231.5
Add: Amount transferred to unclaimed amount during the period	136.7	77.0	842.8
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders	1.0	1.0	7.6
Add: Investment income	18.5	35.2	80.7
Less: Amount paid during the period	216.1	233.7	832.3
Closing balance at end of the period	1,270.4	1,111.0	1,330.3

5.2.17 Details of earnings per share for the period ended is as below:

	For the quarter ended		**For the year ended**				
Particulars	**June 30, 2017**	**June 30, 2016**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Profit/(loss) available to equity shareholders (₹ in million)	2,143.4	1,291.3	6,418.2	5,053.4	5,853.2	5,200.7	3,527.8
Weighted average number of equity shares							
Number of shares at the beginning of the period	451,150,686	447,538,446	447,538,446	446,594,032	445,055,516	437,015,239	436,583,913
Share issued during the period	1,781,868	170,580	3,612,240	944,414	1,538,516	8,040,277	431,326
Total number of equity share outstanding at the end of the period	452,932,554	447,709,026	451,150,686	447,538,446	446,594,032	445,055,516	437,015,239
Weighted average number of equity shares outstanding during the period	451,753,954	447,611,304	448,244,589	447,164,093	445,319,390	444,683,473	436,814,793
Add : Effect of dilutive issues of options and share application pending allotment	986,933	2,925,670	2,140,869	3,021,879	3,682,278	4,656,788	5,529,371
Diluted weighted average number of equity shares outstanding during the period	452,740,887	450,536,974	450,385,458	450,185,972	449,001,668	449,340,261	442,344,164
Nominal value of equity shares ₹	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Basic earning per share (not annualized) ₹	4.74	2.88	14.32	11.30	13.14	11.70	8.80
Diluted earning per share (not annualized) ₹	4.73	2.87	14.25	11.23	13.04	11.57	7.98

5.2.18 Deferred taxes

The major components of deferred tax are as under:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Timing differences on account of:							
Reserve for Unexpired Risks	494.4	738.8	336.9	834.0	577.7	(8.1)	(10.3)
Provision for escalation in lease rentals	32.7	25.8	32.7	25.8	25.4	25.7	19.8
Leaves accrued	38.6	28.3	36.3	28.3	24.9	23.0	21.3
Provision for doubtful debts	475.5	451.2	467.5	449.7	446.4	413.9	400.3
Others	-	(110.4)	-	(98.6)	(105.0)	(103.6)	53.5
Total	**1,041.2**	**1,133.7**	**873.4**	**1,239.2**	**969.4**	**350.9**	**484.6**
Net deferred tax asset/ (liability)	1,041.2	1,133.7	873.4	1,239.2	969.4	350.9	484.6
Deferred tax expense/ (income) recognised in the Profit and Loss A/c	(167.8)	105.5	365.8	(269.8)	(618.5)	133.7	(14.1)

5.2.19 REPO / Reverse repo transactions

(₹ in million)

Particulars	**Minimum outstanding during the period**	**Maximum outstanding during the period**	**Daily average outstanding during the period**	**Outstanding at period end**
Securities sold under repo (At cost)	**For the quarter ended June 30, 2017**			
- Government Securities	109.6	493.7	322.0	
- Corporate Debt Securities	-	-	-	-
Securities sold under repo (At cost)	**For the quarter ended June 30, 2016**			
- Government Securities	499.9	2,303	1,422	-
- Corporate Debt Securities	-	-	-	-
Securities sold under repo (At cost)	**For the year ended March 31, 2017**			
- Government Securities	57.0	2,516.5	1,211.7	-
- Corporate Debt Securities	-	-	-	-
Securities sold under repo (At cost)	**For the year ended March 31, 2016**			
- Government Securities	499.9	2,303.1	1,422.4	-
- Corporate Debt Securities	-	-	-	-
Securities sold under repo (At cost)	**For the year ended March 31, 2015**			
- Government Securities	-	-	-	-
- Corporate Debt Securities	-	-	-	-
Securities sold under repo (At cost)	**For the year ended March 31, 2014**			
- Government Securities	-	-	-	-
- Corporate Debt Securities	-	-	-	-
Securities sold under repo (At cost)	**For the year ended March 31, 2013**			
- Government Securities	-	-	-	-
- Corporate Debt Securities	-	-	-	-

(₹ in million)

Particulars	**Minimum outstanding during the period**	**Maximum outstanding during the period**	**Daily average outstanding during the period**	**Outstanding at period end**
Securities purchased under reverse repo (At cost)	**For the quarter ended June 30, 2017**			
- Government Securities	548.9	4,330.5	2,202.9	-
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo (At cost)	**For the quarter ended June 30, 2016**			
- Government Securities	259.0	2,516.5	1,226.6	-
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo (At cost)	**For the year ended March 31, 2017**			
- Government Securities	1,058.0	1,058.0	1,058.0	-
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo (At cost)	**For the year ended March 31, 2016**			
- Government Securities	19.9	5,559.8	2,843.5	-
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo (At cost)	**For the year ended March 31, 2015**			
- Government Securities	175.2	2,511.8	69.1	424.1
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo (At cost)	**For the year ended March 31, 2014**			
- Government Securities	19.9	6,809.5	965.4	175.2
- Corporate Debt Securities	-	-	-	-
Securities purchased under reverse repo (At cost)	**For the year ended March 31, 2013**			
- Government Securities	-	-	-	-
- Corporate Debt Securities	-	-	-	-

5.2.20 During the following respective periods the Company has incurred expenditure towards CSR activities which are as below;

(a) Gross amount required to be spent by the Company

(₹ in million)

Particulars	**Quarter ended June 30, 2017**	**Quarter ended June 30, 2016**	**Year ended March 31, 2017**	**Year ended March 31, 2016**	**Year ended March 31, 2015**
Gross amount required to be spent	148.8	124.0	124.0	96.1	27.1

(b) Amount spent during the periods are as below:

(₹ in million)

Particulars	**Quarter ended June 30, 2017**		**Quarter ended June 30, 2016**		**Year ended March 31, 2017**		**Year ended March 31, 2016**		**Year ended March 31, 2015**	
	in cash	Yet to be paid in cash	in cash	Yet to be paid in cash	in cash	Yet to be paid in cash	in cash	Yet to be paid in cash	in cash	Yet to be paid in cash
Amount spent during the periods	3.9	-	0.3	-	125.2	-	97.1	-	27.8	-

Note: CSR spend became mandatory from year ended March 31, 2015.

5.2.21 Borrowings

In financial year ended March 31, 2017, the Company has raised ₹ 4,850.0 million through an issue of listed, unsecured redeemable subordinated Non - Convertible Debentures through private placements in the nature of Subordinated Debt which qualifies as other forms of capital under Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015.

Maturity Pattern from the date of issue

(₹ in million)

Maturity buckets	Borrowings
1 to 5 years	-
Above 5 years	4,850.0
Total	**4,850.0**

Gist of the terms of issue are as follows;

Series	1/2016-2017
Type, Nature and Seniority of Instrument	Unsecured, subordinated, fully paid-up, listed, redeemable and non-convertible debentures
Face Value (per security)	₹ 1.0 in million
Issue Size	₹ 4,850.0 in million
Issue Date / Date of Allotment	July 28, 2016
Redemption Date	July 28, 2026
Call option Date	July 28, 2021
Coupon Rate	8.25% per annum
Credit Rating	"AAA" by CRISIL and "AAA" by ICRA
Listing	Listed on WDM segment of NSE and BSE
Frequency of the Interest Payment	Annual

5.2.22 In financial year ended March 31, 2017, pursuant to the repair work undertaken by the Company, the residual life of its Corporate Office building has been re-determined to 13 years based on the technical report of an external agency. Accordingly, the Company has realigned its estimate of the remaining residual life of the building as above, resulting in additional depreciation charge for the current and subsequent years. Consequently, depreciation for that period is higher by ₹ 11.2 million and the profit before tax for the year is lower to that extent.

5.2.23 Details of outstanding forward exchange contracts for respective period are as below:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Outstanding forward exchange contracts	NIL	NIL	NIL	NIL	NIL	NIL	NIL

5.2.24 The Company's pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. (Refer Note no. 5.1.1 for details on contingent liabilities)

5.2.25 (A) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

(B) Details of outstanding long term derivative contracts at respective period are given below:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Outstanding long term derivative contracts	NIL	NIL	NIL	NIL	NIL	NIL	NIL

5.2.26 Details of amount required to transfer into the Investor Education & Protection fund during the respective period is given below:

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Amount transfer into Investor Education & Protection fund	NIL	NIL	NIL	NIL	NIL	NIL	NIL

5.2.27 Ministry of Corporate Affairs Notification no. GSR 308(E) dated March 30, 2017 requires a disclosure on holdings as well as dealings of Specified Bank Notes (SBN) under Schedule III of the Companies Act, 2013. By virtue of Proviso (2) of sub-section (1) of Section 129 of the Companies Act, 2013, provisions of Schedule III do not apply to Insurance companies and hence no disclosure has been made.

5.2.28 Material regroupings

Appropriate adjustments have been made in the Restated Summary Financial Information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the groupings as per the audited financial statement of the Company as at and for the period ended June 30, 2017.

Annexure – VI: Notes on Adjustments for Restated Summary Financial Information

1. The summary of results of restatements made in the audited financial statements for the respective periods and its impact on the profits of the Company is set out below

Particulars (₹ in million)	For quarter Ended		For the year Ended				
	June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Profit after tax as per audited financial statements	2,141.1	1,309.9	7,018.8	5,074.5	5,356.1	5,113.6	3,057.8
(A) Impact of adjustments due to change in accounting policy							
(i) Change in method of amortization of premium/accretion in discount from straight line method (SLM) to effective interest rate (EIR) (Refer 2.1 (i))	--	--	--	--	189.9	(55.2)	(34.6)
(ii) Carrying forward unrecognized enrollment cost on health policies issued under RSBY (Refer 2.1 (ii))	--	27.6	--	(122.0)	(50.6)	(113.5)	286.1
(iii) Change in method of computing Reserve for Unexpired Risks (Refer 2.1 (iii))	--	(58.2)	(58.2)	47.3	(12.9)	(6.7)	30.5
(B) Impact of Material Adjustments							
(i) Income on account of final determination of area coverage under crop insurance (Refer 2.2 (i))	--	--	(177.8)	82.5	88.3	7.0	--
(ii) Change in method of computation of Provision for Contribution to Solatium Fund (Refer 2.2 (ii))	--	6.5	(112.0)	25.2	21.3	20.7	18.3
(iii) Profit commission on obligatory Reinsurance arrangement with GIC (Refer 2.2 (iii))	--	--	--	--	(275.7)	--	--
(iv) Provision for Bad/ Doubtful debts (Refer 2.2 (iv))	3.4	(4.3)	48.5	(50.2)	172.1	286.8	396.6
(v) Reversal of Excess provision of tax (Refer 2.2 (v))	--	--	(404.6)	--	404.6	--	--
(vi) Provision for material litigations (Refer 2.2 (vii)	--	--	(0.4)	(11.7)	7.7	(7.1)	--
(C) Deferred Tax impact on (A) & (B) above (Refer 2.3)	(1.1)	9.8	103.9	7.8	(47.6)	(44.9)	(226.9)
Profit after tax as per restated summary financial information	2,143.4	1,291.3	6,418.2	5,053.4	5,853.2	5,200.7	3,527.8

2. Description of the adjustment carried out in the audited financial statements:

2.1 Adjustment on account of changes in Accounting Policies

(i) During the year ended March 31 2015, the Company changed its accounting policy for amortization of premium or accretion of discount on all debt securities including government securities, money market instruments and non-convertible preference shares to effective interest rate (EIR) method over the remaining period of maturity from amortization of premium or accretion of discount on straight line basis (SLM), which the Company had consistently followed for the earlier years. Retrospective impact of this change was recorded in the audited financial statements for year ended March 31, 2015. The company has carried out consequential adjustments on account of this change appropriately in the financial years ended March 31, 2014 and March 31, 2013. The corresponding adjustment relating to financial years prior to March 31, 2013 has been adjusted in the opening reserves of Restated summary financial information as at April 1, 2012.

(ii) During the year ended March 31, 2017, as permitted by the regulations, the company has recognized the enrollment costs of mass health policies issued under Rashtriya Swasthya Bima Yojna over the policy period on daily pro-rata basis and accordingly has carried forward the balance of such unrecognized enrollment costs to succeeding accounting periods. This unrecognized enrollment cost is netted off against the Reserve for unexpired risk. Until this period, the enrollment costs were recognized fully in the year of enrollment. The Company has carried out consequential adjustments appropriately in the financial years 2015-16, 2014-15, 2013-14 and 2012-13.

(iii) During the year ended March 31, 2017, as permitted by the regulations, the company has recognized Reserve for unexpired risk calculated on 1/365 method without considering a minimum of 50% of the aggregate premium written on policies issued during the twelve months preceding the Balance Sheet date for fire, marine cargo and miscellaneous lines of business which was considered in earlier financial years. The Company has carried out consequential adjustments appropriately in financial years 2015-16, 2014-15, 2013-14 and 2012-13.

(iv) During the year ended March 31, 2014, the Company has changed its valuation policy on Listed equities and convertible preference shares from lower of the last quoted price on the National Stock Exchange and Bombay Stock Exchange to the last quoted closing price on the National Stock Exchange and in case these are not quoted on National Stock Exchange, then the last quoted closing price on the Bombay Stock Exchange is considered. In accordance with the Regulations, unrealized gain/loss arising due to changes in fair value of listed equity shares and convertible preference shares are taken to the "Fair Value Change Account" in the balance sheet and therefore do not impact the revenue account or profit and loss account. The Company has carried out consequential adjustments appropriately in financial year 2012-13.

(v) During the year ended March 31, 2017 in line with revised regulations, the Company has revised its methodology of allocation and apportionment of expenses to business segments. The method of allocation and apportionment of expenses in the Restated Financial Statements for the earlier financial years has been aligned as per the revised methodology. This revision does not have impact on the profits for the respective years.

2.2 Material Adjustments

The Company has identified certain material adjustments for previous years in respect of items recorded in Financial years 2016-17, 2015-16, 2014-15, 2013-14 and 2012-13 which require adjustment to the profits of the previous period to which the transactions pertain irrespective of the year in which the event triggering profit or loss occurred. Accordingly, in these Restated financial statements the below mentioned adjustments have been made in the respective financial years to which the transactions pertain. Adjustments relating to financial years prior to year ended March 31, 2013 have been made against the opening reserves of the Restated summary financial information as at April 1, 2012. The details of such adjustments are as under:

(i) During the year ended March 31, 2017, the Company has recognized income on account of premium adjustments on final determination of area coverages in crop insurance based on actual measurements and confirmations received from state governments. The Company has appropriately adjusted these amounts by reflecting them in the financial years in which policies were booked in the Restated Summary Financial Information.

(ii) During the year ended March 31, 2017, reviewing the industry practices the company has changed the provision for contribution to Solatium fund @0.1 % of the motor TP premium retrospectively instead of provision @ 0.1% of total motor gross written premium which was followed till March 31, 2016. Accordingly, during the year ended March 31, 2017, the Company had reversed the excess liability provided in its books. The said amount has been appropriately adjusted to reflect in the respective financial years.

(iii) During the year ended March 31, 2015 in accordance with its accounting policy the Company had recognized profit commission on obligatory reinsurance arrangements with GIC on its final determination for the underwriting years 2005-06 to 2010-11.

(iv) The company has adjusted provision of bad/doubtful debts and Bad debts written off to respective financial years to which the underlying receivables relate.

(v) During the year ended March 31, 2017, the company has reversed excess provision for tax relating to FY 2014-15. This has been appropriately adjusted to the respective year.

(vi) During the year ended March 31, 2017, in accordance with regulations, the Company has recorded IBNR on Gross basis (Gross of Reinsurance ceded) instead of net basis (Net of Reinsurance ceded). Accordingly in the Balance sheet as at March 31, 2017, the claims outstanding comprises of IBNR on gross basis with corresponding impact of the reinsurance recoverable stated as part of Dues of other entities carrying on insurance business (including reinsurance). The company has restated the relevant balances in the balance sheet of the earlier years on account of this adjustment.

(vii) Provision for certain material settled litigations were created in the year of receipt of court order or in the year of change in assessment of litigation cases. The Company has adjusted these provisions to the respective financial years to which they pertain.

2.3 Tax impact of adjustment

The tax impact on all the adjustments above have been provided in Deferred Tax Asset / (Liability) in the respective financial years.

2.4 Material Regroupings

Appropriate adjustments have been made in the Restated Summary financial information, wherever required by a reclassification of the corresponding items of income, expenses, assets, liabilities, receipts and payments in order to bring them in line with the grouping as per the audited financial statement of the Company as at and for the period ended June 30, 2017.

3. Reconciliation of Opening Networth on April1, 2012

Particulars	**(₹ in million)**
Networth as at April 1**,** 2012 as per audited financial statements	14,580.5
Adjustments for	
(i) Change in method of amortization of accretion in discount/amortization of premium (Refer 2.1 (i))	(100.1)
(B) Material Adjustments	
(i) Change in computation of Provision for Contribution to Solatium Fund (Refer 2.2 (ii))	26.5
(ii) Profit commission on obligatory Reinsurance arrangement with GIC (Refer 2.2 (iii))	275.7
(iii) Bad Debts / Provision for Doubtful debts (Refer 2.2 (iv))	(857.2)
(iv) Provision for material litigations (Refer 2.2 (vii)	11.5
(C) Deferred Tax impact on above (Refer 2.3)	208.8
Net worth as at April 1**,** 2012 as per Restated Summary Financial Information	14,145.7

4. Non-adjusting items:

   Any regulatory changes, except those affecting accounting policies, having prospective effect do not require any corrective adjustments in the restated summary financial information.

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

Annexure – VII: Restated Statement of Accounting Ratios (not annualized)

Sr No	Particulars	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
1	Gross Direct Premium Growth Rate							
	Fire	7.89%	5.12%	17.69%	16.15%	11.85%	28.05%	23.34%
	Marine- Cargo	0.73%	10.48%	15.65%	18.56%	2.28%	18.35%	25.24%
	Marine- Others	-35.10%	19.22%	7.48%	33.23%	-15.66%	-10.04%	-2.95%
	Marine- Total	-5.38%	11.88%	13.76%	21.66%	-2.12%	9.85%	15.22%
	Motor-OD	9.20%	15.19%	9.40%	18.35%	2.80%	13.33%	21.80%
	Motor-TP	18.90%	14.97%	9.52%	26.70%	12.62%	30.15%	37.61%
	Motor- Total	13.04%	15.10%	9.45%	21.49%	6.29%	18.78%	26.51%
	Worksmen's Compensation	15.84%	17.92%	14.52%	11.57%	-2.47%	11.15%	22.92%
	Public/Product Liability	70.06%	136.23%	68.73%	-15.30%	-9.23%	-24.53%	-47.40%
	Engineering	15.23%	9.48%	13.35%	15.86%	-5.63%	-3.77%	5.42%
	Aviation	50.22%	26.49%	11.83%	4.63%	18.13%	-40.80%	-40.26%
	Personal Accident	21.78%	41.96%	28.45%	19.73%	16.34%	18.35%	21.79%
	Health Insurance	-17.57%	52.99%	20.47%	5.04%	-11.19%	-6.86%	10.95%
	Credit Insurance	55.15%	-7.10%	3.41%	19.20%	6.30%	21.88%	5.91%
	Crop / Weather Insurance	68.34%	642.40%	263.00%	114.97%	-53.29%	34.86%	91.39%
	Others	27.83%	37.02%	28.89%	20.66%	5.62%	15.17%	-10.46%
	Total - Miscellaneous	17.19%	48.52%	34.66%	21.60%	-3.77%	10.73%	18.99%
	Total	15.29%	40.69%	32.56%	21.16%	-2.60%	11.77%	19.10%
2	Gross Direct Premium to Net Worth Ratio	0.85	0.87	2.88	2.50	2.31	2.86	3.47
3	Growth rate of Net Worth	5.22%	2.87%	15.13%	12.14%	20.56%	35.27%	25.07%
4	Net Retention Ratio							
	Fire	17.78%	15.40%	17.20%	15.00%	17.52%	25.65%	29.22%
	Marine- Cargo	70.38%	70.05%	64.33%	71.99%	73.32%	72.97%	65.87%
	Marine- Others	6.17%	6.33%	7.01%	10.86%	6.50%	12.08%	5.20%
	Marine- Total	63.06%	59.07%	51.88%	57.57%	59.07%	57.21%	47.12%
	Motor-OD	84.12%	75.33%	75.44%	74.84%	65.08%	74.83%	75.40%
	Motor-TP	94.52%	94.15%	94.26%	94.32%	94.11%	75.54%	74.57%
	Motor- Total	88.45%	82.78%	82.83%	82.44%	76.11%	75.09%	75.13%
	Worksmen's Compensation	93.31%	93.56%	93.55%	92.53%	92.53%	92.81%	89.88%
	Public/Product Liability	43.97%	68.02%	43.87%	33.84%	44.22%	36.10%	46.43%
	Engineering	27.26%	27.65%	26.91%	27.73%	26.86%	26.71%	23.77%
	Aviation	35.79%	44.04%	43.99%	44.11%	39.07%	43.45%	34.91%
	Personal Accident	73.44%	77.41%	75.46%	75.30%	71.44%	73.99%	71.48%
	Health Insurance	71.93%	77.58%	69.96%	68.44%	70.80%	67.58%	75.29%
	Credit Insurance	7.34%	9.87%	7.25%	7.43%	7.03%	7.72%	7.71%
	Crop / Weather Insurance	23.80%	23.74%	23.48%	18.76%	19.56%	33.18%	38.22%
	Others	66.67%	63.26%	64.34%	67.23%	65.68%	66.85%	61.83%
	Total – Miscellaneous	64.39%	67.59%	64.06%	70.77%	69.01%	66.47%	68.51%
	Total	59.71%	61.62%	60.17%	65.51%	63.83%	62.68%	64.68%
5	Net Commission Ratio							
	Fire	-37.52%	-43.99%	-35.22%	-46.38%	-20.75%	-6.15%	2.54%
	Marine- Cargo	12.39%	8.88%	10.10%	10.77%	9.95%	9.77%	7.39%
	Marine- Others	-19.93%	16.82%	-3.12%	21.89%	5.44%	22.10%	-68.66%
	Marine- Total	12.03%	9.03%	9.71%	11.27%	9.84%	10.44%	4.80%
	Motor-OD	2.89%	-0.57%	-0.42%	-2.61%	-8.52%	0.30%	-0.77%
	Motor-TP	-0.26%	-0.27%	-0.26%	-0.58%	-0.38%	-5.90%	-7.40%
	Motor- Total	1.49%	-0.43%	-0.35%	-1.71%	-4.70%	-1.97%	-2.88%
	Worksmen's Compensation	9.27%	9.06%	9.04%	8.80%	8.42%	8.06%	7.19%
	Public/Product Liability	-4.93%	4.43%	9.77%	23.40%	9.81%	-2.21%	-3.26%
	Engineering	-15.95%	-24.39%	-23.49%	-26.35%	-36.03%	-39.85%	-48.62%
	Aviation	17.85%	17.40%	17.94%	18.45%	25.00%	26.08%	17.85%
	Personal Accident	-10.78%	-7.77%	-9.24%	-8.61%	-14.33%	-9.51%	-6.71%
	Health Insurance	-16.83%	-10.16%	-19.95%	-19.69%	-18.37%	-12.06%	-5.88%

	Credit Insurance	-83.73%	-81.21%	-102.30%	-87.24%	-103.25%	-108.74%	-81.33%
	Crop / Weather Insurance	-24.70%	-29.20%	-29.58%	-43.33%	-46.29%	-27.86%	-28.09%
	Others	6.27%	7.45%	8.42%	7.56%	7.55%	7.00%	6.50%
	Total – Miscellaneous	-4.79%	-4.89%	-6.42%	-5.83%	-8.13%	-5.64%	-4.95%
	Total	-5.12%	-5.34%	-6.58%	-6.03%	-7.82%	-5.09%	-4.42%
6	Expense of Management to Gross Direct Premium Ratio	22.02%	20.52%	22.56%	25.47%	25.25%	22.07%	20.68%
7	Expense of Management to Net Written Premium Ratio	36.09%	32.47%	36.69%	37.91%	38.07%	33.64%	30.60%
8	Net Incurred Claims to Net Earned Premium	78.07%	82.79%	80.64%	81.62%	81.38%	83.38%	83.50%
9	Combined Ratio	102.38%	103.74%	104.11%	107.07%	104.89%	105.32%	103.67%
10	Technical Reserves to Net Premium Ratio	8.19	7.94	2.32	2.21	2.25	2.35	2.28
11	Underwriting balance Ratio							
	Fire	0.68	1.14	0.43	0.63	0.03	0.20	0.12
	Marine	(0.34)	(0.30)	(0.20)	(0.26)	(0.29)	(0.24)	(0.08)
	Miscellaneous	(0.11)	(0.12)	(0.06)	(0.11)	(0.05)	(0.06)	(0.05)
	Total	(0.10)	(0.10)	(0.06)	(0.10)	(0.06)	(0.06)	(0.04)
12	Operating Profit Ratio	12.57%	8.81%	10.79%	9.49%	12.96%	9.40%	7.53%
13	Liquid Assets to liabilities Ratio	13.67%	9.48%	13.94%	11.95%	13.59%	17.53%	14.02%
14	Net earnings Ratio	13.97%	9.27%	10.42%	10.47%	13.82%	11.95%	8.79%
15	Return on Net Worth Ratio	5.47%	3.88%	17.23%	15.62%	20.29%	21.73%	19.94%
16	Available Solvency margin Ratio to Required Solvency Margin Ratio (times)	2.13	1.78	2.10	1.82	1.95	1.72	1.55
17	NPA Ratio							
	Gross NPA Ratio	-	-	-	-	-	-	-
	Net NPA Ratio	-	-	-	-	-	-	-

Notes :
Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013
1. GDPI = Premium from direct business written, NWP = Net written premium
2. Shareholders' funds/ Net worth = (Share capital + Reserve & Surplus) - (Miscellaneous expenditure + Debit balance in profit & loss account)
3. Expenses of management = Commission paid-direct + Operation expenses related to insurance business
4. Liquid asset= Short term investments + Cash and bank balances
5. Policyholders liabilities = Claim outstanding (to be discharged in 12 months) + Reserve for unexpired risk + Reserve for premium deficiency

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

Annexure – VIII: Restated Statement of Segment Disclosure

(₹ in million)

Particulars	For quarter ended		For the year ended				
	June 30, 2017	June 30, 2016	March 31,2017	March 31,2016	March 31,2015	March 31,2014	March 31,2013
1 Segment Income:							
Premiums earned (net)							
Fire	302.1	231.7	1,237.1	984.1	1,078.1	1,525.8	1,415.9
Marine- Cargo	410.7	478.3	1,782.5	1,835.0	1,551.4	1,527.3	882.3
Marine- Others	29.3	38.7	86.3	66.2	49.8	38.8	-
Marine- Total	439.9	517.0	1,868.8	1,901.2	1,601.2	1,566.1	882.3
Motor-OD	5,189.9	4,757.4	19,723.4	16,061.7	14,557.6	14,794.9	13,909.2
Motor-TP	4,179.0	3,803.6	15,674.6	13,528.5	10,409.7	8,154.6	7,509.4
Motor- Total	9,368.8	8,561.0	35,398.0	29,590.2	24,967.3	22,949.5	21,418.6
Worksmen's Compensation	113.3	98.4	420.2	367.3	344.7	340.8	289.6
Public/Product Liability	57.4	5.8	69.3	38.2	54.7	42.7	184.9
Engineering	181.4	155.3	657.7	582.8	557.6	523.2	459.5
Aviation	108.9	119.0	446.0	502.0	385.8	435.0	438.9
Personal Accident	539.9	403.4	1,804.2	1,396.7	1,142.3	989.4	828.0
Health Insurance	2,511.3	2,725.5	11,549.1	9,349.2	9,468.7	11,483.2	11,165.4
Credit Insurance	6.9	5.7	24.1	24.2	19.7	17.3	14.7
Crop / Weather Insurance	747.0	381.4	5,063.0	1,104.7	696.7	1,891.7	1,603.3
Others	961.0	726.9	3,040.3	2,422.8	2,023.7	1,757.8	1,421.9
Total - Miscellaneous	14,595.8	13,182.4	58,471.9	45,378.1	39,661.2	40,430.6	37,824.8
Total	15,337.8	13,931.1	61,577.8	48,263.4	42,340.5	43,522.5	40,123.0
Income from investments							
Fire	87.1	69.7	258.3	282.6	240.2	170.8	109.0
Marine	77.2	65.5	226.9	226.2	176.5	129.7	74.4
Miscellaneous	3,268.5	2,451.1	9,473.1	8,787.2	7,375.6	6,246.0	4,421.3
Other Income							
Fire	49.3	55.6	206.2	202.2	175.6	146.0	110.4
Marine	(1.3)	(0.6)	1.5	(7.7)	(2.0)	(2.9)	(1.6)
Miscellaneous	0.2	6.8	61.1	288.6	141.7	72.0	37.4
Shareholders income							
Income from investments	1,217.8	693.1	3,146.3	2,278.4	1,819.5	1,360.2	1,112.1
Other Income	0.2	1.1	20.1	144.2	20.9	74.7	23.5
2. Segment Surplus/Deficit(Net of Transfer from shareholders account):							
Fire	340.8	390.3	996.0	1,104.0	448.2	621.9	394.5
Marine	(72.8)	(92.0)	(150.0)	(284.1)	(293.8)	(250.4)	3.5
Miscellaneous	1,649.3	932.0	5,824.1	3,999.7	5,429.6	3,756.7	2,628.5
Shareholders	1,090.3	659.8	2,131.1	2,228.4	1,463.3	1,206.2	487.2

Annexure – IX: Restated Statement of Premium Earned (Net)

(₹ in million)

Particulars	**For the quarter ended**		**For the year ended**				
	June 30, 2017	**June 30, 2016**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Premium from direct business written-net of service tax	33,208.5	28,804.1	107,252.0	80,907.1	66,778.0	68,561.6	61,339.9
Add: Premium on reinsurance accepted	735.1	744.0	2,352.6	2,052.8	2,589.5	3,199.8	2,750.8
Less: Premium on reinsurance ceded	13,676.4	11,339.6	43,656.5	28,611.1	25,090.5	26,781.3	22,635.8
Net premium	**20,267.2**	**18,208.5**	**65,948.1**	**54,348.8**	**44,277.0**	**44,980.1**	**41,454.9**
Adjustment for change in reserve for unexpired risks	4,929.4	4,277.4	4,370.3	6,085.4	1,936.5	1,457.6	1,331.9
Total premium earned (net)	**15,337.8**	**13,931.1**	**61,577.8**	**48,263.4**	**42,340.5**	**43,522.5**	**40,123.0**

Annexure – X: Restated Statement of Claims Incurred (Net)

(₹ in million)

Particulars	For the quarter ended		For the year ended				
	June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Claims paid- Direct	11,495.8	10,928.4	50,121.0	48,763.8	40,508.6	37,352.1	31,285.7
Add: Re-insurance accepted	183.6	192.4	1,332.7	2,099.6	16,559.8	7,335.8	9,042.2
Less: Re-insurance ceded	4,123.6	3,717.2	18,883.7	23,281.9	16,356.3	13,568.1	12,004.6
Net Claims paid	**7,555.8**	**7,403.6**	**32,570.0**	**27,581.5**	**40,712.1**	**31,119.8**	**28,323.3**
Add: Claims outstanding at the end of the period	74,733.2	57,357.9	70,314.3	53,228.6	41,419.5	47,675.6	42,506.5
Less: Claims Outstanding at the beginning of the period	70,314.3	53,228.6	53,228.6	41,419.5	47,675.6	42,506.5	37,328.1
Total claims incurred	**11,974.7**	**11,532.9**	**49,655.7**	**39,390.6**	**34,456.0**	**36,288.9**	**33,501.7**

Annexure – XI: Restated Statement of Commission Expenses (Net)

(₹ in million)

Particulars	**For the quarter ended**		**For the year ended**				
	June 30, 2017	**June 30, 2016**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Commission paid							
-Direct	1,350.2	1,122.2	4,373.3	3,492.8	2,987.5	2,974.6	2,491.6
Add: Commission on re-insurance accepted	108.2	98.3	323.8	308.3	317.7	320.8	274.2
Less: Commission on re-insurance ceded	2,495.5	2,193.7	9,038.4	7,080.8	6,767.7	5,586.3	4,597.0
Net Commission	**(1,037.1)**	**(973.2)**	**(4,341.3)**	**(3,279.7)**	**(3,462.5)**	**(2,290.9)**	**(1,831.2)**

Annexure – XIA: Restated Statement of Breakup of Commission Paid – Direct

(₹ in million)

Particulars	For the quarter ended		For the year ended				
	June 30, 2017	June 30, 2016	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Agents	237.7	231.4	919.4	843.9	754.5	778.9	743.8
Brokers	669.8	551.9	1,875.4	1,615.3	1,226.9	1,478.1	1,093.5
Corporate agency	442.7	338.9	1,578.5	1,033.6	1,006.1	717.6	654.3
Referral	-	-	-	-	-	-	-
Total	**1,350.2**	**1,122.2**	**4,373.3**	**3,492.8**	**2,987.5**	**2,974.6**	**2,491.6**

Annexure – XII: Restated Statement of Operating Expenses related to Insurance business

(₹ in million)

Particulars	**For the quarter ended**		**For the year ended**				
	June 30, 2017	**June 30, 2016**	**March 31, 2017**	**March 31, 2016**	**March 31, 2015**	**March 31, 2014**	**March 31, 2013**
Employees' remuneration & welfare benefits	1,356.5	1,201.3	4,468.6	3,599.4	3,215.9	3,141.5	3,000.4
Travel, conveyance and vehicle running expenses	90.9	78.9	327.3	303.8	343.9	346.3	308.4
Training expenses	12.5	12.1	64.0	43.9	46.9	34.2	34.2
Rents, rates & taxes*	316.9	277.5	1,035.1	640.6	558.8	595.8	471.3
Repairs & maintenance	86.5	111.8	382.0	304.9	317.6	258.3	232.1
Printing & stationery	38.3	15.2	85.4	88.8	103.4	77.4	59.1
Communication	148.8	100.3	389.2	398.6	428.8	329.1	305.3
Legal & professional charges	276.5	190.8	967.4	607.9	770.9	728.6	631.9
Auditors' fees, expenses etc	-	-	-	-			
(a) as auditor	4.6	3.9	16.1	15.1	9.7	8.8	6.7
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-
(i) Taxation matters	-	-	-	-	-	-	-
(ii) Insurance matters	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-
(c) in any other capacity	0.2	-	0.8	1.0	1.6	1.2	1.1
Advertisement and publicity	321.7	207.4	1,098.0	1,106.1	953.2	883.4	575.6
Interest & Bank charges	44.3	40.9	156.6	145.0	124.9	87.2	79.0
Others	-	-	-	-			
(a) Business support services	2,107.4	1,702.7	7,207.8	6,353.8	4,486.5	3,822.8	3,083.5
(b) Sales promotion	975.2	660.7	3,017.8	2,873.0	1,932.6	1,260.5	884.2
(c) Miscellaneous expenses	47.0	52.2	69.1	64.8	39.3	85.9	33.5
Depreciation	136.6	133.6	535.2	565.3	536.6	496.9	487.9
Service tax on premium account	-	-	-	-	-	-	-
Total	**5,963.9**	**4,789.3**	**19,820.4**	**17,112.0**	**13,870.6**	**12,157.9**	**10,194.2**

Notes:	
For June 30, 2017	*Rent expense is net off rental income of ₹ 6.0 million
For June 30, 2016	*Rent expense is net off rental income of ₹ 7.0 million
For March 31, 2017	*Rent expense is net off rental income of ₹ 28.0 million
For March 31, 2016	*Rent expense is net off rental income of ₹ 26.5 million
For March 31, 2015	*Rent expense is net off rental income of ₹ 24.4 million
For March 31, 2014	*Rent expense is net off rental income of ₹ 23.7 million
For March 31, 2013	*Rent expense is net off rental income of ₹ 20.5 million

Annexure – XIII: Restated Statement of Share Capital

(₹ in million)

Particulars	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
Authorised Capital 475,000,000 Equity Shares of ₹ 10 each	4,750.0	4,750.0	4,750.0	4,750.0	4,750.0	4,750.0	4,750.0
Issued Capital Equity Shares of ₹ 10 each as per Annexure -XIIIA	4,529.3	4,477.1	4,511.5	4,475.4	4,465.9	4,450.6	4,370.2
Subscribed Capital Equity Shares of ₹ 10 each as per Annexure –XIIIA	4,529.3	4,477.1	4,511.5	4,475.4	4,465.9	4,450.6	4,370.2
Called up Capital Equity Shares of ₹ 10 each as per Annexure -XIIIA	4,529.3	4,477.1	4,511.5	4,475.4	4,465.9	4,450.6	4,370.2
Less : Calls unpaid							
Add : Equity Shares forfeited (Amount originally paid up)	-	-	-	-	-	-	-
Less : Par value of Equity Shares bought back	-	-	-	-	-	-	-
Less : (i) Preliminary Expenses to the extent not written off (ii) Expenses including commission or brokerage on underwriting or subscription of shares	-	-	-	-	-	-	-
Total	**4,529.3**	**4,477.1**	**4,511.5**	**4,475.4**	**4,465.9**	**4,450.6**	**4,370.2**
Note:	Of the above, 285,605,284 shares are held by the holding company, ICICI Bank Limited	Of the above, 285,605,284 shares are held by the holding company, ICICI Bank Limited	Of the above, 285,605,284 shares are held by the holding company, ICICI Bank Limited	Of the above, 285,605,284 shares are held by the holding company, ICICI Bank Limited	Of the above, 325,883,744 shares are held by the holding company, ICICI Bank Limited	Of the above, 325,883,744 shares are held by the holding company, ICICI Bank Limited	Of the above, 320,635,518 shares are held by the holding company, ICICI Bank Limited

Annexure – XIIIA: Restated Statement of Pattern of Shareholding

[As certified by Management]

Shareholder	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
	Number of Shares and % of Holding	**Number of Shares and % of Holding**	**Number of Shares and % of Holding**	**Number of Shares and % of Holding**	**Number of Shares and % of Holding**	**Number of Shares and % of Holding**	**Number of Shares and % of Holding**
Promoters							
- Indian	285,605,284 (63.06%)	285,605,284 (63.79%)	285,605,284 (63.31%)	285,605,284 (63.82%)	325,883,744 (72.97%)	325,883,744 (73.22%)	320,635,518 (73.37%)
- Foreign	154,777,462 (34.17%)	154,777,462 (34.57%)	154,777,462 (34.31%)	154,777,462 (34.58%)	114,499,002 (25.64%)	114,499,002 (25.73%)	112,655,031 (25.78%)
Others-(Employee /other)	12,549,808 (2.77%)	7,326,280 (1.64%)	10,767,940 (2.38%)	7,155,700 (1.60%)	6,211,286 (1.39%)	4,672,770 (1.05%)	3,724,690 (0.85%)
Total	**452,932,554 (100.00%)**	**447,709,026 (100.00%)**	**451,150,686 (100.00%)**	**447,538,446 (100.00%)**	**446,594,032 (100.00%)**	**445,055,516 (100.00%)**	**437,015,239 (100.00%)**

Annexure – XIV: Restated Statement of Reserves and Surplus

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
1. Capital Reserve	-	-	-	-	-	-	-
2. Capital Redemption Reserve	-	-	-	-	-	-	-
3. Share Premium							
Opening balance	15,335.5	15,003.2	15,003.2	14,949.1	14,842.2	13,882.8	13,867.9
Additions during the period	191.0	13.2	332.3	54.1	106.9	960.4	14.9
Deductions during the period - share issue expenses	-	-	-	-	-	1.0	-
Closing balance	15,526.5	15,016.4	15,335.5	15,003.2	14,949.1	14,842.2	13,882.8
4. General Reserves							
Opening balance	333.6	333.6	333.6	333.6	333.6	333.6	333.6
Additions during the period	-	-	-	-	-	-	-
Deductions during the period	-	-	-	-	-	-	-
Closing balance	333.6	333.6	333.6	333.6	333.6	333.6	333.6
Less: Debit balance in Profit and Loss Account	-	-	-	-	-	-	-
Less: Amount utilized for Buy-back	-	-	-	-	-	-	-
5. Catastrophe Reserve	-	-	-	-	-	-	-
6. Other Reserves	-	-	-	-	-	-	-
7. Balance of Profit in Profit and Loss Account	18,804.9	13,456.7	17,070.0	12,542.6	9,104.0	4,306.8	-
TOTAL	**34,665.0**	**28,806.7**	**32,739.1**	**27,879.4**	**24,386.7**	**19,482.6**	**14,216.4**

Annexure – XV: Restated Statement of Borrowings

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Debentures/ Bonds	4,850.0	-	4,850.0	-	-	-	-
Banks	-	-	-	-	-	-	-
Financial Institutions	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**4,850.0**	**-**	**4,850.0**	**-**	**-**	**-**	**-**

ICICI Lombard General Insurance Company Limited
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Annexure – XVI: Restated Statement of Investments – Shareholders

(₹ in million)

Particulars	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
Long term investments							
1. Government securities and Government guaranteed bonds including Treasury Bills (note 8* below)	12,008.8	9,988.4	11,308.7	9,010.9	7,372.7	5,325.2	5,339.0
2. Other Approved Securities (note 3 below)	-	-	64.5	-	283.8	80.6	1,268.3
3. Other Investments		-					
(a) Shares		-					
(i) Equity (note 4 below)	5,711.3	3,840.6	5,717.4	2,966.2	2,006.4	817.1	889.5
(ii) Preference	15.1	12.0	15.4	11.1	10.4	8.8	-
(b) Mutual Funds	-	-	-	-	-	-	-
(c) Debentures/ Bonds (note 9 and 10 below)	8,691.5	3,132.9	6,015.6	2,371.0	1,403.1	800.2	894.3
(d) Investment Properties-Real Estate (note 5 below)	1,439.5	286.5	1,447.0	1,367.5	1,390.8	-	-
(e) Other Securities (note 9 below)	1,014.7	483.1	1,272.4	277.4	111.3	219.5	290.8
4. Investments in Infrastructure and Housing	8,274.1	6,586.6	9,284.2	5,313.1	5,935.7	5,041.4	2,399.0
Total Long Term Investments	**37,155.0**	**24,330.1**	**35,125.2**	**21,317.2**	**18,514.2**	**12,292.8**	**11,080.9**
Short term investments							
1. Government securities and Government guaranteed bonds including Treasury Bills (note 8 below)	636.3	-	255.7	-	-	16.6	-
2. Other Approved Securities (note 6 below)	1,166.1	1,520.4	1,773.8	1,391.5	1,574.2	2,295.5	1,398.0
3. Other Investments							
(a) Shares							
(i) Equity	-	-	-	-	-	-	-
(ii) Preference	-	-	-	-	-	-	-
(b) Mutual Funds	-	-	-	-	-	-	-
(c) Debentures/ Bonds	188.3	168.3	129.2	156.5	48.3	177.7	151.8
(d) Other Securities (note 7 below)	2,109.5	868.7	1,592.4	776.9	333.4	88.7	167.8
4. Investments in Infrastructure and Housing	1,054.4	262.7	950.1	244.0	417.5	209.5	90.5
Total Short Term Investments	**5,154.6**	**2,820.1**	**4,701.2**	**2,568.9**	**2,373.4**	**2,788.0**	**1,808.1**
Total investments	**42,309.6**	**27,150.2**	**39,826.4**	**23,886.1**	**20,887.6**	**15,080.8**	**12,889.0**
Notes (₹ in million):							
1. Aggregate book value of investments (other than listed equities) is	36,178.6	23,159.1	33,561.1	19,757.1	17,669.5	14,136.5	11,743.1
2. Aggregate market value of investments (other than listed equities) is	37,370.1	23,504.1	34,656.4	20,060.9	19,101.1	14,282.3	11,832.4
3. Long term other approved securities includes fixed deposit amounting to	-		64.5	-	283.8	80.6	1,268.3
4. Includes investments qualifying for Infrastructure and Housing investments of	423.1	477.5	622.4	400.9	385.2	135.0	183.3
5. Investment Properties-Real Estate is shown at cost less accumulated depreciation of	66.2	8.0	57.1	32.4	9.0	-	-
The fair value of Real Estate which is based on a valuation report is	1,780.7	-	1,780.7	1,758.8	1,399.9	-	-
6. Short term other approved securities includes;							
- Certificate of Deposits amounting to	1,103.4	908.4	1,114.7	828.5	1,128.0	1,467.5	890.7
- Fixed deposits amounting to	62.8	302.7	290.8	287.4	96.5	799.8	507.3
- Commercial Paper amounting to	-	309.3	368.3	275.6	267.8	-	-
- Reverse Repo			-	-	81.9	28.2	-
7. Includes investment in mutual fund amounting to	2,109.5	868.7	1,592.4	679.2	185.0	19.5	83.7
8. Investment of FRB GOI 2014 under Sec7	-	-	-	-	-	16.1	16.4*
9. 11.50% India Infoline Finance Ltd amounting to has been reclassified from long term debenture and bonds to long term other than approved investments	-	-	-	-	-	-	49.1
10. Includes investments in Perpetual Bonds of	2,472.5	-	-	-	-	-	-

ICICI Lombard General Insurance Company Limited
Registration No. 115 dated August 3, 2001

Annexure – XVIA: Restated Statement of Investments – Policyholders

(₹ in million)

Particulars	At June 30, 2017	At June 30, 2016	At March 31, 2017	At March 31, 2016	At March 31, 2015	At March 31, 2014	At March 31, 2013
Long term investments							
1. Government securities and Government guaranteed bonds including Treasury Bills (note 8* below)	35,833.1	37,484.8	32,543.3	37,080.8	30,810.8	27,717.6	27,284.0
2. Other Approved Securities (note 3 below)	-	-	185.5	-	1,186.2	419.4	6,481.7
3. Other Investments							
(a) Shares							
(i) Equity (note 4 below)	17,042.0	14,413.2	16,452.9	12,206.3	8,385.0	4,253.1	4,545.9
(ii) Preference	45.2	45.2	44.2	45.5	43.5	46.0	-
(b) Mutual Funds	-	-	-	-	-	-	-
(c) Debentures/ Bonds (note 9 and 10 below)	25,934.4	11,757.4	17,311.3	9,757.0	5,863.4	4,165.0	4,570.1
(d) Investment Properties-Real Estate (note 5 below)	-	1,075.2	-	-	-	-	-
(e) Other Securities (note 9 below)	2,348.8	1,634.8	3,006.8	946.0	266.4	895.2	1,243.2
4. Investments in Infrastructure and Housing	24,689.2	24,718.5	26,717.4	21,863.9	24,805.3	26,240.4	12,259.9
Total Long Term Investments	**105,892.7**	**91,129.1**	**96,261.4**	**81,899.5**	**71,360.6**	**63,736.7**	**56,384.8**
Short term investments							
1. Government securities and Government guaranteed bonds including Treasury Bills (note 8 below)	1,898.8	-	735.8	-	-	86.3	-
2. Other Approved Securities (note 6 below)	3,479.6	5,705.9	5,104.6	5,726.0	6,578.7	11,947.8	7,144.3
3. Other Investments							
(a) Shares							
(i) Equity	-	-	-	-	-	-	-
(ii) Preference	-	-	-	-	-	-	-
(b) Mutual Funds	-	-	-	-	-	-	-
(c) Debentures/ Bonds	561.9	631.7	371.7	643.6	201.7	925.6	775.3
(d) Other Securities (note 7 below)	7,174.9	2,814.8	5,754.9	2,465.7	1,223.9	32.4	343.9
4. Investments in Infrastructure and Housing	3,146.0	985.9	2,734.2	1,004.3	1,744.7	1,090.3	462.3
Total Short Term Investments	**16,261.2**	**10,138.3**	**14,701.2**	**9,839.6**	**9,749.0**	**14,082.4**	**8,725.8**
Total investments	**122,153.9**	**101,267.4**	**110,962.6**	**91,739.1**	**81,109.6**	**77,819.1**	**65,110.6**
Notes (₹ in million):							
1. Aggregate book value of investments (other than listed equities) is	103,861.6	86,289.4	92,928.4	80,380.9	73,841.4	73,580.4	60,010.8
2. Aggregate market value of investments (other than listed equities) is	106,396.8	87,583.9	95,124.6	81,625.8	79,824.0	74,339.3	60,467.1
3. Long term other approved securities includes fixed deposit amounting to	-	-	185.5	-	1,186.2	419.4	6,481.7
4. Includes investments qualifying for Infrastructure and Housing investments of	1,262.5	1,792.0	1,791.1	1,649.7	1,609.9	702.8	936.6
5. Investment Properties-Real Estate is shown at cost less accumulated depreciation of	-	30,155.7	-	-	-	-	-
The fair value of Real Estate which is based on a valuation report is	-	-	-	-	-	-	-
6. Short term other approved securities includes							
- Certificate of Deposits amounting to	3,292.4	3,409.1	3,207.9	3,409.2	4,713.8	7,638.1	4,551.6
- Fixed deposits amounting to	187.2	1,136.0	836.8	1,182.6	403.5	4,162.7	2,592.7
- Commercial Paper amounting to	-	1,160.7	1,059.8	1,134.2	1,119.2	-	-
- Reverse Repo	-	-	-	-	342.2	147.0	-
7. Includes investment in mutual fund amounting to	7,174.9	2,814.8	5,754.9	2,063.5	773.0	101.6	428.0
8. Investment of FRB GOI 2014 under Sec7	-	-	-	-	-	83.9	83.6*
9. 11.50% India Infoline Finance Ltd amounting to has been reclassified from long term debenture and bonds to long term other than approved investments	-	-	-	-	-	-	250.9
10. Includes investments in Perpetual Bonds of	7,377.5	-	-	-	-	-	-

Annexure – XVII: Restated Statement of Loans

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Security wise classification							
Secured							
(a) On mortgage of property							
(aa) In India	-	-	-	-	-	-	-
(bb) Outside India	-	-	-	-	-	-	-
(b) On Shares, Bonds, Govt. Securities	-	-	-	-	-	-	-
(c) Others	-	-	-	-	-	-	-
Unsecured	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Borrower wise classification							
(a) Central and State Governments	-	-	-	-	-	-	-
(b) Banks and Financial Institutions	-	-	-	-	-	-	-
(c) Subsidiaries	-	-	-	-	-	-	-
(d) Industrial Undertakings	-	-	-	-	-	-	-
(e) Others	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Performance wise classification							
(a) Loans classified as standard							
(aa) In India	-	-	-	-	-	-	-
(bb) Outside India	-	-	-	-	-	-	-
(b) Non-performing loans less provisions							
(aa) In India	-	-	-	-	-	-	-
(bb) Outside India	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Maturity wise classification							
(a) Short Term	-	-	-	-	-	-	-
(b) Long Term	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Note:- There are no loans subject to restructuring (previous years ₹ Nil)

Annexure – XVIII: Restated Statement of Fixed Assets

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Goodwill	-	-	-	-	-	-	-
Intangibles - Computer Software	709.1	648.5	740.4	696.7	748.1	739.6	771.4
Land-Freehold	2,411.8	2,411.8	2,411.8	2,411.8	2,411.8	2,411.8	2,411.8
Leasehold Property	-	-	-	-	-	-	-
Buildings	196.6	214.2	200.3	215.2	219.2	223.1	226.3
Furniture & Fittings	113.5	149.2	124.3	153.7	158.3	135.0	224.0
Information Technology Equipment	49.6	88.0	62.1	104.6	130.5	66.1	74.3
Vehicles	16.6	-	17.6	-	0.3	0.8	1.3
Office Equipment	153.5	147.1	159.1	148.3	141.8	153.1	194.3
Others	-	-	-	-	-	-	-
Total	**3,650.7**	**3,658.8**	**3,715.6**	**3,730.3**	**3,810.0**	**3,729.5**	**3,903.4**
Work in Progress	130.6	141.2	111.1	101.2	86.6	165.4	100.9
Grand total	**3,781.3**	**3,800.0**	**3,826.7**	**3,831.5**	**3,896.6**	**3,894.9**	**4,004.3**

Notes (₹ in million):	
Q1 2017-18	*Additions is net of grant received ₹ Nil (refer Annexure V- note no. 5.2.10)
Q1 2016-17	*Additions is net of grant received ₹ Nil (refer Annexure V- note no. 5.2.10)
FY 2016-17	*Additions is net of grant received ₹ Nil (refer Annexure V- note no. 5.2.10)
FY 2015-16	*Additions is net of grant received ₹ Nil (refer Annexure V- note no. 5.2.10)
FY 2014-15	*Additions is net of grant received ₹ 2.3 million (refer Annexure V- note no. 5.2.10)
FY 2013-14	*Additions is net of grant received Nil (refer Annexure V- note no. 5.2.10)
FY 2012-13	*Additions is net of grant received ₹ 7.4 million (refer Annexure V- note no. 5.2.10)

Annexure – XIX: Restated Statement of Cash and Bank Balances

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Cash (including cheques, drafts and stamps)	235.4	149.3	384.0	236.2	326.2	408.5	487.7
Balances with scheduled banks :							
(a) Deposit Accounts							
(aa) Short-term (due within 12 months)*	282.6	310.2	322.8	420.2	590.2	560.3	1,550.3
(bb) Others	-	-	-	-	-	-	-
(b) Current Accounts	747.8	279.1	1,233.6	1,291.6	500.5	650.9	658.2
(c) Others	-	-	-	-	-	-	-
Money at Call and Short Notice							
(a) With Banks	-	-	-	-	-	-	-
(b) With other institutions	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**1,265.8**	**738.6**	**1,940.4**	**1,948.0**	**1,416.9**	**1,619.7**	**2,696.2**

* Other than Fixed Deposits forming part of Investment assets which is reflected under Annexure XVI & Annexure XVIA

Annexure – XX: Restated Statement of Advances and Other Assets

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Advances							
Reserve deposits with ceding companies	795.6	555.0	1.5	1.5	48.9	46.6	-
Application money for investments	-	-	-	-	-	-	-
Prepayments	172.2	152.1	109.6	86.4	127.5	89.0	83.8
Advances to Directors / Officers	-	-	-	-	-	-	-
Advance tax paid and taxes deducted at source (net of provision for tax)	1,249.0	1,508.3	1,760.0	1,670.3	1,414.4	1,376.0	1,383.9
MAT credit entitlement	266.5	404.6	266.5	404.6	1,113.2	1,730.1	838.0
Others							
- Sundry Advances & Deposits	739.0	594.9	521.3	350.1	367.9	206.4	155.8
- Provision for doubtful debts	(6.2)	(6.2)	(6.2)	(6.2)	(6.2)	(6.0)	(3.6)
- Surplus in Gratuity fund	-	-	2.3	3.9	-	-	-
- Advance for Investment in property	-	-	-	-	-	-	0.1
- Advance to Employees against expenses	0.7	0.6	0.2	0.2	0.3	0.1	-
Total (A)	**3,216.8**	**3,209.3**	**2,655.2**	**2,510.8**	**3,066.0**	**3,442.2**	**2,458.0**
Other Assets							
Income accrued on investments/deposits	2,941.6	2,068.7	3,425.9	2,470.4	2,461.5	2,555.9	1,866.5
Outstanding Premiums	18,439.5	9,951.2	19,935.4	5,326.0	4,221.0	4,710.3	3,697.5
Less : Provisions for doubtful debts	(132.7)	(65.8)	(132.8)	(69.6)	(53.4)	(2.8)	-
Agents' Balances	-	-	-	-	-	-	-
Foreign Agencies' Balances	-	-	-	-	-	-	-
Due from other Entities carrying on Insurance business (net) (including reinsurers)	56,090.1	52,741.2	51,156.6	39,070.4	29,361.1	38,461.6	33,961.6
Less : Provisions for doubtful debts	(1,183.2)	(1,169.7)	(1,169.4)	(1,141.8)	(1,112.7)	(1,095.9)	(938.9)
Due from subsidiaries / holding company	-	-	-	-	-	-	-
Others							
- Service Tax unutilised credit	-	75.8	56.0	63.2	132.9	292.7	44.7
- Service Tax paid in advance	105.9	95.2	104.3	91.5	60.3	54.8	63.5
- Unsettled investment contract receivable	-	34.3	-	-	-	222.6	-
- Margin deposit	40.1	40.0	40.1	40.0	40.0	30.0	30.2
- Salvage stock	4.8	69.0	5.1	137.1	-	-	-
- Sundry receivable	1.2	0.2	0.6	0.4	0.3	0.4	-
Total (B)	**76,307.3**	**63,840.1**	**73,421.8**	**45,987.6**	**35,111.0**	**45,229.6**	**38,725.1**
Total (A+B)	**79,524.1**	**67,049.4**	**76,077.0**	**48,498.4**	**38,177.0**	**48,671.8**	**41,183.1**

Annexure – XXI: Restated Statement of Current Liabilities

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Agents' Balances	78.4	80.0	85.1	76.7	72.1	66.0	73.7
Balances due to other insurance companies (net)	14,974.0	5,506.5	8,101.8	2,203.3	1,910.4	3,098.9	1,843.4
Deposits held on re-insurance ceded	2,780.5	4,084.4	6,303.6	2,230.0	2,788.9	4,820.5	2,257.6
Premiums received in advance	569.4	284.6	882.9	709.5	1,010.6	805.4	1,114.3
Unallocated Premium	5,450.6	1,827.6	7,269.1	2,736.5	1,988.4	1,720.9	394.6
Sundry Creditors	3,764.1	2,983.9	2,958.1	2,493.5	2,330.1	2,616.8	3,329.6
Due to subsidiaries/ holding company	52.3	43.7	54.0	53.1	52.6	44.1	40.5
Claims Outstanding (gross)	125,941.0	109,748.6	118,050.6	89,429.0	75,052.9	82,834.6	73,172.0
Due to Officers/ Directors	-	-	-	-	-	-	-
Others:							
- Statutory Dues	317.4	226.0	405.8	261.9	202.1	283.9	304.2
- Salary Payable	4.1	2.1	4.7	21.6	19.5	18.5	11.5
- Collections - Environment Relief fund	2.4	0.9	0.9	0.1	0.1	0.2	0.3
- Unclaimed amount of policyholders	1,270.4	1,111.1	1,330.3	1,231.5	1,151.2	1,025.9	1,187.2
- Book Overdraft	1,764.4	1,725.1	2,565.5	2,510.1	1,917.9	1,477.9	1,174.5
- Employee rewards	260.8	175.3	723.9	539.3	593.2	519.0	504.0
- Deposits	37.3	33.6	36.8	33.3	28.0	7.7	5.8
- Interim dividends payable	0.1	-	0.1	-	-	-	-
- Dividend distribution tax on interim dividend	69.1	63.8	91.8	68.3	-	-	-
- Interest accrued but not due on Borrowings	370.5	-	270.8	-	-	-	-
- Service Tax Liability	660.8	-	-	-	-	-	-
Total	**158,367.6**	**127,897.2**	**149,135.8**	**104,597.7**	**89,118.0**	**99,340.3**	**85,413.2**

Annexure – XXII: Restated Statement of Provisions

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Reserve for unexpired risk	39,977.1	34,954.8	35,047.7	30,677.4	24,592.0	22,655.5	21,197.9
Less: Unabsorbed enrollment costs - Government Schemes	-	(165.7)	-	-	(122.0)	(172.7)	(286.1)
Reserve for premium deficiency	-	-	-	-	-	-	-
For taxation (less advance tax paid and taxes deducted at source)	-	-	-	-	-	-	-
For proposed dividends	-	-	-	-	-	-	-
For dividend distribution tax	-	-	-	-	-	-	-
Others							
- Gratuity	72.0	62.3	-	-	1.5	14.1	36.5
- Long term performance pay	234.4	205.3	283.4	252.2	258.0	348.7	311.6
- Accrued leave	110.3	95.9	105.0	81.8	71.8	67.6	62.8
- For future recoverable under reinsurance contracts	34.0	70.6	48.8	88.2	123.6	112.9	235.3
Total	**40,427.8**	**35,223.2**	**35,484.9**	**31,099.6**	**24,924.9**	**23,026.1**	**21,558.0**

Annexure – XXIII: Restated Statement of Miscellaneous Expenditure (To the extent not written off or adjusted)

(₹ in million)

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Discount allowed on issue of shares/ debentures	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Annexure – XXIV: Restated Statement of Capitalisation

(₹ in million)

Particulars	**Pre issue as at June 30, 2017**	**As adjusted for issue**
Shareholders' funds		Refer Note 1 & 2 below
Share capital	4,529.3	
Reserve and surplus	34,665.0	
Total Shareholder's Funds (Net worth) (A)	**39,194.3**	
Debt		
Long term borrowings	4,850.0	
Short term borrowings	-	
Other borrowings (current maturity of long term borrowings)	-	
Total debt (B)	**4,850.0**	
Total (A+B)	**44,044.3**	
Long term debt/equity ratio	**0.12**	
Total debt equity ratio	**0.12**	

1. Certain Selling shareholders (ICICI Bank Limited & FAL Corporation) are proposing to offer the equity shares of the Company to the public by way of an initial public offering. Hence there will not be any change in the Shareholder's funds.
2. There has been increase in share capital amounting to ₹ 10.2 million on account of exercise of ESOP's between June 30, 2017 and August 23, 2017.

Annexure – XXV: Restated Statement of Tax Shelter

(₹ in million)

Particulars	As at June 30, 2017	As at June 30, 2016	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Restated Profit before tax (A)	3,007.6	1,890.1	8,801.2	7,048.0	7,047.3	5,334.4	3,513.7
Income Tax rate	34.61%	34.61%	34.61%	34.61%	33.99%	33.99%	32.45%
Tax thereon above rate	1,040.9	654.2	3,046.1	2,439.3	2,395.4	1,813.2	1,140.2
Adjustments on account of Permanent Differences							
Interest Exempt u/s 10(15)	-	54.6	77.0	581.6	1,362.9	618.5	108.2
Dividend exempt u/s 10(34)	72.4	30.1	313.1	237.0	211.5	140.4	155.5
Long Term Capital Gains exempt u/s 10(38)	441.4	77.3	1,634.6	735.1	1,063.5	218.7	54.4
(Loss)/Profit on Sale of Fixed Assets	0.1	(1.3)	(22.3)	3.6	(22.6)	(22.6)	(9.2)
Corporate Social Responsibility /Donation	(3.9)	(0.3)	(127.4)	(105.1)	(29.6)	(47.5)	(25.4)
Penalty	-	-	-	(1.0)	(5.0)	(3.0)	-
Disallowance u/s 40 & Reversal	-	-	(1.8)	(3.1)	11.7	19.0	24.3
Interest on Income Tax	-	-	-	-	-	(14.0)	-
Provision for Diminution in value of Investment	-	-	-	-	(141.6)	(85.3)	(21.1)
Expenditure on Exempt Income u/s 14A	-	-	-	-	-	-	(3.0)
Premium Deficiency	-	-	-	-	-	-	17.3
Total (B)	510.0	160.4	1,873.2	1,448.1	2,450.8	824.2	301.0
Adjustments on account of Temporary differences							
Restatement Adjustment							
Unexpired Risk Reserve	-	(58.2)	(58.2)	47.3	(12.9)	(6.7)	30.5
Provision for Doubtful Debts	3.4	(4.3)	48.5	(50.2)	172.1	286.8	396.6
Others	-	34.1	(290.2)	(26.0)	(19.2)	(148.0)	269.8
Total (C)	3.4	(28.4)	(299.9)	(28.9)	140.0	132.1	696.9
Adjustment Others							
Unexpired Risk Reserve	(455.0)	332.8	1,537.2	(944.8)	(1,678.4)	-	-
Leave Encashment	(6.4)	-	(23.2)	(10.0)	(4.2)	(4.9)	97.4
Provision for Doubtful Debts	(26.2)	-	(94.5)	42.2	(220.9)	283.5	(777.2)
Lease Rentals	-	-	(20.0)	(1.1)	2.3	(17.3)	7.5
Total (D)	(487.6)	332.8	1,399.5	(913.7)	(1,901.2)	261.3	(672.3)
Total Adjustments E= (B+C+D)	25.8	464.8	2,972.8	505.5	689.6	1,217.6	325.6
Tax on Adjustments	8.9	160.9	1,028.9	174.9	234.4	413.9	105.7

Gross taxable Profit (A-E)	2,981.8	1,425.3	5,828.4	6,542.5	6,357.7	4,116.8	3,188.1
Brought Forward Losses Adjusted	-	-	-	-	1,025.0	4,116.8	3,188.1
Taxable Profit*	2,981.8	1,425.3	5,828.4	6,542.5	5,332.7	-	-
Tax Liability on taxable profit	1,032.0	493.3	2,017.2	2,264.4	1,812.6	-	-

* For FY2014 & FY2013 refer Note 1 below

Note 1: Tax Liability under Minimum Alternate Tax (MAT)

(₹ in million)

Particulars	**As at March 31, 2014**	**As at March 31, 2013**
Profit Before tax before restatement (A)	**5,202.4**	**2,816.8**
Add: Provision for Doubtful Debts	-	777.2
Add: Provision for Diminution in Investment & Others	85.3	21.1
Add: Interest on Income Tax	14.0	-
Add: Expenditure on Exempt Income u/s 14A	-	3.0
Less: Interest Exempt u/s 10(15)	618.5	108.2
Less: Dividend Exempt u/s 10(34)	140.4	155.5
Less: Unabsorbed Depreciation	-	445.8
Less: Recovery of Provision for Doubtful Debts	283.5	-
Net Adjustments u/s 115JB (B)	**(943.1)**	**91.8**
Taxable Profit (A-B)	**4,259.3**	**2,908.6**
Income Tax rate under MAT	20.96%	20.01%
Tax liability under MAT	**892.8**	**582.0**
MAT Credit Carried forward	(892.8)	(582.0)
Net Tax liability	-	-

Note 2: Positive & Negative sign indicates Income & Expense

Note 3: The Company is having Taxable Loss as per the normal provisions of the Income Tax Act, 1961 for year ended March 31, 2013 & March 31, 2014.

Annexure – XXVI: Restated Statement of Dividend

The details of dividend during the period and comparative previous periods are as follows:

Particulars	**At June 30, 2017**	**At June 30, 2016**	**At March 31, 2017**	**At March 31, 2016**	**At March 31, 2015**	**At March 31, 2014**	**At March 31, 2013**
Number of Equity shares at end of period	452,932,554	447,709,026	451,150,686	447,538,446	446,594,032	445,055,516	437,015,239
Face value per equity share	10.0	10.0	10.0	10.0	10.0	10.0	10.00
Dividend :							
- Final / Interim Dividend (₹ in million)	339.4	313.4	1,571.0	1,341.7	891.2	-	-
- Rate of Dividend	7.5%	7.0%	35%	30%	20%		
Dividend distribution tax (₹ in million)	69.1	63.8	319.8	273.1	164.8	-	-

ADDITIONAL DISCLOSURES OF FINANCIAL STATEMENTS UNDER IRDAI ISSUANCE OF CAPITAL REGULATIONS

1. Gross premium along with Geographical segmentation: See "Our Business - Geographical Distribution" on page 166.

2. Cross selling: See "Our Business section - Enhance product offerings and distribution channels" on page 155.

3. Distribution network: See "Our Business section - Sales and Marketing" on page 164.

4. Operating expense ratio:

(₹ in million)

Particulars	Operating Expenses	Net Written Premium	Operating Expense Ratio
Three months ended June 30, 2017	5,963.9	20,267.2	29.4%
Fiscal 2017	19,820.4	65,948.1	30.1%
Fiscal 2016	17,112.0	54,348.8	31.5%
Fiscal 2015	13,870.6	44,277.0	31.3%

Note: 1. The above information is as per Restated Financials Statements.

2. Operating expense ratio = Operating expenses /Net written premium.

3. Operating expense – See "Financial Statements - Annexure XII" on page 299.

4. Net Written Premium – See "Financial Statements - Annexure IX" on page 295.

5. Investment yield (weighted based on closing portfolio):

Particulars	Three months ended June 30, 2017	Fiscal 2017	Fiscal 2016	Fiscal 2015
Portfolio Yield	7.91%	8.06%	8.37%	8.59%

6. Investment in equity and bonds:

(₹ in million)

Sector wise exposure to Industry (Equity & Bonds)	As at June 30, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	Amount	% to total investments	Amount	% to total investments	Amount	% to total investments	Amount	% to total investments
Financial And Insurance Activities	37,841.4	23.0%	25,149.4	16.7%	13,894.5	12.0%	9,315.4	9.1%
Housing Sector	15,746.9	9.6%	17,725.0	11.8%	11,445.3	9.9%	10,029.5	9.8%
Total Investments as per Restated financials	1,64,463.5		1,50,789.0		1,15,625.2		1,01,997.2	

7. Reinsurance and reinsurance strategy:

Three months ended June 30, 2017

(₹ in million)

S. No.	Reinsurance Placements	Number of Reinsurers	Premium ceded to reinsurers								
			Proportional Treaties			Non-Proportional Treaties				Facultative	
			Obligatory (In India)	Others (In India)	Others (Outside India)	Excess of Loss (In India)	Excess of Loss (Outside India)	Stop Loss (In India)	Stop Loss (Outside India)	Others (In India)	Others (Outside India)
			Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
1	No. of Reinsurers with rating of AAA and above	-	-	-	-	-	-	-	-	-	-
2	No. of Reinsurers with	46	-	1,843.2	437.9	62.0	2.9	21.6	3.1	12.9	186.4

	rating AA but less than AAA										
3	No. of Reinsurers with rating A but less than AA	170	1,629.0	6,911.4	644.8	268.1	76.7	162.3	10.3	103.6	809.6
4	No. of Reinsurers with rating BBB but less than A	5	-	-	6.2	-	(0.1)	-	-	-	2.2
5	No. of Reinsurers with rating less than BBB	6	-	-	1.0	-	0.2	-	-	-	-
6	Domestic Capacity	15	-	-	-	-	-	-	-	481.1	-
	Total	**242**	**1,629.0**	**8,754.6**	**1,089.9**	**330.1**	**79.7**	**183.9**	**13.4**	**597.6**	**998.2**

Fiscal 2017

(₹ in million)

S. No.	Reinsurance Placements	Number of Reinsurers	Premium ceded to reinsurers								
			Proportional Treaties			Non-Proportional Treaties				Facultative	
			Obligatory (In India)	Others (In India)	Others (Outside India)	Excess of Loss (In India)	Excess of Loss (Outside India)	Stop Loss (In India)	Stop Loss (Outside India)	Others (In India)	Others (Outside India)
			Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
1	No. of Reinsurers with rating of AAA and above	-	-	-	-	-	-	-	-	-	-
2	No. of Reinsurers with rating AA but less than AAA	27	-	-	7,596.2	-	235.8	-	84.2	-	1,029.0
3	No. of Reinsurers with rating A but less than AA	87	5,124.6	21,131.2	1,568.2	844.9	333.6	447.8	12.6	1,719.6	1,892.4
4	No. of Reinsurers with rating BBB but less than A	9	-	-	50.1	-	5.3	-	-	-	9.0
5	No. of Reinsurers with rating less than BBB	8	-	-	4.0	-	0.3	-	-	-	3.7
6	Domestic Capacity	14	-	-	-	-	-	-	-	1,563.5	-
	Total	**145**	**5,124.6**	**21,131.2**	**9,218.5**	**844.9**	**575.1**	**447.8**	**96.8**	**3,283.1**	**2,934.1**

Fiscal 2016

(₹ in million)

S. No.	Reinsurance Placements	Number of Reinsurers	Premium ceded to reinsurers								
			Proportional Treaties			Non-Proportional Treaties				Facultative	
			Obligatory (In India)	Others (In India)	Others (Outside India)	Excess of Loss (In India)	Excess of Loss (Outside India)	Stop Loss (In India)	Stop Loss (In India)	Others (In India)	Others (Outside India)
			Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
1	No. of Reinsurers with rating of AAA and above		-	-	-	-	-	-	-	-	-
2	No. of Reinsurers with rating AA	30	-	-	5,948.9	-	663.1	-	25.2	-	936.1

S. No.	Reinsurance Placements	Number of Reinsurers	Premium ceded to reinsurers								
			Proportional Treaties			Non-Proportional Treaties				Facultative	
			Obligatory (In India)	Others (In India)	Others (Outside India)	Excess of Loss (In India)	Excess of Loss (Outside India)	Stop Loss (In India)	Stop Loss (In India)	Others (In India)	Others (Outside India)
			Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
	but less than AAA										
3	No. of Reinsurers with rating A but less than AA	85	3,923.6	10,706.0	1,190.3	448.9	355.6	35.8	8.0	1,126.5	1,687.1
4	No. of Reinsurers with rating BBB but less than A	9	-	-	76.2	-	9.8	-	-	-	10.2
5	No. of Reinsurers with rating less than BBB	3	-	-	7.5	-	0.1	-	-	-	-
6	Domestic Capacity	14	-	-	-	-	-	-	-	1,441.6	-
	Total	**141**	**3,923.6**	**10,706.0**	**7,222.9**	**448.9**	**1,028.5**	**35.8**	**33.2**	**2,568.1**	**2,633.4**

Fiscal 2015

(₹ in million)

S. No.	Reinsurance Placements	Number of Reinsurers	Premium ceded to reinsurers								
			Proportional Treaties			Non-Proportional Treaties				Facultative	
			Obligatory (In India)	Others (In India)	Others (Outside India)	Excess of Loss (In India)	Excess of Loss (Outside India)	Stop Loss (In India)	Stop Loss (In India)	Others (In India)	Others (Outside India)
			Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount	Amount
1	No. of Reinsurers with rating of AAA and above		-	-	-	-	-	-	-	-	-
2	No. of Reinsurers with rating AA but less than AAA	24	-	-	1,416.4	-	611.0	-	41.5	-	755.9
3	No. of Reinsurers with rating A but less than AA	77	3,234.3	10,770.3	3,682.9	403.9	443.1	14.1	10.5	976.7	1,359.9
4	No. of Reinsurers with rating BBB but less than A	8	-	-	84.5	-	15.6	-	-	-	2.8
5	No. of Reinsurers with rating less than BBB	4	-	-	14.3	-	2.0	-	-	-	-
6	Domestic Capacity	15	-	-	-	-	-	-	-	1,074.1	-
	Total	**128**	**3,234.3**	**10,770.3**	**5,198.1**	**403.9**	**1,071.6**	**14.1**	**52.1**	**2,050.8**	**2,118.6**

8. Reinsurance Balances outstanding - age wise:

(₹ in million)

Year	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 180 Days	181 - 365 Days	More than 1 year	More than 3 years	Grand Total
At June 30, 2017	(6,101.1)	(1,937.7)	175.0	(1,008.6)	(2,202.1)	2,065.9	(4,606.0)	(13,614.6)
At March 31, 2017	2,857.3	2,024.5	14.9	2,672.9	1,164.0	(462.8)	5,523.6	13,794.4
At March 31, 2016	(5,108.4)	560.4	110.1	997.9	(2,646.3)	4,284.2	2,037.9	235.8
At March 31, 2015	836.9	1,187.8	(3.7)	629.8	(204.4)	1,944.8	193.0	4,584.3

Note: +ve means receivable, -ve means payable

9. Maximum probable loss ratio:

"Probable Maximum Loss (PML)' is the maximum loss that an insurer would be expected to incur on a policy. The probable maximum loss represents the worst-case scenario for an insurer. We track our reinsurance exposures on both a sum-insured basis and a probable maximum loss ("**PML**") basis."

10. IBNR / IBNER:

(₹ in million)

Sr.No.	Particulars	At June 30, 2017	At March 31, 2017	At March 31, 2016	At March 31, 2015
		IBNR Reserves	IBNR Reserves	IBNR Reserves	IBNR Reserves
1	Fire	2,879.1	2,068.0	2,388.7	1,588.0
2	Marine	-	-	-	-
a	Marine Cargo	1,058.6	1,026.4	846.8	471.9
b	Marine Hull	689.3	543.0	679.3	525.4
3	Miscellaneous	-	-	-	-
a	Motor	38,001.4	36,558.3	31,567.3	28,701.7
b	Engineering	1784.8	1,486.9	982.1	1,027.7
c	Aviation	889.6	711.3	555.9	405.8
d	Liabilities	249.9	64.8	149.6	115.7
e	Others excluding crop	6,991.6	6,075.9	5,285.0	4,521.3
f	Crop	22,321.2	20,779.1	5,549.4	2,612.1
4	Health Insurance	2,696.1	2,377.1	2,307.6	2,089.4
	Total	77,561.6	71,690.8	50,311.7	42,059.0

Note: The above figures have been calculated on gross basis

11. Claims outstanding for last five years: See "Outstanding Litigation and Material Developments" on page 367.

12. Awards given by Ombudsman against the company for last three years: See "Outstanding Litigation and Material Developments" on page 367.

13. Interest rate sensitivity:

As a general insurance company, most of our Company's liabilities are short term in nature and payments are not guaranteed or based on investment returns of the assets. Hence for a general insurance company, the interest rate risk is not so significant. However, on the liability side sub debt issuance of the company carries an interest rate risk.

On the asset side, our Company invests in various debt securities ranging from central government securities, state government, debentures, tax free securities and money market instruments. For interest rate sensitivity of such debt securities, our Company carries out various scenario testing to analyse the sensitivity of the portfolio with respect to interest rate movements. The results of the stress test are placed before the Risk Committee of our Company.

14. Manner of arriving at unrealized gains / losses:

As per IRDAI Preparation of Financial Statements Regulations all insurers are required to fair value equity and mutual funds. All listed equity securities traded in the active markets shall be measured at fair value on the balance sheet date. Measurement for the purpose of calculation of fair value shall be the last quoted closing price on NSE. However, in case of any stock not being listed in NSE, the insurer may value the equity based on the last quoted closing price in BSE. All mutual funds are valued at NAV provided by AMFI.

The cost is computed on volume weighted average basis. The purchase price in case of equity is computed after capitalising brokerage and other transaction cost and taxes on such transactions.

The NAV at which the mutual fund instrument is purchased forms the purchase price for such mutual fund.

The unrealised gain is the difference between fair value and book cost.

All the debt securities including government securities, debentures / bonds, zero coupon bonds, certificate of deposits, commercial papers are valued at cost subject to amortisation.

Venture funds are valued at cost.

Real estate investment is valued at cost subject to depreciation.

15. Solvency ratio: See “Financial Statements - Annexure VII” on page 292.

16. Agent Productivity:

(₹ in million)

Agent Category	Three months ended June 30, 2017			Fiscal 2017			Fiscal 2016			Fiscal 2015		
	Premium Amount	Number of agents	Productivity	Premium Amount	Number of agents	Productivity	Premium Amount	Number of agents	Productivity	Premium Amount	Number of agents	Productivity
Individual agents	3,557.7	20,775	0.2	12,921.9	20,383	0.6	12,939.6	17,848	0.7	11,351.0	16,075	0.7
Corporate Agents-Banks	2,023.9	24	84.3	7,236.6	24	301.5	5,955.7	14	425.4	5,784.4	14	413.2
Corporate Agents - Others	2,343.5	27	86.8	8,134.7	24	338.9	1,453.3	17	85.5	1,424.4	19	75.0

17. Certification by the auditor: Solvency Margin and IBNR Reserves: See “Material Contracts and Documents For Inspection” on page 491.

18. Details of Experience Analysis: adequacy of premiums, reserves, Assets Liability Management disclosed:

(a) Premium adequacy

The company’s approach to pricing is consistent from the previous year. The pricing strategy varies from product to product. Generally, the implicit risk relativity in erstwhile tariff tables provides the initial bases for the final premium charged for all exposures. The final rate is a combination of the exposure’s loss experience and the erstwhile tariff for all lines except Motor TP where rates follow the prevailing tariff.

Retail Product Strategy: For products where sufficient and credible data are available, pure premium is derived using actual loss experience. The products are segmented into homogeneous groups based on risk characteristics. For each group, the burning cost is determined using appropriate methods. Two commonly used methods are the Loss Ratio method and the Frequency x Severity method. The burning cost is adjusted for various features of the risk to derive base rate. This base rate is loaded for expenses, profit, and contingencies to derive the premium rate. The premium rate to be charged is thus adjusted based on underwriting judgment, individual experience and market factors.

Wholesale Product Strategy: For products where sufficient data is available, burning rates are estimated for homogenous segments. As per burning cost guidelines, these rates are compared with IIB rates and necessary adjustments are made. Various market agreements are also considered before arriving at the final rate. Where sufficient data is not available, rates are determined using rates of similar products as benchmarks. Certain exposures, especially those under the commercial lines, reinsurance rates form the basis for the premium charged. Tariffs that existed prior to 2007 also provide a basis for commercial products.

In any case the final rates are subject to the 'File & Use' guidelines, which imply that the rating mechanism is approved by the Authority wherever required.

(b) Reserving adequacy

In general, the company’s various businesses are well established in terms of product construct, underwriting and claim settlement practices. Hence the historical data is found to be representative in estimating future losses with appropriate adjustments where necessary.

As an exception to this, the motor TP business where given the lack of any year which has run-off completely, the company has to make significant future extrapolation of losses to estimate ultimate losses. However, the actual development is tracked with respect to assumptions and any deviations from assumptions are addressed. Margins for prudence are held implicitly given the underlying characteristics of the individual line of business.

(c) Analysis of the portfolio from an ALM perspective

Actuarial unit prepares the quarterly ALM of the company and shares the result with investment team and company’s management. The effects of mismatches are discussed. Cash requirements are forecasted and offset against premium receipts and inward cash flows from investments. The Company did not face any cash flow issues in FY 2016-17.

The Company operates on the principle that each rupee of asset supports each rupee of liability. Therefore, asset cash-flow is allocated across LOB's in proportion of Liability cash-flow. Thus, it must be emphasized that this is only a notional allocation and has no bearing on actual availability of cash or assets per line of business as cash and assets are fungible.

Basis the ALM performed as on 31st March 2017, assets and liabilities are not matched and the asset durations are longer than the liability duration. This strategy is adopted because the Company's investment philosophy is to operate on the basis of maximizing total return. The company does not have a cash flow matching problem because written premiums together with investment income fill in any undue outflow requirements. Further, liquidity aspect is kept in mind while making investments such that most of the investments can be converted in cash within a reasonable time without significant loss.
The representation of Assets in the ALM tabulation depicts the market value of assets in their corresponding duration bucket while the liabilities are represented as cash-flows in run-off. This representation is inconsistent with company's investment philosophy of cash-flow matching. Since the company does not carry any interest rate sensitive liabilities it is not essential for the assets and liabilities to be matched in the manner specified in the ALM tables.

(d) Analysis of the current financial condition: See "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 324.

19. A comparison of year-wise provisions made: See "Financial Statements - Annexure XXII" on page 311.

20. Accounting and other ratios: See "Financial Statements - Annexure VII" on page 292.

21. Details of Company's record of policyholder protection and pendency of policyholder complaints: See "Outstanding Litigation and Material Developments" on page 372.

22. Legal and Other Information: See "Outstanding Litigation and Material Developments" on page 356 and "Our Business – Compliance" on page 177.

CAPITALISATION STATEMENT

Restated capitalisation statement

We have set out below the post-Offer details of the restated statement of capitalisation, in addition to the statement of capitalisation stated in "Financial Statements - Annexure XXIV" on page 313 (which was to be calculated upon completion of the Offer).

₹ million

Particulars	As at June 30, 2017	
	Pre Offer	As adjusted for the Offer
Shareholders' funds		
Share capital	4,529.3	4,529.3
Reserve and surplus	34,665.0	34,665.0
Total Shareholder's Funds (Net worth) (A)	39,194.3	39,194.3
Debt		
Long term borrowings	4,850.0	4,850.0
Short term borrowings	-	-
Other borrowings (current maturity of long term borrowings)	-	-
Total debt (B)	4,850.0	4,850.0
Total (A+B)	44,044.3	44,044.3
Long term debt/equity ratio	0.12	0.12
Total debt equity ratio	0.12	0.12

Certain shareholders (ICICI Bank Limited & FAL Corporation) are proposing to offer Equity Shares held by them to the public by way of an initial public offering. Hence there will not be any change in the shareholder's funds.

There has been increase in share capital amounting to ₹ 10.2 million on account of exercise of ESOP's between June 30, 2017 and August 23, 2017.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the discussion and analysis of our financial condition and results of operations set forth below in conjunction with our financial statements set forth in "Financial Information" on page 233, which have been prepared in accordance with Indian GAAP. Our financial statements differ significantly from those of non-insurance companies. See "Risk Factors—Risks Relating to the Indian Insurance Industry—Our financial statements and the presentation of our performance metrics differ significantly from those of non-insurance companies and may be difficult to understand or interpret" on page 57.

The financial data relating to us set forth below have been prepared in accordance with Indian GAAP, except for the discussion of certain key performance indicators (investment leverage and return on equity), which are not part of our financial statements and are unaudited.

The following discussion and analysis contain forward-looking statements that involve risks and uncertainties. Our actual results may differ from those anticipated in these forward-looking statements as a result of one or many number of factors, including those set forth in the sections "Forward-Looking Statements" and "Risk Factors" on pages 21 and 22, respectively.

Certain industry information and statistics in this section are extracted from CRISIL Report, which was commissioned by us for the purposes of the Red Herring Prospectus. For further details, see "Risk Factors—Risks relating to our business—This Red Herring Prospectus contains information from an industry report which we have commissioned from CRISIL Research" on page 49.

Overview

We were the largest private-sector non-life insurer in India based on gross direct premium income in fiscal 2017, a position we have maintained since fiscal 2004 after being one of the first few private-sector companies to commence operations in the sector in fiscal 2002, according to the CRISIL Report. We offer our customers a comprehensive and well-diversified range of products, including motor, crop/weather, health, fire, personal accident, marine, engineering and liability insurance, through multiple distribution channels. We were founded as a joint venture between ICICI Bank Limited, India's largest private-sector bank in terms of consolidated total assets with an asset base of ₹ 9.9 trillion at March 31, 2017, and Fairfax Financial Holdings Limited, a Canadian based holding company which, through its subsidiaries, is engaged in property and casualty insurance and reinsurance and investment management with US$43.38 billion of total assets at December 31, 2016.

In fiscal 2017, we issued approximately 17.7 million policies and our gross direct premium income was ₹ 107.25 billion, translating into a market share, on a gross direct premium income basis, of 8.4% among all non-life insurers in India and 18.0% among private-sector non-life insurers in India, according to the CRISIL Report. For the three months ended June 30, 2017, we issued approximately 5.2 million policies and our gross direct premium income was ₹33.21 billion, translating into a market share, on a gross direct premium income basis, among all non-life insurers in India of 10.0% and among private-sector non-life insurers in India of 20.2%, according to provisional and unaudited figures for non-life insurers released by IRDAI. Our key distribution channels are direct sales, individual agents, bank partners, other corporate agents, brokers and online, through which we service our individual, corporate and government customers. Our distribution network enables us to reach customers in 618 out of 716 districts across India.

As of March 31, 2017, we had the largest total investment assets among the private-sector non-life insurers in India, according to the CRISIL Report. As of June 30, 2017, we had ₹ 164.46 billion in total investment assets with an investment leverage, net of borrowings of 4.07x as at June 30, 2017. Our investment policy is designed with the objective of capital preservation and achieving superior total returns within identified risk parameters. Our annualised total portfolio return (including unrealised gains) for fiscal 2017 was 13.0%. Our total portfolio return (including unrealized gains) for the three months ended June 30, 2017 was 3.6% (annualised 14.4%). Listed equities made up 14.8% of our total investment assets, by carrying value, as of June 30, 2017. Since fiscal 2004, our listed equity portfolio has returned an annualised total return of 30.8%, as compared to an annualised return of 17.5% on the benchmark S&P NIFTY index. During the same time period, our equity portfolio outperformed the S&P NIFTY index in all but one fiscal year. For the three months ended June 30, 2017, our listed equity portfolio has returned a total return of 6.9%, as compared to a return of 3.8% on the benchmark S&P NIFTY index.

Key Factors Affecting our Results of Operations

Our results of operations and financial condition are significantly affected by a number of factors, many of which may be beyond our control, including those set forth below.

Macroeconomic Conditions in India

Our business and results of operations are affected by general economic conditions in India. The key factors affecting the performance of Indian non-life insurance industry include:

- India's economic growth trend;

- infrastructure development;
- inflation risk;
- appetite for risk and perception of protection;
- central and state government policies; and
- demographic profile.

If economic conditions in India deteriorate or are not in line with our expectations, or if there is an impact on our business different from our expectations, our financial condition and results of operations may be materially and adversely affected. In addition, if there is any change in consumer spending on asset acquisition, the demand for our products may be affected, thereby affecting our results of operations.

See "Risk Factors—Risks relating to India—Our business is substantially affected by prevailing economic, political and other prevailing conditions in India" and "Risk Factors—Risks relating to the Indian insurance industry—The Indian non-life insurance market has experienced volatility in growth and future growth cannot be assured" on pages 59 and 55.

Government and Regulatory Policy

The non-life insurance industry in India is highly regulated. The laws and regulations cover a wide variety of areas, including foreign investment, solvency requirements, investments, distribution, the claim settlement process for third-party motor liability and reserving practices.

Any changes in these laws and regulations or enforcement thereof may adversely affect our business and results of operations, including laws and regulations relating to product design, capital requirements, new product approvals, investment guidelines and distribution guidelines. For instance, as per IRDAI regulations, motor third party premium rates are reviewed every year and adjusted using the prescribed formula which considers cost inflation index, frequency, average claim size and expenses. If IRDAI changes such formula by which it determines third-party premium rates, it could have a significant impact on our revenues, expenses and profitability. Further, under current regulation, third-party insurance policies have neither a limit on the liability of the insurer nor a limit on the time to submit a claim. We may incur significant costs to comply with the applicable laws and regulations and, our financial prospects may be adversely affected, which may reduce our profitability and affect our future growth. In addition, pursuant to the insurance laws and regulations, we are restricted to a specified range of investment activities. These restrictions may limit our ability to diversify investment risks and improve returns on our investment portfolio, thereby affecting our results of operations.

See "Risk Factors—Risks relating to our business— Changes in the regulatory and compliance environment in the financial sector could have a material adverse effect on our business, financial condition, results of operations and prospects" and "Risk Factors—Risks relating to our business—Regulation of motor insurance, changes in demand for motor vehicles and any change in the regulatory framework of motor insurance in India could have a material adverse effect on our business, financial condition, results of operations and prospects" on pages 41 and 36.

We are required by IRDAI regulations to maintain our solvency above the regulatory control limit, which at June 30, 2017 was 1.50x. While our solvency ratio at June 30, 2017 was at 2.13x, if we fail to meet the relevant solvency ratio requirements, IRDAI may impose a range of regulatory sanctions, depending on the degree of the deficiency. This may also lead to default on interest payments on our debt as the IRDAI may not permit interest payments on the Debentures if the solvency ratio is below 1.50x.

See "Risk Factors—Risks relating to our business—If we do not meet solvency ratio requirements, we could be subject to regulatory actions and could be forced to stop transacting any new business or change our business strategy or slow down our growth" on page 28.

We offer health insurance under the RSBY programme and crop/weather insurance under the PMFBY and the RWBCIS programmes, all of which receive significant subsidies from the national and state governments. If the national or state governments reduce their support for these programmes, the markets for health and crop/weather insurance could be materially impacted.

See "Risk Factors—Risks relating to our business—A significant portion of our business comes from working with the government which subjects us to risks which could result in litigation, penalties and sanctions including early termination, suspension and removal from the approved panel of insurers" on page 29.

Furthermore, we are exposed to changes in tax laws and regulations. Any change in tax laws or regulations, its interpretation or enforcement against us or our customers, or if there is adverse tax litigation outcome against us or our customers, it may significantly affect our tax liabilities and hence could have a material adverse effect on our financial position, business and results of operations.

See “Risk Factors—Risks relating to our business—If there is any change in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations” on page 60.

Our Product Mix and Growth of Business

We design and distribute a broad range of products motor, crop/weather, health, fire, personal accident, marine, engineering and liability insurance. Our ability to design and distribute appropriate products to our target customer segments through our multiple distribution channels on a timely basis affects our performance. Since our capital requirements, pricing assumptions, loss ratio and profitability vary from product to product, changes in the product mix may impact our results of operations.

We are focused on certain products to maintain our growth and improve our profitability. If we fail to increase the proportion of certain profitable products in our portfolio, if we are unable to maintain the profitability of such products, or if we are unable to maintain our overall levels of growth, our market position, results of operations and profitability may be adversely affected.

See “Risk Factors—Risks related to our business—8. Our business, financial condition, results of operations and prospects may be materially and adversely affected if we are not able to maintain our market position, sustain our growth, develop new products or target new markets” and “Risk Factors—Risks related to our business—Our business, financial condition, results of operations and prospects may be materially and adversely affected if we are unable to manage our growth successfully” on pages 31 and 43.

Market Access Through our Distribution Channels

We are reliant on our multi-channel distribution network. Any disruption of our channels could have a material adverse impact on our financial condition and results of operations. Key changes which could impact us, among others, include:

- Any termination of, or any adverse changes to, our relationships with or performance of key distribution partners, including with ICICI Bank, may have a material adverse effect on our business, financial condition, results of operations and prospects.

- Some of our relationships with financial institutions are non-exclusive and the level of distribution of our products through these channels depends on the competitiveness of our products relative to those of our competitors.

- Our ability to maintain or increase our business from the individual agency channel depends on our ability to attract and retain high performing agents. The individual agency channel growth is impacted by the number, training and experience of the agents selling our products and their ability to establish and maintain customer relationships.

- Our ability to compete in direct sales, including online sales, depends on, among other factors, our ability to retain talented personnel, our ability to leverage data analytics, and our marketing expenditure relative to our competitors.

- Our growth depends on our ability to develop new distribution partnerships as well as our ability to maintain and improve our relationship with our current distribution partners.

See “Risk Factors—Risks related to our business—Our reliance on motor vehicle manufacturers and ICICI Bank and other key distribution partners subjects us to a concentration risk, and the termination of, or any adverse change to, our relationships with motor vehicle manufacturers and ICICI Bank and such other key distribution partners, or their performance, may have a material adverse effect on our business, financial condition, results of operations and prospects” and “Risk Factors—Risks related to our business—Any termination of, or any adverse change to, our ability to attract or retain our agents, both corporate and individual, and key sales employees, could have a material adverse effect on our business, financial condition, results of operations and prospects” on pages 32 and 33.

Our Claims Experience

Our results of operations are affected by our claims experience, which may vary from the assumptions we make when we design and price our products and when we calculate our claim liabilities. Claims experience varies over time and within different products. If there is significant variation of actual inflation from our assumptions, it could affect our estimation of liabilities for unpaid losses and loss adjustment expenses and could thereby result in higher than expected claims. Our claims experience may also be impacted by specific events, changes in macroeconomic conditions, increased competition and consumer awareness, litigation and other factors.

Our results of operations are also affected by our claims reserving which is based on actuarial assumptions, appropriate actuarial methods and models, historical loss experience and adjustments for future trends with appropriate actuarial judgement. Claims reserving may also be impacted by litigation, primarily related to our motor third-party insurance portfolio, rising consumer awareness and other factors.

See “Risk Factors—Risks relating to our business—Differences between our actual claim payments and those assumptions and estimates used in the pricing of our products could have a material adverse effect on our business, financial condition, results of operations and prospects” on page 34.

Catastrophes can be caused by various natural hazards or be man-made. If catastrophic events covered by our insurance occur with greater frequency and severity than has historically been the case, or multiple catastrophic events occur in a year, claims arising therefrom could materially reduce our profits and cash flows and materially and adversely affect our financial condition and results of operations.

See “Risk Factors—Risks relating to our business—Catastrophic events, including natural disasters, could materially increase our liabilities for claims by policyholders and have a material adverse effect on our business, financial condition and results of operations” on page 23.

Reinsurance

We reinsure a portion of the risks we underwrite to reduce our risk exposure, to protect our capital resources and to maintain stability in our operations. Reinsurance is a particularly important aspect of our risk management framework and the portion of risks that we reinsure varies by product line. We purchase proportional and non-proportional reinsurance, from both domestic and international reinsurers.

The reinsurance market is cyclical, with periodic fluctuations in underwriting capacity in the market affecting the price at which reinsurance can be obtained. Underwriting capacity and rates in the reinsurance market, which are determined largely by underwriting conditions in the international market, may not be in sync with those in the Indian market. Scarcity of underwriting capacity in the reinsurance market could raise our costs of reinsurance and potentially decrease our underwriting profit and results of operations. Reinsurance rates have increased in recent years in response to terrorist attacks and the occurrence of major regional natural disasters. In addition, although we seek to manage our credit risk by entering into reinsurance arrangements with reputable reinsurers with a good credit rating, if one of our reinsurers defaults on its obligations to us for any reason, we could be exposed to losses and it could have a material adverse effect on our results of operations and financial condition.

See “Risk Factors—Risks relating to our business—Credit risks in our day-to-day operations, including in our reinsurance contracts, may expose us to significant losses” and “Risk Factors—Risks relating to the Indian Insurance Industry—Adverse changes in the reinsurance markets could have a material adverse effect on our business, financial condition, results of operations and prospects, and we are exposed to the risk that our reinsurers may not perform their obligations” on pages 34 and 56.

Our Expense Management

Our results of operations are highly dependent on our level of expenses, which may vary from the assumptions we make when we design and price our products. Expenses may be impacted by specific events and changes in macroeconomic conditions including increases in inflation, changes in laws and regulations, increased competition, increased distribution costs and employee costs and other factors. Any shift in product mix or slowdown in the growth of our premiums could impact our expense ratios and hence our financial condition and results of operations.

See “Risk Factors—Risks Relating to our Business—Higher expenses than expected could have a material adverse effect on our business, financial condition and results of operations” on page 42.

Our Investment Performance

Our investment returns are sensitive to interest rate fluctuations, and hence, any changes in interest rates could affect our investment returns, financial condition and results of operations. Interest rate risk generally arises from fluctuations of interest rates and the mismatches between the durations of assets and liabilities. Rising interest rates reduce the fair value of investments and result in unrealised losses, which could adversely affect our shareholders’ equity and results of operations, and hence impact our financial condition. On the other hand, lower interest rates would result in a reduction in interest income from our fixed income investment assets.

We are also exposed to changes in equity market prices affecting a variety of instruments. Changes in equity prices can affect the valuation of publicly-traded equity shares, investments in private equity and mutual funds. A decline in the equity markets reduces our investment income in the form of capital gains which could adversely affect our results of operations and could cause volatility in our quarterly financial results.

See “Risk Factors—Risks relating to our business—We are exposed to significant market risk, including changes in interest rates or adverse movements in the equity markets in India that could impair the value of our investment portfolio and have a material adverse effect on our business, financial condition and results of operations” on page 37.

Finally, we are also exposed to credit risk in relation to our investments. See “Risk Factors—Risks relating to our business—Credit risks related to our investments may expose us to significant losses” on page 38.

Competition

Our competitors include other private and public insurance companies. We operate in a highly competitive industry with 29 other non-life insurance companies in India as of June 30, 2017, including standalone health companies. The recent change in regulations permitting foreign shareholding of up to a 49.0% equity stake in insurance companies has allowed for the entry of new competitors, increased the level of competition among existing non-life insurance companies and led to aggressive pricing. Increased competition may reduce our market share, decrease growth in business, increase policy acquisition costs, increase operating expenses and reduce our customer base, which can adversely affect our results of operations. Mergers and acquisitions involving our competitors may create entities with higher market share, greater resources and larger distribution networks than us, thereby impacting our market positioning, business and financial performance.

See "Risk Factors— If we cannot effectively respond to increasing competition in the non-life insurance industry in India, our results of operation and market share could be materially and adversely affected" on page 56.

Transition from Indian GAAP to Ind AS

The Ministry of Corporate Affairs, Government of India, had through a notification dated February 16, 2015, set out the Ind AS standard and the timelines for its implementation. Accordingly, we were required to adopt and prepare our statutory financial statements in accordance with Ind AS for periods beginning on or after April 1, 2018. However, the IRDAI approved a regulatory change whereby the implementation of Ind AS in the insurance sector has been deferred for a period of two years and insurance companies shall be required to implement it for periods beginning on or after April 1, 2020.

Critical Accounting Policies and Estimates

The preparation of our financial information requires selecting accounting policies and making estimates and assumptions that affect items reported in the revenue account (policyholders' account), profit and loss account (shareholders' account), statement of assets and liabilities (balance sheet), and receipts and payments account and other primary statements and notes to the financial information. The determination of these accounting policies is fundamental to our results of operations and financial condition, and requires management to make subjective and complex judgements about matters that are inherently uncertain based on information and data that may change in future periods. As a result, determinations regarding these items necessarily involve the use of assumptions and subjective judgements as to future events and are subject to change, and the use of different assumptions or data could produce materially different results. In addition, actual results could differ from estimates and may have a material adverse effect on our business, financial condition, results of operations or cash flows. For more information regarding our significant accounting policies, see "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Significant accounting policies" on page 248.

Certain accounting estimates are particularly sensitive because of their significance to the financial information and because of the possibility that future events affecting the estimates may differ significantly from management's current judgements. See also "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Use of Estimates" on page 248.

Use of estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date, reported amounts of revenues and expenses for the year ended and disclosure of contingent liabilities as of the balance sheet date. The estimates and assumptions used in these financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Revenue recognition

Premium income

Premium including reinsurance accepted is recorded for the policy period at the commencement of risk and for instalment cases, it is recorded on instalment due dates. Reinstatement premium is recorded as and when such premiums are recovered. Premium earned including reinstatement premium and re-insurance accepted is recognised as income over the period of risk or the contract period based on 1/365 method, whichever is appropriate on a gross basis net of service tax. Any subsequent revisions to premium as and when they occur are recognised over the remaining period of risk or contract period, as applicable.

Adjustments to premium income arising on cancellation of policies are recognised in the period in which they are cancelled.

Income from reinsurance ceded

Commission on reinsurance ceded is recognised as income in the period of ceding the risk.

Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of profits as confirmed by reinsurers and combined with commission on reinsurance ceded.

Income earned on investments

Interest and rental income on investments are recognised on an accrual basis. Accretion of discount and amortisation of premium relating to debt securities and non-convertible preference shares is recognised over the holding/maturity period on a constant yield basis.

Dividend income is recognised when the right to receive dividend is established. Dividend income in respect of listed equity shares is recognised on ex-dividend date.

Realised gain/loss on securities, which is the difference between the sale consideration and the carrying value in our books, is recognised on the trade date. In determining the realised gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of listed equity shares and mutual fund units the profit or loss on sale also includes the accumulated changes in the fair value previously recognised in the fair value change account.

Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

Premium received in advance

This represents premium received during the period, where the risk commences subsequent to the balance sheet date. Such premium is booked in the period during which the risk commences.

Reinsurance premium

Insurance premium on ceding of the risk is recognised in the period in which the risk commences in accordance with reinsurance arrangements with the reinsurers. Any subsequent revision to premium ceded is recognised in the period of such revision. Adjustment to reinsurance premium arising on cancellation of policies is recognised in the period in which they are cancelled.

Reserve for unexpired risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable to, and is to be allocated to succeeding accounting periods. For fire, marine cargo and miscellaneous business it is calculated on a daily pro-rata basis, except that in the case of marine hull business it is computed at 100% of net premium written on all unexpired policies on the balance sheet date.

Claims

Claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims that are incurred but not reported and claims that are incurred but not enough reported. Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs.

Claims (net of amounts receivable from reinsurers/co-insurers) are recognised on the date of intimation based on internal management estimates or on estimates from surveyors/insured in the respective revenue account(s).

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers and salvage to the extent there is certainty of realisation. Salvaged stock is recognised at estimated net realisable value based on independent valuer's report.

Estimated liability for outstanding claims is determined by the management on the basis of ultimate amounts likely to be paid on each claim based on the past experience and in cases where claim payment period exceeds four years based on actuarial valuation. These estimates are progressively revalidated on availability of further information.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported or claimed. The IBNR provision also includes provision, for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by our Appointed Actuary. The actuarial estimate is derived in accordance with relevant IRDAI regulations and Guidance Note GN 21 issued by the Institute of Actuaries of India.

Acquisition costs

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

Premium deficiency

Premium deficiency is recognised at segmental revenue account level when the sum of expected claim costs and related expenses and maintenance costs (related to claims handling) exceed the reserve for unexpired risks. In computing the overall premium deficiency in the miscellaneous revenue account level, the premium deficiency arising out of reinsurance acceptances from declined risk pool is not considered as per regulatory guidelines. The premium deficiency is calculated and duly certified by our Appointed Actuary.

Investments

Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc., if any, and exclude interest accrued up to the date of purchase.

<u>Classification</u>

Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose of them within twelve months are classified as 'short term investments'.

Investments other than 'short term investments' are classified as 'long term investments'.

Investments that are earmarked, are allocated separately to policyholder's or shareholder's, as applicable; balance investments are segregated at shareholder's level and policyholder's level notionally based on policyholder's funds and shareholder's funds at the end of period.

<u>Valuation</u>

Investments are valued as follows:

Debt securities and Non – convertible preference shares. All debt securities including government securities and non-convertible preference shares are considered as 'held to maturity' and accordingly stated at amortised cost determined after amortisation of premium or accretion of discount on a constant yield basis over the holding period/maturity.

Equity shares and Convertible preference shares. Listed equities and convertible preference shares at the balance sheet date are stated at fair value, being the last quoted closing price on the National Stock Exchange and in case these are not listed on National Stock Exchange, then based on the last quoted closing price on the Bombay Stock Exchange.

Mutual funds (Other than venture capital fund). Mutual fund investments are stated at fair value, being the closing net asset value at balance sheet date.

Investment Properties – Real Estate. Real estate investment properties are stated at historical cost less accumulated depreciation.

Investments other than those mentioned above are valued at cost.

<u>Fair Value Change Account</u>

In accordance with the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002, unrealised gain/loss arising due to changes in fair value of listed equity shares, convertible preference shares and mutual fund investments are taken to the 'fair value change account'. This balance in the fair value change account is not available for distribution, pending realisation.

<u>Impairment of Investments</u>

We assess at each balance sheet date whether any impairment has occurred in respect of investment in equity, units of mutual fund. The impairment loss, if any, is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value. If on the assessment at balance sheet date a previously impaired loss no longer exists, then such loss is reversed in the profit and loss account and the investment is restated to that extent.

Impairment for investment properties is assessed at each balance sheet date. The impairment loss, if any is recognised in the profit and loss account and the carrying value of such investment is reduced to its recoverable value.

Employee Stock Option Scheme

We follow the intrinsic method for computing the compensation cost, for options granted under the scheme(s). The difference if any, between the intrinsic value and the grant price, being the compensation cost is amortised over the vesting period of the options.

Fixed assets, Intangibles and Impairments

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use.

Depreciation on assets purchased/disposed during the year is provided on pro rata basis with reference to the date of additions/deductions.

Depreciation on fixed assets is provided using the rates based on the economic useful life of assets as estimated by the management/limits specified in Schedule II of the Companies Act, 2013 as below:

Nature of Fixed Assets	Management estimate of useful life	Useful life as per the limits prescribed in Schedule II of the Companies Act, 2013
	(in years)	
Building	60.00	60.00
Information technology equipment – servers and networks	3.00	6.00
Information technology equipment – others	3.00	3.00
Furniture and fittings	6.67	10.00
Office equipment	10.00	5.00
Vehicles	5.00	8.00

In the case of office equipment, the management estimate of the useful life is higher and for information technology equipment (servers and networks), furniture and fittings, and vehicles, the management estimate of the useful life is lower than that prescribed in Schedule II of the Companies Act, 2013. This is based on the consistent practices followed, past experience and is duly supported by technical advice.

Depreciation on furniture and fittings, and office equipment in leased premises is recognised on a straight-line basis over the primary period of lease or useful life as determined by management, whichever is lower.

All assets including intangibles individually costing up to ₹ 5,000 are fully depreciated/amortised in the year in which they are acquired.

Intangibles Assets

Intangible assets comprising computer software are stated at cost less accumulated amortisation. Computer software's including improvements are amortised over a period of 4 years, being the management's estimate of the useful life of such intangibles.

Impairment of Assets

We assess at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognised in the profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

Operating Lease

Payments made towards assets/premises taken on operating lease are recognised as an expense in the revenue account(s) and profit and loss account over the lease term on straight-line basis.

Employee benefits

Provident fund

This is a defined contribution scheme and contributions payable to the regional provident fund authority are provided on the basis of prescribed percentage of salary and are charged to revenue account(s) and profit and loss account.

Gratuity

Gratuity, which is a defined benefit scheme, is provided on the basis of actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

Accrued leave

Compensated absences are provided based on actuarial valuation including actuarial gains/losses at balance sheet date and are recognised in the revenue account(s) and profit and loss account.

Long Term Performance Pay

Long-term performance pay is provided based on actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account.

Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of the transaction. Foreign exchange denominated monetary assets and liabilities, are restated at the rates prevalent at the date of the balance sheet. The gains/losses on account of restatement and settlement are recognised in the revenue account(s) and profit and loss account.

The premium or discount arising at the inception of a forward exchange contract, not intended for trading or speculation purpose, is amortised as expense or income as the case may be over the life of the contract. Exchange difference on account of change in rates of underlying currency at the expiry of the contract period is recognised in the revenue account(s) and profit and loss account. Any profit or loss arising on cancellation or roll-over of such a forward exchange contract is recognised as income or expense for the contract period.

Borrowings

Borrowing costs are charged to the profit and loss account in the period in which they are incurred.

Grants

We recognise grants only when there is reasonable assurance that the conditions attached to them shall be complied with, and the grants will be received.

Grants related to assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the assets concerned in arriving at their book value. Grants related to revenue are recognised over the period necessary to match them with the related costs, for which they are intended to compensate, on a systematic basis. Such grants are deducted in reporting the related expense.

Unspent balances of grants are carried forward to the subsequent years under the heading “Current Liabilities” for adjustment against expenses in those years.

A grant that becomes refundable is treated as an extraordinary item. The amount of such refundable grant related to revenue is applied first against any unamortised deferred credit remaining in respect of the grant. To the extent that the amount refundable exceeds any such deferred credit, or where no deferred credit exists, the amount is charged immediately to the profit and loss account.

The amount refundable related to a specific fixed asset is recorded by increasing the book value of the asset. Where the book value of the asset is increased, depreciation on the revised book value is provided.

Taxation

Current tax

We provide for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the Income Tax Act, 1961.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, minimum alternate tax (MAT) credit is recognised as an asset to the extent there is convincing evidence that we will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per our financial statements and the taxable income for the year.

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future, however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets thereon are recognised only if there is virtual certainty of realisation of such assets.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

Share issue expenses

Share issue expenses are adjusted against share premium account.

Earnings per share

The basic earnings per share is calculated by dividing the net profit after tax by weighted average number of equity shares outstanding during the reporting period.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic earnings per share and also weighted average number of equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered.

Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources.

Show cause notices issued by various government authorities are not considered as obligation. When the demand notices are raised against such show cause notices and are disputed by us, these are classified as disputed obligations.

When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Cash and cash equivalents

Cash and cash equivalent include cash and cheques in hand, bank balances and other investments (fixed deposits) with original maturity of three months or less which are subject to insignificant risk of changes in values.

Basis of preparation and presentation of our restated financial statements

Our restated financial statements have been prepared and presented under the historical cost convention, unless otherwise specifically stated, on the accrual basis of accounting, and comply with the applicable accounting standards referred to in section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, and in accordance with the provisions of the Insurance Act, 1938, Insurance Laws (Amendment) Act, 2015 (to the extent notified), Insurance Regulatory and Development Authority Act, 1999, the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor's Report of Insurance Companies Regulations), 2002 and orders / directions prescribed by the IRDAI in this behalf, the provisions of the Companies Act, 2013 (to the extent applicable) in the manner so required and current practices prevailing within the insurance industry in India.

Our financial statements comprise a revenue account (policyholders' account), profit and loss account (shareholders' account), statement of assets and liabilities (balance sheet), and receipts and payments account.

The revenue account contains income and expenses relating to policyholders, and the surplus or deficit generated in this account is appropriated to the profit and loss account every fiscal quarter. The profit and loss account contains the income and expenses pertaining to shareholders.

Results of Operations

Three Months Ended June 30, 2017 compared to Three Months Ended June 30, 2016

Revenue Account

	Three Months ended June 30, 2017	Three Months ended June 30, 2016
	(₹ in billions)	
Premium earned (net)	15.34	13.93
Income from investments	3.43	2.59
Other income	0.05	0.06
Total (A)	18.82	16.58
Claims Incurred (net)	11.97	11.53
Commission paid (net)	(1.04)	(0.97)
Operating expenses related to insurance business	5.96	4.79
Total (B)	16.90	15.35
Operating Profit / (Loss) C = (A - B)	1.92	1.23

Profit and Loss Account

	Three months ended June 30, 2017	Three months ended June 30, 2016
	(₹ in billions)	
Operating profit/(loss)	1.92	1.23
Income from investments	1.22	0.69
Other income	0.00	0.00
Total (A)	3.14	1.92
Provisions (other than taxation)	(0.00)	0.01
Other expenses	0.13	0.03
Total (B)	0.13	0.03
Profit before tax	3.01	1.89
Provision for taxation	0.86	0.60
Profit after tax	2.14	1.29

Premium earned (net) (NEP)

	Three Months ended June 30, 2017	Three Months ended June 30, 2016
	(₹ in billions)	
Premium from direct business written-net of service tax (GDPI)	33.21	28.80
Premium on reinsurance accepted	0.74	0.74
Gross Written Premium (GWP)	33.94	29.55
Less: Premium on reinsurance ceded	13.68	11.34
Net Written Premium (NWP)	20.27	18.21
Less: Adjustment for change in reserve for unexpired risks	4.93	4.28
Premium earned (net) (NEP)	15.34	13.93

Premium from direct business written-net of service tax, which we refer to as GDPI, is the total premium received by us before taking into account reinsurance assumed and ceded. This is calculated net of service tax on such premiums.

Our GDPI increased from ₹ 28.80 billion for the three months ended June 30, 2016 to ₹ 33.21 billion for the three months ended June 30, 2017, an increase of 15.3%. This increase was primarily due to the growth in GDPI from crop/weather and motor insurance.

Our GDPI from crop/weather insurance increased from ₹ 4.30 billion for the three months ended June 30, 2016 to ₹ 7.23 billion for the three months ended June 30, 2017, an increase of 68.3%, primarily due to the implementation of the PMFBY programme in fiscal 2017.

The increase in our GDPI from motor insurance from ₹ 10.73 billion for the three months ended June 30, 2016 to ₹ 12.13 billion for the three months ended June 30, 2017, an increase of 13.0%, was primarily due to a price increase in the motor-third party segment.

Premium on reinsurance accepted is the premium received by us due to risks that we reinsure, which we also refer to as "reinsurance inward". Premium on reinsurance accepted remained similar at around ₹ 0.74 billion for the three months ended June 30, 2016 and for the three months ended June 30, 2017.

Our GWP increased from ₹ 29.55 billion for the three months ended June 30, 2016 to ₹ 33.94 billion for the three months ended June 30, 2017, an increase of 14.9%

Premium on reinsurance ceded is the premium in relation to the risk that we cede to our reinsurers. In the case of non-proportional reinsurance, like risk, excess-of-loss or catastrophic excess-of-loss, this amount is the premium that we pay to our reinsurers. In the case of proportional reinsurance, this amount is calculated based on the premium we receive for insuring a particular risk and the proportion of such risk ceded to our reinsurers.

Premium on reinsurance ceded increased from ₹ 11.34 billion for the three months ended June 30, 2016 to ₹ 13.68 billion for the three months ended June 30, 2017, an increase of 20.6%. This increase was primarily due to an increase in crop/weather insurance, for which we have historically had a lower rate of risk retention.

Adjustment for change in reserve for unexpired risks, represents the change in our provisions to account for the portion of the premiums on policies written during a fiscal year which have not yet been earned since the policy covers a period extending beyond the given fiscal year.

Our premium earned (net), which we refer to as NEP, increased from ₹ 13.93 billion for the three months ended June 30, 2016 to ₹ 15.34 billion for the three months ended June 30, 2017, an increase of 10.1%. This increase was primarily due to an increase in NEP from motor insurance and crop/weather insurance.

Our segmental NEP is shown in the table below.

Segment	**Three Months ended June 30, 2017**	**Three Months ended June 30, 2016**
	(₹ in billions)	
Motor:		
Motor- Own Damage	5.19	4.76
Motor- Third Party	4.18	3.80
Motor- Total	9.37	8.56
Health Insurance	2.51	2.73
Crop/Weather Insurance	0.75	0.38
Marine:		
Marine-Cargo	0.41	0.48
Marine-Others	0.03	0.04
Marine- Total	0.44	0.52
Personal Accident	0.54	0.40
Fire	0.30	0.23
Engineering	0.18	0.16
Aviation	0.11	0.12
Workmen's Compensation	0.11	0.10
Public/Product Liability	0.06	0.01
Credit Insurance	0.01	0.01
Others	0.96	0.73
Total	**15.34**	**13.93**

Our NEP from motor insurance increased from ₹ 8.56 billion for the three months ended June 30, 2016 to ₹ 9.37 billion for the three months ended June 30, 2017, an increase of 9.4%. This increase was primarily due to an increase in GDPI from motor insurance described above.

Our NEP from crop/weather insurance increased from ₹ 0.38 billion for the three months ended June 30, 2016 to ₹ 0.75 billion for the three months ended June 30, 2017, an increase of 95.9%. This increase was primarily due to an increase in GDPI from crop/weather described above.

Our NEP from health insurance decreased from ₹ 2.73 billion for the three months ended June 30, 2016 to ₹ 2.51 billion for the three months ended June 30, 2017, a decrease of 7.9%. This decrease was primarily on account of non-renewal of RSBY Kerela mass health policy for the three months ended June 30, 2017.

Income from investments (revenue account)

Income from investments (revenue account) consists of net profit on sale and redemption of investments and gross interest, dividend and rent received from our investment assets.

Income from investments (revenue account)	**Three Months ended June 30, 2017**	**Three Months ended June 30, 2016**
	(₹ in billions)	
Net profit on sale and redemption of investments	1.59	0.95
Interest, Dividend and Rent – Gross	1.85	1.64
Income from investments (revenue account)	3.43	2.59

Income from investments (revenue account) increased from ₹ 2.59 billion for the three months ended June 30, 2016 to ₹ 3.43 billion for the three months ended June 30, 2017, an increase of 32.7%. The increase in gross interest, dividend and rent (revenue account) from ₹ 1.64 billion for the three months ended June 30, 2016 to ₹ 1.85 billion for the three months ended June 30, 2017 was primarily due to an increase in total investment assets attributable to the revenue account.

Other income (revenue account)

Other income (revenue account) consists of foreign exchange gain or loss, investment income from the terrorism pool and miscellaneous income.

Other income (revenue account)	**Three Months ended June 30, 2017**	**Three Months ended June 30, 2016**
	(₹ in billions)	
Foreign exchange gain / (loss)	(0.01)	0.00
Investment income from pool (terrorism)	0.06	0.06
Miscellaneous income	0.00	0.00
Other income (revenue account)	**0.05**	**0.06**

Other income (revenue account) decreased from ₹ 0.06 billion for the three months ended June 30, 2016 to ₹ 0.05 billion for the three months ended June 30, 2017, a decrease of 22.0%. The decrease was primarily due to foreign exchange losses.

Claims Incurred (net)

Claims Incurred (net)	**Three Months ended June 30, 2017**	**Three Months ended June 30, 2016**
	(₹ in billions)	
Claims paid- Direct	11.50	10.93
Claims paid on reinsurance accepted	0.18	0.19
Gross claims paid	**11.68**	**11.12**
Less: Claims recovered from reinsurance ceded	4.12	3.72
Net claims paid	**7.56**	**7.40**
Increase/(decrease) in claims outstanding	4.42	4.13
Claims incurred (net)	**11.97**	**11.53**

Claims incurred (net) are the total claims incurred by us during a given period, both paid and outstanding, net of claims recovered from reinsurance ceded. Under guidelines issued by the IRDAI, IBNR and IBNER reserves, which constitute a part of the claims outstanding, are not discounted.

Claims incurred (net) increased from ₹ 11.53 billion for the three months ended June 30, 2016 to ₹ 11.97 billion for the three months ended June 30, 2017, an increase of 3.8%. This increase was lower than the increase in our NEP by 10.1% in the same period. There was an improvement in our overall loss ratio during this period, which is described in greater detail in "—Key Performance Indicators—Loss Ratio" on page 350.

Commission paid (net)

Commission (net)	Three Months ended June 30, 2017	Three Months ended June 30, 2016
	(₹ in billions)	
Commission paid – Direct	1.35	1.12
Commission paid on reinsurance accepted	0.11	0.10
Gross commission paid	**1.46**	**1.22**
Less: Commission received from reinsurance ceded	2.50	2.19
Commission paid (net)	**(1.04)**	**(0.97)**

Commission paid – Direct increased from ₹ 1.12 billion for the three months ended June 30, 2016 to ₹ 1.35 billion for the three months ended June 30, 2017, an increase of 20.3%. This increase was primarily due to an increase in the amount of GDPI sourced through intermediaries from ₹ 14.84 billion for the three months ended June 30, 2016 to ₹ 18.83 billion for the three months ended June 30, 2017, an increase of 26.8%.

Commission paid on reinsurance accepted increased marginally from ₹ 0.10 billion for the three months ended June 30, 2016 to ₹ 0.11 billion for the three months ended June 30, 2017.

Commission on reinsurance ceded refers to the commissions on reinsurance arrangements received by us. This commission is generally computed as a percentage of the premium on reinsurance ceded. In the case of certain proportional reinsurance contracts where the premium rates are defined, the difference between the premium we receive for insuring a particular risk and the premium rate so defined in the reinsurance contract is considered as commission on reinsurance ceded.

Commission received from reinsurance ceded increased from ₹ 2.19 billion for the three months ended June 30, 2016 to ₹ 2.50 billion for the three months ended June 30, 2017, an increase of 13.8%. This increase was primarily due to an increase in GDPI from crop/weather insurance during the same period, which typically has lower risk retention level and favourable reinsurance pricing, leading to a higher deemed reinsurance commission received from reinsurance ceded.

Operating expenses related to insurance business

Operating expenses related to insurance business includes employees’ remuneration, rents, rates and taxes, advertisement, sales promotion, business support service and others.

Operating expenses related to insurance business increased from ₹ 4.79 billion for the three months ended June 30, 2016 to ₹ 5.96 billion for the three months ended June 30, 2017, an increase of 24.5%. The increase was primarily due to an increase in employee’s remuneration and welfare benefits, business support services in line with the increase in business volumes, and an increase in sales promotion.

Operating profit

Based on the above, operating profit increased from ₹ 1.23 billion for the three months ended June 30, 2016 to ₹ 1.92 billion for the three months ended June 30, 2017, an increase of 55.8%. Fire insurance contributed 31.7% and 17.8%, marine insurance contributed (7.5)% and (3.8)%, and miscellaneous insurance (including motor insurance, health insurance and other lines of insurance) contributed 75.8% and 86.0% of our operating profit for the three months ended June 30, 2016 and for the three months ended June 30, 2017, respectively. In respect of marine insurance, as a result of making investments in distribution channels for SMEs and value added services, our net expense ratio for marine insurance increased from 27.4% for the three months ended June 30, 2016 to 34.9% for the three months ended June 30, 2017.

Income from investments (profit and loss account)

Income from investments (profit and loss account) consists of interest, dividend and rent, and net profit on the sale and redemption of investments.

Income from investments (profit and loss account)	Three Months ended June 30, 2017	Three Months ended June 30, 2016
	(₹ in billions)	
Net profit on sale and redemption of investments	0.56	0.26
Interest, Dividend and Rent – Gross	0.66	0.44
Income from investments (profit and loss account)	**1.22**	**0.69**

Income from investments (profit and loss account) increased from ₹ 0.69 billion for the three months ended June 30, 2016 to ₹ 1.22 billion for the three months ended June 30, 2017, an increase of 75.7%. The increase in gross interest, dividend and rent (profit and loss account) from ₹ 0.44 billion for the three months ended June 30, 2016 to ₹ 0.66 billion for the three months ended June 30, 2017 was primarily due to an increase in total investment assets attributable to the profit and loss account.

Other income (profit and loss account)

Other income (profit and loss account) consists of interest income on tax refund, profit on sale/discard of fixed assets and recovery of bad debts written off.

Other income (profit and loss account) decreased from ₹ 1.1 million for the three months ended June 30, 2016 to ₹ 0.2 million for the three months ended June 30, 2017, a decrease of 81.8%.

Provisions (other than taxation)

Provisions (other than taxation) consists of provisions for diminution in the value of investments, doubtful debts, future recoverable under reinsurance contracts, and other provisions.

Provisions (other than taxation) decreased from ₹ 6.5 million for the three months ended June 30, 2016 to ₹ (1.1) million for the three months ended June 30, 2017.

Other expenses

Other expenses consist of expenses other than those related to insurance business, which include certain employees' remuneration and other expenses, managerial remuneration, directors' fees and CSR expenditure, charges on issuance of the Debentures, interest on the Debentures, expense related to investment property and operating expenses borne by shareholders. Other expenses also covers, bad debts written off, loss on sale/discard of fixed assets and penalty.

Other expenses increased from ₹ 27.9 million for the three months ended June 30, 2016 to ₹ 128.8 million for the three months ended June 30, 2017, an increase of 361.6%. This increase was primarily due to the interest expense of ₹ 99.8 million in relation to the Debentures issued in the second quarter of fiscal 2017 and due to expenses related to investment property being ₹ 9.7 million.

Profit

As a result of the above, profit before tax increased from ₹ 1.89 billion for the three months ended June 30, 2016 to ₹ 3.01 billion for the three months ended June 30, 2017, an increase of 59.1%.

Provision for taxation increased from ₹ 0.60 billion for the three months ended June 30, 2016 to ₹ 0.86 billion for the three months ended June 30, 2017, an increase of 44.3%, primarily due to an increase in profit before tax.

Profit after tax increased from ₹ 1.29 billion for the three months ended June 30, 2016 to ₹ 2.14 billion for the three months ended June 30, 2017, an increase of 66.0%.

Year Ended March 31, 2017 compared to Year Ended March 31, 2016

Revenue Account

	Fiscal 2017	**Fiscal 2016**
	(₹ in billions)	
Premium earned (net)	61.58	48.26
Income from investments	9.96	9.30
Other income	0.27	0.48
Total (A)	**71.80**	**58.04**
Claims Incurred (net)	49.66	39.39
Commission paid (net)	(4.34)	(3.28)
Operating expenses related to insurance business	19.82	17.11
Total (B)	**65.13**	**53.22**
Operating Profit / (Loss) C = (A - B)	**6.67**	**4.82**

Profit and Loss Account

	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Operating profit/(loss)	6.67	4.82
Income from investments	3.15	2.28
Other income	0.02	0.14
Total (A)	**9.84**	**7.24**
Provisions (other than taxation)	0.05	0.01
Other expenses	0.98	0.18
Total (B)	**1.04**	**0.19**
Profit before tax	8.80	7.05
Provision for taxation	2.38	1.99
Profit after tax	**6.42**	**5.05**

Premium earned (net) (NEP)

	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Premium from direct business written-net of service tax (GDPI)	107.25	80.91
Premium on reinsurance accepted	2.35	2.05
Gross Written Premium (GWP)	**109.60**	**82.96**
Less: Premium on reinsurance ceded	43.66	28.61
Net Written Premium (NWP)	**65.95**	**54.35**
Less: Adjustment for change in reserve for unexpired risks	4.37	6.09
Premium earned (net) (NEP)	**61.58**	**48.26**

Our GDPI increased from ₹ 80.91 billion in fiscal 2016 to ₹ 107.25 billion in fiscal 2017, an increase of 32.6%. This increase was primarily due to the growth in the GDPI from the crop/weather, health and motor insurance.

Our GDPI from crop/weather insurance increased from ₹ 5.93 billion in fiscal 2016 to ₹ 21.51 billion in fiscal 2017, an increase of 263.0%, primarily due to the implementation of the PMFBY programme in fiscal 2017. The GDPI from crop/weather insurance for the non-life insurance industry in India increased from ₹ 53.10 billion to ₹ 206.11 billion in the same time period. The increase in our GDPI from health insurance was primarily due to an increase in our retail health portfolio and a policy issued in the mass health segment under the RSBY programme for the state of Kerala in fiscal 2017, which had a premium of ₹ 1.82 billion (the Kerala 2017 Mass Health Policy). This policy expired on March 31, 2017. See "Legal and Other Information—Outstanding Litigation and Material Developments—Litigation involving our Company—Litigation filed against our Company— Restraining and debarment order" on page 365.

The increase in our GDPI from motor insurance from fiscal 2016 to fiscal 2017 was primarily due to a price increase in the motor-third party segment, partly supported by an increase in long-term two-wheeler policies issued from 515,353 policies in fiscal 2016 to 818,799 polices in fiscal 2017.

Premium on reinsurance accepted increased from ₹ 2.05 billion in fiscal 2016 to ₹ 2.35 billion in fiscal 2017, an increase of 14.6%. This increase was primarily due to an increase in reinsurance inward in health insurance.

Hence, our GWP increased from ₹ 82.96 billion in fiscal 2016 to ₹ 109.60 billion in fiscal 2017, an increase of 32.1%.

Premium on reinsurance ceded increased from ₹ 28.61 billion in fiscal 2016 to ₹ 43.66 billion in fiscal 2017, an increase of 52.6%. This increase was primarily due to an increase in GDPI and an increase in crop/weather insurance written in fiscal 2017, for which we have historically had a lower rate of risk retention.

Our NEP increased from ₹ 48.26 billion in fiscal 2016 to ₹ 61.58 billion in fiscal 2017, an increase of 27.6%. This increase was primarily due to an increase in NEP from motor insurance, crop/weather insurance and health insurance.

Our segmental NEP is shown in the table below.

Segment	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Motor:		
Motor- Own Damage	19.72	16.06
Motor- Third Party	15.67	13.53
Motor- Total	35.40	29.59
Health Insurance	11.55	9.35
Crop/Weather Insurance	5.06	1.10
Marine:		
Marine-Cargo	1.78	1.83
Marine-Others	0.09	0.07
Marine- Total	1.87	1.90
Personal Accident	1.80	1.40
Fire	1.24	0.98
Engineering	0.66	0.58
Aviation	0.45	0.50
Workmen's Compensation	0.42	0.37
Public/Product Liability	0.07	0.04
Credit Insurance	0.02	0.02
Others	3.04	2.42
Total	**61.58**	**48.26**

Our NEP from motor insurance increased from ₹ 29.59 billion in fiscal 2016 to ₹ 35.40 billion in fiscal 2017, an increase of 19.6%. This increase was primarily due to the increase in the GDPI from motor insurance described above.

Our NEP from crop/weather insurance increased from ₹ 1.10 billion in fiscal 2016 to ₹ 5.06 billion in fiscal 2017, an increase of 360.0%. This increase was primarily due to the implementation of the PMFBY programme in fiscal 2017.

Our NEP from health insurance increased from ₹ 9.35 billion in fiscal 2016 to ₹ 11.55 billion in fiscal 2017, an increase of 23.5%. This increase was primarily due to the issuance of the Kerala 2017 Mass Health Policy, which had a premium of ₹ 1.82 billion. This policy expired on March 31, 2017. See "Legal and Other Information—Outstanding Litigation and Material Developments—Litigation involving our Company—Litigation filed against our Company— Restraining and debarment order" on page 365.

Income from investments (revenue account)

Income from investments (revenue account)	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Net profit on sale and redemption of investments	2.97	2.70
Interest, Dividend and Rent – Gross	6.99	6.59
Income from investments (revenue account)	**9.96**	**9.30**

Income from investments (revenue account) increased from ₹ 9.30 billion in fiscal 2016 to ₹ 9.96 billion in fiscal 2017, an increase of 7.1%. The increase in gross interest, dividend and rent (revenue account) from ₹ 6.59 billion in fiscal 2016 to ₹ 6.99 billion in fiscal 2017 was primarily due to an increase in total investment assets attributable to the revenue account.

Other income (revenue account)

Other income (revenue account)	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Foreign exchange gain / (loss)	(0.07)	(0.02)
Investment income from pool (terrorism)	0.24	0.24
Miscellaneous income	0.09	0.26
Other income (revenue account)	**0.27**	**0.48**

Other income (revenue account) decreased from ₹ 0.48 billion in fiscal 2016 to ₹ 0.27 billion in fiscal 2017, a decrease of 44.4%. This decrease was primarily due to a decrease in miscellaneous income from ₹ 0.26 billion in fiscal 2016 to ₹ 0.09 billion in fiscal 2017. The decrease in miscellaneous income primarily related to income booked upon the final determination of area coverages in crop insurance based on actual measurements in fiscal 2016. See also "Financial Information—Financial Statements—Notes on Adjustments for Restated Summary Financial Information—Description of the adjustment carried out in the audited financial statements—Material Adjustments". Since the introduction of the PMFBY programme, there has been no further need for such adjustments and consequently, the miscellaneous income declined from fiscal 2016 to fiscal 2017.

Claims Incurred (net)

Claims Incurred (net)	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Claims paid- Direct	50.12	48.76
Claims paid on reinsurance accepted	1.33	2.10
Gross claims paid	**51.45**	**50.86**
Less: Claims recovered from reinsurance ceded	18.88	23.28
Net claims paid	**32.57**	**27.58**
Increase/(decrease) in claims outstanding	17.09	11.81
Claims incurred (net)	**49.66**	**39.39**

Claims incurred (net) increased from ₹ 39.39 billion in fiscal 2016 to ₹ 49.66 billion in fiscal 2017, an increase of 26.1%. This increase was largely in line with the increase in our NEP by 27.6% in the same period. There was also an improvement in our overall loss ratio during this period, which is described in greater detail in "—Key Performance Indicators—Loss Ratio" on page 350.

Commission paid (net)

Commission (net)	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Commission paid – Direct	4.37	3.49
Commission paid on reinsurance accepted	0.32	0.31
Gross commission paid	**4.70**	**3.80**
Less: Commission received from reinsurance ceded	9.04	7.08
Commission paid (net)	**(4.34)**	**(3.28)**

Commission paid – Direct increased from ₹ 3.49 billion in fiscal 2016 to ₹ 4.37 billion in fiscal 2017, an increase of 25.2%. This increase was primarily due to an increase in the amount of GDPI sourced through intermediaries from ₹ 46.40 billion in fiscal 2016 to ₹ 60.95 billion in fiscal 2017, an increase of 31.4%.

Commission paid on reinsurance accepted increased marginally from ₹ 0.31 billion in fiscal 2016 to ₹ 0.32 billion in fiscal 2017.

Commission received from reinsurance ceded increased from ₹ 7.08 billion in fiscal 2016 to ₹ 9.04 billion in fiscal 2017, an increase of 27.6%. This increase was primarily due to an increase in GDPI of crop/weather insurance during the same period, which typically has lower risk retention levels and favourable reinsurance pricing, leading to a higher deemed reinsurance commission received from reinsurance ceded.

Operating expenses related to insurance business

Operating expenses related to insurance business increased from ₹ 17.11 billion in fiscal 2016 to ₹ 19.82 billion in fiscal 2017, an increase of 15.8%. The increase was primarily due to an increase in employee's remuneration and welfare benefits, business support services in line with the increase in business volumes, and an increase in rents, rates and taxes. The increase in rents, rates and taxes were primarily due to payment of service taxes which were not available as an input credit due to increased exempt GDPI, which increased rates and taxes from ₹ 123.9 million in fiscal 2016 to ₹ 267.8 million in fiscal 2017, primarily from crop/weather insurance. The increase in rents, rates and taxes was also due to the introduction of a "Swachh Bharat" cess in late fiscal 2016, that was not available as an input credit. The "Swacch Bharat" cess that we paid increased from ₹ 60.9 million in fiscal 2016 to ₹ 190.6 million in fiscal 2017.

Operating profit

Based on the above, operating profit increased from ₹ 4.82 billion in fiscal 2016 to ₹ 6.67 billion in fiscal 2017, an increase of 38.4%. Fire insurance contributed 22.9% and 14.9%, marine insurance contributed (5.9)% and (2.2)%, and miscellaneous insurance (including motor insurance, health insurance and other lines of insurance) contributed 83.0% and 87.3% of our operating profit in fiscal 2016 and fiscal 2017, respectively. In respect of marine insurance, as a result of making investments in distribution channels for SMEs and value added services, our net expense ratio for marine insurance increased from 32.1% in fiscal 2016 to 34.2% in fiscal 2017 even though our loss ratio for marine insurance decreased from 94.8% in fiscal 2016 to 86.3% in fiscal 2017.

Income from investments (profit and loss account)

Income from investments (profit and loss account)	Fiscal 2017	Fiscal 2016
	(₹ in billions)	
Net profit on sale and redemption of investments	0.94	0.67
Interest, Dividend and Rent – Gross	2.20	1.61
Income from investments (profit and loss account)	**3.15**	**2.28**

Income from investments (profit and loss account) increased from ₹ 2.28 billion in fiscal 2016 to ₹ 3.15 billion in fiscal 2017, an increase of 38.1%. The increase in gross interest, dividend and rent (profit and loss account) from ₹ 1.61 billion in fiscal 2016 to ₹ 2.20 billion in fiscal 2017 was primarily due to an increase in total investment assets attributable to the profit and loss account.

Other income (profit and loss account)

Other income (profit and loss account) decreased from ₹ 144.2 million in fiscal 2016 to ₹ 20.1 million in fiscal 2017, a decrease of 86.1%. We received interest income on tax refund of ₹ 138.9 million in fiscal 2016 and ₹ 17.2 million in fiscal 2017.

Provisions (other than taxation)

Provisions (other than taxation) increased from ₹ 9.9 million in fiscal 2016 to ₹ 51.4 million in fiscal 2017, an increase of 419.2%. This was primarily due to an increase in provision for doubtful debts on account of the amount withheld by the Comprehensive Health Insurance Agency, Kerala in connection with our non-performance of certain tender requirements of the Kerala 2017 Mass Health Policy. See "Outstanding Litigation and Material Developments" and "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Notes to accounts—Statutory disclosures as required by IRDAI—Contingent Liabilities" on pages 366 and 255.

Other expenses

Other expenses increased from ₹ 184.3 million in fiscal 2016 to ₹ 983.9 million in fiscal 2017, an increase of 433.9%. This increase was primarily due to the interest expense of ₹ 270.8 million in relation to the Debentures issued in fiscal 2017 and due to operating expenses being ₹ 427.9 million in excess of IRDAI-prescribed segmental limits pertaining to the motor segment and which are required to be borne by shareholders in accordance with the IRDAI (Expenses of Management of Insurers transacting General or Health Insurance Business) Regulations, 2016. See also "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Notes to accounts—Statutory disclosures as required by IRDAI—Allocation of expenses" on page 259.

Profit

As a result of the above, profit before tax increased from ₹ 7.05 billion in fiscal 2016 to ₹ 8.80 billion in fiscal 2017, an increase of 24.9%.

Provision for taxation increased from ₹ 1.99 billion in fiscal 2016 to ₹ 2.38 billion in fiscal 2017, an increase of 19.5%, primarily due to an increase in profit before tax and a marginal decrease in effective tax rate from 28.3% to 27.1%.

Profit after tax increased from ₹ 5.05 billion in fiscal 2016 to ₹ 6.42 billion in fiscal 2017, an increase of 27.0%.

Year Ended March 31, 2016 compared to Year Ended March 31, 2015

Revenue Account

	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Premium earned (net)	48.26	42.34
Income from investments	9.30	7.79
Other income	0.48	0.32
Total (A)	**58.04**	**50.45**
Claims Incurred (net)	39.39	34.46
Commission paid (net)	(3.28)	(3.46)
Operating expenses related to insurance business	17.11	13.87
Total (B)	**53.22**	**44.86**
Operating Profit / (Loss) C = (A - B)	**4.82**	**5.58**

Profit and Loss Account

	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Operating profit/(loss)	4.82	5.58
Income from investments	2.28	1.82
Other income	0.14	0.02
Total (A)	**7.24**	**7.42**
Provisions (other than taxation)	0.01	0.22
Other expenses	0.18	0.16
Total (B)	**0.19**	**0.37**
Profit before tax	7.05	7.05
Provision for taxation	1.99	1.19
Profit after tax	**5.05**	**5.86**

Premium earned (net) (NEP)

	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Premium from direct business written-net of service tax (GDPI)	80.91	66.78
Premium on reinsurance accepted	2.05	2.59
Gross Written Premium (GWP)	**82.96**	**69.37**
Less: Premium on reinsurance ceded	28.61	25.09
Net Written Premium (NWP)	**54.35**	**44.28**
Less: Adjustment for change in reserve for unexpired risks	6.09	1.94
Premium earned (net)	**48.26**	**42.34**

Our GDPI, increased from ₹ 66.78 billion in fiscal 2015 to ₹ 80.91 billion in fiscal 2016, an increase of 21.2%. This increase was primarily due to the growth in the GDPI from motor insurance and crop/weather insurance. The increase in our GDPI from motor insurance from fiscal 2015 to fiscal 2016 was primarily due to a price increase in the motor-third party segment and an increase in the number of motor insurance policies issued by us from approximately 10.7 million in fiscal 2015 to approximately 11.9 million in fiscal 2016, partly supported by our introduction of long-term two-wheeler policies in fiscal 2016. Our GDPI from crop/weather insurance increased from ₹ 2.76 billion in fiscal 2015 to ₹ 5.93 billion in fiscal 2016, primarily due to the cautious approach taken by us in this segment in light of adverse weather forecasts in fiscal 2015.

Premium on reinsurance accepted decreased from ₹ 2.59 billion in fiscal 2015 to ₹ 2.05 billion in fiscal 2016, a decrease of 20.7%. Hence, our GWP increased from ₹ 69.37 billion in fiscal 2015 to ₹ 82.96 billion in fiscal 2016, an increase of 19.6%.

Premium on reinsurance ceded increased from ₹ 25.09 billion in fiscal 2015 to ₹ 28.61 billion in fiscal 2016, an increase of 14.0%. This increase was primarily due to an increase in GDPI and an increase in crop/weather insurance written in fiscal 2016, which typically has a lower rate of retention of risk, partially offset by an increase in rates of retention in the motor insurance-own damage segment. In fiscal 2016, we had a proportional reinsurance contract to cede 25.0% of our GDPI in this segment to reinsurance, as compared to 35.0% in fiscal 2015.

Our NEP increased from ₹ 42.34 billion in fiscal 2015 to ₹ 48.26 billion in fiscal 2016, an increase of 14.0%. This increase was primarily due to an increase in NEP from motor insurance.

Our segmental NEP is shown in the table below.

Segment	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Motor		
Motor- Own Damage	16.06	14.56
Motor- Third Party	13.53	10.41
Motor- Total	29.59	24.97
Health Insurance	9.35	9.47
Marine:		

Segment	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Marine- Cargo	1.84	1.55
Marine- Others	0.07	0.05
Marine- Total	1.90	1.60
Personal Accident	1.40	1.14
Crop / Weather Insurance	1.10	0.70
Fire	0.98	1.08
Engineering	0.58	0.56
Aviation	0.50	0.39
Workmen's Compensation	0.37	0.34
Public/Product Liability	0.04	0.05
Credit Insurance	0.02	0.02
Others	2.42	2.02
Total	**48.26**	**42.34**

Our NEP from motor insurance increased from ₹ 24.97 billion in fiscal 2015 to ₹ 29.59 billion in fiscal 2016, an increase of 18.5%. This increase was primarily due to an increase in the GDPI from motor insurance described above.

Income from investments (revenue account)

Income from investments (revenue account)	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Net profit on sale and redemption of investments	2.70	1.75
Interest, Dividend and Rent – Gross	6.59	6.04
Income from investments (revenue account)	**9.30**	**7.79**

Income from investments (revenue account) increased from ₹ 7.79 billion in fiscal 2015 to ₹ 9.30 billion in fiscal 2016, an increase of 19.3%. The increase in net profit on sale and redemption of investments (revenue account) from ₹ 1.75 billion in fiscal 2015 to ₹ 2.70 billion in fiscal 2016 was primarily due to the realization of capital gains on sale of fixed income securities due to market opportunities.

Other income (revenue account)

Other income (revenue account)	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Foreign exchange gain / (loss)	(0.02)	(0.01)
Investment income from pool (terrorism)	0.24	0.22
Miscellaneous income	0.26	0.11
Other income (revenue account)	**0.48**	**0.32**

Other income (revenue account) increased from ₹ 0.32 billion in fiscal 2015 to ₹ 0.48 billion in fiscal 2016, an increase of 53.2%. This increase was primarily due to an increase in miscellaneous income from ₹ 0.11 billion in fiscal 2015 to ₹ 0.26 billion in fiscal 2016. The increase in miscellaneous income primarily related to income booked upon final determination of area coverages in crop insurance based on actual measurements in fiscal 2016 compared to fiscal 2015. See also "Financial Information—Financial Statements—Notes on Adjustments for Restated Summary Financial Information—Description of the adjustment carried out in the audited financial statements—Material Adjustments" on page 290.

Claims Incurred (net)

Claims Incurred (net)	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Claims paid- Direct	48.76	40.51
Claims paid on reinsurance accepted	2.10	16.56
Gross claims paid	**50.86**	**57.07**
Less: Claims recovered from reinsurance ceded	23.28	16.36
Net claims paid	**27.58**	**40.71**
Increase/(decrease) in claims outstanding	11.81	(6.26)
Claims incurred (net)	**39.39**	**34.46**

Claims incurred (net) increased from ₹ 34.46 billion in fiscal 2015 to ₹ 39.39 billion in fiscal 2016, an increase of 14.3%. This increase was largely in line with the increase in our NEP by 14.0% in the same period. There was also a marginal increase in our loss ratio during this period, primarily due to the high level of claims incurred in the crop/weather segment and claims incurred due to a catastrophic event (the severe floods experienced by Chennai and surrounding regions in November-December 2015 (the "**Chennai Floods**")). See also "—Key Performance Indicators—Loss Ratio" on page 350.

The decrease in claims paid on reinsurance accepted from ₹ 16.56 billion in fiscal 2015 to ₹ 2.10 billion in fiscal 2016 was primarily due to a payment of ₹ 14.64 billion in claims in fiscal 2015 in relation to the final settlement of dues under the dismantled IMTPIP as per the IRDAI's settlement schedule.

Commission paid (net)

Commission (net)	**Fiscal 2016**	**Fiscal 2015**
	(₹ in billions)	
Commission paid – Direct	3.49	2.99
Commission paid on reinsurance accepted	0.31	0.32
Gross commission paid	**3.80**	**3.31**
Less: Commission received from reinsurance ceded	7.08	6.77
Commission paid (net)	**(3.28)**	**(3.46)**

Commission paid – Direct increased from ₹ 2.99 billion in fiscal 2015 to ₹ 3.49 billion in fiscal 2016, an increase of 16.9%. This increase was primarily due to the overall increase in our GDPI by 21.2% in the same period. We do not pay any commissions on a significant portion (insurance that is sold along with agricultural loans) of our crop/weather insurance. Excluding crop/weather insurance, our GDPI increased by 17.1% from fiscal 2015 to fiscal 2016.

Commission paid on reinsurance accepted decreased marginally from ₹ 0.32 billion in fiscal 2015 to ₹ 0.31 billion in fiscal 2016.

Commission received from reinsurance ceded increased from ₹ 6.77 billion in fiscal 2015 to ₹ 7.08 billion in fiscal 2016, an increase of 4.6%. This increase was primarily due to an increase in GDPI of crop/weather insurance during the same period, which typically has lower risk retention levels, leading to a higher deemed reinsurance commission received from reinsurance ceded. This increase was partially offset by the reduction in commission received in the motor own-damage segment on account of reduction in the proportion of premium ceded in the same time period.

Operating expenses related to insurance business

Operating expenses related to insurance business increased from ₹ 13.87 billion in fiscal 2015 to ₹ 17.11 billion in fiscal 2016, an increase of 23.4%. The increase was primarily due to an increase in business support services, sales promotions, and employee's remuneration and welfare benefits. The increase in business support services from ₹ 4.49 billion in fiscal 2015 to ₹ 6.35 billion in fiscal 2016 and the increase in sales promotion from ₹ 1.93 billion to ₹ 2.87 billion in the same time period was primarily due to the increased competitive pressures in fiscal 2016 and the overall increase in GWP from fiscal 2015 to fiscal 2016.

Operating profit

Based on the above, operating profit decreased from ₹ 5.58 billion in fiscal 2015 to ₹ 4.82 billion in fiscal 2016, a decrease of 13.7%. Fire insurance contributed 8.0% and 22.9%, marine insurance contributed (5.3)% and (5.9)%, and miscellaneous insurance (including motor insurance, health insurance and other lines of insurance) contributed 97.2% and 83.0% of our operating profit in fiscal 2015 and fiscal 2016, respectively. In respect of marine insurance, as a result of making investments in distribution channels for SMEs and value added services, our net expense ratio for marine insurance increased from 31.2% in fiscal 2015 to 32.1% in fiscal 2016 even though our loss ratio for marine insurance decreased from 98.7% in fiscal 2015 to 94.8% in fiscal 2016.

Operating profit increased from ₹ 4.13 billion in fiscal 2014 to ₹ 5.58 billion in fiscal 2015, an increase of 35.3%. Fire insurance contributed 15.1% and 8.0%, marine insurance contributed (6.1%) and (5.3)%, and miscellaneous insurance (including motor insurance, health insurance and other lines of insurance) contributed 91.0% and 97.2 % of our operating profit in fiscal 2014 and fiscal 2015, respectively. In respect of marine insurance, as a result of making investments in distribution channels for SMEs and value added services, our net expense ratio for marine insurance increased from 26.5 % in fiscal 2014 to 31.2% in fiscal 2015.

Operating profit Increased from ₹ 3.03 billion in fiscal 2013 to ₹ 4.13 billion in fiscal 2014, an increase of 36.4 %. Fire insurance contributed 13.0% and 15.1%, marine insurance contributed 0.1% and (6.1)%, and miscellaneous insurance (including motor insurance, health insurance and other lines of insurance) contributed 86.8% and 91.0 % of our operating profit in fiscal 2013 and fiscal 2014, respectively. In respect of marine insurance, as a result of making investments in distribution channels for SMEs and value added services, our net expense ratio for marine insurance increased from 19.2 % in fiscal 2013 to 26.5% in fiscal 2014.

Income from investments (profit and loss account)

Income from investments (profit and loss account)	Fiscal 2016	Fiscal 2015
	(₹ in billions)	
Net profit on sale and redemption of investments	0.67	0.35
Interest, Dividend and Rent – Gross	1.61	1.47
Income from investments (profit and loss account)	**2.28**	**1.82**

Income from investments (profit and loss account) increased from ₹ 1.82 billion in fiscal 2015 to ₹ 2.28 billion in fiscal 2016, an increase of 25.2%. The increase in net profit on sale and redemption of investments (profit and loss account) from ₹ 0.35 billion in fiscal 2015 to ₹ 0.67 billion in fiscal 2016 was primarily due to the realization of capital gains on sale of fixed income securities.

Other income (profit and loss account)

Other income (profit and loss account) increased from ₹ 20.9 million in fiscal 2015 to ₹ 144.2 million in fiscal 2016, an increase of 589.9%. We received interest income on tax refund of ₹ 17.8 million in fiscal 2015 and ₹ 138.9 million in fiscal 2016.

Provisions (other than taxation)

Provisions (other than taxation) decreased from ₹ 219.9 million in fiscal 2015 to ₹ 9.9 million in fiscal 2016. This was primarily due a provision of ₹ 141.6 million taken for the diminution in value of investments in relation to venture capital funds and securitized receipts in fiscal 2015.

Other expenses

Other expenses increased from ₹ 157.2 million in fiscal 2015 to ₹ 184.3 million in fiscal 2016, an increase of 17.2%. This increase was primarily due to increased CSR expenditure, partly offset by a decrease in loss on sale/discard of fixed assets.

Profit

As a result of the above, profit before tax remained flat at ₹ 7.05 billion in fiscal 2015 and fiscal 2016.

Provision for taxation increased from ₹ 1.19 billion in fiscal 2015 to ₹ 1.99 billion in fiscal 2016, an increase of 67.0%, primarily due to the increase in effective tax rate from 16.9% to 28.3% during the same time period. Our effective tax rate was lower in fiscal 2015 due to the availability of carried forward losses from the previous period (which were all set off in fiscal 2015) and a higher proportion of exempt investment income.

Profit after tax decreased from ₹ 5.86 billion in fiscal 2015 to ₹ 5.05 billion in fiscal 2016, a decrease of 13.7%.

Financial Position

The following table sets forth, at the dates indicated, our summary balance sheet, which is based on our financial statements set forth in "Financial Information—Financial Statements" on page 233.

Particulars	At June 30,		At March 31,		
	2017	2016	2017	2016	2015
			(₹ in billions)		
Share capital	4.53	4.48	4.51	4.48	4.47
Reserves and Surplus	34.67	28.81	32.74	27.88	24.39
Share application money-pending allotment	0.01	0.00	0.01	-	0.00
Total Equity	**39.21**	**33.28**	**37.26**	**32.35**	**28.85**
Current liabilities	158.37	127.90	149.14	104.60	89.12
Provisions	40.43	35.22	35.48	31.10	24.92
Fair value change account	7.22	4.73	6.77	3.09	3.56
Borrowings	4.85	0.00	4.85	0.00	0.00
Total liabilities	**210.87**	**167.86**	**196.24**	**138.79**	**117.60**
Total equity and liabilities	**250.08**	**201.14**	**233.51**	**171.14**	**146.46**
Total Investments	**164.46**	**128.42**	**150.79**	**115.63**	**102.00**
Fixed assets					

Particulars	At June 30,		At March 31,		
	2017	2016	2017	2016	2015
			(₹ in billions)		
Cost/gross block(1)	7.67	7.29	7.59	7.23	6.88
Net block	3.78	3.80	3.83	3.83	3.90
Deferred tax asset	1.04	1.13	0.87	1.24	0.97
Cash and bank balances	1.27	0.74	1.94	1.95	1.42
Advances and other assets	79.52	67.05	76.08	48.50	38.18
Total Assets	**250.08**	**201.14**	**233.51**	**171.14**	**146.46**

(1) The Cost/gross block is not set forth in the financial statements included in this Red Herring Prospectus.

Total assets increased from ₹ 201.14 billion at three months ended June 30, 2016 to ₹ 250.08 billion at three months ended June 30, 2017, an increase of 24.3%. This increase was primarily due to an increase in total investments from ₹ 128.42 billion at three months ended June 30, 2016 to ₹164.46 billion at three months ended June 30, 2017 and increase in outstanding premium from central and state government under the PMFBY programme, which is booked under “Advance and other assets”. The gross block (fixed assets at cost without taking depreciation or impairment into account) increased from ₹ 7.29 billion at three months ended June 30, 2016 to ₹ 7.67 billion at three months ended June 30, 2017, an increase of 5.2%. This increase was primarily due to investments in the development of intangibles, in particular, computer software. Advances and other assets increased from ₹ 67.05 billion at three months ended June 30, 2016 to ₹ 79.52 billion at three months ended June 30, 2017, an increase of 18.6%. This was primarily due to an increase in outstanding premiums owed by Central and State governments for their share of subsidies with respect to crop/weather insurance under the PMFBY, which is booked under “Advances and other assets”.

Total assets increased from ₹ 171.14 billion at March 31, 2016 to ₹ 233.51 billion at March 31, 2017, an increase of 36.4%. This increase was primarily due to an increase in total investments from ₹ 115.63 billion in fiscal 2016 to ₹ 150.79 billion in fiscal 2017 and due to an increase in outstanding premium from central and state governments under the PMFBY, which is booked under “Advances and other assets”. The gross block (fixed assets at cost without taking depreciation or impairment into account) increased from ₹ 7.23 billion at March 31, 2016 to ₹ 7.59 billion at March 31, 2017, an increase of 4.9%. This increase was primarily due to investments in the development of intangibles (computer software). Advances and other assets increased from ₹ 48.50 billion at March 31, 2016 to ₹ 76.08 billion at March 31, 2017, an increase of 56.9%. There was a large growth in crop/weather insurance in fiscal 2017 due to the implementation of the PMFBY programme, wherein a subsidy is paid by Central and State governments and the proportion of reinsurance is higher. Government payments are typically lagging , resulting in an increase in outstanding premiums owed by Central and State governments for their share of subsidies with respect to crop/weather insurance. Further, as the proportion of reinsurance is higher in crop/weather insurance , dues from other entities carrying on insurance business (net) (including reinsurers) also increased.

Total assets increased from ₹ 146.46 billion at March 31, 2015 to ₹ 171.14 billion at March 31, 2016, an increase of 16.9%. This increase was primarily due to an increase in total investments from ₹ 102.00 billion in fiscal 2015 to ₹ 115.63 billion in fiscal 2016 and an increase in amounts due from reinsurers and co-insurers. Advances and other assets increased from ₹ 38.18 billion at March 31, 2015 to ₹ 48.50 billion at March 31, 2016, an increase of 27.0%. There was growth in crop/weather insurance in fiscal 2016, wherein a subsidy is paid by Central and State governments and the proportion of reinsurance is typically higher. Government payments are typically lagging, resulting in an increase in outstanding premiums owed by Central and State governments for their share of subsidies with respect to crop/weather insurance. Further, as the proportion of reinsurance is higher in crop/weather insurance, dues from other entities carrying on insurance business (net) (including reinsurers) also increased.

Advances and other assets decreased from ₹ 48.67 billion at March 31, 2014 to ₹ 38.18 billion at March 31, 2015, a decrease of 21.5%, primarily due to a reduction in outstanding premiums on account of reduced demand for crop/weather insurance and a reduction in dues from other entities carrying on insurance business (net) (including reinsurers) due to the final settlement of motor pool balances as per the directions of the IRDAI.

Total liabilities increased from ₹167.86 billion at three months ended June 30, 2016 to ₹ 210.87 billion at three months ended June 30, 2017, an increase of 25.6%. This increase was primarily due to an increase in claims outstanding from ₹ 109.75 billion at three months ended June 30, 2016 to ₹ 125.94 billion at three months ended June 30, 2017.

Total liabilities increased from ₹ 138.79 billion at March 31, 2016 to ₹ 196.24 billion at March 31, 2017, an increase of 41.4%. This increase was primarily due to an increase in claims outstanding from ₹ 89.43 billion in fiscal 2016 to ₹ 118.05 billion in fiscal 2017 primarily in relation to crop/weather insurance.

Total liabilities increased from ₹ 117.60 billion at March 31, 2015 to ₹ 138.79 billion at March 31, 2016, an increase of 18.0%. This increase was primarily due to an increase in claims outstanding from ₹ 75.05 billion in fiscal 2015 to ₹ 89.43 billion in fiscal 2016 primarily in relation to motor third party insurance and crop/weather insurance.

Fair value change account–Shareholder funds increased from ₹ 1.00 billion at three months ended June 30, 2016 to ₹ 1.81 billion at three months ended June 30, 2017, an increase of 82.2%. This increase was primarily due to an increase in our equity portfolio as well as the increase in market value of our equity portfolio compared to its cost price. Fair value change account–Policyholder funds increased from ₹ 3.74 billion at three months ended June 30, 2016 to ₹ 5.41 billion at three months ended June 30, 2017, an increase of 44.7%. This increase was primarily due to an increase in our equity portfolio as well as the increase in market value of our equity portfolio compared to its cost price.

Fair value change account–Shareholder funds increased from₹ 0.61 billion at March 31, 2016 to ₹ 1.75 billion at March 31, 2017, an increase of 188.4%. This increase was primarily due to an increase in the market value of our equity portfolio compared to its cost price. Fair value change–Policyholder funds increased from ₹ 2.49 billion at March 31, 2016 to ₹ 5.03 billion at March 31, 2017, an increase of 102.3%. This increase was primarily due to an increase in the market value of our equity portfolio compared to its cost price.

Fair value change account–Shareholder funds decreased from₹ 0.69 billion at March 31, 2015 to ₹ 0.61 billion at March 31, 2016, a decrease of 12.0%. This decrease was primarily due to the decrease in the market value of equity portfolio compared to its cost price. Fair value change account–Policyholder funds decreased from₹ 2.87 billion at March 31, 2015 to ₹ 2.49 billion at March 31, 2016, a decrease of 13.5%. This decrease was primarily due to the decrease in the market value of equity portfolio compared to its cost price.

Investments–Shareholders increased from ₹ 27.15 billion at three months ended June 30, 2016 to ₹ 42.31 billion at three months ended June 30, 2017, an increase of 55.8%. Similarly, Investments–Policyholders increased from ₹ 101.27 billion at three months ended June 30, 2016 to ₹ 122.15 billion at three months ended June 30, 2017, an increase of 20.6%. The increase was primarily due to an overall increase in the investment book size. Further, regulatory changes prescribed by IRDAI affecting the notional allocation of investments into Policyholder and Shareholder funds based on the ratio of their respective liabilities and assets also contributed to an increase in the Shareholders fund ratio.

Investments–Shareholders increased from ₹ 23.89 billion at March 31, 2016 to ₹ 39.83 billion at March 31, 2017, an increase of 66.7%. Similarly, Investments–Policyholders increased from ₹ 91.74 billion at March 31, 2016 to ₹ 110.96 billion at March 31, 2017, an increase of 21.0%. The increase was primarily due to an overall increase in the investment book size. Further, regulatory changes prescribed by IRDAI affecting the notional allocation of investments into Policyholder and Shareholder funds based on the ratio of their respective liabilities and assets also contributed to an increase in the Shareholders fund ratio.

Investments–Shareholders increased from ₹ 20.89 billion at March 31, 2015 to ₹ 23.89 billion at March 31, 2016, an increase of 14.4%. Similarly, Investments–Policyholders increased from ₹ 81.11 billion at March 31, 2015 to ₹ 91.74 billion at March 31, 2016, an increase of 13.1%. The increase was primarily due to an overall increase in the investment book size.

Liquidity and Capital Resources

The following table sets forth, for the periods indicated, a summary of cash flows from our restated summary statement of receipts and payments account.

Particulars	Three months ended June 30,		Fiscal 2017	Fiscal 2016	Fiscal 2015
	2017	2016	(₹ in billions)		
Net cash flow from (used in) operating activities	7.64	6.71	16.28	5.11	(0.98)
Net cash flow from (used in) investing activities	(8.19)	(7.56)	(19.90)	(3.10)	1.71
Net cash flow from (used in) financing activities	(0.12)	(0.37)	3.61	(1.48)	(0.93)

Cash flows from operating activities

Net cash flows from operating activities increased from ₹6.71 billion in the three months ended June 30, 2016 to ₹ 7.64 billion in the three months ended June 30, 2017. This increase was primarily due to the growth of our business, partially offset by an increase in the payment of operating expenses and commissions.

Net cash flows from operating activities increased from ₹ 5.11 billion in fiscal 2016 to ₹ 16.28 billion in fiscal 2017. This increase was primarily due to an increase in premiums received from policyholders due to the growth of our business, partially offset by an increase in the payment of operating expenses and commissions.

Net cash flows from operating activities increased from ₹ (0.98) billion in fiscal 2015 to ₹ 5.11 billion in fiscal 2016. This increase was primarily due to a decrease in payment of claims and an increase in premium received, partially offset by a change in receipt/payment from/to reinsurers (net of commissions and claims recovery) and an increase in payment of operating expenses. The decrease in payment of claims was primarily due to a payment of ₹ 14.64 billion in fiscal 2015 arising on account of the final settlement of dues under the dismantled IMTPIP as per the IRDAI's settlement schedule.

Cash flows from investing activities

Net cash flows from investing activities decreased from ₹ (7.56) billion in the three months ended June 30, 2016 to ₹ (8.19) billion in the three months ended June 30, 2017. This decrease was primarily due to an increase in net purchase of equity and fixed income investments and an increase in net investments in money market instruments and liquid mutual funds, mainly from funds generated from operating activities.

Net cash flows from investing activities decreased from ₹ (3.10) billion in fiscal 2016 to ₹ (19.90) billion in fiscal 2017. This decrease was primarily due to an increase in net purchase of equity and fixed income investments and an increase in net investments in money market instruments and liquid mutual funds, mainly from funds generated from operating activities.

Net cash flows from investing activities decreased from ₹ 1.71 billion in fiscal 2015 to ₹ (3.10) billion for fiscal 2016. This decrease was primarily due to an increase in net purchase of equity and fixed income investments, mainly from funds generated from operating activities.

Cash flows from financing activities

Net cash flows from financing activities marginally increased from ₹ (0.37) billion in the three months ended June 30, 2016 to ₹ (0.12) billion in the three months ended June 30, 2017.

Net cash flows from financing activities increased from ₹ (1.48) billion in fiscal 2016 to ₹ 3.61 billion in fiscal 2017. This increase was primarily due to the ₹ 4.85 billion Debentures issued by us in fiscal 2017.

Net cash flows from financing activities decreased from ₹ (0.93) billion in fiscal 2015 to ₹ (1.48) billion in fiscal 2016. This decrease was primarily due to the payment of an increased dividend in fiscal 2016 as compared to fiscal 2015.

Key Performance Indicators

In evaluating our business, we consider and use non-GAAP financial measures and key performance indicators that are presented below, as supplemental measures to review and assess our operating performance. The presentation of these non-GAAP financial measures and key performance indicators is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with Indian GAAP. We present these non-GAAP financial measures and key performance indicators because they are used by our management to evaluate our operating performance and formulate business plans.

These non-GAAP financial measures are not defined under Indian GAAP and are not presented in accordance with Indian GAAP. The non-GAAP financial measures and key performance indicators have limitations as analytical tools. Further, these non-GAAP financial measures and key performance indicators may differ from the similar information used by other companies, including peer companies, and therefore their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to profit before tax, surplus before tax, net earned premiums, gross earned premiums or any other measure of performance or as an indicator of our operating performance, liquidity or profitability or results of operations.

The following table sets forth our key performance indicators for the periods indicated:

Particulars	Three months ended June 30, 2017	Three months ended June 30, 2016	Fiscal 2017	Fiscal 2016	Fiscal 2015
GDPI (₹ in billions)	33.21	28.80	107.25	80.91	66.78
GDPI growth rate	15.3%	40.7%	32.6%	21.2%	(2.6)%
GWP (₹ in billions)	33.94	29.55	109.60	82.96	69.37
Total investment income (₹ in billions)	4.65	3.28	13.10	11.57	9.61
Investment leverage (1)(2)	4.07x	3.86x	3.92x	3.57x	3.54x
Loss ratio	78.1%	82.8%	80.6%	81.6%	81.4%
Net expense ratio	24.3%	21.0%	23.5%	25.5%	23.5%
Combined ratio	102.4%	103.7%	104.1%	107.1%	104.9%
Solvency ratio (2)	2.13x	1.78x	2.10x	1.82x	1.95x
Return on equity (annuliazed)	21.9%	15.5%	17.2%	15.6%	20.3%

(1) Investment leverage is computed net of borrowings

(2) As measured at the end of the respective periods

Total investment income

Total investment income represents the income earned by us from investment of assets, which is referred to as "leveraging the float". Total investment income includes investment income generated from both the policyholder and shareholder funds, and comprises interest income, amortisation of premium or accretion of discount on debt securities over the remaining term of such instruments using the effective interest rate method, dividend income, lease rentals on investment property on an accrual basis and profit or loss on sale/redemption of debt securities, equity shares, and mutual fund units.

Our investment income increased from ₹ 3.28 billion in the three months ended June 30, 2016 to ₹ 4.65 billion in the three months ended June 30, 2017, an increase of 41.8%. This increase was primarily due to an increase in capital gains from ₹ 1.21 billion for the three months ended June 30, 2016 to ₹ 2.16 billion in fiscal 2017 and increase in interest income on our fixed income portfolio.

Our investment income increased from ₹ 11.57 billion in fiscal 2016 to ₹ 13.10 billion in fiscal 2017, an increase of 13.2%. This increase was primarily due to an increase in capital gains from ₹ 3.38 billion in fiscal 2016 to ₹ 3.91 billion in fiscal 2017 and increase in interest income on our fixed income portfolio.

Our investment income increased from ₹ 9.61 billion in fiscal 2015 to ₹ 11.57 billion in fiscal 2016, an increase of 20.4%. This increase was primarily due to an increase in capital gains from ₹ 2.10 billion in fiscal 2015 to ₹ 3.38 billion in fiscal 2016, an increase of 60.5% and increase in interest income on our fixed income portfolio.

Investment leverage

Investment leverage is the ratio of total investment assets (including the fair value change account and net of borrowings) in both the policyholder and shareholder funds to our net worth. We believe that this ratio is a good measure of the ability of an insurance company to generate investment income.

Our investment leverage increased from 3.86x in the three months ended June 30, 2016 to 4.07x in the three months ended June 30, 2017. This increase was primarily due to our growth in business, increased reserves, increased investment income and an improvement in our combined ratio.

Our investment leverage increased from 3.57x in the three months ended March 31, 2016 to 3.92x in the three months ended March 31, 2017. This increase was primarily due to our growth in business, increased reserves, increased investment income and an improvement in our combined ratio.

Our investment leverage increased from 3.54x in the three months ended March 31, 2015 to 3.57x in the three months ended March 31, 2016.

Loss ratio

Loss ratio is the ratio of the claims incurred (net) to the NEP.

Our loss ratio improved from 82.8% in the three months ended June 30, 2016 to 78.1% in the three months ended June 30, 2017. This decrease was primarily due to an improvement in loss ratio of motor insurance and health insurance.

Our loss ratio improved from 81.6% in fiscal 2016 to 80.6% in fiscal 2017. This decrease was primarily due to an improvement in loss ratio on motor insurance and crop/weather insurance.

Our loss ratio increased marginally from 81.4% in fiscal 2015 to 81.6% in fiscal 2016. This increase was primarily due to the impact of adverse weather conditions on crop insurance claims and the impact of a catastrophic event – the Chennai Floods – in fiscal 2016.

The segmental breakdown of our loss ratio is set forth in the table below.

Segment	% Contribution to NEP in Fiscal 2017	Three months ended June 30, 2017	Three months ended June 30, 2016	Fiscal 2017	Fiscal 2016	Fiscal 2015
Motor:						
Motor- Own Damage	32.0%	62.2%	71.4%	64.8%	65.5%	61.6%
Motor- Third Party	25.5%	97.5%	95.6%	97.4%	97.7%	105.8%
Motor- Total	57.5%	77.9%	82.1%	79.2%	80.2%	80.0%
Health:						
Health- Corporate	8.9%	110.1%	104.8%	104.2%	96.9%	102.3%

Segment	% Contribution to NEP in Fiscal 2017	Three months ended June 30, 2017	Three months ended June 30, 2016	Fiscal 2017	Fiscal 2016	Fiscal 2015
Health- Mass	3.9%	-16.2%	68.4%	134.4%	95.2%	84.0%
Health- Retail	5.9%	62.9%	151.5%	64.4%	66.6%	64.9%
Health Insurance- Total	18.8%	86.0%	102.3%	97.9%	86.0%	88.8%
Crop / Weather Insurance	8.2%	140.1%	80.6%	84.2%	140.0%	80.0%
Marine:						
Marine- Cargo	2.9%	79.4%	83.4%	82.2%	93.9%	99.3%
Marine- Others	0.1%	13.7%	176.9%	170.0%	120.7%	78.1%
Marine- Total	3.0%	75.0%	90.4%	86.3%	94.8%	98.7%
Personal Accident	2.9%	43.8%	52.5%	41.3%	64.3%	79.7%
Fire	2.0%	60.7%	40.3%	68.4%	64.3%	96.0%
Engineering	1.1%	52.3%	58.5%	53.4%	71.4%	74.4%
Public/Product Liability	0.1%	101.6%	74.5%	159.1%	134.9%	77.6%
Aviation	0.7%	91.6%	86.5%	137.0%	115.7%	89.3%
Workmen's Compensation	0.7%	41.2%	39.5%	49.8%	44.0%	44.3%
Credit Insurance	0.0%	50.0%	50.0%	85.2%	50.1%	49.4%
Others	4.9%	42.9%	53.9%	50.6%	62.5%	50.0%
Total	**100.0%**	**78.1%**	**82.8%**	**80.6%**	**81.6%**	**81.4%**

Our loss ratio for health insurance decreased from 102.3% in the three months ended June 30, 2016 to 86.0% in the three months ended June 30, 2017 primarily due to the decrease in corporate and mass health loss ratio on account of non-renewal of single corporate health policy and RSBY Kerela mass health policy which had high claims experience.

Our loss ratio for health insurance increased from 86.0% in fiscal 2016 to 97.9% in fiscal 2017 primarily due to an increase in the loss ratio in the corporate and mass health segments in the same time period. The increase in the corporate loss ratio was due to high claims experienced under a single corporate health policy in fiscal 2017 and the increase in the mass health loss ratio was due to adverse loss experiences under the RSBY Kerala 2017 Mass Health Policy. Both these policies expired in fiscal 2017. See also "Legal and Other Information—Outstanding Litigation and Material Developments—Litigation involving our Company—Litigation filed against our Company— Restraining and debarment order" on page 365.

Our loss ratio for crop/weather insurance increased from 80.6% in the three months ended June 30, 2016 to 140.1% in the three months ended June 30, 2017 primarily due to spillover of previous Kharif & Rabi season losses from fiscal 2017 to the three months ended June 30, 2017. The loss ratio improved from 140.0% in fiscal 2016 to 84.2% in fiscal 2017 primarily due to favourable weather conditions. Our loss ratio for crop/weather insurance increased from 80.0% in fiscal 2015 to 140.0% in fiscal 2016, primarily due to adverse weather conditions in fiscal 2016 and the spill-over of certain Rabi season losses from fiscal 2015 to fiscal 2016.

As a result of a catastrophic event, the Chennai Floods, in November-December 2015, we incurred net losses (including the payment of reinstatement premiums) of ₹ 0.41 billion in fiscal 2016, which had a 0.8% impact on our loss ratio in fiscal 2016.

Net expense ratio

Net expense ratio is the ratio of the sum of operating expenses related to insurance business and commission paid (net) to the NWP. The net expense ratio is a measure of an insurance company's operational efficiency.

Our net expense ratio increased from 21.0% in the three months ended June 30, 2016 to 24.3% in the three months ended June 30, 2017. This increase was primarily due to an increase in operating expenses in line with growth in business.

Our net expense ratio improved from 25.5% in fiscal 2016 to 23.5% in fiscal 2017. This decrease was primarily due to an increase in commission received from reinsurance ceded in relation to the crop insurance business, which typically has lower retention rates and higher commission received from reinsurance.

Our net expense ratio increased from 23.5% in fiscal 2015 to 25.5% in fiscal 2016. This increase was primarily due to an increase in motor insurance written in fiscal 2016, which typically involves higher sourcing costs.

Combined ratio

Combined ratio is the sum of loss ratio and net expense ratio. The combined ratio is a measure of the profitability of an insurance company's underwriting business. A ratio below 100% usually indicates that the insurance company generates a margin in its insurance operations, while a ratio above 100% usually indicates that insurance company is paying out more money in claims and operating expenses than it is receiving from premiums.

Our combined ratio improved from 103.7% in the three months ended June 30, 2016 to 102.4% in the three months ended June 30, 2017 as a result of the improvement in the loss ratio.

Our combined ratio improved from 107.1% in fiscal 2016 to 104.1% in fiscal 2017 as a result of the improvement in the loss ratio and the net expense ratio.

Our combined ratio increased from 104.9% in fiscal 2015 to 107.1% in fiscal 2016. This increase was primarily due to the impact of adverse weather conditions on crop insurance claims and the impact of a catastrophic event – the Chennai Floods – in fiscal 2016.

Solvency Ratio

The solvency ratio is a regulatory measure of capital adequacy, calculated by dividing available solvency margin by required solvency margin, each as calculated in accordance with the guidelines of the IRDAI. The IRDAI has set a solvency ratio control limit of 1.50x.

Our solvency ratio increased from 2.10x as of March 31, 2017 to 2.13x as of June 30, 2017, primarily due to the growth in profit after tax from ₹ 1.29 billion for the three months ended June 30, 2016 to ₹ 2.14 billion for the three months ended June 30, 2017.

Our solvency ratio increased from 1.82x as of March 31, 2016 to 2.10x as of March 31, 2017, primarily due to the growth in profit after tax from ₹ 5.05 billion to ₹ 6.42 billion during the same period. We also raised ₹ 4.85 billion through the issue of the Debentures in fiscal 2017, which amount is available for the purposes of solvency calculation. The Debentures were rated AAA (domestic credit rating) by CRISIL Limited and ICRA Limited.

Our solvency ratio decreased from 1.95x as at March 31, 2015 to 1.82x as of March 31, 2016, primarily due to growth in premium income and increase in gross claims due to the crop/weather insurance segment and the Chennai Floods, thereby requiring additional capital.

Return on equity

Return on equity is the ratio of profit after tax to the net worth of a company. It is a measure of the ability of a company to generate profits on its shareholders' investments.

Our return on equity increased from 3.9% (15.5% on annualised basis) in the three months ended June 30, 2016 to 5.5% (21.9% on annualised basis) in the three months ended June 30, 2017. This increase was primarily due to the growth in profit after tax from ₹ 1.29 billion to ₹ 2.14 billion during the same period.

Our return on equity increased from 15.6% in fiscal 2016 to 17.2% in fiscal 2017. This increase was primarily due to the growth in profit after tax from ₹ 5.05 billion to ₹ 6.42 billion during the same period.

Our return on equity decreased from 20.3% in fiscal 2015 to 15.6% in fiscal 2016. This decrease was primarily due to the impact of adverse weather conditions on crop insurance claims and the impact of a catastrophic event – the Chennai Floods – in fiscal 2016, and the increase in our effective tax rate from 16.9% in fiscal 2015 to 28.3% in fiscal 2016.

Contingent Liabilities

From time to time we may be contingently liable with respect to litigation and claims that arise in the normal course of operations as reported in the "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Notes to accounts—Statutory disclosures as required by IRDAI—Contingent Liabilities".

As of June 30, 2017, we had ₹ 302.8 million in statutory demands/liabilities in dispute which are not provided for.

Borrowings

As of June 30, 2017, we had long term borrowings of ₹ 4.85 billion, total net worth of ₹ 39.19 billion and a total debt to net worth ratio of 12.4%.

During the year ended March 31, 2017, we raised ₹ 4.85 billion through an issue of the Debentures, which qualifies as other forms of capital under Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015.

Seasonality

The insurance sector is subject to seasonal fluctuations in operating results and cash flow. Most Indian corporations purchase non-life insurance in the beginning of the fiscal year, and consequently, we see an increase in premiums received from our corporate customers in April of every year. In addition, certain individual insurance purchases are concentrated around the third and fourth quarters of the fiscal year due to an increase in sales of motor vehicles in the festive season and due to certain tax benefits related to the purchase of health or motor insurance, respectively. Crop/weather insurance purchases are concentrated around the two most-common sowing seasons – Kharif and Rabi.

As a result of these factors, we may be subject to seasonal fluctuations in operating results and cash flows during any interim financial period, and consequently, such results cannot be used as an indication of our annual results, and cannot be relied upon as an indicator of our future performance.

Significant Developments after June 30, 2017

According to our Directors, other than as disclosed in this Red Herring Prospectus, there have not arisen any circumstances since June 30, 2017 which materially and adversely affect or are likely to affect the trading of our Equity Shares, our profitability, the value of its assets, or our ability to pay our liabilities within the next twelve months.

Material Contractual Obligations

As of June 30, 2017, we did not have any material contractual obligations or commercial commitments, including long-term debt, rental commitments, operating lease commitments, purchase obligations or other capital commitments, other than contractual obligations under insurance and investment contracts we enter into in our ordinary course of business and other than those as set forth in "Financial Information—Financial Statements—Summary of Significant accounting policies and Notes to Accounts—Notes to accounts—Statutory disclosures as required by IRDAI—Commitments" and summarised below:

In respect of fixed assets (net of advances), we had an estimated ₹ 248.3 million, ₹ 169.9 million, ₹ 238.2 million and ₹ 215.5 million in obligations on contracts remaining to be executed as at June 30, 2017 and March 31, 2017, 2016 and 2015, respectively.

We had commitments in respect of investments of ₹ 659.3 million, ₹ 401.8 million, ₹ 1.8 million and ₹ 85.5 million as of June 30, 2017 and March 31, 2017, 2016 and 2015, respectively.

Off-Balance Sheet Arrangements

As of the date of this Red Herring Prospectus, we had no off-balance sheet arrangements.

Known Trends or Uncertainties

Our business has been impacted, and we expect will continue to be impacted, by the trends identified above in "—Key Factors Affecting our Results of Operations" on page 324 and the uncertainties described in "Risk Factors" on page 22.

Unusual or Infrequent Events or Transactions

To our knowledge, except as disclosed in this Red Herring Prospectus, there are no events or transactions relating to us which, in our judgment, would be considered unusual or infrequent.

Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations

See "Risk Factors— Risks Related to our Business—We are exposed to significant market risk, including changes in interest rates or adverse movements in the equity markets in India that could impair the value of our investment portfolio and have a material adverse effect on our business, financial condition and results of operations" on page 37.

FINANCIAL INDEBTEDNESS

Except as disclosed below, our Company does not have any outstanding borrowings. The current borrowing limits of our Company is ₹ 19,515.9 million, as approved by our Board in its meeting dated April 18, 2017.

Private Placement of Debentures

Our Company has made an allotment of 4,850 Debentures, at par, aggregating to ₹ 4,850.0 million on July 28, 2016 to investors. The Debentures were rated AAA (Stable) by CRISIL Limited and ICRA AAA (Stable) by ICRA Limited pursuant to the credit rating letter dated April 7, 2016 (revalidated on July 21, 2016 and April 26, 2017) issued by CRISIL Limited and credit rating letter dated March 28, 2016 (revalidated on July 21, 2016 and March 20, 2017) issued by ICRA Limited. The issuance of the Debentures was approved by our Board and the shareholders of our Company in its meetings dated January 15, 2016 and February 9, 2016, respectively. The issuance was for the purpose of further strengthening our Company's solvency by way of augmenting its capital under 'Other Forms of Capital' to facilitate growth of our Company.

Additionally, our Board in its meeting dated January 19, 2017 and our shareholders in an EGM dated February 20, 2017 have approved further issuance of unsecured subordinated listed redeemable non-convertible debentures on a private placement basis, for an aggregate consideration of ₹ 3,650.0 million subject to approval from IRDAI and other authorities.

Principal terms of the Debentures are as follows:

1. ***Nature and Tenor***: The tenure of the Debentures is 10 years and our Company has a right to exercise a call option, with prior approval of IRDAI, at the end of five years from the deemed date of allotment. The call option date is July 28, 2021 and the call option price is ₹ 1.0 million per Debenture.

2. ***Coupon Rate***: The coupon rate is 8.25% per annum and coupon payment frequency is annual and on maturity.

3. ***Redemption of the Debentures***: The redemption date is July 28, 2026 and the redemption amount is ₹ 1.0 million per Debenture. There is no redemption premium or discount.

4. ***Payment of Interest on the Coupon***: As per the Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015 payment of interest on the coupon payment date shall be governed by the following conditions: (i) where the impact of payment of interest may result in net loss or increase the net loss of our Company, prior approval of IRDAI shall be required for payment of interest, (ii) In case the solvency of our Company has fallen below the minimum regulatory requirements prescribed by IRDAI or any interest payment would result in its solvency falling below or remaining below the minimum regulatory requirement specified by IRDAI, our Company shall not be liable to pay interest for that financial year, (iii) The interest due for a particular year shall not be cumulative i.e. interest missed in a year will not be paid in future years. However, any interest due and remaining unpaid may be paid in the subsequent financial years subject to our Company being in compliance with regulation 3(vii) of the Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015, and (iv) any unpaid interest being paid on a future date shall be compounded at the coupon rate.

5. ***Transfer and transmission of Debentures***: The Debentures issued are transferable in nature.

6. ***Governing law***: The issue of Debentures is made under the Companies Act, 2013 and rules and regulations pertaining thereto. The Debentures are governed by and shall be construed in accordance with the laws of India. Any dispute arising in respect of the Debentures will be subject to the jurisdiction of the courts at Mumbai.

7. ***Rights of Debenture holders***: The Debenture holders are not entitled to any rights and privileges of shareholders of our Company other than those available to them under statutory requirements. The Debentures do not confer upon the Debenture holder the right to receive notice, or to attend and vote at the general meetings of our Company.

8. ***Negative covenants***: Our Company is not permitted to, without the approval of the trustee, *inter alia*:

    (i) so long as the Debentures are outstanding make any material modifications to the structure of the Debentures in terms of the coupon, conversion, redemption or otherwise;

    (ii) so long as an event of default has occurred or is continuing, declare any dividend to our Shareholders in any year until satisfactory provisions are made for the payment of the instalments of principal and interest due on the Debentures, and

    (iii) make any change in the nature and conduct of its business.

Debenture Redemption Reserve:

Our Company will create a Debenture Redemption Reserve ("**DRR**") of 25% of the value of outstanding debentures, pursuant to the IRDAI circular on creation of Debenture Redemption Reserve dated August 4, 2017. The DRR shall not be considered as a liability for the purpose of computation of solvency margin and ratios.

Intraday facility availed by our Company

Our Company has entered into a credit arrangement letter dated September 9, 2016 with ICICI Bank. Principal terms of the same are as follows:

1. ***Proposed Limit***: The overall limit of the facility is ₹ 1,500.0 million.

2. ***Interest Rate***: The utilisation of the limit will happen only against inflow of funds in the same day clearing. However, in case of any outstanding at the end of the day, interest rate will be charged at I-Base + spread of 2% per annum plus applicable interest tax or other statutory levy, if any, on the amount remaining outstanding each day.

3. ***Fee***: The fee charged will be as per commercial agreement.

4. ***Purpose***: The purpose of this facility is for day to day business requirement.

5. ***Validity Period of Facility***: December 21, 2017.

6. ***Special Conditions***: (a) ICICI Bank at its sole discretion can unconditionally reduce or withdraw the facility amount at any point of time, and (b) our Company is required to abide by such regulation or guideline of IRDAI as are currently in force and as may be issued from time to time in relation to borrowing by general insurance companies.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The details of the outstanding litigation or proceedings relating to our Company, our Promoter, Group Companies and our Directors are described in this section.

Disclosure of litigation involving our Company:

Except as disclosed below there are no (i) outstanding criminal proceedings involving our Company, (ii) actions taken by regulatory or statutory authorities involving our Company (pending actions or any actions taken in the past five years), (iii) outstanding litigation involving taxation matters, (iv) other outstanding matters involving our Company which are identified as material in terms of the materiality policy (as disclosed herein below), (v) outstanding matters involving our Company, whose outcome could have material adverse effect on the position of our Company, (vi) outstanding matters initiated against our Company for economic offences, (vii) awards given by the Insurance Ombudsman against our Company during the last three years, (viii) acts of material frauds committed against our Company in the last five years (including action taken by our Company, if so), (ix) default and non-payment of statutory dues by our Company, (x) inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years against our Company, (xi) complaints filed by policyholders during the last five years involving our Company, (xii) outstanding matters involving our Company pertaining to violations of securities law, and (xiii) all outstanding matters filed against our Company which are in nature of winding up petition.

Given the nature and extent of operations of our Company, the outstanding litigation involving our Company which exceed an amount which is lesser of 1% of the total turnover (gross written premium) and 5% of the profit after tax as per the Restated Financial Statements of our Company as of and for Fiscal 2017 would be considered material for our Company. The total turnover (gross written premium) and profit after tax of our Company as per the Restated Financial Statements as of and for Fiscal 2017, was ₹ 109,604.6 million and ₹ 6,418.2 million. We have disclosed all outstanding litigation involving our Company where (i) the aggregate amount involved exceeds ₹ 311.0 million (being an amount which is lower than 1% of the total turnover (gross written premium) and 5% of the profit after tax of our Company and as per the Restated Financial Statements of our Company, as of and for Fiscal 2017), (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 311.0 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.

Our Board has also approved that dues owed by our Company to the small scale undertakings and other creditors exceeding 5% of the total outstanding dues owed to the small scale undertakings and other creditors would be considered as material dues for our Company and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹188.2 million (being 5% of total outstanding dues owed by our Company to the small scale undertakings and other creditors as of June 30, 2017).

For details of the manner of disclosure of litigation relating to our Promoter, see "Outstanding Litigation and Material Developments – Litigation involving our Promoter" on page 374*. Further, for details of the manner of disclosure of litigation relating to our Group Companies, see "Outstanding Litigation and Material Developments – Litigation involving our Group Companies" on page* 386*. For details of the manner of disclosure of litigation relating to our Directors, see "Outstanding Litigation and Material Developments – Litigation involving our Directors" on page* 396*. For details of the litigation in relation to direct and indirect taxes involving our Company, our Directors, our Promoter and Group Companies, see "Outstanding Litigation and Material Developments –Tax proceedings" on page* 406*.*

I. Litigation involving our Company

A. Litigation filed against our Company

Civil matters

1. Metal Scrap Trading Corporation Limited ("**MSTC**") had insured its receivables from exports for a total sum of ₹ 2,375.0 million under a credit insurance policy with our Company where Standard Chartered Bank was a joint insured. The foreign buyers engaged in the export of gold defaulted in payment which resulted in MSTC and Standard Chartered Bank filing a joint insurance claim with our Company worth approximately ₹ 1,442.0 million. At the same time, there were allegations from the Government of India about fraudulent exports made by MSTC which resulted in the above receivable and insurance claim. Standard Chartered Bank filed a summary suit in the High Court of Bombay for recovery of the claim amount since the claim was contested by our Company. Ministry of Steel initiated a probe on the allegations through Central Bureau of Investigation, pursuant to which this Court granted leave to defend in the matter and the summary suit was converted into a regular suit. The matter is currently pending in the High Court of Bombay.

2. State Trading Corporation of India Limited ("**STC**") had insured its receivables from exports for a total sum of ₹ 1,750.0 million under a credit insurance policy with our Company where Standard Chartered Bank was a joint insured. A certain set of foreign buyers of STC engaged in the export of gold defaulted in payment. An insurance claim filed by STC was rejected by our Company on the ground that no claimable situation had arisen under the policy. Further, there were allegations of fraudulent export transactions by STC to an overseas entity for trade of gold. Standard Chartered Bank has filed a summary suit in the High Court of Bombay to recover the insurance claim amounting to approximately ₹ 332.7 million. Standard Chartered had also filed proceedings against STC before the Debt Recovery Tribunal which was settled by the execution of consent terms. Pursuant to the said settlement, STC filed an impleadment application seeking its joinder in the suit claiming to be a co-insured under the policy which was allowed by the court. Thereafter, STC filed an amendment application claiming that upon making payments under the consent terms to Standard Chartered Bank, it stood subrogated to Standard Chartered as far as the present suit is concerned. The said amendment application has been allowed by the High Court of Bombay. The matter is currently pending in the High Court of Bombay.

3. Jindal South West Steel Limited ("**JSW**") is engaged in the manufacture of iron and steel. One of JSW's steel plants is located at Toranagullu, Bellary district Karnataka. JSW was insured by our Company for material risks associated with the plant at Toranagullu. Due to heavy rains at Toranagullu, flood and inundation occurred causing loss of stock of goods lying at the plant and ports which were marked for onward transit to the plant. A claim for insurance recovery was filed which was disputed by our Company, subsequent to which JSW initiated arbitration proceedings claiming an amount of ₹ 2,130.0 million. The arbitration tribunal vide award dated September 26, 2014 awarded ₹ 240.0 million to JSW. Aggrieved by this amount JSW has filed an appeal in the High Court of Bombay. The matter is currently pending in the High Court of Bombay.

4. Our Company had issued a professional indemnity technology insurance policy to KPIT Technologies Limited for the period from March 12, 2014 to March 11, 2015 covering claims arising out of professional negligence (breach of contract) of all its subsidiaries spread across the globe. On July 24, 2014, KPIT Technology notified our Company about a litigation filed against Sparta Consulting Inc. ("**Sparta**"), USA, one of its subsidiaries by Copart Inc. ("**Copart**"), USA in the Northern District of Texas seeking recovery of damages, inter alia, for breach of contract. The suit got subsequently transferred to the US District Court for Eastern District of California. The said litigation was not informed to the Company at the time of renewal of the policy for the year 2014-2015. The claim was repudiated by us as the litigation between Copart and Sparta was not timely informed to our Company and was kept secret at the time of renewal of the policy. The insured being aggrieved by the closure of claim, has filed a complaint before the National Consumer Disputes Redressal Commission ("**NCDRC**") at Delhi seeking payment of ₹ 1,800.0 million from our Company in terms of the liability under the 2014-2015 policy and/or ₹ 1357.5 million in terms of the liability under the 2013-2014 policy. Additionally, KPIT Technologies is also seeking payment of ₹ 100.0 million towards mental trauma, agony and harassment. KPIT Technologies has filed rejoinder and the matter is adjourned to December 11, 2017. The matter is currently pending in NCDRC.

5. Our Company had issued weather insurance coverage to farmers in certain notified districts of Bihar. Government of Bihar issued a notification with respect to implementation of Weather Based Crop Insurance Scheme ("**WBCIS**") for Kharif crop in 2013 and Rabi crop in 2013-2014. The Government of India for the benefit of the farmers and to compensate loss of agriculture due to adverse weather condition, initiated weather based crop insurance scheme through Department of Agriculture and Cooperation for protection and benefit of farmers. Post receipt of the notification, the installation of automatic weather stations for data collection as specified therein was carried out and the list was submitted to Government of Bihar. However, pursuant to different standards of weather adversity calculations, the Government of Bihar directed our Company to pay more claim than already paid. This amounted to ₹ 1,007.4 million more than the actual value ascertained by our Company. The Government has approached the collector office and initiated the recovery notice of ₹ 1,007.4 million in February 2016 under Section 7 of Public Demands Recovery Act based on the data received from the Government department managed weather stations. The Company filed a writ of certiorari before the High Court of Patna in July 2016 and the High Court has stayed the recovery proceedings relating to the additional amount claimed by Government of Bihar. The matter is currently pending in the High Court of Patna.

6. Essar Steel Limited ("**ESL**") had taken a comprehensive mega risk policy from the lead insurer, The New India Assurance Company Limited ("**Leader**") and our Company was one of the co-insurers. ESL raised a claim for damage (material damage: ₹ 2.0 million and business interruption: ₹ 9,000.0 million; wherein the claimed liability of our Company amounts to ₹ 900.0 million as it is a co-insurer to an amount of 10%) to slurry pipeline noticed on and after October 24, 2011. The claim was repudiated by the lead insurer as material facts were withheld at the time of inception of policy which included a terrorism and insurrection damage exclusion clause. A case was filed by the Leader and our Company in the Court of Civil Judge Senior Division, Vadodara to declare inter alia the policy null and void ab initio. The case is currently pending in the Court of Civil Judge Senior Division, Vadodra.

7. The State of Maharashtra through its Deputy Secretary (Agriculture and Horticulture) has filed a complaint against our Company before the National Consumer Disputes Redressal Commission at New Delhi for alleged rejection of claims relating to group personal accident insurance policy issued by our Company under the state Shetkari Apghat Bima Yojana (SABY). The claim amount is approximately ₹ 223.2 million along with interest at 12% p.a. The matter is currently pending.

8. Our Company had issued a contractor's all risks insurance policy on April 10, 2006 to M/s. Jaiprakash Associates Limited ("**JPAL**") for undertaking the work of tunneling awarded by Government of Andhra Pradesh at a project site. The project site was damaged due to heavy and incessant rains including damage to a tunnel boring machine ("**TBM**"). JPAL made an insurance claim before our Company in this regard. Our Company's surveyors informed JPAL that the existing policy did not any longer cover the TBM as such cover for the TBM expired on September 8, 2009. Aggrieved by the same, JPAL filed a complaint (the "**Complaint**") before the National Consumer Disputes Redressal Commission, Delhi (the "**Commission**") seeking payment for an amount of ₹ 1,182.6 million along with 18% interest. The Commission while dismissing the Complaint *vide* its order dated December 16, 2016 held that since the loss occurred more than three months after the expiry of the insurance cover, JPAL cannot claim damages in this regard ("**Order**"). Being aggrieved by the Order, JPAL filed an appeal before the Supreme Court. The matter is currently pending.

Criminal matters

1. Shri Gajanan Cotspin ("**Complainant"**) has alleged that their partnership firm had taken an insurance policy for their stock worth **₹** 5.0 million. On April 23, 2005 a fire broke out in their factory and the Complainant filed an insurance claim with the Company. Upon receiving the claim our Company informed the Complainant that such claim was not payable as our Company had not accepted the risk proposed to be insured. The Complainant alleged charges of cheating and forgery on account of the Company by sending an ante-dated letter and filed a case in the Court of Judicial Magistrate of First Class in Sheagaon, Maharashtra. The matter is currently pending.

2. Chandrashekhar Prasad Tiwari ("**Complainant"**) has alleged that he booked a motor insurance policy with our Company. Subsequently the Complainant came to know that the policy was never issued to him. He further alleged that there has been misappropriation of premium amount by our Company. The matter was filed before the Judicial Magistrate of First Class in Rewa, Madhya Pradesh against *inter alia*, Bhargav Dasgupta, our Managing Director and Chief Executive Officer and is pending for service of notice. The matter is currently pending.

3. Shraddha Clinic, Rajpipla, Narmada (the "**Complainant**") has filed a criminal complaint before the Court of Judicial Magistrate of First Class against *inter alia*, Bhargav Dasgupta, our MD and CEO, where the court forwarded the complaint to the police for investigation. The complaint was filed for non-payment of dues and alleged erroneous de-empanelment. The State Grievance Redressal Committee upheld the decision for de-empanelment of the Complainant. Our Company has filed a special Criminal Application before the High Court of Gujarat at Ahmedabad for stay of the investigation. Stay has been granted in this matter. The matter is currently pending.

4. Laxminarayana M.K. (the "**Complainant**") had filed a criminal complaint for repudiation of his insurance claim. Consequently, the police has registered an FIR against Bhargav Dasgupta, our MD and CEO along with one other employee of our Company. The Court of the VII Additional Chief Metropolitan Magistrate, Bengaluru observed that there was a prima facie case against our Company. Subsequently our Company, has filed a petition before the High Court of Karnataka at Bengaluru praying for a stay on the investigations and actions initiated pursuant to the FIR and the stay was granted, the matter is pending in the High Court of Karnataka.

5. 16 first information reports have been filed against various employees of our Company at various police stations in India under, inter alia, Sections 34, 120B, 406, 415, 420, 425 and 468 of the IPC in relation to criminal breach of trust, cheating, mischief, criminal conspiracy and forgery for purpose of cheating. The matters are currently pending.

6. A preliminary enquiry has been registered by CBI Jaipur branch based on a letter dated October 21, 2013 against unknown public servants of Ministry of Textile, New Delhi (Government of India and Government of Rajasthan) and others for the Fiscal Year 2010. The allegations relate to such public servants acting in connivance with inter alia officials of our Company and misappropriating government money by allegedly enrolling non existent / non eligible persons under the Rajiv Gandhi Shilpi Swasthya Bima Yojna ("**RGSSBY**") Scheme in the State of Rajasthan. Our Company has duly provided all the documents requested by the CBI in connection with such preliminary enquiry and till date has not received any further information or request for information from the CBI.

7. A preliminary enquiry has been registered by CBI Jaipur branch based on a letter dated October 21, 2013 against unknown public servants of Government of India and others. The allegations relate to such public servants of Government of India and Government of Rajasthan acting in connivance with inter alia officials of our Company and embezzled the Governments money in the implementation of Weather Based Crop Insurance Scheme by allegedly enrolling non existent persons in Rabi Season, 2009-2010 in the State of Rajasthan. Our Company has duly provided all the documents required by CBI and till date has not received any further information or request for further information from the CBI.

8. A criminal complaint was filed against our Company by Uma Kant Sharma (the "**Complainant**") before the Chief Judicial Magistrate at Jamshedpur for criminal breach of trust under Sections 406 and 418 of the Indian Penal Code on account of our Company partially rejecting the Complainant's total damage claim of ₹ 0.3 million. Pursuant to the order dated January 16, 2010 the Chief Judicial Magistrate took cognizance of the complaint and issued summons for appearance to our Company. Our Company has filed a petition against the Complainant and the State of Jharkhand before the High Court of Jharkhand at Ranchi seeking to quash the order dated January 16, 2010. Pursuant to an order dated April 23, 2012, the High Court of Jharkhand at Ranchi has stayed the proceedings in relation to the complaint pending in the court of the Judicial Magistrate in Jamshedpur. The matter is currently pending.

9. Father (the "**Insured**") of Mohit Chhabra (the "**Complainant**") had borrowed a housing loan from M/s. PNB Housing Finance Limited (the "**Accused**"). The Insured had pledged his property to the Accused in lieu of the loan. The Complainant filed a criminal application before the Additional Chief Judicial Magistrate (the "**Court**") under Sections 200 and 202 of the Code of Criminal Procedure, 1973, requesting the Court to take cognizance under Sections 120B, 420, 467, 468, 471 and 427 of the IPC. The Complainant alleged that (i) even on the death of the Insured, the Complainant was asked to pay the loan arrears and was denied all benefits of insurance, and (ii) he was being harassed by recovery agents who were threatening to auction the said property. The application was disposed off through the Court's order dated February 23, 2017 (the "**Order**") on the grounds that (i) since it is a monetary dispute of civil nature, no *prima facie* case of cheating can be established and (ii) the Complainant's father had voluntarily made the payments in respect of the policy after knowing the terms and conditions of the policy. Aggrieved by the Order, the Complainant has filed a criminal revision application before the Court of District and Sessions Judge, Dehradun against M/s. PNB Housing Finance Limited, our Company and others, for dismissal of the Order. The matter is currently pending.

Writ petitions

There are 72 writ petitions filed against our Company under Article 226 of the Constitution of India before various High Courts of appropriate jurisdictions to contest rejected claims or alleged inaction by our Company in assessing insurance claims aggregating to amount of ₹ 5.8 million. These claims involve Rajiv Gandhi Shilpi Swasthya Yojna, weather insurance, motor insurance claims, personal accident policy, Panjikruth Kisan Durghatna Bima Yojna and others. The matters are currently pending.

Actions by regulatory / statutory authorities

1. In the last five years, IRDAI conducted inspections of our Company during the following period:

   (i) February 24, 2014 to February 28, 2014 ("**Period 1**") pertaining to specified Government sponsored insurance schemes serviced by the Company from the year 2004 to 2010;

   (ii) August 23, 2010 to August 27, 2010 ("**Period 2**") pertaining to market conduct and financial condition for the period prior to 2010; and

   (iii) August 3, 2015 to August 14, 2015 ("**Period 3**") comprehensive onsite inspection pertaining to the period prior August 2015.

   Pursuant to the inspections and submissions made by our Company, IRDAI issued orders dated September 3, 2015 and October 17, 2014, respectively. The key details contained therein are set out below:

   (i) Observations of IRDAI with respect to Period 1:

   IRDAI, through its order dated September 3, 2015 and a letter dated March 27, 2015, made inter alia the following observations in relation to the charges against our Company:

   (a) Failure to collect beneficiary share of premium before granting coverage under certain government sponsored insurance schemes. IRDAI observed that our Company has violated section 64VB of the Insurance Act and imposed a penalty of ₹ 0.5 million on our Company under section 102(b) of the Insurance Act.

(b) Failure to make accurate submissions to IRDAI under section 102(a) of the Insurance Act as regards endorsement of enrolment forms of khadi workers. IRDAI did not press this charge against our Company, however, warned our Company (a) to be careful to ensure that the terms and conditions of agreements executed by our Company are complied with and (b) to ensure submission of accurate information to IRDAI.

(c) Failure to comply with the File and Use Procedures with respect to Group Personal Accident Insurance conditions as indicated in IRDAI circular dated December 6, 2000 bearing reference number IRDA/Gen/FUP/ver1.0/Dec2000. IRDAI observed that our Company had made modifications to the product, which made the product different from the approved version of the product. Therefore, IRDAI warned our Company to be careful in following the File and Use Guidelines.

(d) Modifications to the Group Personal Accident Insurance Policy in the year 2004-05 and the Group Janata Personal Accident Insurance Policy in the Fiscal Years 2007, 2008 and 2009 by our Company. IRDAI observed that our Company failed to comply with the provisions of (i) paragraph 2 read with paragraph 6 of the IRDAI Circular bearing reference number IRDA/Gen/FUP/ver1.0/Dec2000 dated December 6, 2000 which requires our Company to file fresh insurance products or any changes to the already approved products; (ii) paragraphs 8 and 11 of the IRDAI Circular bearing reference number 021/IRDA/F&U/Sep.06 dated September 28, 2006 as the exclusions from the policy were neither filed nor approved by IRDAI; and (iii) paragraph 2(vii) of the IRDAI Circular bearing reference number 021/IRDA/F&U/Sep 06 dated September 28, 2006 which provides that the terms and conditions of cover shall be fair between the insurers and insured. IRDAI imposed a penalty of ₹ 0.5 million on our Company under section 102(b) of the Insurance Act.

(e) Further, IRDAI, through its letter dated March 27, 2015 ("**March Letter**") made the following observations with respect to Period 1:

(A) In relation to Rajiv Gandhi Shilpi Swasthya Bima Yojna ("**Scheme**"), our Company did not file the necessary product – Group Health Floater Insurance policy with IRDAI required in terms of paragraphs 3 to 6 of the circular bearing reference number IRDA/CHM/MISC/CIR/029/02/2011 dated February 10, 2011 ("**Circular**"). The Circular requires our Company to ensure that the benefits offered under a policy must be those which have been filed with IRDAI.

(B) In terms of the Scheme, the claim form used by our Company did not contain reference to information on personal accident claims. IRDAI observed that the number of personal accident claims paid by our Company indicates low awareness among the insured public. Accordingly, IRDAI advised our Company to provide all relevant information to the insured and strictly comply with Regulations 7(2), 9(1) and 10(1) (h) of the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002.

(C) The memorandum of understanding entered into by our Company with the State of Maharashtra in regard to the Shetakari Aapghat Bima Yojana was not signed by both the parties. IRDAI advised our Company to ensure compliance with clause 6 of annexure 2 of Circular No. IRDA/F&A/CIR/025/2009-10 dated August 5, 2009 on IRDAI Corporate Governance Guidelines.

(D) IRDAI observed that our Company had not included the number of lives covered under the Scheme in the data submitted by our Company to IRDAI against the policies for social sector, though certain policies fell under the category of social sector schemes. IRDAI advised our Company to submit correct data to IRDAI.

(ii) Observations of IRDAI with respect to Period 2:

IRDAI, through its order dated October 17, 2014, made, *inter alia* the following observations in relation to the charges against our Company:

(a) Failure to obtain prior approval of IRDAI to enter into proportional treaties in excess of 10% as permitted under the Insurance Regulatory and Development Authority (General Insurance – Reinsurance) Regulations, 2000 for the year 2010-2011. IRDAI observed that our Company had sought for post facto approval of IRDAI for placing cession beyond 10% of the permissible limits. IRDAI directed our Company to scrupulously comply with the applicable regulations.

(b) Failure to ensure compliance with the Outsourcing Guidelines issued by IRDAI dated February 1, 2011 ("**Outsourcing Guidelines**"). Our Company had approved reimbursement of infrastructure cost on the Motor O.D. Premium. Our Company entered into an agreement with TATA Motors Limited ("**TML**") and TATA Business Support Services Limited ("**TBSS**") on December 17, 2008 for three years. IRDAI observed that unlicensed entities being, TML dealers and TBSS were engaged in soliciting and procuring of motor insurance business. IRDAI observed that our Company had violated (i) sections 40(1) and 42D(8) of the Insurance Act and the IRDAI circular bearing number IRDA/CIR/011/2003 dated March 27, 2003 for procuring business through unlicensed entities; and (ii) clause 6 of annexure II of IRDAI Guidelines on Corporate Governance Circular No. IRDA/F&A/Cir/025/2009-10 dated August 5, 2009. IRDAI observed that our Company's internal controls were not in place and due care was not taken while submitting information to IRDAI. IRDAI directed our Company to ensure compliance with the Outsourcing Guidelines on the services outsourced and terms of payment. Further, IRDAI directed our Company to ensure that the information sought by IRDAI is submitted within the stipulated timeframe and any information provided is accurate and complete. IRDAI imposed an aggregate penalty of ₹ 2.0 million for the aforesaid violations.

(c) Failure to comply with the File and Use Guidelines dated September 28, 2006. Our Company allowed 15% discount for 'PML exposure' in policy number 1012/59300561 without filing and taking approval from IRDAI and the rates charged were not as per the rates filed with the IRDAI under the File and Use Guidelines. Our Company violated the File and Use Guidelines by not adhering to the filed rates. The rates charged for terrorism and sabotage risk policy was also not as per the GIC re terrorism pool rate. Further the Company charged a premium of fire risk for an All Risk Insurance Policy. Accordingly, our Company violated paragraphs 3(ix), 6 and 11 of File and Use Guidelines. IRDAI imposed a penalty of ₹ 0.5 million on our Company under section 102(b) of the Insurance Act.

(d) Failure to comply with *inter alia* IRDAI Guidelines on Corporate Governance Circular number IRDA/F&A/Cir/025/2009-10 dated August 5, 2009 for lack of internal controls. Our Company issued contract works and plant floater insurance policy bearing reference number 5008/57753052. IRDAI *inter alia* observed that two documents were shown for same policy with different insured's name, difference in deductible and sum insured. Further, IRDAI observed that the loss adjuster mentioned in the policy document was not an IRDAI licensed surveyor. IRDAI observed that our Company violated Section 64 UM and 101A of the Insurance Act and clause 6 of annexure II of the IRDAI Guidelines on Corporate Governance for lack of internal controls. IRDAI imposed a penalty of ₹ 0.5 million on our Company.

(e) Inconsistencies in relation to the definitions / benefits / wordings / conditions / general exclusions / additional clauses between the filed version and the one available on the website in relation to a certain product policy offered by our Company. IRDAI noted that the File and Use Guidelines dated February 26, 2001 mandates that any change to an existing product or related documentation or the terms and rates shall be filed with IRDAI. Further, while responding to IRDAI's direction in August, 2012, seeking complete list of products being offered, our Company's submissions did not contain the product name 'critical care'. In this regard, IRDAI imposed an aggregate penalty of ₹ 1.0 million on our Company for violation of the File and Use Guidelines dated February 26, 2001 and for submission of alleged misleading and incomplete information.

(f) Our Company had entered into an agreement with two airline operators and had marketed three different products. IRDAI observed that our Company had not filed a short statement giving the trade name of the products and the components of that product with a cross reference to the earlier filing of the individual products with IRDAI. IRDAI observed that our Company was in violation of the File and Use Guidelines dated September 28, 2006. IRDAI imposed a penalty of ₹ 0.5 million on our Company.

(g) The business of our Company was being booked after expiry of corporate agency license of Eragram Finlease Private Limited. IRDAI observed that our Company was in violation of Section 42 D (8) of the Insurance Act and the IRDAI circular bearing reference number IRDA/Cir/010/2003 dated March 27, 2003. IRDAI noted that in the sample policies examined, the policy issuance date was falling after license expiry date. IRDAI imposed a penalty of ₹

0.5 million on our Company. IRDAI further directed our company to have systems into place to block acceptance of business from any entity after expiry of their license.

(h) Our Company was showing a huge amount under "other assets" as "dues from other entities carrying on insurance business". These amounts were identified as re-insurance and co-insurance dues. IRDAI observed that our Company failed to produce the confirmation certificates from the respective entities in this regard. IRDAI directed our Company to submit the status of the compliance with circular bearing number 12/IRDA/F&A/cir/May-09 dated May 26, 2009 for Fiscals 2011, 2012, 2013 and 2014. IRDAI also directed our Company to confirm whether the non-reconciled balances were excluded otherwise from the solvency margin computations for each of the respective years.

(iii) Observations of IRDAI with respect to Period 3:

IRDAI has conducted inspection with respect to Period 3 and provided *inter alia*, the following observations with respect to the said inspection through letter dated July 25, 2017, received by the Company on August 1, 2017. The Company is yet to respond to IRDAI in this regard.

(a) Reinsurance: The first retention of our Company was increasing year after year up till 2012, however from 2012 onwards it has been constant with an introduction of second retention. While our Company has a comprehensive annual reinsurance program, IRDAI has observed that they do not address all the issues mentioned in the IRDA Corporate Governance Guidelines, 2009 issued in August, 2009 ("**Corporate Governance Guidelines, 2009**"). IRDAI has directed our Company to: (i) determine the retention and reinsurance policy and in particular, the levels of retentions of risk by the insurer and the nature and extent of reinsurance protection to be maintained by the insurer in accordance with Annexure 1, Provision 2(c) of the Corporate Governance Guidelines, 2009; (ii) ensure that the Appointed Actuary shall provide professional advice or certification to the board with regard to product design, risk mitigation (including reinsurance) and other related risk management roles as per Section 8.2 of the Corporate Governance Guidelines, 2009; (iii) have a clearly documented policy for empanelment of reinsurance brokers for ceding the risk to reinsurers as per the provisions of the Corporate Governance Guidelines, 2009; (iv) comply with the provisions with respect to setting up of treaties in the system and maintaining documentation for observing five years rating of reinsurer as per Annexure 1, provision 7(c) of Corporate Governance Guidelines, 2009 and Regulation 3(9) of the Insurance Regulatory and Development Authority (General Insurance - Reinsurance) Regulations, 2013.

(b) Excess premium: IRDAI has observed that our Company has ceded more premium than the limits as specified under Regulation 3(11) of the Insurance Regulatory and Development Authority (General Insurance - Reinsurance) Regulations, 2013, to Scor Re and Swiss Re without obtaining specific approval.

(c) Violations of guidelines on file and use requirements: In relation to the file and use requirements reference no. 021/IRDA/F&U/Sept-06 dated September 28, 2006, it is observed by IRDAI that in few cases of 'overseas individual student insurance policy' the policies were initially issued for 730 days instead of 365 days, simultaneously mentioning the extension of 365 days. As per the 'file and use' filed with IRDAI for the related product, the maximum number of travel days that may be insured under the policy shall be 365 days which may be extended only once for another 365 days.

(d) Payment to motor dealers: Our Company has entered into agreements with various automobile dealers as part of customer service strategies. It was observed that the dealers perform various services for our Company including providing space in their premises, issuing cover notes and policies and processing claims of customers who have insured their vehicles through these dealers. IRDAI has stated that, in view of the quantum of expenditures incurred in connection with the payments made to motor dealers - a detailed further scrutiny of the memorandum of understanding/agreements along with the business generated by the dealers vis-a-vis total commission paid to the motor insurance brokers coupled with the payments to motor dealers needs to be carried out.

(e) Unallocated Premium: Our Company has a total amount of unallocated premium of ₹ 741.3 million and ₹ 991.7 million for the Fiscal Years 2014 and 2015, respectively which is shown as a liability by our Company. IRDAI has observed that an unallocated premium which is older than 90 days violates the intent of Clause 4 of IRDAI (Protection of Policyholders'

Interests) Regulations, 2002. Therefore steps should be immediately taken for initiation of the refund process by identifying the payer of such premiums for which policies were not issued.

(f) Unexpired Risk Reserve: As per clause 2 of IRDAI Circular No. IRDA/F&A/CIR/FA/126/07/2013 dated July 3, 2013 on corrigendum on Master Circular on Preparation of Financial Statement (the "**July 2013 Circular**"), the insurer should put in an automated system for calculation of Unexpired Risk Reserve ("**URR**") on 1/365 basis. As per the requirement, URR has to be calculated for each policy for which a part of the premium written has to be allocated to the succeeding accounting year. It is observed by IRDAI that our Company has been calculating URR on aggregate basis subject to the conditions laid down under Section 64(V)(ii)(b) of the Insurance Act, 1938 and has not implemented any system for automatic calculation of URR based on premium of net reinsurance. Hence, our Company has violated the directions issued under the July 2013 Circular.

(g) Payment to corporate agents other than commission: A scrutiny of the e-TDS Return Form 26 Q filed by our Company has revealed that it has made payments of an approximate amount of ₹ 195.5 million to ICICI Bank during 2014-2015. ICICI Bank is a corporate agent of our Company and has deducted income tax under various heads in addition to deduction of tax on account of payment of insurance commission under Section 194D of Income Tax Act, 1961. IRDAI has observed that our Company has violated the provisions of Insurance Act, 1938 and Clause 21 of the Insurance Regulatory and Development Authority (Licensing of Corporate Agents) Regulations, 2002.

(h) Exposure in Promoter Group: Our Company invested ₹ 47.5 million in M/s FINO Limited, an unlisted public limited company falling under the category of promoter group company, in the year 2008. Our Company was granted approval with respect to the said investment by IRDAI vide letter dated February 27, 2007. IRDAI has observed that since M/s FINO Limited is an unlisted entity, the said investment is in violation of Regulation 5 (7) (exposure/prudential norms) of the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 as amended vide the Insurance Regulatory and Development Authority (Investment) (Fifth Amendment) Regulations, 2013.

(i) Filing of returns: Our Company has submitted quarterly returns after the maximum prescribed time period for the quarters (i) ending March 2015; (ii) ending June 2014; and (iii) ending March 2014. IRDAI has observed that our Company has violated Regulation 6 of the IRDAI (Investment) Regulations, 2015 in terms of delay in filing the reports.

(j) Actuarial and reserving: IRDAI has *inter alia*, observed that our Company is not in practice of maintaining adequate documentation, with regard to 'Incurred But Not Reported' claims, for its approach related to selection of development factors and with respect to application of exceptions and judgement, by the Appointed Actuary in deciding estimated ultimate loss ratio from actual ultimate loss ratio derived from data. There is no documentation to support IBNR reserving approach including the reason applied in respect of commercial line of business including marine, aviation, engineering and fire; where the chances of applying discretion is high. IRDAI has thus observed that our Company has violated Clause 6 of the Corporate Governance Guidelines, 2009, which requires appropriate internal controls to ensure that the risk management and compliance policies are adhered to.

(k) Bucketing of current asset and liability: IRDAI has observed issues with respect to ALM calculations in relation to bucketing of current asset and liability as per ageing analysis in ALM calculations. Some current assets have been taken under 0-1 year bucket however, as per past ageing analysis, a major part of the same belongs to more than 365 days of aged balances. Such items are: (i) health and weather receivables coming from government and bank guarantees; and (ii) reinsurance balances due from them. Similarly, under current liability some items were not included under 0-1 year bucket and were not considered to be immediately payable. Revised calculations were run based on inclusion of above items and different results were obtained as compared to those submitted to the IRDAI. However, these revisions do not show many changes in results, in terms of duration, but have created an operational risk. Accordingly, IRDAI observed that our Company has violated Clause 8 of Circular No.IRDA/ACTL/ALM/006/01/2012, which requires submission of data with respect to the assets and liabilities in the prescribed format as per bucket given in the format and Clause 6 of the Corporate Governance Guidelines, 2009, which requires appropriate internal controls to ensure that the risk management and compliance policies are adhered to.

(l) Reconciliation issues with respect to net outstanding reserves: IRDAI has observed issues in reconciliation with respect to net outstanding reserves as compiled by the finance department of the Company and those derived from the data operational system maintained for claim data and noted that for some lines of businesses financial reserves as reported were inadequate. As per information provided by the accounts department of the Company, these discrepancies were assigned to some previously carried error during movement to system, but still not detected.

(m) Underwriting: IRDAI has observed that there is lack of consistency by our Company between the calculators used in practice by underwriters and Form A submitted to IRDAI in accordance with file & use guidelines leading to violation of Clause 6 of Corporate Governance Guidelines, 2009.

(n) Unapproved proposal forms used – combining of proposal forms: Our Company used a combined proposal form for sale of three products (secure mind- individual health product, home insurance and group personal accident) via corporate agency mode, without the approval of the IRDAI. IRDAI has observed that our Company has violated Clause 4 of Circular No. 21/IRDA/F&U/SEP-06 dated September 28, 2006 which provides that, once an insurance product including rates, terms and conditions including proposal form has been filed and IRDAI has no queries on the product, the insurer is expected not to make frequent changes in that product.

(o) Delay in issuance of policy: Based on inspection of sample cases IRDAI has observed delay in issuance of policy beyond permissible time limit against Regulations 3(4) and 9 of IRDA (Protection of Policyholders' Interest) Regulations, 2002. This was specially seen in case of corporate agents (such as India Bulls Housing Finance Limited).

(p) Surveyor Utilisation: IRDAI had prescribed internal limits in allocation of survey/loss assessment work for three categories of surveyors to insurance companies by its circular dated December 22, 2008. Post the above stated guidelines, our Company specified the limits for various classes of surveyors and loss assessors under various lines of business for carrying out survey/assessment of loss work. IRDAI has observed that (i) our Company has been utilizing surveyors for survey/loss assessment work beyond the permissible limit, as notified by our Company itself; (ii) that our Company has been utilizing surveyors for the assessment of loss under those lines of business for which surveyors are not licensed to assess the loss; and (iii) that our Company has been assigning in house unlicensed surveyors for assessment of loss beyond ₹ 20,000, thereby violating guidelines set by the IRDAI and its internal guidelines which shows a weak internal control system with regard to the appointment of surveyors.

(q) Health Claims: In respect of health insurance claims, IRDAI has observed that the network hospitals are providing discounts to our Company at the time of final settlement of bills under cashless health claims. IRDAI noted that in sample cases our Company is passing the benefit of the discounts provided by the network hospitals to its customers in the form of enhanced sum insured and not refunding in cash. IRDAI had issued a circular dated June 23, 2015 bearing reference number IRDA/TPA/MISC/Cir/117/06/2015, which directs all insurers to discontinue such practices and show the allowable by network provider at the time of final settlement of the hospital bill by the customer.

(r) Closure of Health Claims: On the basis of the claims register and claims data, IRDAI noted that our Company follows the practice of closing claim cases (reversal of liability) without clearly rejecting the claims. It was informed by our Company that it closes such claims which may not be settled for a long time for want of documents or information and such claims cannot be clearly rejected.

(s) Motor Claims: Based on sample cases, IRDAI has observed that there was delay in submitting the survey report by the surveyor beyond 30 days without any reasons being recorded and without any information to the insured; resulting in delayed settlement of claims. Accordingly, our Company violated paragraphs 9(2), 9(5) and 9(6) of the IRDAI (Protection of Policyholders' Interests) Regulations, 2002.

(t) In addition to the above, IRDAI made *inter alia*, the following observations: (i) on verification of data and documents (on sample basis) relating to individual agents transferred out, the no objection certificates were issued with inordinate delay in some instances; (ii) it is noted that some of our Company's retail products are available for sale online, through brokers but no agreements were entered with the brokers for sale of its products through websites of the brokers; (iii) our Company had agreed for reimbursement to motor dealers for infrastructure cost, however it has been noted by IRDAI that the basis of such reimbursement is not documented in the agreements; (iv) it is noted that some of the corporate agents of our Company were functioning without a single 'specified person' on the rolls thereby violating Clause 8 of the Guidelines of Licensing of Corporate Agents dated July 14, 2005; (v) based on the form 16 A submitted by Company to ICICI Bank (for the Financial Years 2013–2014 and 2014 – 2015), it has been noted that our Company has paid amounts over and above the commission amount thereby violating Section 40A of Insurance Act, 1938 and Clause 21 of the Guidelines on Licensing of Corporate Agents dated July 14, 2005; and (vi) based on the form 16 A submitted by our Company to M/s Orix Auto Infrastructure Services Limited (corporate agent for the years 2013 –2014 and 2014 – 2015), it has been noted that our Company has paid amounts over and above the commission amount thereby violating Section 40 A of Insurance Act, 1938 and Clause 21 of Guidelines on Licensing of Corporate Agents dated July 14, 2005.

2. IRDAI issued a letter dated March 14, 2013 ("**Letter**") to our Company in relation to certain advertisement made by our Company. Pursuant to the Letter, IRDAI instructed our Company to withdraw the advertisement through which our Company claimed itself as "largest claim settler in the industry for financial year 2011-2012" ("**Advertisement**") for being in violation of point 5.3 of the Guidelines on Advertisement, Promotion and Publicity of Insurance Companies bearing number 007/IRDA/CIR/ADV/May-07 dated May 14, 2007 ("**Guidelines**"). Our Company responded to IRDAI through its letter dated March 25, 2013 bearing reference number MUM/CS/34546, pursuant to which our Company confirmed withdrawal of the Advertisement. Our Company submitted that it had adhered to the Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000 and the Guidelines and that the Advertisement did not signify ranking of our Company in comparison to any other entity and was only a statement of fact put for verification and appreciation of the public. Further, our Company submitted that the source of the data relied upon by our Company was authentic and dependable source of information.

3. IRDAI issued a letter dated January 15, 2013 bearing reference number 65/CA/INSP/NL/NOV 2010 ("**Letter**") to our Company in relation to the complaint made by Tara Jewels Private Limited bearing number 1319/ICINL/COMP/09-10 ("**Complaint**") pertaining to grievance redressal procedure adopted by our Company. Our Company, through an email dated April 5, 2011, explained the reasons for delay in informing IRDAI about the resolution of the Complaint. IRDAI in this Letter advised our Company to scrupulously adhere to the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002, as amended as well as the IRDAI's Grievance Redressal Guidelines bearing reference number 3/CA/GRV/YPB/10-11 dated July 27, 2010 in all matters of acknowledging resolution and proper updating of complaints resolution process.

4. IRDAI issued a letter dated September 11, 2013 bearing reference number IRDA/NL/MTP/ORD/PNL/06/2013-14 ("**Letter**") to our Company in relation to fulfillment of mandatory obligations in respect of declined risk pool for the year 2012-2013. IRDAI observed that our Company had shortfall in meeting obligations (shortfall of more than 25% of the obligations based on the half-yearly figures) in respect of declined risk pool. Further, our Company did not fulfill the obligations prescribed by IRDAI in its order number IRDA/NL/ORD/MPL/277/12/2011 dated December 23, 2011 in relation to minimum premium to be underwritten by our Company in respect of standalone commercial vehicle motor third party insurance. IRDAI imposed a penalty of ₹ 0.5 million on our Company under section 102 of the Insurance Act for the said violation.

5. IRDAI issued a letter dated April 19, 2017 to our Company in relation to observed contravention of the provisions of Section 40A of the Insurance Act, and clause 6 of the Guidelines on Corporate Governance for the Insurance Sector issued on May 28, 2009. The IRDAI observed certain discrepancies/observations with respect to payouts under the head "Sales Marketing & Business Support Expenses" in the financial statement submitted for FY 2014-15. The Company through its letter dated July 07, 2017 clarified the noted discrepancies giving detailed explanations and documents thereto. Over and above the submissions made therein, the Company also highlighted that the provisions of section 40A applies to commission paid to principal agents, chief agents or special agents who procures insurance business or performs or organizes any administrative functions for the insurer. However, the payments under the present show cause notice are towards the head "Sales Marketing & Business Support expenses". Therefore, any payments made to the vendors under the above head do not attract the provisions of Section 40A of the Insurance Act 1938. The matter is currently pending disposal by IRDAI.

Restraining and debarment order

1. Pursuant to an enquiry by the Central Bureau of Investigation against our Company, the Ministry of Textiles, Office of the Development Commissioner (Handicrafts) vide letter dated February 15, 2014, has debarred our

Company from participating in any schemes implemented by the Development Commissioner (Handicrafts) until further notice. Please refer to *Criminal Matters* (Point number 6) for the CBI enquiry on page 358.

2. Owing to underperformance by the Company in implementing the Rashtriya Swasthya Bima Yojana Scheme ("**RSBY**") and the Comprehensive Health Insurance Scheme ("**CHIS**") in the State of Kerala for the year 2016-17 in relation to, *inter alia*, settlement of claims, empanelment of hospitals and set-up of kiosks, the Comprehensive Health Insurance Agency Kerala, Government of Kerala ("**CHIAK**"), pursuant to a letters dated September 29, 2016 and September 19, 2016, has imposed a penalty of 8% of the total annual insurance premium amounting to ₹ 145.2 million and debarred our Company from bidding under the RSBY and CHIS in the State of Kerala for a period of one year. Aggrieved by the imposition of penalty, the Company approached the State Level Grievance Redressal Committee ("**SGRC**"). The SGRC *vide* its order dated July 27, 2017 *inter alia*, observed that the penalty could not be waived off. Aggrieved by the order of SGRC, we have filed an appeal before the National Level Grievance Redressal Committee.

Labour cases filed against our Company

1. Deepak Srivastava (the "**Petitioner**"), a former employee has filed a petition against our Company in the High Court of Mumbai against his discharge of services from the Company. The Petitioner has alleged that our Company was involved in swindling government funds under various government insurance schemes and upon raising such matter with the senior management of our Company, he was illegally terminated from his employment. The Petitioner is claiming, inter alia, damages amounting to **₹** 20.0 million along with re-instatement in services. The Company is duly contesting the matter. The Managing Director of our Company is named as a party in the petition. The matter is currently pending.

2. Rajdev Prasad (the "**Complainant**"), a former employee of our Company has filed a complaint with the Office of the Deputy Chief Labour Commisioner in Mumbai against the Company alleging harassment and illegal termination of services from the Company. The Complainant has prayed for initiation of criminal action against certain employees. The matter is currently pending.

3. Dhiren Mahendrakumar Joshi (the "**Complainant**"), a former employee of our Company has filed a complaint against discharge of services from the Company in the court of the Workman Commissioner, Surat. The Complainant absconded from his services and subsequently it was discovered that he was involved in some criminal offences on account of which his services were terminated. The Complainant has approached the Workman Commissioner for reinstatement in services along with back wages. The Company is duly contesting the matter. The matter is currently pending.

Other matters:

Public interest litigations filed against our Company

1. A public interest litigation has been filed against our Company for insurance policies issued in the States of Rajasthan, Uttar Pradesh and Maharashtra issued in favour of artisans and weavers - namely Rajiv Gandhi Shilpi Swasth Bima Yojna ("**RGSSBY**" – 2009-2010), Panjikrit Kisan Durghatna Bima Yojna ("**PKBY**" – 2004-2005) and Shetkari Apghat Durghatana Bima Yojna ("**SABY"** – 2005 - 2006) alleging *inter alia* misappropriation of insurance claims and discrepancies from the side of our Company in providing such claims by a certain Mr. Ashok Kumar Jain. The matter is currently pending in the High Court of Bombay.

2. A public interest litigation has been filed against our Company for insurance policies issued to the State of Rajasthan, the State of Uttar Pradesh and the State of Maharashtra in relation to RGSSBY (2009 - 2010), Weather Based Crop Insurance Scheme (2009 - 2010), PKBY (2004 - 2005) and SABY (2005 - 2006) alleging, *inter alia* misappropriation of insurance claims and discrepancies from the side of our Company in providing such claims by a certain Mr. Rajan Ramchandra Kshirsagar. The matter is currently pending in the High Court of Bombay.

3. Dhruv Kumar ("**Petitioner**") has filed a writ of mandamus (1214/2012) before the High Court at Allahabad, Lucknow Bench against the Union of India and others wherein our Company is also a party ("**Respondents**") under Article 226 of the Constitution of India seeking to address the complaints of the farmers under group policy issued by Respondents and to pay interest where claim has been rejected. In the writ it is alleged by the Petitioner that for the welfare of the 25.0 million farmers, State of Uttar Pradesh, one of the Respondents had taken group policy from our Company and our Company arbitrarily rejected large number of claims of farmers on frivolous grounds knowing that only few have the resources to approach the court. The matter is currently pending.

4. Gokul Chand and others ("**Petitioners**") have filed a writ (2917/15) before the High Court of Rajasthan at Jaipur Bench against the State of Rajasthan and others where our Company is also a party ("**Respondents**") under

Article 226 of the Constitution of India seeking to direct the Respondents to assess the loss caused to the crops and accordingly to pay the compensation of the damaged crops to the farmers of the villages of District Jhunjhunu, Jaipur. In the writ it is alleged that the Respondents are acting in connivance with the insurance companies as the insurance companies have not physically assessed the loss of notified crops and hence violated Section 64 of the Insurance Act, 1938. The matter is currently pending.

5. Gurnam Singh and others ("**Petitioners**") have filed a writ (26924/2016) before the High Court of Punjab and Haryana at Chandigarh against the Union of India and others wherein our Company is also a party ("**Respondents**") under Article 226 of the Constitution of India seeking to issue a writ of certiorari quashing Pradhan Mantri Fasal Bima Yojana and Notification Number 3009/Agri.II(1)-2016/10854 dated June 17, 2016 and issuance of writ in the nature of mandamus directing the Respondents to refund the amount deducted from the accounts of loanee farmers in the State of Haryana forthwith along with interest. In the writ it is alleged that premium has been forcibly deducted from the accounts of the loanee farmers without their consent which is otherwise a criminal offense within the meaning of Section 406 & 408 of the Indian Penal Code, 1860. The matter is currently pending.

6. Ramashankar Gupta ("**Petitioner**") has filed a writ (23/2016) before the High Court of Chhattisgarh at Bilaspur against the State of Chhattisgarh and others wherein our Company is also a party ("**Respondents**") under Article 226 of the Constitution of India seeking inter alia relief to forthwith ensure recovery of subsidy allegedly illegally released to insurance companies under the Weather based Crop Insurance Scheme within time bound period. In the writ it is alleged that the Respondents allowed the subsidy of ₹ 1,800.0 million to be released from the State Exchequer in a hurry without verifying the details of the individual insured farmers. The matter is currently pending.

7. Santanu Ku. Naik and others ("**Petitioners**") have filed a writ (1522/2013) before the High Court of Orissa at Cuttack against the State of Orissa and others wherein our Company is also a party ("**Respondents**") under Article 226 of the Constitution of India seeking to direct the Respondents to award compensation to all non-loanee farmers of Titilagarh Block under National Agriculture Insurance Scheme and it is alleged that the farmers have been wrongly enrolled under Weather Based Crop Insurance Scheme. In the writ it is alleged that the Respondents change their schemes without the knowledge of beneficiaries which is an act of fraud and cheating to the farmers of the Titilagarh. The matter is currently pending.

8. Basudev Sahoo and others ("**Petitioners**") have filed a writ (19806 of 2012) before the High Court of Orissa at Cuttack against the State of Odisha through Commissioner-cum-Secretary, Department of Cooperation and others wherein our Company is also a party ("**Respondents**") under Article 226 of the Constitution of India seeking to direct the Respondents to pay the insurance amount to farmers of Saintala Block as per declaration of the Government with regard to drought prone area and to treat the farmers at par with the farmers who are being paid under the National Agriculture Insurance Scheme for the years 2011 and 2012 kharif crop season. The matter is currently pending.

Awards given by the Insurance Ombudsman against our Company during the last three years

The Insurance Ombudsman passed 293 awards against our Company in the last three years of which (i) 281 awards passed have been closed and have been complied with by our Company, and (ii) 12 awards aggregating to ₹ 0.9 million are pending as the claims are being processed by our Company.

Claims outstanding

Claims outstanding (including motor TP claims and co-insurance) for the last five financials years and the three months ended June 30, 2017 are as follows:

(*Motor TP claims are long tailed as such claims are adjudicated by the Tribunals*)

Claims Outstanding (Three months ended June 30, 2017)

(₹ in million)

Sl. No.	Particulars	Fire		Marine cargo		Marine hull		Engineering		Motor OD		Motor TP		Health		Personal Accident		Liability Insurance		All other miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at the start of the period	2,527	7,676.5	4,640	1,905.9	147	1,551.6	1,080	2,336.1	49,397	2,278.0	60,712	22,555.9	82,552	2,433.4	4,460	989.3	675	128.2	6,235	4,284.1	2,12,425	46,139.2
2	Claims intimated/booked during the period	1,163	517.5	9,386	136.7	5	(3.1)	451	285.5	2,46,384	4,269.1	5,322	3,489.9	82,387	2,925.2	1,566	393.3	459	97.9	9,584	3,631.4	3,56,707	15,743.3
3	Claims settled during the period	1,283	757.9	9,429	401.3	6	86.2	414	281.7	2,45,569	4,144.5	4,545	1,952.5	1,14,857	3,110.8	1,418	306.3	155	39.9	8,793	2,647.7	3,86,469	13,728.7
4	Claims Repudiated during the period	31	4.9	119	16.3	-	-	19	20.0	5,659	147.6	456	56.5	26,966	616.5	591	128.1	12	0.1	2,071	109.4	35,924	1,099.6
5	Claims O/S at end of the period	2,407	7,436.1	4,597	1,641.3	146	1,462.4	1,117	2,339.9	50,212	2,402.6	61,489	24,093.3	50,082	2,247.9	4,608	1,076.3	979	186.1	7,026	5,267.8	1,82,663	48,153.8
	Agewise details of outstanding claims																						
	0-3 months	305	743.0	3,018	686.3	5	34.9	344	555.0	46,643	2,029.7	4,654	2,490.3	47,819	1,921.7	4,494	1,061.4	452	25.3	4,617	2,038.6	1,12,351	11,586.2
	3-6 months	417	1,926.7	961	406.0	7	109.2	153	262.4	3,351	297.1	4,579	1,825.4	393	72.2	88	9.8	284	13.8	628	254.6	10,861	5,177.2
	6-12 months	280	2,068.8	274	262.6	19	725.0	99	412.2	212	69.1	7,375	3,403.3	725	98.2	23	4.5	200	27.6	481	318.7	9,688	7,390.0
	1 year to 3 years	801	1,799.3	252	219.4	26	455.0	319	554.8	6	6.8	17,855	7,865.0	1,144	155.7	3	0.6	34	26.6	695	939.2	21,135	12,022.2
	3 years to 5 years	359	653.4	46	29.9	21	42.9	68	328.6	-	-	8,900	3,372.7	1	0.0	-	-	9	92.8	489	1,257.5	9,893	5,777.7
	5 years and above	245	245.0	46	37.2	68	95.5	134	226.9	-	-	18,126	5,136.6	-	-	-	-	-	0.1	116	459.2	18,735	6,200.4
	Total	**2,407**	**7,436.1**	**4,597**	**1,641.3**	**146**	**1,462.4**	**1,117**	**2,339.9**	**50,212**	**2,402.6**	**61,489**	**24,093.3**	**50,082**	**2,247.9**	**4,608**	**1,076.3**	**979**	**186.1**	**7,026**	**5,267.8**	**1,82,663**	**48,153.8**

Claims Outstanding (Fiscal 2017)

(₹ in million)

Sl. No.	Particulars	Fire		Marine cargo		Marine hull		Engineering		Motor OD		Motor TP		Health		Personal Accident		Liability Insurance		All other miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at the start of the year	2,070	5,928.8	3,542	1,665.7	130	541.8	1,005	2,204.5	55,452	2,685.4	61,981	18,634.5	48,553	2,017.5	4,015	830.0	31	64.6	6,148	4,336.0	182,927	38,908.8
2	Claims intimated/booked during the year	3,082	5,451.3	40,076	2,503.3	33	1,217.2	1,702	1,343.0	1,023,892	17,606.6	25,088	13,484.9	1,074,617	16,902.8	6,231	1,424.3	986	192.5	29,681	8,683.5	2,205,388	68,809.3
3	Claims settled during the year	2,625	3,703.5	38,978	2,263.0	16	207.4	1,627	1,211.4	1,029,947	18,014.0	26,357	9,563.5	1,040,618	16,486.9	5,786	1,265.0	342	128.9	29,594	8,735.3	2,175,890	61,578.9
4	Claims Repudiated during the year	190	154.2	1,355	77.7	-	-	75	66.9	21,010	534.0	781	96.4	195,432	3,103.3	1,341	401.2	13	0.9	6,146	410.7	226,343	4,845.2
5	Claims O/S at end of the year	2,527	7,676.5	4,640	1,905.9	147	1,551.6	1,080	2,336.1	49,397	2,278.0	60,712	22,555.9	82,552	2,433.4	4,460	989.3	675	128.2	6,235	4,284.1	212,425	46,139.2
	Agewise details of outstanding																						

Sl. No.	Particulars	Fire		Marine cargo		Marine hull		Engineering		Motor OD		Motor TP		Health		Personal Accident		Liability Insurance		All other miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
	claims																						
	0-3 months	680	2,274.3	3,582	1,037.0	9	140.0	389	600.5	46,053	1,932.7	5,202	1,923.0	80,490	2,139.4	4,388	979.2	376	16.9	4,089	995.2	145,258	12,038.2
	3-6 months	251	1,521.3	441	359.4	8	696.2	84	287.9	3,138	265.3	4,204	1,838.0	242	37.1	57	7.9	176	22.3	370	332.3	8,971	5,367.8
	6-12 months	354	1,240.5	276	224.5	13	175.3	77	276.0	194	72.9	7,352	3,179.2	691	98.2	15	2.2	104	17.8	584	359.4	9,660	5,645.9
	1 year to 3 years	661	1,756.0	247	218.6	28	363.7	335	597.4	12	7.2	17,013	7,181.9	1,113	157.7	-	-	11	33.9	638	1,073.9	20,058	11,390.3
	3 years to 5 years	349	623.8	47	28.4	20	53.8	60	347.5	-	-	8,918	3,291.6	16	1.1	-	-	7	37.1	436	1,070.7	9,853	5,454.0
	5 years and above	232	260.5	47	37.9	69	122.7	135	226.8	-	-	18,023	5,142.3	-	-	-	-	1	0.2	118	452.6	18,625	6,243.0
	Total	**2,527**	**7,676.5**	**4,640**	**1,905.9**	**147**	**1,551.6**	**1,080**	**2,336.1**	**49,397**	**2,278.0**	**60,712**	**22,555.9**	**82,552**	**2,433.4**	**4,460**	**989.3**	**675**	**128.2**	**6,235**	**4,284.1**	**212,425**	**46,139.2**

Claims Outstanding (Fiscal 2016)

(₹ in million)

Sl. No.	Particulars	Fire		Marine cargo		Marine hull		Engineering		Motor OD		Motor TP		Health		Personal Accident		Liability Insurance		All other miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at the start of the year	2,417	5,925.3	3,007	1,178.7	133	955.0	1,133	1,974.7	39,730	1,788.6	63,832	14,577.6	66,552	1,856.0	2,453	687.0	36	28.5	6,016	3,790.8	185,309	32,762.2
2	Claims intimated/booked during the year	3,152	4,633.3	32,352	2,693.2	30	70.2	2,150	1,647.5	927,028	16,996.6	24,625	12,741.2	593,067	11,563.8	7,103	1,424.6	105	50.8	24,975	13,698.0	1,614,587	65,519.2
3	Claims settled during the year	3,499	4,629.8	31,817	2,206.2	33	483.4	2,278	1,417.7	911,306	16,099.8	26,476	8,684.3	611,066	11,402.3	5,541	1,281.6	110	14.7	24,843	13,152.8	1,616,969	59,372.6
4	Claims Repudiated during the year	129	98.5	1,059	66.5	-	-	74	65.8	13,790	412.0	125	14.9	32,041	1,319.7	172	99.6	2	0.5	2,161	133.0	49,553	2,210.5
5	Claims O/S at end of the year	2,070	5,928.8	3,542	1,665.7	130	541.8	1,005	2,204.5	55,452	2,685.4	61,981	18,634.5	48,553	2,017.5	4,015	830.0	31	64.6	6,148	4,336.0	182,927	38,908.8
	Agewise details of outstanding claims																						
	0-3 months	621	1,704.1	2,008	402.5	13	91.2	394	660.3	50,693	2,197.9	5,599	1,888.9	47,259	1,782.3	3,944	807.2	6	0.5	3,753	1,136.6	114,290	10,671.4
	3-6 months	120	1,518.7	636	435.8	3	1.2	69	224.2	4,291	363.8	4,525	1,582.5	261	89.1	71	22.8	-	-	961	461.6	10,937	4,699.6
	6-12 months	224	510.1	579	334.2	10	66.4	95	429.3	388	92.1	7,438	2,556.2	389	66.3	-	-	4	2.4	346	190.8	9,473	4,247.9
	1 year to 3 years	707	1,658.3	218	340.8	32	257.6	261	583.2	79	31.6	16,848	5,220.6	644	79.8	-	-	19	61.5	786	1,838.3	19,594	10,071.7
	3 years to 5 years	179	284.3	50	31.9	8	32.9	64	190.3	1	0.0	10,739	3,529.0	-	-	-	-	1	0.0	188	599.2	11,230	4,667.7
	5 years and above	219	253.3	51	120.5	64	92.5	122	117.3	-	-	16,832	3,857.3	-	-	-	-	1	0.2	114	109.5	17,403	4,550.6
	Total	**2,070**	**5,928.8**	**3,542**	**1,665.7**	**130**	**541.8**	**1,005**	**2,204.5**	**55,452**	**2,685.4**	**61,981**	**18,634.5**	**48,553**	**2,017.5**	**4,015**	**830.0**	**31**	**64.6**	**6,148**	**4,336.0**	**182,927**	**38,908.8**

Claims Outstanding (Fiscal 2015)

(₹ in million)

Sl. No.	Particulars	Fire		Marine cargo		Marine hull		Engineering		Motor OD		Motor TP		Health		Personal Accident		Liability Insurance		All other miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at the start of the year	2,230	4,284.0	3,421	1,032.1	149	528.7	1,122	2,313.2	33,952	1,700.7	62,225	13,365.1	512,584	2,047.3	2,740	516.3	24	16.1	6,130	4,515.6	624,577	30,319.1
2	Claims intimated/booked during the year	3,374	4,212.9	26,559	2,271.7	28	593.1	1,685	889.3	769,196	13,400.9	23,149	8,068.4	2,137,983	12,905.2	6,338	1,251.7	224	28.6	26,465	8,051.3	2,995,001	51,673.1
3	Claims settled during the year	3,187	2,571.6	26,973	2,125.1	44	166.7	1,674	1,227.8	763,418	13,313.0	21,542	6,855.9	2,584,015	13,096.6	6,625	1,081.0	212	16.3	26,579	8,776.0	3,434,269	49,230.0
4	Claims Repudiated during the year	117	25.1	1,222	77.4	1	-	94	72.2	9,972	337.5	139	16.5	113,935	2,710.5	2,896	436.7	42	0.9	7,611	525.7	136,029	4,202.5
5	Claims O/S at end of the year	2,417	5,925.3	3,007	1,178.7	133	955.0	1,133	1,974.7	39,730	1,788.6	63,832	14,577.6	66,552	1,856.0	2,453	687.0	36	28.5	6,016	3,790.8	185,309	32,762.2
	Agewise details of outstanding claims																						
	0-3 months	517	1,144.5	2,091	453.7	10	116.6	465	567.9	36,365	1,435.5	4,962	1,174.5	63,792	1,661.2	1,649	403.7	9	1.0	3,703	630.4	113,563	7,589.2
	3-6 months	230	1,044.6	457	191.3	8	287.1	100	199.4	3,012	252.6	4,441	916.1	1,249	77.4	209	61.0	4	5.6	653	196.5	10,363	3,231.5
	6-12 months	532	1,573.3	227	180.4	9	164.8	93	158.1	306	84.0	7,294	1,667.4	1,100	43.0	151	52.1	6	12.0	544	792.4	10,262	4,727.5
	1 year to 3 years	751	1,492.5	147	176.5	31	235.0	210	748.2	40	16.3	18,635	4,562.7	411	74.4	370	143.0	10	1.5	871	1,564.4	21,476	9,014.5
	3 years to 5 years	180	418.1	43	161.3	12	56.7	99	188.5	7	0.2	13,788	3,441.8	-	-	74	27.2	4	8.0	175	529.6	14,382	4,831.4
	5 years and above	207	252.3	42	15.5	63	94.7	166	112.6	-	-	14,712	2,815.1	-	-	-	-	3	0.4	70	77.5	15,263	3,368.1
	Total	**2,417**	**5,925.3**	**3,007**	**1,178.7**	**133**	**955.0**	**1,133**	**1,974.7**	**39,730**	**1,788.6**	**63,832**	**14,577.6**	**66,552**	**1,856.0**	**2,453**	**687.0**	**36**	**28.5**	**6,016**	**3,790.8**	**185,309**	**32,762.2**

Claims Outstanding (Fiscal 2014)

(₹ in million)

Sl. No.	Particulars	Fire		Marine cargo		Marine hull		Engineering		Motor OD		Motor TP		Health		Personal Accident		Liability Insurance		All other miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at the start of the year	2,332	3,298.7	2,236	1,016.7	167	390.2	1,160	1,508.1	27,966	1,421.6	63,892	13,549.0	729,686	1,741.7	2,522	452.8	1,152	50.5	4,640	2,813.4	835,753	26,242.6
2	Claims intimated/booked during the year	2,485	3,840.4	27,444	1,989.5	51	264.5	2,478	2,160.1	664,066	12,125.6	23,288	6,513.0	5,481,221	16,220.0	6,583	977.4	2,997	107.3	19,346	6,608.5	6,229,959	50,806.2
3	Claims settled during the year	2,587	2,855.1	26,259	1,974.1	69	126.0	2,516	1,355.0	658,080	11,846.5	24,955	6,697.0	5,698,323	15,914.3	6,365	913.8	4,125	141.6	17,856	4,906.3	6,441,135	46,729.7
4	Claims Repudiated during the year	88	11.4	483	73.2	1	-	89	59.7	9,579	308.7	125	15.9	87,913	1,689.9	2,567	249.4	924	20.5	3,743	258.4	105,512	2,687.3
5	Claims O/S at end of the year	2,230	4,284.0	3,421	1,032.1	149	528.7	1,122	2,313.2	33,952	1,700.7	62,225	13,365.1	512,584	2,047.3	2,740	516.3	24	16.1	6,130	4,515.6	624,577	30,319.1
	Agewise details of outstanding claims																						
	0-3 months	446	1,848.5	2,444	348.7	23	127.9	286	482.8	31,088	1,381.6	5,289	925.4	510,462	1,856.7	1,437	239.0	7	8.3	3,927	1,360.6	555,409	8,579.6
	3-6 months	98	672.3	316	214.3	9	191.3	111	295.9	2,377	204.0	4,197	878.7	1,607	40.5	334	59.2	2	5.1	798	780.2	9,849	3,341.4
	6-12 months	297	459.9	230	100.1	12	37.6	131	762.0	448	93.2	6,876	1,333.9	149	19.8	266	62.6	5	0.7	915	1,187.9	9,329	4,057.8
	1 year to 3 years	853	850.8	173	129.6	18	75.9	346	585.3	39	21.9	20,472	5,116.1	305	110.1	696	154.8	7	1.1	358	1,034.5	23,267	8,080.2
	3 years to 5 years	407	341.8	174	221.8	25	17.9	166	94.8	-	-	15,329	3,347.3	61	20.1	7	0.7	-	-	109	113.1	16,278	4,157.6
	5 years and above	129	110.7	84	17.6	62	78.1	82	92.3	-	-	10,062	1,763.7	-	-	-	-	3	0.9	23	39.2	10,445	2,102.6
	Total	**2,230**	**4,284.0**	**3,421**	**1,032.1**	**149**	**528.7**	**1,122**	**2,313.2**	**33,952**	**1,700.7**	**62,225**	**13,365.1**	**512,584**	**2,047.3**	**2,740**	**516.3**	**24**	**16.1**	**6,130**	**4,515.6**	**624,577**	**30,319.1**

Claims Outstanding (Fiscal 2013)

(₹ in million)

Sl. No.	Particulars	Fire		Marine cargo		Marine hull		Engineering		Motor OD		Motor TP		Health		Personal Accident		Liability Insurance		All other miscellaneous		Total	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
1	Claims O/S at the start of the year	1,696	4,384.4	3,635	1,114.2	191	865.4	776	1,315.0	26,809	1,020.2	60,425	12,262.6	1,450,847	1,926.4	2,488	391.6	903	42.3	5,024	2,742.9	1,552,794	26,065.1
2	Claims intimated/booked during the year	2,473	1,774.3	22,659	1,368.0	32	(59.0)	1,904	936.3	545,466	10,375.3	22,840	6,430.1	3,722,718	13,547.6	7,390	1,239.5	13,662	435.5	13,664	4,719.5	4,352,808	40,767.0
3	Claims settled during the year	1,837	2,860.0	24,058	1,465.5	56	416.2	1,520	743.3	544,309	9,973.9	19,373	5,143.6	4,443,879	13,732.3	7,356	1,178.4	13,413	427.3	14,048	4,649.1	5,069,849	40,589.5
4	Claims Repudiated during the year	153	186.4	1,320	163.5	5	35.1	119	35.0	8,920	322.4	187	21.9	52,931	867.7	56	1.8	1	-	1,735	38.6	65,427	1,672.3
5	Claims O/S at end of the year	2,332	3,298.7	2,236	1,016.7	167	390.2	1,160	1,508.1	27,966	1,421.6	63,892	13,549.0	729,686	1,741.7	2,522	452.8	1,152	50.5	4,640	2,813.4	835,753	26,242.6
	Agewise details of outstanding claims																						
	0-3 months	689	584.3	1,187	299.1	6	4.0	572	274.1	26,134	1,156.5	5,087	897.1	727,088	1,541.3	1,663	227.7	747	26.6	2,940	530.4	766,113	5,541.0
	3-6 months	120	252.7	192	114.8	3	13.8	88	126.8	1,541	166.1	4,181	862.3	659	41.7	391	70.4	263	9.2	825	1,097.7	8,263	2,755.4
	6-12 months	231	393.2	123	41.4	13	8.1	77	253.1	276	91.7	7,796	1,805.3	241	23.9	294	86.5	90	4.0	364	160.2	9,505	2,867.4
	1 year to 3 years	502	727.8	447	456.3	38	61.1	179	687.6	15	7.3	25,358	5,946.8	1,194	97.4	174	68.1	47	9.2	325	493.0	28,279	8,554.7
	3 years to 5 years	742	1,277.9	276	102.8	71	86.3	218	144.9	-	-	16,457	3,199.3	504	37.4	-	-	4	1.2	114	488.5	18,386	5,338.4
	5 years and above	48	62.8	11	2.3	36	216.9	26	21.5	-	-	5,013	838.3	-	-	-	-	1	0.3	72	43.6	5,207	1,185.8
	Total	**2,332**	**3,298.7**	**2,236**	**1,016.7**	**167**	**390.2**	**1,160**	**1,508.1**	**27,966**	**1,421.6**	**63,892**	**13,549.0**	**729,686**	**1,741.7**	**2,522**	**452.8**	**1,152**	**50.5**	**4,640**	**2,813.4**	**835,753**	**26,242.6**

The policyholder complaints during the last five years and the three months ended June 30, 2017:

A. Details of Company's record of policyholders protection and the pendency of the policyholder complaints for the three months ended June 30, 2017 are set out below:

Sr. No.	Particulars of complaints made by customers	Opening Balance	Additions	Complaints Resolved			Complaints Pending
				Fully Accepted	Partial Accepted	Rejected	
1.	Sales related	20	231	228	-	1	22
2.	New business related	25	202	215	-	-	12
3.	Policy servicing related	12	82	85	-	2	7
4.	Claims servicing related	63	257	276	-	24	20
5.	Others	-	-	-	-	-	-
6.	**Total complaints**	**120**	**772**	**804**	**-**	**27**	**61**

Sr. No.	Duration wise pending status	Complaints made by customer	Complaints made by intermediaries	Total
1.	Less than 15 days	61	-	61
2.	Greater than 15 days	-	-	-
	Total	**61**	**-**	**61**

B. Details of Company's record of policyholders protection and the pendency of the policyholder complaints for Fiscal 2017 are set out below:

Sr. No.	Particulars on complaints made by customers	Opening balance	Additions	Complaints resolved / settled during the year			Complaints pending
				Fully accepted	Partially accepted	Rejected	
1.	Sales related	56	1,191	1,225	-	2	20
2.	New business related	25	846	833	-	13	25
3.	Policy servicing related	5	467	454	-	6	12
4.	Claims servicing related	19	1,011	872	-	95	63
5.	Others	-	-	-	-	-	-
	Total complaints	**105**	**3,515**	**3,384**	**-**	**116**	**120**

Sr. No.	Duration wise pending status	Complaints made by customer	Complaints made by intermediaries	Total
3.	Less than 15 days	120	-	120
4.	Greater than 15 days	-	-	-
	Total	**120**	**-**	**120**

C. Details of Company's record of policyholders protection and the pendency of the policyholder complaints for Fiscal 2016 are set out below:

Sr. No.	Particulars on complaints made by customers	Opening balance	Additions	Complaints resolved / settled during the year			Complaints pending
				Fully accepted	Partially accepted	Rejected	
1.	Sales related	28	1,273	1,244	-	1	56
2.	New business related	35	1,151	1,154	-	7	25
3.	Policy servicing related	11	1,219	1,223	-	2	5
4.	Claims servicing related	24	1,091	1,011	-	85	19
5.	Others	-	-	-	-	-	-
	Total complaints	**98**	**4,734**	**4,632**	**-**	**95**	**105**

Sr. No.	Duration wise pending status	Complaints made by customer	Complaints made by intermediaries	Total
1.	Less than 15 days	105	-	105
2.	Greater than 15 days	-	-	-
	Total	**105**	**-**	**105**

D. Details of Company's record of policyholders protection and the pendency of the policyholder complaints for Fiscal 2015 are set out below:

Sr. No.	Particulars on complaints made by customers	Opening balance	Additions	Complaints resolved / settled during the year			Complaints pending
				Fully accepted	Partially accepted	Rejected	
1.	Sales related	11	1,115	1,015	-	83	28
2.	New business related	5	2,076	2,043	-	3	35
3.	Policy servicing related	4	588	575	-	6	11
4.	Claims servicing related	22	1,925	1,578	-	345	24
5.	Others	-	-	-	-	-	-
	Total complaints	**42**	**5,704**	**5,211**	**-**	**437**	**98**

S. No.	Duration wise pending status	Complaints made by customer	Complaints made by intermediaries	Total
1.	Less than 15 days	98	-	98
2.	Greater than 15 days	-	-	-
	Total	**98**	**-**	**98**

E. Details of Company's record of policyholders protection and the pendency of the policyholder complaints for Fiscal 2014 are set out below:

Sr. No.	Particulars on complaints made by customers	Opening balance	Additions	Complaints resolved / settled during the year			Complaints pending
				Fully accepted	Partially accepted	Rejected	
1.	Sales related	19	1,075	1,023	-	60	11
2.	New business related	15	1,489	1,463	-	36	5
3.	Policy servicing related	18	2,474	2,404	-	84	4
4.	Claims servicing related	27	1,505	1,273	-	237	22
5.	Others	-	-	-	-	-	-
	Total complaints	**79**	**6,543**	**6,163**	**-**	**417**	**42**

Sr. No.	Duration wise pending status	Complaints made by customer	Complaints made by intermediaries	Total
5.	Less than 15 days	42	-	42
6.	Greater than 15 days	-	-	-
	Total	**42**	**-**	**42**

F. Details of Company's record of policyholders protection and the pendency of the policyholder complaints for Fiscal 2013 are set out below:

Sr. No.	Particulars of complaints made by customers	Opening balance	Additions	Complaints resolved / settled during the year			Complaints pending
				Fully accepted	Partially accepted	Rejected	
1.	Sales related	19	1,217	1,058	-	159	19

Sr. No.	Particulars of complaints made by customers	Opening balance	Additions	Complaints resolved / settled during the year			Complaints pending
				Fully accepted	Partially accepted	Rejected	
2.	New business related	47	2,371	2,149	-	254	15
3.	Policy servicing related	28	8,128	7,616	-	522	18
4.	Claims servicing related	18	2,386	1,781	-	596	27
5.	Others	-	-	-	-	-	-
	Total complaints	**112**	**14,102**	**12,604**	**-**	**1,531**	**79**

Sr. No.	Duration wise pending status	Complaints made by customer	Complaints made by intermediaries	Total
1.	Less than 15 days	73	-	73
2.	Greater than 15 days	6	-	6
	Total	**79**	**-**	**79**

B. Litigation filed by our Company

Civil matters

1. Colonial Life Insurance Company (Trinidad) Limited ("**CLICO**") is a reinsurer and our Company had secured reinsurance protection from it to indemnify the payments made by our Company under original policies issued to its customers. Our Company is seeking recovery from CLICO by means of arbitration for the outstanding claims amounting to ₹ 542.3 million with interest under the Indian Railways and State Transportation policies issued in the year 2007-08. Currently arbitration proceedings are going on in an arbitration tribunal set up in Mumbai and ex-parte orders are being passed as CLICO has not participated in the arbitral proceedings. Our Company has also initiated legal proceedings against third parties associated with the transaction, including American Assurance Underwriters Group, the managing agent of CLICO. The matter is currently pending.

Criminal matters

1. Our Company has filed 107 FIRs against various people involving customers, employees and third parties under sections 415, 420, 425 and 468 of the IPC in relation to *inter alia* criminal breach of trust, cheating, mischief, criminal conspiracy and forgery for purpose of cheating. The matters are currently pending.

Writ petitions

There are seven writ petitions filed by our Company under Article 226 of the Indian Constitution before High Courts of appropriate jurisdictions to contest the various decree passed by regulatory authorities, lok adalats and other local bodies in violation of principles of natural justice. The matters are currently pending.

II. Litigation involving our Promoter

Disclosure of litigation involving our Promoter:

Litigation involving ICICI Bank

ICICI Bank is involved in various litigations (civil, criminal, regulatory or otherwise) in India and in the other jurisdictions in which ICICI Bank operates, including on account of ICICI Bank seeking to recover its dues from its borrowers or because its customers make claims against ICICI Bank. Additionally, in certain instances, present and former employees of ICICI Bank have instituted legal and other proceedings against it alleging irregularities. The majority of these cases arise in the normal course of business and ICICI Bank believes, based on the facts of the cases and consultation with counsel, that these cases generally do not involve the risk of a material adverse impact on ICICI Bank's financial performance or its shareholders' equity.

In Fiscal 2017, the total income and the profit after tax of ICICI Bank, as per its audited consolidated financial statements, was ₹ 1,133,976.3 million and ₹ 101,883.85 million, respectively. Given the nature and extent of operations of ICICI Bank, all outstanding litigation involving ICICI Bank which exceed the amount which is lesser of 1% of the total income and 5% of the profit after tax of ICICI Bank, as per its latest audited consolidated financial statements available would be considered material for our Company, accordingly, a materiality threshold of ₹ 5,094.0 million has been taken for identification of material outstanding litigation involving ICICI Bank. Accordingly, except as disclosed below, there *are no outstanding litigation involving ICICI Bank (i) where the aggregate amount involved exceeds ₹ 5,094.0 million; (ii) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 5,094.0 million; and (iii) which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

In addition to the above, for ICICI Bank except as disclosed below there are no (i) outstanding criminal proceeding against ICICI Bank which also involve its current directors, where cognizance has been taken by a court; (ii) action by statutory or regulatory authorities (pending actions or any actions taken in the past five years); (iii) outstanding litigation involving taxation matters, where an assessment order has been passed by the tax authorities; (iv) outstanding litigation/disputes involving securities related offences; (v) litigation or legal action pending or taken, or any direction issued upon conclusion of such litigation or legal action, by any Ministry or Department of the Government or a statutory authority during the five years preceding the year of issue of this Red Herring Prospectus; or (vi) outstanding litigation involving ICICI Bank, whose outcome could have material adverse effect on the position of our Company.

Litigation against ICICI Bank

Criminal matters

1. One Dinbandhu Dash filed a criminal complaint, before the Sub Divisional Judicial Magistrate, Balasore ("**SDJM**") against, inter alia, Ms. Chanda Kochhar, MD & CEO and five employees of ICICI Bank wherein summons were issued to all the accused persons under sections 419, 420, 506 and 120B of the Indian Penal Code, 1860. A criminal complaint bearing No. ICC 709 of 2009 was filed by him before the SDJM against five managers of ICICI Bank whose names were not specifically mentioned in the complaint. The complainant alleged that ICICI Bank closed his current account in October 2010 instead of closing the same in September 2007, December 2008 and February 2009 despite requests made by the complainant for closure of the same vide letters allegedly received by ICICI Bank. The complainant alleged that he was not aware of the name and particulars of the managers of ICICI Bank involved in closing the account in 2005 due to which, upon getting to know through internet that Ms. Chanda Kochhar was the Managing Director of ICICI Bank, he issued a letter to her seeking details of the said managers The complainant alleged that despite having issued several letters to her, the names of the managers involved were deliberately not disclosed which amounts to adoption of fraudulent means to cheat the complainant from legitimate claim and compensation. Further, the complainant alleged that two unidentified managers of ICICI Bank verbally threatened him of murder if he did not withdraw the aforesaid complaint of 2009. A witness also submitted his statement as evidence in this respect. The complainant also sought compensation of ₹ 5.0 million each from accused no. 1 to 5 and ₹ 1.0 million from accused no. 6. Lower court record was called for by the appellate court.

2. Son of the complainant, one Mr. Mukesh Chand (the "**Son**") completed his studies for the course of software engineer and he applied/sent his resume to various companies through internet services. Accused No. 2, 3 and 4, contacted the Son through internet. He was selected for a job in a hotel based at London. Thereafter, he was issued an appointment letter for the same job and he was to join at the earliest. The Son was provided details of expenses and was asked to deposit an amount of ₹ 0.05 million in the account of Shruti Travels bearing no. 641905050329 and one Sudha Singh bearing account no. 628801534123. Thereafter, the Son enquired from the hotel about further process regarding the issuance of visa. He got a reply on mail in which he was asked to deposit ₹ 0.01 million in the account of Mr. Liladhar M Pujari bearing no. 000401644165 and ₹ 0.04 million in the account of Sharma enterprises bearing no. 004105500129. Son deposited the amounts accordingly. Thereafter, when the Son did not receive any information regarding visa he sent a mail to the concerned hotel. Thereafter, he got a reply regarding some documentation for which he had to deposit an amount of ₹ 0.11 million in the account of Shekawat Enterprises bearing account no. 031505500243. The amount was deposited on August 30, 2010 yet visa was not received by the Son. On September 7, 2010 the complainant along with his Son visited the British High Commission at Delhi. There, it came to their knowledge allegedly, that an ICICI Bank official acted in collusion with a person running the racket of cheating people. Thereafter, the complainant requested details from ICICI Bank under Right to Information Act, 2005 but the required information could not be procured. Thereafter, the complainant filed a complaint with various senior concerned officials of the Govt. of India and the matter was inquired into. ICICI Bank further told the complainant that all the accounts in question had been seized by ICICI Bank and he was asked to lodge an official complaint in respect of the matter and ICICI Bank's cooperation in the investigation of the matter was promised. Thereafter the complainant filed the application u/s 156(3) and FIR bearing no. 168/11 was lodged U/s 406, 420 and 506 of IPC. However, no action was taken under the said FIR and there after the present complaint was filed before the court. The Magistrate Court after recording the statement summoned the MD Ms. Chanda Kochhar vide its order dated December 7, 2013. The Bank challenged this summoning order in Criminal Revision petition before Allahabad High court vide Criminal Revision No. 500 of 2014. The Hon'ble High court vide its order dated February 24, 2014 stayed the proceedings against MD Ms. Chanda Kochhar.

3. One Mr. Ejaz Hasan Khan filed a criminal complaint before the Additional Chief Judicial Magistrate-I, Bareilly ("**ACJM**") against, inter alia, Ms. Chanda Kochhar to get a First Information Report registered for commission of offences under Sections 420, 406, 323, 504, and 506 of Indian Penal Code, 1860. The complainant availed a home loan of ₹ 1.2 million for tenure of 120 months from ICICI Bank which was transferred from Canara Bank. Later on, the complainant denied to take the loan and demanded back his post-dated cheques ("**PDCs**"). In the meantime, EMI receipts ("**EMIRs**") got collected from May 01, 2004 onwards amounting to ₹ 0.08 million. When the loan was denied by the complainant reverse entry of the disbursed cheque was done by the Bank, however, EMIRs through PDCRs continued to be collected and a refund pay order amounting to ₹ 0.08 million vide cheque no. 197057 was sent to the complainant on November 8, 2004 which is still unpaid. ICICI Bank also tried to resolve the matter amicably and explained to him that the fault was not only at ICICI Bank's end. The refund order was sent to him which is still unpaid. On realisation that the refund was not encashed, pay order was prepared and offered to him along with requisite interest and compensation amount which he refused to accept. Refund pay order amounting to ₹ 0.08 million and an interest & compensation pay order amounting ₹ 0.05 million was sent to him which was received by the complainant and as per proof of delivery details of courier but had not been paid by the complainant. The police filed the closure report. Whereas, the complainant has filed an application to object the closure report and the same is pending for consideration. One Mr. Syed Mustafa Zafar filed a criminal complaint (No. 45/2011) against, inter alia, Ms. Chanda Kochhar before the ACJM, Lucknow alleging commission of offence under Section 193 of the Indian Penal Code, 1860. The instant complaint was filed pursuant to the order passed by the Magistrate on February 23, 2011 in Case No. 4826/2007 under Section 138 of Negotiable Instruments Act, 1881 filed by the Bank for dishonour of cheque. The complainant alleged that the Bank filed false case against him as the payment of the dishonoured cheque was made by him within 2 days from the receipt of legal notice for dishonour of cheque. The Magistrate dismissed the case for dishonour of cheque and registered the instant complaint for offence under Section 193 of the Indian Penal Code, 1860 and after conducting inquiry held that Chief Executive Officer of the bank was the responsible person. The Bank prayed before the Magistrate to conduct trial of the complaint u/s 138 since no payment of dishonoured cheque was received, however, the Magistrate did not allow the prayer. The said complaint was withdrawn by the Bank as a conciliatory measure since the complainant had regularized the payments of his EMI. The Bank filed quashing application (No. 2256 of 2010) before the High Court Bench, Lucknow and the order passed by the Magistrate was stayed by the High Court. Matter is undated as High Court has summoned the lower court records.

4. One Mr. Shripad Krishnaji Sovani, ex-employee of the erstwhile Sangli Bank filed criminal complaint for seeking pension. ICICI Bank preferred a writ petition before High Court, Mumbai wherein stay has been granted.

5. One Mr. Balasaheb Mahipati Patil, ex-employee of the erstwhile Sangli Bank filed criminal complaint contesting the pension calculation. ICICI Bank preferred a writ petition before High Court, Mumbai wherein stay has been granted.

6. One Mr. Dilip Shrikrishna Thakar, ex-employee of the erstwhile Sangli Bank had resigned from the services of ICICI Bank in 1999, he passed away in 2001. Criminal complaint was filed by wife of late Mr Thakar, Ms Shobha Dilip Thakar claiming pension and family pension. ICICI Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

7. One Mr. Vasant Krishna Patil, ex-employee of the erstwhile Sangli Bank filed criminal complaint for seeking pension. ICICI Bank preferred a writ petition before High Court, Mumbai wherein stay has been granted.

8. One Mr. Rajendra Bongale, ex-employee of the erstwhile Sangli Bank filed criminal complaint for seeking pension. Bank preferred a writ petition before High Court, Karnataka (Dharwad bench) wherein stay has been granted.

9. One Mr. Syed Mustafa Zafar filed a criminal complaint (No. 45/2011) against, inter alia, Ms. Chanda Kochhar before the ACJM, Lucknow alleging commission of offence under Section 193 of the Indian Penal Code, 1860. The instant complaint was filed pursuant to the order passed by the Magistrate on February 23, 2011 in Case No. 4826/2007 under Section 138 of Negotiable Instruments Act, 1881 filed by the Bank for dishonour of cheque. The complainant alleged that the Bank filed false case against him as the payment of the dishonoured cheque was made by him within 2 days from the receipt of legal notice for dishonour of cheque. The Magistrate dismissed the case for dishonour of cheque and registered the instant complaint for offence under Section 193 of the Indian Penal Code, 1860 and after conducting inquiry held that Chief Executive Officer of the bank was the responsible person. The Bank prayed before the Magistrate to conduct trial of the complaint u/s 138 since no payment of dishonoured cheque was received, however, the Magistrate did not allow the prayer. The said complaint was withdrawn by the Bank as a conciliatory measure since the complainant had regularized the payments of his EMI. The Bank filed quashing application (No. 2256 of 2010) before the High Court Bench,

Lucknow and the order passed by the Magistrate was stayed by the High Court. Matter is undated as High Court has summoned the lower court records.

10. One Mr. Imran Ahmad had filed case no. 626/2014 u/s 156(3) in the court of Chief Judicial Magistrate Lucknow against, inter alia, Ms. Chanda Kochhar. The complainant stated that he availed Credit card no. 4375511709723006 from ICICI Bank. The complainant alleged that on May 28, 2014 at 21.52, 21.53 and 22.01 p.m. he received alert on his mobile no. 9839065781 that ₹ 0.08 million transaction was done on his card in Turkey, via a merchant based in Turkey. That the complainant informed the said incident at ICICI Bank's toll free number and on the next day he informed the same incident to the bank in writing. Then the complainant informed the said matter to DIG dated May 29, 2014 and then the same was referred to CO Cyber Crime Cell Hazratganj Lucknow. Then the complainant requested ICICI Bank to waive off the said transaction of ₹ 0.08 million done in Turkey but the ICICI Bank official insisted to deposit the said amount. The complainant approached magistrate court with the prayer to take cognizance in the matter and direct the police of Hazratganj, Lucknow to lodge FIR of the complainant. First report has been submitted by the police.

11. One Mr. Om Prakash Gurudayal Berlia, filed a complaint before the 8th Esplanade Additional Chief Metropolitan Magistrate Court, with regards to a Credit Card Number 5176531700031108 which was issued by ICICI Bank to the complainant in the name of his wife Smt. Anjali Om Prakash Berlia. However, the complainant denied making any request or receiving the said credit card. The complaint was filed against 1. ICICI Bank Limited, 2. Ms. Chanda Kochhar, Managing Director and Chief Executive Officer, 3. Mr. K. Ram Kumar, MD, 4. Mr. Rajiv Sabharwal, Executive Director, 5. Mr. N. S. Kannan, Executive Director, 6. Mr. K. Rajkumar, Executive Director, 7. Ms. Anuradha M, Employee, 8. Mr. Sadanand Lad, Officer, 9. Mr. Naresh Shetty, Collection Officer, 10. Mr. Mukesh Gupta, Collection Officer, 11. Mr. Sharad Purohit, Collection Manager, 12. Mr. Sushil Bhatt, Recovery Officer, and 13. Mr. Vinod Pawar, Area Manager, Risk Containment. As per ICICI Bank's records and an RCU investigation, the card has been delivered at his residence. RCU has joined the investigation and submitted its representations. The police is yet to file the final report since the statement of complainant is still pending.

12. One Mr. Ghanjith Sharma, filed appeal vide Criminal Revision Petition number 2 of 2014 against 1. Mr.Ravi Kumar Komuroju, 2. K Manjunath, 3. S. Mani, 4. Shami Abdul and 5. Ms. Chanda Kochhar, Chairman and Managing Director, ICICI Bank before the VIII Fast Track Court, City Civil & Session Judge, Bangalore. The complainant/petitioner availed a home loan for ₹ 4.25 million from ICICI Bank, Bangalore vide LAN LBBNG00001357523 on June 3, 2006 and agreed to repay the same in 327 monthly instalments of ₹ 0.04 million. The customer had been fully repaid as on July 10, 2009. The complainant/petitioner had filed a private complaint against Managing Director and other officials of the Bank on August 1, 2013 before the Magistrate on the ground that he had been fraudulently and intentionally deprived by Managing Director of M/s Manjunatha Developer to avail home loan from ICICI Bank and purchased a plot in 2006. The complainant alleged that based on representation of the developer, he entered into agreement to avail the home loan of ₹ 4.25 million in June 2006. According to the complainant, the entire transaction was tainted with serious legal infirmities and turned out to be fake, as he did not get the plot. It was alleged that at the very first instance, the disbursement amount from the Bank was not received by the complainant but was disbursed in favour of developer. The Hon'ble IV ACMM on December 7, 2013 dismissed the petition at the PCR stage.

13. One Mr. Joydip Malik preferred a criminal complaint before, Chief Judicial Magistrate, Burdwan vide FIR No.-865 of 2012 and PS case no. 131 of 2012 against inter alia, Chairperson, ICICI Bank Limited, BKC and others under Sections 406, 409, 420, 467, 468, 471, 413, 414 and 120B of the IPC. The complainant submitted that, on October 21, 2004 he went to purchase a new Yamaha Libero LX Two Wheeler from Accused No. 1, in the case, who is a sub-dealer of Yamaha Company. The Accused no.1 convinced him to pay ₹ 0.02 million as down payment and the rest of the amount was financed by ICICI Bank Limited, Burdwan Branch. The EMI was fixed at ₹ 1418/- per month and accordingly, the Accused no. 1 collected ₹ 0.02 million as down payment. The complainant alleged that, inspite of his several follow ups, Accused no.1 is yet to provide him RC book and other relevant papers of the vehicle for which the vehicle is still unregistered. The complainant further alleged that, accused 2, 3 & 4 (ICICI Bank) along with Accused no.1, have encashed all PDC's and have also taken an insurance premium, in spite of knowing the fact that, the RC book and other relevant documents were not available. The complainant also submitted that, Burdwan Police Station seized the vehicle due to non-availability of documents pertaining to the vehicle. The complainant also alleged that, he came to know that, the Accused no.1 is dealing with purchase and sale of stolen vehicles and by financing stolen vehicles, ICICI Bank was also encouraging theft of vehicles. Aggrieved, the complainant preferred the present complaint with the prayer to lodge complaint u/s 156(3) of the CrPC and for a direction to concerned PS to investigate the matter. After investigation, police filed its final report in this case.

14. Office Nine to Nine served a legal notice on ICICI Bank and its directors on September 20, 2010 claiming release of its dues of ₹ 2.73 million towards the direct sales agent ("**DSA**") commission pay outs for the services rendered for the month of November/December 2007. A reply was sent to the said notice on November 8, 2010

stating that the agency was terminated due to the fraudulent act committed by the DSA and no pay outs were due to the DSA. Pursuant thereto, the DSA filed a criminal complaint on July 22, 2011 before Ashok Nagar Police Station, Bangalore through his General Power of Attorney holder Mr. Venkatesh (Advocate on behalf of M/s Office Nine to Nine) against ICICI Bank and the directors by name. In the complaint it was alleged that M/s Office Nine to Nine was DSA for ICICI Bank and ICICI Bank had not released the pay outs (₹ 2.73 million) for the services rendered for the month of November/December 2007. Ashok Nagar police received the complaint, however they had not registered the complaint on account of a First Information Report ("**FIR**") based on our reply and co-ordination by the Risk Containment Unit ("**RCU**") with the police whereby ICICI Bank had taken a stand that the matter is of a civil nature, hence the complaint was not maintainable. Further, the RCU was trying to co-ordinate in the matter with the DSA to get the details of outstanding commission. Aggrieved by the non-registration of an FIR by the police, the DSA subsequently filed a private complaint (PCR 223 of 2011) before the magistrate court against 1. ICICI Bank Ltd, Bangalore 2. ICICI Bank ltd, Mumbai 3. Mr. K. V. Kamath, Chairman, ICICI Bank Ltd, 4. Ms. Chanda Kochhar, Managing Director & Chief Executive Officer, ICICI Bank Ltd, 5. Mr. .N.S. Kannan Executive Director & Chief Financial Officer, ICICI Bank Ltd, 6. Mr. K. Ramkumar, Executive Director, ICICI Bank Ltd, 7. Mr. .Rajiv Sabharwal, Executive Director, ICICI Bank Ltd, 8. Mr. Homi R. Khusrokhan, Director, ICICI Bank Ltd and 9. Mr. M.S. Ramachandran, Director, ICICI Bank Ltd. Hearing the petition, the magistrate by his order dated October 29, 2011 referred the matter to the Ashok Nagar Police Station to investigate the matter u/s 156 of the Criminal Procedure Code, 1973 ("**CrPC**") and to submit the report. Since the matter is very sensitive and filed against the senior management by name, ICICI Bank filed a petition for quashing the proceedings before the High Court of Karnataka challenging the private complaint and the order of magistrate court on the ground of non- maintainability of the complaint as the matter is of a civil nature. Further, suitable representation was filed by RCU before the police submitting that the matter is civil in nature and no criminality can be made out against ICICI's senior management. The High Court of Karnataka has granted a blanket stay against the investigation u/s 156 of CrPC in the entire quashing petition. The case is posted for hearing.

15. One Urmila Devi**,** Complaint No-10/2013, Court of Judicial Magistrate 1st Class, Barsar Hamirpur, Lan No.- LVHMR00003181315, u/s 406, 409,420 of the I.P.C. against the managing director, directors of ICICI Bank (Empire Complex), branch manager, ICICI Bank Ltd, Mandi. As per the allegations in the criminal complaint filed before JMIC Court Hamirpur, complainant had taken a commercial vehicle loan from ICICI Bank for purchasing vehicle Mahindra 204-DI in the month of Feb. 2005 vide loan agreement No. LVHMR00003181315 and his loan EMI's were started on February 1, 2005 and the loan tenure was till December 1, 2008. She further alleged that the agent of the accused persons had taken the payment of ₹ 0.02 million in the month of June, 2007 but no receipt was issued to him against the said payment., as per allegations accused persons have illegally and forcefully taken the aforesaid vehicle on June 11, 2007 and report to this effect was made by the complainant to Police Station, Barsar, Distt. Hamirpur, wherein the complainant stated that she had spent huge amount for bringing the said vehicle on road such as expenses on body and taxes etc. She further requested the accused person for release of the said vehicle Reg No. HP-67-0826 but all in vain, after that she had issued a notice to accused after lapse of 28 months to accused person alleging that after the lapse of 28 months from the actual value of vehicle i.e. ₹ 0.45 million there is only a deprecation of 25% of the vehicle and whereas dues after 28 months were ₹ 0.29 million and she requested to remit the sum of ₹ 0.05 million in her favour. It is alleged that the accused persons have made no reply and that she further issued a reminder to the accused on 30.09.2011 but till date neither the accused have returned the sum of ₹ 0.05 million not given any reply. It is alleged that the accused persons have committed a criminal breach of trust.

16. Additionally, customers of ICICI Bank file criminal complaints against the bank officials alleging various offences in the ordinary course of its business. Based on such complaints, the police authorities initiate investigation and file report before a magistrate, which may or may not be taken on record by the magistrate. As of June 30, 2017, there are approximately 371 criminal proceedings filed against ICICI Bank and its officials. Given below is a break-up of these criminal proceedings filed against ICICI Bank:

(a) 169 cases have been initiated by customers / borrowers of ICICI Bank against ICICI Bank and unnamed officials with their designations (and in some cases key managerial personnel of ICICI Bank have been impleaded in their personal capacity) in relation to, inter alia, recovery of outstanding dues, service related issues and employee pension related disputes. These matters are at initial stages and no cognizance has been taken by any judicial authority. ICICI Bank has not received any formal communication in the form of summons in these matters.

(b) 136 cases have been initiated by customers / borrowers of ICICI Bank against ICICI Bank and unnamed officials with their designations (and in some cases key managerial personnel of ICICI Bank have been impleaded in their personal capacity) before various judicial forums in relation to, inter alia, recovery of outstanding dues, service related issues and employee pension related disputes. In certain of these matters cognizance has been taken by the judicial authorities. Out of the 136 cases, in 25 cases, directors of ICICI Bank including in four cases, the senior general managers have been impleaded in the matters. Of these

25 cases, there are 15 criminal proceedings where cognizance has been taken by a court. For details in relation to these 15 criminal proceedings, see "- Litigation involving ICICI Bank - Litigation against ICICI Bank - Criminal matters" on pages 375 to 379.

(c) 48 cases have been initiated by ICICI Bank against customers / borrowers of ICICI Bank before various judicial forums in relation to cheque bouncing under Section 138 of the Negotiable Instruments Act, 1881. The customers who are the accused have filed appeals against the order of conviction passed by the Magistrate in the original complaint filed by ICICI Bank.

(d) 14 first information reports have been registered by ICICI Bank against borrowers of ICICI Bank in various police stations in relation to inter alia, misrepresentation by the borrowers and sellers jeopardizing ICICI Bank's security against loan advanced to such borrowers. ICICI Bank has filed criminal complaint against Borrowers and other related parties. Aggrieved by this, an appeal has been preferred by the concerned parties.

(e) 4 cases have been filed before various judicial forums wherein ICICI Bank has been impleaded as a proforma defendant (i.e. a party against whom no claim has been made but has been named only for record purposes). While the primary accusations are against other parties to the dispute, however, one of such parties would have a business relationship with ICICI Bank. In these matters cognizance has been taken by the judicial authorities, however, no action has been taken or initiated against ICICI Bank.

The above mentioned matters (excluding the matters in points 1 to 15 disclosed in the section "Outstanding Litigation and Material Developments – Litigation involving our Promoter – Litigation involving ICICI Bank – Litigation against ICICI Bank – Criminal cases") will not have any material impact on ICICI Bank or any of its bank officials.

For additional litigation, see "Outstanding Litigation and Material Developments – Litigation against our Directors – Litigation against Chanda Deepak Kochhar – criminal matters" on page 396.

Actions by regulatory / statutory authorities

1. SEBI has vide letter dated May 20, 2015, issued an administrative warning to ICICI Bank, as a Depository Participant ("**DP**"), for the following observation post the inspection conducted for the period of April 2012 to June 2013 wherein it was noticed that in all account opening forms, the date of execution of Power of Attorney ("**PoA**") was prior to the date of account opening/date of activation of account in the DP's system. ICICI Bank has intimated SEBI that the necessary changes have been effected in the PoA in such a manner that the effective date of the PoA will the later of the date of account opening or the date of PoA execution.

2. Pursuant to inspection conducted for the period April 2010 to March 2012, SEBI has vide letter dated February 18, 2013, issued an administrative warning to ICICI Bank as a registered Depository Participant (DP) to have an exclusive designated e-mail ID for receiving complaints pertaining to its DP operations. The same (headdematservices@icicibank.com) has been created and status has been intimated to SEBI vide letter dated August 28, 2013.

3. SEBI had issued a show cause notice under Securities and Exchange Board of India (Procedure for Holding Inquiry and imposing Penalties by Adjudicating Officer) Rules, 1995 for delay of 81 days in filing disclosures under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992, for change in shareholding exceeding 2% in a listed company, when prior shareholding exceeded 5%. This was in respect of ICICI Bank's holding in Jord Engineers India Limited which was largely unlisted, and trading in the scrip was suspended, though the company was listed. ICICI Bank filed consent terms and paid ₹ 0.1 million to SEBI pursuant to the consent order passed in May 2012. ICICI Bank has put in place systems and controls to file necessary disclosures irrespective of the listing status of its securities.

4. SEBI had carried out certain inspections of ICICI Bank's books and records with respect to its debenture trustee activity on August 4, 2014 and September 19, 2014. ICICI Bank had submitted its comments on the SEBI search report. Subsequently, ICICI Bank had received letter from SEBI dated October 19, 2015 highlighting certain discrepancies. SEBI had pointed out that there was a (i) delay in transfer of issues to other debenture trustees after the regulation 13A (b) of the Debenture Trustee Regulations came into effect from August 8, 2000; (ii) non issuance of press release and non-dissemination of the events of default on ICICI Bank's website; (iii) failure to obtain quarterly reports from other issuer companies; (iv) non-dissemination of designated investor grievance e-mail-id on debenture trustee's website and that (v) ICICI Bank had not furnished correct data in the periodical report for the half year ending from March 2012 to SEBI. SEBI had advised ICICI Bank to be careful in future and improve its compliance standards to avoid recurrence of such instances, failing which, action may be initiated in accordance with SEBI Act and rules/regulations thereunder. ICICI Bank took note of the same.

5. During SEBI inspection of debenture trustee operations of erstwhile ICICI Limited, observations on certain shortcomings were made by SEBI in its inspection report dated July 24, 1998. Erstwhile ICICI Limited initiated suitable action based on the SEBI report and submitted a detailed reply to SEBI on August 6, 1998. Subsequently, a notice dated February 12, 2007 was received from SEBI requesting it to provide certain details. ICICI Bank has furnished all the details required by SEBI on March 2, 2007. SEBI again inspected books and records of ICICI Bank maintained in its capacity as debenture trustee during September, 2007 to October 2007. ICICI Bank received inspection report on September 10, 2008 and submitted a detailed reply to them on October 15, 2008. However vide letter dated June 22, 2010, SEBI observed that, certain observations made by SEBI in the inspection report dated September 10, 2008 were not rectified or partially rectified and had accordingly advised ICICI Bank to take appropriate corrective steps to rectify the discrepancies. SEBI also advised ICICI Bank to notify the board of directors of ICICI Bank, the relevant communication regarding the inspection, further observations made by SEBI and corrective steps taken to rectify the discrepancies. ICICI Bank, by letter dated July 19, 2010, intimated SEBI of the corrective steps taken by ICICI Bank to address the discrepancies and have informed the audit committee and the board of directors of ICICI Bank on July 30, 2010 and July 31, 2010, respectively.

6. SEBI had issued a notice to ICICI Bank in connection with matters pertaining to erstwhile Bank of Madura's Bhadra, Ahmedabad branch, to show cause as to why the said branch should not be suspended from conducting merchant banking activities for a period of six months. SEBI stated that there were irregularities in fiscal 1996 in the operations of the account of North Star Gems Limited with the branch. A detailed reply was filed with SEBI in this regard. SEBI vide order dated October 16, 2002 issued a warning to the branch with a further direction to that branch to act with due skill, care and diligence while acting as banker to an issue. SEBI noted that ICICI Bank had taken appropriate disciplinary action against the concerned employees. SEBI further noted that inspection by the Reserve Bank of India did not indicate malafide actions on the part of ICICI Bank's officials. In view of the same, SEBI concluded that the aforesaid warning would suffice as sufficient action against the branch.

7. During SEBI inspection of books of accounts of Depository Participant ("**DP**") activities of ICICI Bank, observations on certain shortcomings were made by SEBI, in its inspection report dated March 15, 2010. ICICI Bank had submitted its reply/comments giving information about the steps taken to improve its system and procedures. SEBI *vide* a letter dated June 17, 2010 advised ICICI Bank not to repeat the irregularities and ensure compliance with SEBI Depositories Act 1996 and the rules and regulations made thereunder. SEBI also advised to place the findings of inspection, corrective steps taken by ICICI Bank and the final communication by SEBI before ICICI Bank's board of directors. The same was reported and noted at the audit committee meeting of ICICI Bank held on July 30, 2010.

8. Five criminal complaints (9419/S/2002 to 9423/S/2002) were filed against ICICI Bank before the 39th Court of Presidency Metropolitan Magistrate (MM) at Mumbai by the Municipal Corporation of Greater Mumbai (BMC) for violation of Section 471 of the BMC Act read with Section 328-A thereof on grounds of non-payment of licence fees for the illuminated signboards at our ATM centres. A writ petition was filed (2377 of 2002) in the Bombay High Court challenging the applicability of the provisions of Sections 328 and 328-A of the BMC Act in respect of the ATM centres but it was dismissed and a special leave petition (24215 of 2002) (SLP) was filed in the Supreme Court. The Supreme Court granted a stay against all prosecutions and proceedings by BMC in this regard. On August 4, 2005 the Supreme Court passed an order with a finding that putting of the ATM Board by ICICI Bank does not fall under the category of sky sign under Section 328, liberty has been given to BMC to consider whether the said issue falls under the category of advertisement under Section 328-A, and issued fresh notice before the hearing. ICICI Bank submitted a copy of the Supreme Court order to the Metropolitan Magistrate and has prayed for the dismissal of the complaints and an order is awaited. The Criminal Cases bearing Nos. 20029419/S/2002 to 20029423/S/2002 are pending for hearing in the 39th Court at Vile Parle, on the respective dismissal applications filed on behalf of the Accused impleaded in the matters; in view of the order passed by the Hon'ble Supreme Court. The dismissal applications were rejected by the Court and an order was passed on the said Applications filed by the accused. ICICI Bank's Advocate has applied for certified copies of the said orders for recording plea of the accused. ICICI Bank had preferred writ petitions for quashing the complaints before the High Court of Mumbai. On the January 24, 2012 the Honourable High Court on ICICI Bank's application for urgent reliefs has stayed further proceedings in the five Criminal Complaints filed and which are pending before the Metropolitan Magistrate Court at Vile Parle. On June 28, 2012. Honourable High Court issued an order quashing the said proceedings against ICICI Bank. Learned Magistrate was pleased to close the above proceedings as per the order dated June 28, 2012 passed by the Hon'ble Bombay High Court.

9. The Municipal Corporation of Greater Mumbai ("**BMC**") had filed two complaints (88/M/20O3 and 89/M/2003) before the 27th Court of Presidency Metropolitan Magistrate at Mumbai against ICICI Bank for violation of Section 471 of the BMC Act read with Section 328-A thereof on grounds of non-payment of licence fees for the illuminated signboards at our ATM centres. ICICI Bank filed a writ petition in the Bombay High Court challenging the applicability of the provisions of Sections 328 and 328-A of the BMC Act in respect of

the ATM centres but it was dismissed and a special leave petition (SLP) was filed in the Supreme Court. The Supreme Court granted a stay against all prosecutions and proceedings by BMC in this regard. On August 4, 2005 the Supreme Court passed an order with a finding that putting of the ATM Board by ICICI Bank does not fall under the category of sky sign under Section 328, liberty has been given to BMC to consider whether the said issue falls under the category of advertisement under Section 328-A, and issued fresh notice before the hearing. ICICI Bank has submitted a copy of the Supreme Court order to the Magistrate and prayed for the dismissal of the complaints. The Criminal Case Nos. 200388/M/2003 and 200389/M/2003 were pending before the 42nd Court at Mulund and transferred to the Shindewadi Court at Dadar Next hearing date is not yet fixed, in view of the said cases being transferred to Shindewadi Court at Dadar.

10. Seven Criminal complaints (2347/SS/2003, 2349/SS/2003, 2412/SS/2003 to 2416/SS/2003) were filed against ICICI Bank ("**Bank**") and its Directors/Chairman/Employees ("**Bank Officers**") before the 16th Metropolitan Magistrate's Court at Ballard Pier alleging commission of certain offences (relating to engagement of security personnel) under Clause 39 and Clause 26 (2) of the Private Security Guards (Regulation of Employment and Welfare) Scheme, 1981 ("Scheme") read with Section 3 (3) of Maharashtra Private Security Guard (Regulations of Employment and Welfare) Act, 1981("**Act**"). The Court registered the Complaints and issued summons to ICICI Bank and ICICI Bank Officers. ICICI Bank took various measures for recalling the process order issued by the Magistrate and quashing of the complaints depending upon the changes in circumstances and the applicable laws. However, finally, the High Court disposed off the writ petition on December 13, 2005 granting liberty to ICICI Bank to file a revision application under Section 397 of the CrPC before the Sessions Court. As the Revision Applications preferred by ICICI Bank /Bank Officers were dismissed by the Court, our Bank filed writ petitions in July 2009 before the High Court of Mumbai for setting aside the orders passed by the Sessions Court. The writ petitions were disposed off on May 3, 2010 with the direction to delete the name of ICICI Bank Officers from the Complaint and decide the complaint against ICICI Bank on merits. Subsequently, on ICICI Bank's application, the Magistrate Court deleted the names of ICICI Bank Officers in accordance with the order of the High Court. Four out of the seven cases against ICICI Bank (2347/SS/2003, 2349/SS/2003, 2415/SS/2003 and 2416/SS/2003) were withdrawn by the Complainant for want of prosecution. Case number No.2412, 2413 and 2414 were posted for leading evidence on behalf of ICICI Bank. On July 31, 2012 ICICI Bank submitted that it will not be leading any evidence. On April 30, 2013, BMC has submitted their written arguments, which shall be replied by ICICI Bank on next date. Cases disposed of on March 06, 2014.

11. RBI had conducted a scrutiny in respect of two customers at ICICI Banks Dehradun Road, Roorkee and Vivekananda Road, Kolkata branch during 2009. Subsequently, in April 2010, RBI sought an explanation on the "*know your customer"* and "*anti money laundering*" aspects related to the scrutiny. ICICI Bank responded to RBI on April 28, 2010, giving a point-wise reply highlighting that it had acted in compliance with the extant RBI guidelines in respect of the same. ICICI Bank did not receive any further communication on this matter from RBI till date.

12. ICICI Bank received a show cause notice from RBI dated January 6, 2011 for violation of Section 11 (3) of the Foreign Exchange Management Act, 1999 pertaining to operations of *Vostro* accounts of banks based in Nepal and Bhutan. The RBI sent a notice pursuant to ICICI Bank's letters dated October 26, 2009 and December 16, 2009. RBI sought explanations from ICICI Bank through a notice to which ICICI Bank has responded to on January 25, 2011, requesting condonation the matters relating to operations of the *Vostro* accounts of the banks based in Nepal and Bhutan, as discrepancies were detected by ICICI Bank and was promptly brought to the notice of RBI. ICICI Bank has also requested RBI to grant a personal hearing to explain and clarify its position, pursuant to which a personal hearing with the Chief General Manager of RBI was held on February 25, 2011. There has been no further response received from RBI on this matter.

13. RBI recently initiated an inspection on the KYC/AML aspects across various banks. RBI has sought explanation on certain matters to which ICICI Bank has responded. RBI has since accepted ICICI Bank's submissions in the matter.

14. In fiscal 2011, RBI imposed a penalty of ₹ 0.5 million on ICICI Bank in connection with *Know Your Customer* guidelines issued by RBI.

15. In fiscal 2011, RBI issued an order under section 11(3) of Foreign Exchange Management Act, 1999 directing ICICI Bank to pay a penalty of ₹ 0.01 million for violation of the regulations issued under the Foreign Exchange Management Act, 1999. ICICI Bank has paid the penalty to RBI.

16. In February 2012, RBI imposed a penalty of ₹ 0.01 million under section 11(3) of Foreign Exchange Management Act, 1999 with regard to delay in reporting a foreign direct investment transaction. ICICI Bank has paid the penalty to RBI.

17. In April 2011, RBI has imposed a penalty of ₹ 1.5 million on ICICI Bank towards non-compliance of certain instructions issued by RBI in respect of derivative business.

18. ICICI Bank received a communication for violation of guidelines issued under Foreign Exchange Management Act, 1999, in respect of funding of compulsory convertible preference shares into Indian companies from overseas branches / subsidiaries. ICICI Bank assured RBI of the corrective measures being undertaken. No penalty was imposed.

19. In December 2012, Singapore branch of ICICI Bank was recognizing all payments for the subscription to Bloomberg Finance L.P. including rental of Bloomberg equipment as exempted from Singapore withholding tax (WHT). On the advice of tax advisers, it was observed that Singapore withholding tax is applicable on the rented equipment from Bloomberg and any on-site installation fees charged. Inland Revenue Authority of Singapore ("**IRAS**") was informed on the lapse and the WHT of SGD 2,738.13 was paid to IRAS. IRAS charged ICICI Bank a penalty for late payment amounting to SGD 511.99.

20. In May 2012, the RBI imposed a penalty of ₹ 0.07 million on ICICI Bank in connection with an operational error regarding the sale of government securities on behalf of a customer.

21. In May 2005, SEBI had issued the advice letter to ICICI Bank based on the inspection conducted in 2003-04.

22. In October 2012, the RBI imposed a penalty of ₹ 3.0 million on ICICI Bank for non-compliance with the *Know Your Customer* directions issued by the RBI.

23. In June 2013, the RBI imposed a penalty of ₹ 10.0 million on ICICI Bank, along with penalties on other banks in India, pursuant to its investigation following a sting operation by a news website on branches of Indian banks and insurance companies.

24. In July 2014, the RBI imposed a penalty on 12 Indian banks including ICICI Bank following its scrutiny of loan and current accounts of one corporate borrower with these banks. The penalty imposed on ICICI Bank was ₹ 4.0 million.

25. In December 2014, the RBI imposed penalties on two Indian banks, including ICICI Bank, for non-compliance with the *Know Your Customer/Anti Money Laundering* directions and guidelines issued by the RBI in respect of fraudulent opening of fictitious accounts with certain banks. The penalty imposed on ICICI Bank was ₹ 5.0 million.

26. In February 2015, a penalty of ₹ 1.4 million was imposed on ICICI Bank by the Financial Intelligence Unit, India. ICICI Bank has filed an appeal against the penalty, which was imposed for failure in reporting of the attempted suspicious transactions pertaining to media sting incidents.

27. Nagpur Municipal Corporation ("**NMC**") issued a show cause notice dated November 20, 2009, asking as to why the 10 times penalty should not be levied for non-payment of octroi tax on import of 119.5 kg gold coins imported by ICICI Bank. NMC raised a demand of ₹ 11.1 million towards octroi tax and ten times penalty. ICICI Bank through its reply enclosed a sum of ₹ 1.1 million towards octroi tax and informed NMC that ICICI Bank on *suo moto* basis approached the corporation and that there is no deliberate intention to evade the octroi duty. The Additional Deputy Municipal Commissioner of NMC rejected the arguments of ICICI Bank. Subsequently, ICICI Bank, filed a writ petition before the High Court of Bombay at Nagpur, pursuant to which the order of the NMC was stayed, through an interim order. As the matter will be taken up for hearing on disposal of a similar matter pending before the Supreme Court of India, the matter is currently pending.

28. Pune Municipal Corporation ("**PMC**") issued a demand notice for payment of octroi of ₹ 12.8 million along with ten times penalty amounting to ₹ 140.3 million. ICICI Bank filed its reply requesting PMC for a waiver of the penalty. However, the request was not accepted by PMC. ICICI Bank made payment of octroi duty amounting to ₹ 12.8 million and simultaneously approached the Commissioner of PMC for an appeal. ICICI Bank has filed a suit before the Civil Court at Pune which has granted an order to maintain *status quo* against PMC which has been adjourned till date. PMC filed a criminal complaint against ICICI Bank, and its senior management before the Judicial Magistrate First Class Pune ("**JMFC**"). JMFC has exempted the senior management of ICICI Bank from first personal appearance and directed them to file respective bail bonds. ICICI Bank has filed a writ petition before the High Court of Bombay, seeking to quash the criminal complaint and to set aside the order passed by JMFC. The High Court of Bombay has exempted, the presence of the Directors of ICICI Bank before the Trial Court, until further order, while also granting a stay on the proceedings initiated by the PMC against ICICI Bank and its senior management. The matter is currently pending.

29. ICICI Bank used to import gold bars / coins from abroad to sell in various denominations. ICICI Bank used to pay the Octroi tax at Brihan-Mumbai Municipal Corporation for the entire stock at the time of import. From Mumbai these Gold bars were sent to various branches including Nashik as per the sales requirement. Nashik Municipal Corporation ("**NMC**") issued a notice and directed ICICI Bank to produce the receipts of the octroi duty paid on the import of gold coins in Nashik during the period April 1, 2008 to May 31, 2009. ICICI Bank

through its letter provided details while seeking further directions on final computation of the tax liability, if any. NMC issued a demand notice, whereby demanding a sum ₹ 1.0 million for the octroi duty payable and ₹ 9.5 million towards ten times penalty. NMC in its notice further intimated ICICI Bank of its intention to take action under Section 128(5) of the BPMC Act, 1949 for seizure and confiscation of the goods. ICICI Bank has paid the amount as demanded by NMC under protest and approached the Civil Judge, Senior Division, Nashik to direct NMC to refund a sum of ₹ 10.4 million to ICICI Bank along with future interest as indicated. The Civil Judge, Senior Division, Nashik directed NMC to refund a sum of ₹ 9.45 million along with a stipulated interest from the date of the suit till its realisation within six months from the date of the order while declaring the notices issued by NMC as illegal. NMC filed an appeal before the High Court at Bombay challenging the order, the matter is currently pending.

30. Erstwhile Bank of Madura had granted lease finance to M/s. ORJ Electronic Oxides Limited ("**Borrower**") for import of capital goods from USA. Upon investigations by the Customs department, it was detected that machinery manufactured in India were exported and then re-imported in same container with higher value. As ICICI Bank under the aforesaid lease finance was the importer, a customs duty and penalty was imposed under the Customs Act, 1962 on ICICI Bank and the Borrower. Issues of mis-declaration of value and violation of the Customs Act, 1962 resulted in a demand of ₹ 128.6 million and penalty of ₹ 50.0 million. On appeal the penalty was reduced to ₹ 1.0 million. The matter was re-adjudicated and duty was re-worked to ₹ 3.1 million. ICICI Bank has filed an appeal before the Madras High Court on the aforesaid duty and penalty imposed. The matter is currently pending.

31. Excise Duty Proceedings: Borrowers like Bannari Amman Sugars Ltd., Triveni Engineering Co. Ltd. and Balarampur Chini Mills Ltd., have been alleged to have evaded excise duty in respect of equipment purchased under an ADB /World Bank Scheme funded by ICICI Bank. Penalty was imposed in respect of these machinery purchases ranging from ₹ 0.2 million to ₹ 25.8 million. Presently stay has been obtained on the penalty imposed and the appeals are pending before CESTAT, New Delhi.

32. Customs Duty Proceedings: Penalties were imposed on ICICI Bank for alleged customs duty evasion by its borrowers Jaypee Cement Ltd., Balarampur Chini Mills Ltd., Rashtriya Chemicals & Fertilizers Ltd., Madras Aluminium Co. Ltd., Jindal Steel and Power Ltd., in respect of equipment imported under ADB line of credit and funded by ICICI Bank. The penalty imposed range from ₹ 1.0 million to ₹ 20.0 million. Appeals have been filed before various forum. The matters are currently pending.

Customs Duty on Gold Coins: In 2008, ICICI Bank has been alleged to have imported gold coins for a Borrower M/s. Gold Quest International Private Ltd., under a wrong classification and hence differential customs duty of ₹ 252.8 million and penalty of ₹ 25.0 million has been imposed. An appeal has been preferred before the CESTAT, Chennai and a stay order has been passed on the aforesaid demand. The matter is currently pending. The total amount involved in the above matters is ₹ 789.3 million.

33. Under Productivity and Innovation Credit ("**PIC Scheme**"), businesses in Singapore can enjoy 400% tax deductions of up to SGD 0.6 million of qualifying expenditure per year starting from Assessment Year (AY) 2011 to AY2018 in each of the qualifying activities. The branch pays Bloomberg Finance L.P for: (i) Financial data service charge; and (ii) rental equipment fee. Out of the above, only rental equipment fee qualifies for the PIC Scheme. However from AY2013 to AY2015, the branch inadvertently claimed PIC tax deduction for both financial data service charge and rental equipment fee. This was self-identified by branch finance team in June 2016. The branch sought guidance from tax consultant, Price Waterhouse Coopers (PWC) on this issue. Based on PWC's suggestion, on June 29, 2016, the branch submitted voluntary disclosure and revised tax computation for AY2013 to AY2015. For this incorrect enhanced deduction claims, Inland Revenue Authority of Singapore (IRAS) has levied a penalty of SGD 1,500 on the branch.

34. ICICI Bank received a communication from an overseas regulator regarding possible Anti Money Laundering breaches (pertaining to a regulatory inspection conducted in 2013 and pursuant to consultant's review of records, pertaining to the period of May 2012 to April 2014). ICICI Bank has responded to the matter and there are ongoing discussions with the regulator on the same.

35. In 2007, ICICI Bank and two of its employees were issued a show cause notice for facilitating the transfer of a BMW car imported under EPCG scheme despite such transfers being prohibited. The matter is currently pending.

36. IRDAI conducted an onsite inspection on the corporate agency activities of ICICI Bank during June 2015. Thereafter, IRDAI issued an advisory letter dated November 28, 2016 to ICICI Bank which mainly focused on: (i) manner of authentication of proposal form by the customer; (ii) reward and recognition policy; (iii) deployment of specified persons ("**SPs**") for insurance business generation, maintenance of register of SPs in one database, collection of original SPs certificates from resigned SPs; and (iv) maintenance of a premium register in one consolidated database. In addition, the advisory focused on ensuring compliance with Insurance

Regulatory and Development Authority (Licensing of Corporate Agents) Regulations, 2002, as amended in the context of additional payouts (besides commission) received by ICICI Bank. No penalty was levied on ICICI Bank. ICICI Bank *vide* its response dated December 21, 2016 clarified on each of the above points and indicated the timelines by which additional processes would be put in place to ensure compliance.

Other matters:

Matters involving an amount above ₹5,094.0 million or any other outstanding litigation involving ICICI Bank whose outcome could have a material and adverse effect on our Company's consolidated results of operations or financial position

1. In lieu of the loans obtained by Tulip Telecom Limited (the "**Borrower**") from ICICI Bank, and other creditors (collectively referred to as the "**CDR Lenders**") wherein guarantees were provided by H.S. Bedi, D.S. Bedi, Sukhmani Bedi and Maninder Bedi (collectively, the "**Personal Guarantors**"), Cedar Infonet Private Limited, Firepro Wireless and Technologies Private Limited, Sharad Enterprises Private Limited, Iron Traders Private Limited and Sukhmani Financial Advisors Private Limited (collectively, the "**Corporate Guarantors**"; the Personal Guarantors and Corporate Guarantors collectively referred to as "**Guarantors**"), the Borrower had mortgaged residential properties at Delhi, Gurgaon and commercial properties at Delhi and Mumbai in favour of the said CDR Lenders In relation to the residential properties at Delhi and Gurgaon, CDR Lenders had initiated actions under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("**SARFAESI**"). Further, District Court at Delhi had passed an order for taking physical possession of the Delhi property, however, at the date of taking physical possession, Mr. R. S. Bedi, who is part owner of the residential property at Delhi, had filed a writ petition before the High Court of Delhi and stay had been granted in his favour. In respect of the residential property at Gurgaon, the District Magistrate, Gurgaon had passed an order for taking physical possession of the said Property. ICICI Bank had taken physical possession of the Gurgaon property on behalf of itself and other CDR Lenders Further, apart from the litigation initiated by ICICI Bank and CDR Lenders, other creditors of the Borrower also initiated litigation against the Borrower before various forums. Deutsche Trustee Services Limited which represented bond holders (unsecured creditors) had initiated winding up proceedings against the Borrower before the Delhi High Court. In the said winding up proceedings, the High Court appointed an official liquidator who took control over the management and assets of the Borrower. ICICI Bank apart from initiating actions under SARFAESI, also filed an original application against the Borrower and the Guarantors before the Debt Recovery Tribunal-II at New Delhi, wherein various critical interim reliefs had been granted in favour of ICICI Bank. Further, ICICI Bank also filed winding up petitions before the Delhi High Court against the Corporate Guarantors The High Court vide its order dated April 19, 2016, restrained the Corporate Guarantors from wasting, damaging, alienating, selling, removing, encumbering, disposing or removing any property and assets except in the usual course of business, payment of salaries to workers and statutory dues. The matters are currently pending before the Debt Recovery Tribunal and the Delhi High Court.

   Presently the account of the captioned Borrower has been assigned to M/s Edelweiss Asset Reconstruction Company Limited ("**Assignee**") vide Assignment Agreement dated June 29, 2016. The Assignee has been substituted in all the legal proceedings initiated by ICICI Bank against the Borrower and the Guarantors.

2. The promoters and promoter group entities of Kingfisher Airlines Limited ("**Petitioners**") filed a suit before the Bombay High Court ("**High Court**") against 19 lenders including ICICI Bank who had provided credit facilities to Kingfisher Airlines Limited. In the said suit, the Petitioners prayed before the High Court to (i) declare the guarantees provided to the lenders under the said credit facilities as void, (ii) restrain the lenders from invoking the corporate and personal guarantees of the Petitioners, including the pledge of shares, (iii) claim damages of ₹ 32.00 billion from the lenders towards sums invested by the promoter group entities in Kingfisher Airlines Limited. While ICICI Bank had assigned its rights under the loan to a third party in June 2012 and thereby ceased to be a lender to Kingfisher Airlines Limited, the cause of action for the suit arose subsequent to that date. Securities mentioned in the suit were not securities held by ICICI Bank even when it was a lender to the company. ICICI Bank filed a written statement in the suit. The matter is pending before the High Court.

3. In lieu of the facilities availed by Punj Llyod Ltd ("**Borrower**") from ICICI Bank where the Borrower defaulted, pursuant to which, Original Application ("**OA**") against the Borrower and its personal guarantor (Mr. Atul Punj) was filed before the Debt recovery Tribunal (DRT 1), Delhi on July 6, 2016 for a total amount of **₹** 5,606.1 million and pursuant to the first hearing on July 13, 2016, certain reliefs were granted against the guarantor and the Borrower. Subsequently, Mr. Atul Punj filed an application seeking a blanket permission to travel abroad for two months. The DRT 1, while refusing the blanket permission, allowed Mr. Atul Punj to travel abroad on specific dates as mentioned in his application. On September 17, 2016, the company filed a reply to the OA and counter claim for **₹** 6.53 billion against ICICI Bank in DRT Delhi.

4. In relation to the loan borrowed by Shalini Properties from ICICI Bank under a Standby Letter of Credit facility, ICICI Bank initiated proceedings before the DRT, Kolkata against Wealthsea, Pawan Ruia ("**Guarantor**") and other obligors of the facility. The DRT, Kolkata *vide* its interim orders directed (i) restraining any alienation of residential property of Ruia group situated at New Delhi valuing about ₹ 1.00 billion, (ii) restraining the Guarantor from leaving the country without the prior permission of the DRT (however, this direction was subsequently vacated upon appeal. ICICI Bank has filed an appeal against this vacation order in the Calcutta High Court and the matter is pending). The borrower group had filed an application alleging that the guarantee executed by the Guarantor cannot be invoked as per the foreign exchange regulations. DRT and Debt Recovery and Appellate Tribunal dismissed this application and passed orders in favour of ICICI Bank. Shalini Properties also filed an application before DRT requesting dismissal of application filed by ICICI Bank for recovery of dues. This matter is currently pending.

5. Physical possession of property known as 'Dunlop House' in Mumbai was taken by the authorized officer of the security trustee acting on behalf of ICICI Bank on February 10, 2015. While further steps were being taken for auction and sale of the said property, certain creditors of Dunlop India Limited filed an application before the Supreme Court, *inter alia* praying for restraining ICICI Bank from conducting auction or sale of the said property. The Supreme Court passed an order in May 2015 directing maintenance of status quo. The Supreme Court *vide* its order dated February 12, 2016 allowed ICICI Bank to auction the mortgaged properties in Mumbai and Chennai on the condition that ICICI Bank gives a bank guarantee of ₹5.20 billion in favour of the Supreme Court. Further condition imposed was that in the event of sale consideration received by ICICI Bank through auction being in excess of ₹ 5.20 billion, ICICI Bank would be liable to furnish bank guarantee for such excess amount. In compliance of the above order, ICICI Bank issued such bank guarantee. Auctions were concluded for the Mumbai property and symbolic possession taken by the authorized officer of security trustee for the Chennai property. ICICI Bank had filed a section 14 application seeking assistance of the District Magistrate in acquiring physical possession over the Chennai Property, and the same was rejected by the Magistrate. ICICI Bank is contemplating further course of action in this regard.

6. In lieu of the loans obtained by DSC Limited (the "**Borrower**"/"**DSCL**") from ICICI Bank, Oriental Bank of Commerce ("**OBC**") and other creditors, guarantees were provided by M.S. Narula, V.S. Narula, H.S. Narula and N.S. Narula (collectively, the "**Personal Guarantors**") and Elsingham Holdings (Mauritius) Limited, Select Promoter Private Limited, DSC Engineering Private Limited (collectively, the "**Corporate Guarantors**"). Apart from the aforesaid guarantees other securities in the nature of current assets of the Borrower, etc. were charged to ICICI Bank on pari passu basis along with NDU-POA over 80% of the shares of Borrower, DSC Engineering Private Limited and DSC Hydro Power Private Limited held by Elsingham Holdings (Mauritius) Limited and Pledge on 5% shareholding of Lucknow Sitapur Expressway Limited. Further, Select Promoters Private Limited had mortgaged a residential property located at 3 Golf Links New Delhi, in favour of ICICI Bank and OBC in the ratio of 2/3rd of the said property being exclusively mortgaged in favour of ICICI Bank and 1/3rd of the said property exclusively mortgaged in favour of OBC. ICICI Bank filed an application under section 14 of the SARFAESI Act, wherein the Chief Metropolitan Magistrate ("**CMM**") vide order dated December 16, 2016 appointed a receiver to take physical possession of the said residential property. Select Promoter Private Limited, DSC Engineering Private Limited and DSCL filed an application under section 17 of the SARFAESI Act before the DRT-II, Delhi for the purpose of staying the said order of the CMM. However, the DRT refused to grant stay and allowed ICICI Bank and OBC to take physical possession of the said residential property. These parties then filed a review application against the said order of DRT, The DRT vide its order dated March 01, 2016 granted a conditional stay on taking physical possession of the mortgaged property, with a direction to these parties to make payment of ₹ 550.0 million in three months to ICICI Bank and these parties were also required to get buyers for other properties which were mortgaged to OBC within 60 days and deposit 25% of the amount. DSCL made the payment of first instalment of ₹ 50.0 million but defaulted in making balance payments towards ICICI Bank. DSCL moved an application for clarification of the order wherein they sought more time to pay money to ICICI Bank. DSCL moved another application before DRT for extension of time for making the balance payments. Stay of 10 days was granted. Aggrieved by the order, DSCL and others preferred an appeal before DRAT. Meanwhile, the tenant of the property filed a writ petition before the Delhi High Court. ICICI Bank also filed an application before the CMM for revalidation of its order for appointment of receiver for taking physical possession. During proceedings before the CMM, DSC submitted a settlement/assignment offer. The CMM directed DSCL to deposit ₹ 100.0 million with CMM within a week's time. Against this order, ICICI Bank filed a writ petition in the Delhi High Court ("**High Court**") challenging the order on the ground that CMM had exceeded its jurisdiction by directing DSCL to deposit ₹ 100.0 million. The High Court vide its order dated May 31, 2016 disposed of the writ petitions in favour of ICICI Bank and OBC and gave an opportunity to DSCL to settle the matter with ICICI Bank and OBC within a time period of 60 days, however, if no settlement could be agreed upon, the High Court granted 90 days in total to DSCL to vacate the premises. The Court also directed to file an undertaking to withdraw all the proceedings for appointment of receiver and taking physical possession of the property filed before various courts/tribunals. Such undertaking was filed. On the expiry of 90 days, DSCL and others failed to hand over the keys and vacate possession of the residential property. Further, DSCL filed a fresh application in

the writ petition filed before the High Court seeking extension of time for handing over the keys and vacate possession of the residential property. No order was passed in the said application.

In respect of recovery of the outstanding dues to the tune of ₹ 6.02 billion an original application was filed by the ICICI Bank before the DRT and interim orders were passed in favour of ICICI Bank, inter alia, restraining alienation of assets, prior permission to be obtained before traveling abroad for personal guarantors, disclosure of various details pertaining to assets/bank accounts, etc. Further, DSCL and DSC Engineering Private Limited diluted their shareholdings by issuing fresh equity shares in clear violation of the non-disposal arrangements. ICICI Bank filed a suit for declaration and permanent injunction before the Delhi High Court. The High Court passed an interim order restraining DSCL, DSC Engineering Private Limited and DSC Hydro Power Private Limited from acting upon any transfer of shares to a new allottee and/or from issuing any fresh shares till the next date of hearing. The matter is now listed for completion of pleadings and admission-denial by way of affidavit before the Joint Registrar High Court.

Presently, the account of the captioned Borrower has been assigned to Phoenix ARC ("**Assignee**") vide Assignment Agreement dated September 20, 2016. The Assignee has been substituted in all the legal proceedings initiated by ICICI Bank against the Borrower and its guarantors.

7. UIC Udyog **(**the "**Borrower**") had availed facilities from a consortium of 3 Banks, including ICICI Bank. After default by the Borrower, ICICI Bank initiated recovery proceedings against the Borrower to enforce its security interest and the matter is pending before the Debt Recovery Tribunal, Kolkata. The instant suit has been filed by the Borrower, in the Kolkata High Court, jointly against the consortium banks whereby the Borrower has alleged that the banks did not, *inter alia*, render adequate assistance and did not abide by their side of the terms and conditions because of which the Borrower suffered losses and therefore, has claimed a total amount of ₹ 5.34 billion against the consortium jointly.

Litigation or legal action pending or taken by any ministry or government department or statutory authority against ICICI Bank during the last five years

Except as disclosed in "Outstanding Litigation and Material Developments – Litigation involving Promoter – Litigation against ICICI Bank - Actions by regulatory / statutory authorities" on page 379, there are no litigation or legal action pending or taken by any ministry or government department or statutory authority against ICICI Bank during the last five years.

III. Litigation involving our Group Companies

Disclosure of litigation involving our Group Companies: *Our Group Companies operate in diverse sectors in India and overseas. Our Board has approved that given the nature and extent of operations of our Group Companies, the outstanding litigation involving our Group Companies which exceeds an amount which is less than 1% of the total turnover (gross written premium) and 5% of the profit after tax of our Company as per the Restated Financial Statements of our Company as of and for Fiscal 2017 would be considered material for our Company. We have disclosed all material outstanding litigation involving our Group Companies where (i) all the outstanding litigation involving our Group Companies where the aggregate amount involved in an individual litigation exceeds ₹ 311.0 million have been disclosed in this section; (ii) all the outstanding litigation where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 311.0 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

On basis of the above, except as disclosed below for our Group Companies there are no (i) outstanding litigation above the materiality threshold or any other outstanding litigation involving such Group Company whose outcome could have a material and adverse effect on our Company's results of operations or financial position; (ii) outstanding criminal proceeding; (iii) outstanding action by statutory or regulatory authorities; (iv) outstanding litigation involving taxation matters; (v) outstanding litigation/disputes involving securities related offences; or (vi) outstanding proceedings initiated for economic offences. In addition, there are criminal proceedings instituted by certain of our Group Companies in the ordinary course of their respective businesses.

1. ICICI Prudential Life Insurance Company Limited ("ICICI Prudential Life")

Criminal matters

1. 36 First Information Reports ("**FIRs**") and criminal complaints have been filed against ICICI Prudential Life and/or ICICI Prudential Life's officials at various police stations in India in relation to alleged miss-selling of insurance policies, fraudulent rejection of claims and misappropriation of funds by our sales representatives. These FIRs and criminal complaints are made for offences alleged under Sections 34, 120B, 406, 420, 467 and

471 of the IPC in relation to, *inter alia*, criminal breach of trust, cheating and dishonestly inducing delivery of property, criminal conspiracy, forgery of valuable security and documents and fraud against customers of ICICI Prudential Life. At certain instances complainants have approached courts of the appropriate forum seeking directions to the police under Section 156(3) of the CrPC to register an FIR. Additionally, at certain instances ICICI Prudential Life has approached courts of appropriate forums for dismissal of the criminal complaints filed against and our employees. Further, in two instances, the parties have settled the matter, awaiting final closure report.

2. Radha Datta (the "**Complainant**") has filed a criminal complaint before the court of Chief Judicial Magistrate, Hooghly against two managers of ICICI Prudential Life and another for offences alleged under Sections 34, 406, 418, 420 and 506 of the IPC in relation to cheating and dishonestly inducing delivery of property, criminal breach of trust and criminal intimidation in relation to foreclosure of the Complainant's insurance policy, due to alleged non-payment of premium amount by the Complainant. ICICI Prudential Life has filed an application for discharge of the accused under Section 245(2) of the CrPC before the Chief Judicial Magistrate, Hooghly. The matter is currently pending.

3. Sushmita Dutta (the "**Complainant**") has filed a complaint before the Chief Judicial Magistrate, Chinsurah, Hooghly (requesting the court to treat the complaint as an FIR), against certain officials and an agent of (the "Accused"), for offences alleged under Sections 34, 120B, 201, 464, 418 and 420 of the IPC in relation to the alleged mis-selling of insurance policies by committing fraud, forgery and cheating. The Complainant's complaint was dismissed for non-prosecution, the Complainant filed a revision petition, however ICICI Prudential Life is awaiting a court issued order to this effect. The Complainant has also filed a complaint before the Judicial Magistrate, Hooghly against two managers and an agent of ICICI Prudential Life in relation to the foreclosure of the Complainant's insurance policy. ICICI Prudential Life has filed an application under Section 245(2) of the CrPc seeking discharge of the accused and dismissal of allegations against the manager. The matter is currently pending.

4. Afaq Ahmad Qadiri (the "**Complainant**") has filed an FIR at the Srinagar police station, Jammu and Kashmir, against ICICI Prudential Life for offences under Section 420 of the Jammu and Kashmir State Ranbir Penal Code, 1989, alleging that his insurance policy "*Pinnacle Super*" was fraudulently converted into "*ICICI Pru Guaranteed Savings Insurance Plan*". The matter is currently pending.

5. Ashok Hemrajanani (the "**Complainant**") has filed an FIR at the Kirti Nagar police station, West Delhi against an employee of ICICI Prudential Life and certain persons representing themselves as collection agents of a collection centre of ICICI Prudential Life(the "Accused") for offences alleged under Sections 406 and 120B of IPC in relation to, *inter alia*, fraud, forgery, cheating, breach of trust and misappropriation of funds collected from the Complainant for payment of premium towards an insurance policy committed by the Accused in connivance with each other. The matter is currently pending.

6. Gulzar Habib, a customer of ICICI Prudential Life, (the "**Complainant**") has filed a criminal complaint before the First Class Judicial Magistrate, Shahajahapur, against two employees of ICICI Prudential Life, for offences under sections 120B, 406, 417, 420, 504 and 506 of the IPC, in relation to, *inter alia*, criminal breach of trust, cheating, mischief, criminal conspiracy for mis-selling by an agent of ICICI Prudential Life. The complainant has prayed for the court to take cognizance of the complaint and pass an appropriate order. The First Class Judicial Magistrate, Shahajahapur has taken cognizance of the complaint under Section 417 of the IPC. The Complainant challenged the order of the First Class Judicial Magistrate, Shahajahapur before the Additional District Judge, Shahajahapur, which has upheld the order of the First Class Judicial Magistrate, Shahajahapur. The matter is currently pending.

7. A customer of ICICI Prudential Life, Madan Ram (the "**Complainant**") filed a criminal complaint against a branch manager of ICICI Prudential Life. The criminal complaint has been filed before the Chief Judicial Magistrate, Bokaro in relation to sections 34, 406, 420 of the IPC, *inter alia*, in relation to cheating and mischief. The branch manager has subsequently filed a petition under section 482 of CrPC before the High Court of Jharkhand at Ranchi for quashing of the criminal complaint and all proceedings and investigations therein. The matter is currently pending.

Criminal Matters involving senior management

8. Shraddha Gupta (the "**Complainant**") has filed a criminal complaint before the Judicial Magistrate First Class ("JMFC"), Belapur, Navi Mumbai against Mukesh Pandey ("**Accused no.1**"), Chanda Deepak Kochhar, Sandeep Bakhshi, Judajit Das, Kalpana Sampat and Poonam Bharadwaj ("**Accused no. 2 to 5**", and collectively the "**Accused**") under Sections 354, 509, 294, 107, 120B read with Sections 34 and 354-A of the IPC in relation to the alleged sexual harassment by Accused no.1 of the Complainant and Accused no. 2 to 5 have been alleged with abetment of the sexual harassment offence by destroying evidence, failure to follow ICICI Prudential Life's code of conduct and other policies or take any action against Accused no.1. The JMFC has passed an

order instructing the police to investigate the matter under the provisions of the IPC and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Pursuant to this order, the Complainant filed an FIR against ICICI Prudential Life. Accused no. 2 to 5have filed a writ petition before the Bombay High Court pleading, amongst others, quashing of the FIR and stay on the operation of the order passed by the JMFC. Subsequently, the Bombay High Court has passed an order granting ad-interim relief directing that no coercive action must be taken against the Accused no. 2 to 5. The matter is currently pending.

9. Vivek Vardhan (the "**Complainant**") has filed a criminal complaint before the Chief Judicial Magistrate, Patna against inter alia Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, K. Ramkumar, V.V. Balaji and the chairman of the IRDAI (collectively the "**Accused**") under Sections 406, 420, 409, 120B of the IPC in relation to cancellation of the insurance policy issued to the Complainant due to alleged non-payment of premium amount by the Complainant without giving any notice to the Complainant. Subsequently, the Accused filed a criminal writ petition before the Patna High Court seeking quashing of the aforesaid criminal complaint. The matter is currently pending.

10. Sangita Madhukarrao Ulabhaje (the "**Complainant**") has filed a criminal writ petition before the Supreme Court under Article 32 of the Constitution of India against Chanda Deepak Kochhar, ICICI Prudential Life(through Sandeep Bakhshi), certain employees of ICICI Prudential Lifeand others in relation to, inter alia, the alleged (i) failure to transfer her insurance advisor code to a different manager; (ii) creation of a client ID instead of an advisor or business partner code; (iii) non-payment of appropriate commission and discrepancies in her commissions; and (iv) non-renewal of her IRDAI license prior to its expiry. Additionally, the Complainant has alleged that officials of ICICI Prudential Lifehave pressured her to resign, while restricting her entry in one of our branch offices. The Complainant has prayed for, inter alia, quashing of all matters instituted by ICICI Prudential Lifeagainst her in various forums and to conduct CBI investigation upon employees of ICICI Prudential Life impleaded via the writ petition. Separately, ICICI Prudential Life had filed a writ petition and other complaints against the Complainant in relation to her alleged acts of repeatedly making harassing phone calls and sending derogatory, defamatory and threatening messages to senior officials of ICICI Prudential Life. The Supreme Court has, pursuant to an order, granted an interim stay on (i) further proceedings in the matter filed by ICICI Prudential Life before the Chief Metropolitan Magistrate, Mumbai in relation to complaint under various provisions of the Information Technology Act 2000, and the IPC; and (ii) the ongoing investigation being undertaken pursuant to an order passed by the Bombay High Court at Nagpur in a writ petition filed by us against the Complainant. The matter is currently pending.

11. Pankaj Kumar an ex-employee of ICICI Prudential Life (the "**Complainant**") has filed a criminal complaint against ICICI Prudential Life (through Chanda Deepak Kochhar), and certain employees of ICICI Prudential Life before the Chief Magistrate Court, Giridih, for offences alleged under Sections 34, 120B, 420, 405, 477 and 506 of the IPC, in relation to, inter alia, criminal breach of trust, cheating, mischief, criminal conspiracy and forgery for purpose of cheating. The Complainant has alleged that ICICI Prudential Life has wrongfully terminated him from employment while withholding ₹ 30,000 of his entitled salary. The Complainant has alleged that one of the accused demanded a bribe of **₹** 50,000 when the complainant approached ICICI Prudential Life for payment of his salary entitlement. Additionally, in relation to the alleged wrongful termination, the Complainant has also lodged a complaint with the Assistant Labour Cooperative Commissioner, Giridih. The matter is currently pending.

12. Two customers Kailash Singh Deoria & Sudipta Saha (the "**Complainants**") have filed an FIR at the Abu Road police station, Rajasthan against ICICI Prudential Life for mis-selling. ICICI Prudential Lifeand the Complainant have entered into a memorandum of understanding ("**MOU**") whereby the Complainants has agreed to withdraw all criminal complaints against ICICI Prudential Life and its representatives. A final closure report in the matter is pending.

13. Shree Ram Gupta v ICICI Prudential & others- Customer has filed a criminal complaint before the Chief Magistrate Court, Jamshedpur for mis-selling, cheating and criminal conspiracy. FIR has been registered in this Case against ICICI Prudential Life and its official.

Actions by regulatory / statutory authorities

1. IRDAI carried out inspection on ICICI Prudential Life between December 9, 2013 and December 18, 2013 and thereafter, issued a show cause notice dated December 5, 2016 ("**Notice**") to ICICI Prudential Life stating that ICICI Prudential Life has not complied with certain provisions of the Insurance Act and certain regulations, guidelines and circulars issued by IRDAI. Subsequently, based on the response filed by ICICI Prudential Life and a personal hearing given by the Chairman, IRDAI, the final order was passed by IRDAI on March 27, 2017 whereby it passed the following directions:

   Penalties: IRDAI imposed penalty of an aggregate amount of **₹** 2.0 million on ICICI Prudential Life on account of, inter alia, (i) certain payments made to the corporate agents/ broker in violation of the Guidelines on

Licensing of Corporate Agents, 2005 and IRDA (Insurance Brokers) Regulations, 2002. (ii) payments made to master policyholders in violation of the IRDAI's Guidelines on Group Insurance Policies dated July 14, 2005 ("Group Guidelines").

Advices: IRDAI advised ICICI Prudential Life to, inter alia, (i) to strengthen systems at the point of sale to ensure reduction of misselling, grievances, litigations and to strengthen systems to ensure perfect controls over proof of delivery, to ensure genuine free look cancellations (ii) further strengthen systems to ensure settlement of annuities/ maturity claims on vesting/maturity (iii) advised to ensure that penal interest is paid for any delays on part of the insurer (iv) Advised to further strengthen systems to enhance contactability with annuitants to ensure uninterrupted payment of annuities (v) Timely transfers for Non-linked premium pooled in Shareholders a/c to the Policyholder's account to be ensured (vi) Compliance to lease classifications to be ensured (vii) Compliance regarding requirements on expenses of management, to be ensured.

2. IRDAI carried out inspection on ICICI Prudential Life between December 9, 2013 and December 18, 2013 and thereafter, issued an Advisory Letter dated December 5, 2016 ("Advisory") to ICICI Prudential Life advising the company on certain compliances related to IRDAI Regulations, Guidelines and Circular and regarding certain processes followed by the company.

   Advices: IRDAI advised ICICI Prudential Life to, inter alia, (i) Strengthen the systems to ensure non-recurrence of manual errors of policy cancellations and ensure correct recording of proposal received dates (ii) Rectify data entry error and ensure right PAN in record (iii) Strengthen internal controls to identify printing errors on policy documents (iv) Ensure continuous compliance for prominently displaying contact details of Agents on policy documents (v) Improve practices and ensure that multiple policies are not issued for meeting rural obligations (vi) Ensure compliance to regulations while submitting Agents Confidential Report (vii) Revise practice of including outstanding reinsurance balances from net to gross basis while calculating solvency margin.

3. IRDAI issued a show cause notice dated July 23, 2015 to ICICI Prudential Life in relation to violation of the guidelines on outsourcing of activities dated February 1, 2011 issued by IRDAI ("Guidelines"). ICICI Prudential Life has submitted a response dated August 13, 2015 to IRDAI in this regard. IRDAI in an order dated October 9, 2015 observed violation of the Guidelines by ICICI Prudential Lifeform entering into an outsourcing agreement with a vendor M/s Astute Corporate Services Private Limited ("Astute") for the activity of "Cheque Pickup and Banking" when the vendor was not meeting the eligibility criteria specified in the guidelines. While ICICI Prudential Life stated that it permitted Astute to collect only cheques and had terminated the agreement after the IRDAI observations, IRDAI cautioned ICICI Prudential Life for the violation of the Guidelines and further directed ICICI Prudential Life to review all the existing outsourcing agreements to ensure adherence to the Guidelines and confirm compliance. IRDAI further observed that ICICI Prudential Life made payments over and above the consideration agreed in the outsourcing agreement by directly paying the staff of the service provider by the way of gift cards. IRDAI imposed penalty of ₹ 0.5 million for violating the provisions of the Guidelines. IRDAI further directed ICICI Prudential Life to discontinue the practice of directly paying the employees of the outsourced entities when there is no contractual relationship underlying such payments. IRDAI also observed that ICICI Prudential Life had wrongly classified payments under the activity "Call Center – Inbound and Outbound activity" and "Postage and Courier" which led to wrong reporting of transactions as outsourcing activities and violation of Clauses 9.5 and 9.6 (ii) of the Guidelines for which IRDAI warned ICICI Prudential Life against wrong classification and wrong reporting and advised ICICI Prudential Life to ensure correct reporting in future. ICICI Prudential Life submitted an "Action Taken Report" in relation to compliance with such order and confirmed compliance with the Guidelines on April 12, 2016.

4. IRDAI carried out inspection on ICICI Prudential Life between November 29, 2010 and December 3, 2010 and thereafter, issued a show cause notice dated January 5, 2012 ("Notice") to ICICI Prudential Life stating that ICICI Prudential Life has not complied with certain provisions of the Insurance Act and certain regulations, guidelines and circulars issued by IRDAI. Subsequently, based on the response filed by ICICI Prudential Life and a personal hearing given by the Chairman, IRDAI, the final order was passed by IRDAI on May 24, 2012 whereby it passed the following directions:

   Penalties: IRDAI imposed penalty of an aggregate amount of **₹** 11.8 million on ICICI Prudential Life on account of, inter alia, (i) certain payments made to the corporate agents in violation of the Insurance Act, the Insurance Regulatory and Development Authority (Licensing of Corporate Agents) Regulations, 2002, as amended ("**Corporate Agent Regulations**") and the Corporate Agency Guidelines, 2005, (ii) creating multiple code numbers for a single corporate agent without necessary verifications; having limited number of specified person/ qualified person compared to large number of locations thereby making significant sourcing of business through unlicensed persons and therefore failing in its duty to regulate its corporate agents, in violation of the Insurance Act and Corporate Agent Regulations, (iii) remunerating the referral partners in violation of the circular dated February 14, 2003 issued by IRDAI ("Circular 1"), which only permitted referrals by banks and no other entities, (iv) floating contests for referral partners and incurring expenses on such entities in violation of the Circular 1 and circular dated February 7, 2008 issued by IRDAI, (v) certain payments made to brokers in violation of the Insurance Act and the Insurance Regulatory and Development Authority (Insurance Brokers) Regulations, 2002, as amended, and (vi) payments made to master policyholders in violation of the IRDAI's Guidelines on Group Insurance Policies dated July 14, 2005 ("Group Guidelines").

Warnings: IRDAI issued warning to ICICI Prudential Life to desist from practices which are against the interests of the policyholders including processing of improper and incomplete answers in proposal forms and using illegible rubber stamps without validation of the authorised signatory, each in violation of the Insurance Regulatory and Development Authority (Obligations of Insurers to Rural or Social Sectors) Regulations, 2002, as amended.

Advices: IRDAI advised ICICI Prudential Life to, inter alia, (i) realign its investments in compliance with the Insurance Regulatory and Development Authority (Investment) (Fourth Amendment) Regulations, 2008, (ii) strictly administer the reinsurance cover continuously and duly report about the same to IRDAI, (iii) strictly abide by Regulation 8 of the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002, as amended, (iv) strictly follow the provisions of the circular on Anti Money Laundering/Counter Financing of Terrorism, 2010 regarding KYC checks of third party assignments, (v) ensure that deficiencies such as unit linked policies being surrendered within lock-in period in violation of the Guidelines for Unit Linked Life Insurance Products dated December 21, 2005, are plugged through regular system audit, (vi) strictly abide by the Regulation 6(1) of Insurance Regulatory and Development Authority (Sharing of Database for Distribution of Insurance Products) Regulations, 2010, as amended, (vii) strictly abide by the clause 7 of the Group Guidelines, (viii) desist from the practice of collecting premiums in a single lump sum by third parties (which in turn collect premiums from policy holders) unless a proper agreement is established for collection of premiums, and (ix) undertake all measures so as to ensure that the provisions of Regulation 5 and Regulation 8 of the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2002, as amended, are complied with without any deviation with respect to the rural policies.

5. IRDAI based on its examination of the outsourcing report for the half year ended March 31, 2014 submitted by ICICI Prudential Life sought clarifications from ICICI Prudential Life vide its email dated September 5, 2014 and December 17, 2014. IRDAI in its letter dated July 24, 2015 observed violation of Clause 8.5 of the Guidelines after ICICI Prudential Life submitted vide its email dated April 22, 2015 that 167 consultants reported in the outsourcing report were associated as agents with other life insurance companies. ICICI Prudential Life submitted that arrangements with all 167 consultants were terminated since January 15, 2014 and no payments have been made to them since that date. IRDAI cautioned ICICI Prudential Life to ensure strict compliance with the Guidelines. IRDAI observed that ICICI Prudential Life had not made disclosures under Clause 7.1 of the IRDAI Corporate Governance Guidelines in the notes to accounts forming part of the annual accounts in relation to the work assigned to the auditor's associates for providing skilled personnel for the purpose of actuarial audit and therefore advised ICICI Prudential Life to make all disclosures as required under the IRDAI Corporate Governance Guidelines and ensure strict compliance with the same.

6. IRDAI in its letter dated May 15, 2015 observed that ICICI Prudential Life had changed the plan of the policyholder, Sunil Mishra from "Life Stage RP" to "Life Stage Pension" solely on the basis of oral complaint of Sunil Mishra without following the standard procedure of obtaining a fresh proposal or specific consent/ request for plan change which is in violation of regulation 4(1) of IRDAI (Protection of Policyholders Interest) Regulations 2002. IRDAI cautioned ICICI Prudential Life form not handling of the grievance in the manner required and also for violation of regulatory provisions in respect of change of plan without any written consent/ request for grant of insurance cover to the policyholder. IRDAI further advised ICICI Prudential Life to ensure compliance with all regulatory provisions notified from time to time in the matter of protection of policyholder's interests.

7. The IRDAI vide its cautionary letter dated February 20, 2015 issued a in relation to (i) non incorporation of a clause on "Guaranteed Additions" in the policy documents issued by ICICI Prudential Life which was subsequently corrected in policy documents issued from February, 2002; (ii) non- initiation of prompt and corrective actions for informing policyholders about the existence of such clause where it had been missed out; and (iii) the breach of regulatory provisions of IRDAI (Protection of Policyholders Interest) Regulations, 2002. ICICI Prudential Life was advised to ensure compliance with all regulations as prescribed by the IRDAI. Additionally, ICICI Prudential Life was advised to comply with all regulatory provisions and incorporate procedures to initiate corrective measures in the event that it notices any discrepancy. Further, ICICI Prudential Life was directed to inform all the affected policyholders.

8. IRDAI vide its letter dated July 25, 2013 warned ICICI Prudential Life regarding inadequacies and discrepancies in actuarial reports, abstracts, appointed actuary annual report and other valuation related reports pertaining to the financial year ended March 31, 2012. Such discrepancies related to valuation such as reinsurance premium, mathematical reserves, business figures, etc. not being appropriately captured in the statements. IRDAI further directed ICICI Prudential Life to have more effective systems and controls on

valuation process and valuation returns and place an action taken report on this letter along with its recommendations before IRDAI within fifteen days.

9. Insurance companies are required to adhere to the Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000 and Master circular on Insurance Advertisements 2015 and any other guidelines issued from time to time. These regulations require advertisements to be filed with IRDAI within seven days of its release. IRDAI sometimes seeks clarification from ICICI Prudential Life on advertisements or directs ICICI Prudential Life to make modifications or withdraw advertisements so filed in ICICI Prudential Life's ordinary course of business, which are in violation of the Insurance Regulatory and Development Authority (Insurance Advertisements and Disclosure) Regulations, 2000, Master Circular on Advertisements, 2015 and any other guidelines and circulars issued by IRDAI in this regard.

10. IRDAI issued a show-cause notice dated September 25, 2013 in relation to the procedures followed by ICICI Prudential Life to ensure compliance with the anti-money laundering guidelines and ICICI Prudential Life replied to IRDAI vide its letter dated October 7, 2013. IRDAI in its final order dated January 20, 2014 (i) directed us to strengthen our internal control measures and systems to ensure adherence to the anti-money laundering guidelines and to closely monitor our branches in this regard, as also observed by ICICI Prudential Life's Internal Audit Department (ii) advised us to put in place systems to comply with the training requirements of our staff and employees as envisaged under the said anti-money laundering guidelines, and (iii) cautioned us to sensitise our employees, agents and corporate agents to follow the provisions of the anti-money laundering guidelines.

11. IRDAI on June 14, 2016, issued a letter in relation settle of two claims amounting to ₹ 0.27 million which were settled without obtaining the specific authorisation from the individual policyholders under group insurance policies for the half year ending on September 30, 2015. The IRDAI noted that ICICI Prudential Life deviated from the provisions stipulated under the "Guidelines on claim processing for group life insurance policies under lender-borrower group insurance schemes". Accordingly, ICICI Prudential Life on June 24, 2016 replied to the said letter submitting that ICICI Prudential Life had inadvertently settled the two claims without obtaining the specific authorisation required and self-declaration of this settlement to the statutory auditor and intimating to IRDAI that ICICI Prudential Life has put in place adequate measures and controls to ensure non-occurrence of such future deviations. Subsequently, ICICI Prudential Life on August 2, 2016 was strictly advised to adhere to the regulatory provisions and the timelines notified by the IRDAI.

12. IRDAI by way of a show cause notice dated December 17, 2012 (the "Show Cause Notice") sought explanations and clarifications in relation to breach of the commission and brokerage limits as specified under Section 40A of Insurance Act and breaching brokerage limits as specified under Regulation 19 of IRDA (Licensing of Insurance Brokers) Regulations 2002. The Show Cause Notice alleged serious lapses in the internal controls, processes and systems due to which commission paid was more than the prescribed limits with regards to our product 'Forever Life' (the "Product") and questioned as to how it could be ensured that such lapses might not have eroded into all other cases which appeared to be within the commission and brokerage caps. Accordingly, IRDAI advised ICICI Prudential Life to show cause as to why appropriate proceedings should not be initiated for the aforementioned lapses. Subsequently, ICICI Prudential Life by way of a letter dated January 11, 2013 replied to the Show Cause Notice, wherein ICICI Prudential Life clarified that the Product was filed and approved by IRDAI wherein the renewal commission of 7.5% for second and third year and 5% from fourth year onwards was approved and systems were set up accordingly to pay rider commission. Further, while the renewal commission was re-filed and rectified, the commission on the riders continued to be approved and thus got paid at the above mentioned rates. Considering the Show Cause Notice, ICICI Prudential Life modified the commission rate for the riders to 2%, while also informing the respective agents about the reduced rates of the renewal commission payable. Additionally, ICICI Prudential Life informed IRDAI of the process and built in additional controls, for setup of products (including their commission rates) in order to continuously improve standards of the output. ICICI Prudential Life requested IRDAI to condone the errors as stipulated in the Show Cause Notice. IRDAI on May 2, 2013 by way of a letter advised ICICI Prudential Life to submit a certificate from a chartered accountant confirming rectification of the incorrect setup which resulted in the excess payouts and indicating the steps initiated by ICICI Prudential Life's compliance with the relevant circular and the control function and further advised ICICI Prudential Life to continuously upgrade our systems, internal controls and internal checks to avoid such lapses henceforth, stating that any recurrences of such instances would be viewed severely by the IRDAI.

Disclosure on fines and penalties

From the period from April 1, 2017 until September 4, 2017

(₹ In million)

Sr. No.	Authority	Non-compliance / violation	Penalty awarded	Penalty paid	Penalty waived / reduced
1	Electricity Act	Penalty of ₹ 53,770 was levied on ICICI Prudential Life Insurance Company Limited for non-payment of electricity dues in respect of an electricity connection taken in name of Mr. Joydeep Sen, the then employee of ICICI Prudential Life Insurance Company Limited	0.05	0.05	
	Total		**0.05**	**0.05**	**-**

For the Year ended 2017

(₹ In million)

Sr. No.	Authority	Non-compliance / violation	Penalty awarded	Penalty paid	Penalty waived / reduced
1	Insurance Regulatory and Development Authority of India	IRDAI has levied a penalty for other payments to/ arrangements with group master policyholders and insurance intermediaries. For details, see point no. 1 under "Outstanding Litigation and Material Developments - ICICI Prudential Life Insurance Company Limited - Actions by regulatory / statutory authorities"	2.00	2.00	-
2	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation	Non-compliance under section 22(4) & under 18(1)R & 29(1) of Minimum Wages Act	0.005	0.005	-
		Non- compliance to section 29, R – 24(1) of Karnataka Shops & Commercials Establishment Act	0.003	0.003	-
		Non-compliance to section 29 of Kerala Shops & Commercials Establishment Act and Sec 22 of Minimum Wages Act.	0.004	0.004	-
		Non-compliance to Section 13(a) of Payment of Wages Act	0.002	0.002	
	Total		**2.00**	**2.00**	**-**

For the Year ended 2016

(₹ In million)

Sr. No.	Authority	Non-compliance / violation	Penalty awarded	Penalty paid	Penalty waived/ Reduced
1	Insurance Regulatory and Development Authority of India	Non- compliance observed towards outsourcing guidelines For details, see point no. 3 under "Outstanding Litigation and Material Developments - ICICI Prudential Life Insurance Company Limited - Actions by regulatory / statutory authorities"	0.50	0.50	-
2	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation	Non-compliance under section 22(4) & under 18(1)R & 29(1) of Minimum Wages Act	0.002	0.002	-
		Non- compliance to section 29, R – 24(1) of Karnataka Shops & Commercials Establishment Act	0.002	0.002	-
		Contravention of Section 381B of the MMC	0.004	0.004	

Sr. No.	Authority	Non-compliance / violation	Penalty awarded	Penalty paid	Penalty waived/ Reduced
		Act			
	Total		**0.51**	**0.51**	**-**

For the Year ended 2014

(₹ In million)

Sr. No.	Authority	Non-compliance / violation	Penalty awarded	Penalty paid	Penalty waived/ Reduced
1.	Statutory authority	Profession Tax Act	0.2	0.2	0.2
	Total		0.2	0.2	0.2

For the Year ended 2013

(₹ In million)

Sr. No.	Authority	Non-compliance / violation	Penalty awarded	Penalty paid	Penalty waived/ Reduced
1.	Insurance Regulatory and Development Authority of India	Non-compliances observed towards payment of fees to distributors, For details, see point no. 4 under "Outstanding Litigation and Material Developments - ICICI Prudential Life Insurance Company Limited - Actions by regulatory / statutory authorities".	11.8	11.8	11.8
	Total		11.8	11.8	11.8

2. Litigation involving ICICI Home Finance Company Limited ("ICICI Home Finance")

1. Subhabrata Bagchi filed a criminal case (214/2012) against the HFC employees alleging forgery of signatures in the loan documents. Upon internal enquiry and forensic report it transpired that signatures were forged and investigation is still pending by the concerned police station. Business is negotiating for amicable settlement of the disputes.

2. Employee State Insurance Corporation of India ("**ESIC**") filed a complaint (CC No. 1399/SS/2007) against ICICI Home Finance Company Limited and Mr V. Vaidyanathan in his earlier capacity as Managing Director and chief executive officer of ICICI Home Finance before the Metropolitan Magistrate's Court, Mazagaon, Mumbai alleging that ICICI Home Finance is not permitting re-inspection of records. An official of the ESIC had inspected the records of ICICI Home Finance during October 2005 for the period August 2004-October 2005 and submitted a report in this regard. Subsequently, based on the outcome of the inspection, ICICI Home Finance was allotted an ESIC code number effective as of May 2004. ESIC thereafter expressed the need to re-inspect the records of ICICI Home Finance for the same period without assigning any reason for such re-inspection. No reasons were assigned for re-inspection nor were any re-inspection conducted at any time pursuant to the request as above. ICICI Home Finance filed a substitution application before Metropolitan Magistrate, Mazagaon, Mumbai, to replace the name of Mr. Vaidyanathan with that of Mr. Rajanish Sinha and Mr. Vaidyanathan has been exempted from his personal appearance till the disposal of the substitution application. The said substitution application is still pending for hearing (since 2010). We have filed a writ petition (No.2344/2010) before Bombay High Court for quashing of proceedings against Mr. Vaidyanathan and also for deletion of his name. The High Court *vide* order dated August 17, 2010 stayed the proceedings against Mr. Vaidyanathan before the Magistrate, Mazagaon till further orders. Bank mentioned the matter and appraised the Magistrate court and filed a Pursis seeking sine die adjournment in the matter in view of the stay on further proceedings granted by the Bombay High Court. Submissions were made by bank in terms thereof. Next date of hearing in the matter was listed on August 8, 2017. Our advocate on the last date had moved pursis bringing on record the writ petition before the Bombay High Court and has adjourned the matter for further proceedings to October 11, 2017.

3. Litigation involving ICICI Prudential Asset Management Company Limited

1. In the ordinary course of business, several investors have sent legal notices to ICICI Prudential Asset Management Company Limited. In addition, several investors have filed cases in various consumer forums across India claiming deficiency in services or erroneous processing of transactions. There were 19 consumer

forum cases with monetary claims of less than ₹ 6.0 million. None of these cases are material and/or its outcome likely to have any impact on the financial performance ICICI Prudential Asset Management Company Limited.

2. ICICI Prudential Asset Management Company Limited is contesting claims of an ex-employee of one of the contractors in the Labour Court, Karkardooma, Delhi wherein the said ex-employee has alleged that he was in employment with ICICI Prudential Asset Management Company Limited.

Actions by regulatory / statutory authorities

For details of actions by statutory / regulatory authorities against ICICI Prudential Asset Management Company Limited, see "Outstanding Litigation and Material Developments – Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated" on pages 401.

Litigation by ICICI Prudential Asset Management Company Limited

ICICI Prudential Asset Management Company Limited has filed a petition against one company on account of non-payment of dues towards ICICI Prudential Asset Management Company Limited, where ICICI Prudential Asset Management Company Limited had made investments on behalf of the clients under its portfolio management services activity.

4. Litigation involving ICICI Securities Primary Dealership Limited ("I-SEC-PD")

Actions by regulatory / statutory authorities

1. RBI had, vide its letter dated July 17, 2004, advised I-SEC-PD not to declare any dividend by way of final dividend for the year 2003-2004 as it had exceeded the payout ratio of 50% prescribed by RBI through the payment of interim dividends.

2. RBI had, vide its letter dated November 27, 2004, communicated that a shortfall in delivering securities (364 dated treasury bill maturing on October 28, 2005) by I-SEC-PD on November 9, 2004 was treated as the first instance of SGL bounce for the half year ended March 31, 2005 and had advised I-SEC-PD to take adequate precaution before entering into a deal to avoid occurrence of bouncing in future.

3. Pursuant to human error by I-SEC-PD in submitting the bids for 91 day and 364 day Treasury Bills auctions held on December 22, 2004, RBI had treated the bids as invalid. As a result, I-SEC-PD failed to meet the bidding commitment in respect of these auctions. RBI had, vide its letter dated January 7, 2005, reduced the assured liquidity support from RBI to I-SEC-PD by ₹ 1,650.0 million for a period of three months w.e.f. January 7, 2005. RBI had also vide the same letter communicated its displeasure and strongly encouraged I-SEC-PD to ensure non recurrence of such errors.

4. RBI had, vide its letter dated February 8, 2005, conveyed its displeasure to a few buy and sell transactions entered into by I-SEC-PD with ING Vysya Bank on July 28, 2004 in a few Government securities which appeared to be off-market/re-arranged.

5. Due to submission of wrong bids in the Treasury Bill auctions held on November 2, 2005, RBI had, vide its letter dated November 7, 2005, reduced the assured liquidity support from RBI to I-SEC-PD by ₹ 1,100.0 million for a period of three months w.e.f. November 7, 2005 and advised to ensure that the organisational processes of I-SEC-PD were suitably improved so that such incidents do not recur.

6. RBI had, pursuant to its letter dated December 26, 2005, advised I-SEC-PD to take suitable risk mitigation steps to ensure that the CRAR of I-SEC-PD was maintained at the minimum prescribed level of 15%.

7. RBI had, vide its letter dated March 21, 2006, advised I-SEC-PD to reduce its ICD borrowings to a level lower than 50% of its net owned funds.

8. In the Treasury Bill auctions conducted on December 17, 2008, I-SEC-PD had inadvertently submitted its bids in the Mock NDS module instead of the NDS-Primary auction module and thus missed bidding in the auction. RBI had, vide its letter dated December 24, 2008 communicated that it had been such failure by I-SEC-PD seriously and advised that the systems and processes be strengthened to prevent recurrence of such instances.

9. RBI had, vide its letter dated November 27, 2009, issued a show cause notice to I-SEC-PD pursuant to its inspection of the primary dealership business. Pursuant to various submissions made by I-SEC-PD, RBI, vide its letter dated May 26, 2010, communicated that it had taken a lenient view in the matter and advised I-SEC-PD to strengthen its systems and processes to ensure non recurrence of instances which led to the issue of show cause notice.

10. RBI had, vide its letter dated February 8, 2011, advised I-SEC-PD to ensure that discrepancy in valuation of portfolio for back testing procedures vis-à-vis balance sheet & profit & loss reporting is avoided.

11. RBI had, vide its letter dated June 3, 2011, sought an explanation from I-SEC-PD as to why an intra-day shortfall in its current account at 3:00 p.m. on June 3, 2011 thereby delaying the auction settlement of 91 day Treasury Bill, should not be treated as an instance of "SGL Bouncing". Pursuant to the explanations tendered by I-SEC-PD, RBI had, vide its letter dated July 5, 2011, communicated to I-SEC-PD that it had taken a lenient view in this matter and had advised I-SEC-PD to strengthen its systems and processes to ensure that such incidences did not recur in future.

12. Due to an inadvertent error in the securities balance update process there was a shortfall in I-SEC-PD's delivery obligation against a repo trade in June 2012 and December 2012 leading to SGL bounce. RBI had levied a penalty of ₹ 0.5 million each on I-SEC-PD in both these instances.

13. RBI has, vide its letter dated August 24, 2016, advised I-SEC-PD to ensure adherence to the Code of Conduct for usage of NDS-OM and OTC trades done and reported on NDS-OM reporting platform-Version 8th July 2014 issued by FIMMDA.

14. The Ministry of Corporate Affairs ("**MCA**") had, vide its letter dated October 4, 2016, issued a show cause notice to I-SEC-PD seeking reasons from I-SEC-PD as to why action should not be taken against I-SEC-PD and the officers in default as per Section 134(8) of the Act for a deficit in CSR expenditure of **₹** 0.24 million in FY2015. In its reply dated October 14, 2016, I-SEC-PD has clarified that while determining the amount to be spent by it on CSR activities in FY2015, I-SEC-PD had deducted the dividend income from the profit before tax as per the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 which were not deducted by the MCA while determining the CSR expenditure and therefore, there was a difference in the CSR amount calculated by I-SEC-PD vis-à-vis the calculation of MCA.

15. CCIL apprised ICICI Securities Primary Dealership Limited of a margin shortfall and the shortfall in margin was replenished upon notice

16. Pursuant to the observation raised by the RBI during its inspection of the primary dealership business of ICICI Securities Primary Dealership Limited for fiscal year 2010, breaches by employees with the company's code of conduct were classified into major violation and minor violation wherein more stringent action was initiated for major violations. Further, any breaches are since being reported to the audit committee on a quarterly basis and to the managing director and chief executive officer of ICICI Securities Primary Dealership Limited on a monthly basis.

For details of actions by statutory / regulatory authorities against I-Sec-PD, see "Outstanding Litigation and Material Developments – Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated" on page 401.

5. Litigation involving ICICI Venture Funds Management Company Limited ("ICICI Venture")

Criminal matters

1. Complaints under Section 629 of the Companies Act, 1956: Mr. R. Subramanian, Managing Director of Subhiksha Trading Services Ltd ("**Subhiksha**") has filed Criminal Complaints under Section 629 of the Companies Act, 1956 against ICICI Venture Funds Management Company Limited ("**ICICI Venture**") and Nominee Directors appointed on the Board of Subhiskha alleging *inter alia* that false statements have been made in the Affidavit filed by ICICI Venture before various authorities. Quashing Petitions have been filed before the Hon'ble Madras High Court and obtained Interim stay of the Trial Court proceedings. The Petitions are pending for hearing and final disposal.

2. Complaints under Section 500 of the Indian Penal Code, 1860: Mr. R. Subramanian, Managing Director of Subhiksha has filed a Criminal Complaint under Section 500 of the Indian Penal Code against ICICI Venture, and Nominee Directors alleging that defamatory statements have been made by them to various authorities. ICICI Venture has filed quashing petitions before the Madras High Court and has obtained interim stay of the Trial Court proceedings. The said petitions are pending hearing and final disposal.

Actions by regulatory / statutory authorities

SEBI had undertaken an inspection of ICICI Venture and two funds managed by ICICI Venture under Regulation 25 of the SEBI (Venture Capital Funds) Regulations, 1996 between December 2014 and May 2015. ICICI Venture and the funds have provided their response to the inspection findings.

Other matters:

Matters involving an amount above ₹ 311.0 million or any other outstanding litigation involving ICICI Venture whose outcome could have a material and adverse effect on our Company's consolidated results of operations or financial position

Certain investors of a real estate investment fund registered in Mauritius, which invested in a fund managed by ICICI Venture Funds Management Company Limited, a wholly owned subsidiary of ICICI Bank, have filed a petition in the Supreme Court of Mauritius against ICICI Venture Funds Management Company Limited, the trustee and the administrators of the fund and ICICI bank alleging, mis-selling and mismanagement of the funds and have claimed damages of US$ 103.6 million. All the respondents to the petition, including bank and its subsidiary, have denied and rebutted the allegations and countered the petition by filing preliminary objections. The matter is pending for hearing of preliminary objections.

6. Litigation involving I-Sec

Criminal matters

1. I-Sec withheld a pay out of **₹** 0.61 million for the suspicious transactions carried out in one of its client's account (Mr. Tejas Ahuja). The same were reported to NSE as suspicious trades. M/s. Angel Broking Limited ("**Angel**"), through one of its employees, Mr. Prakash Gagdani, Senior Vice President, registered FIR no. 445 of 2008 at MIDC Police Station, Andheri, to report fraudulent transaction in the account of Syed, one of their clients. The matter is pending in Metropolitan Magistrate XXII Court, Andheri, for final disposal. Angel filed several applications before Metropolitan Magistrate XXII Court at Andheri, Mumbai for return of the aforesaid amount. The same were rejected by the Court and the application filed by Angel in 2010 before the same court is still pending for final orders.

2. Kondiba Arjun Jadhav ("**Kondiba**") Kondiba filed a complaint against inter alia I-Sec on the ground of forgery of his signatures on the forms by Mr. Ayush Sharma, an employee of I-Sec. Kondiba also alleged that the policies were supposed to be taken in his name but were wrongly taken in the name of his son Mr. Mangesh Jadhav. The said complaint is settled out of court and the same stands withdrawn.

Actions by regulatory / statutory authorities

For details of actions by statutory / regulatory authorities against I-Sec, see "Outstanding Litigation and Material Developments – Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated" on page 401.

7. Litigation involving ICICI Prudential Trust Limited

Actions by regulatory / statutory authorities

SEBI vide letter dated May 31, 2016 had advised the Trustees to review the internal credit risk assessment of the ICICI Prudential Asset Management Company with reference to inter scheme transfer.

IV. Litigation involving our Directors

Disclosure of litigation involving our Directors:

Except as disclosed below there are no (i) outstanding criminal litigation, (ii) actions taken by regulatory or statutory authorities against our Directors, (iii) outstanding litigation involving taxation matters; and (iv) outstanding matters pertaining to violation of securities laws involving our Directors.

Our Board has determined that all outstanding litigation against our Directors where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company, would be considered as material for our Company.

Litigation against our Directors

1. Litigation against Chanda Deepak Kochhar

Criminal matters

As on date there are 27 criminal complaints (by name) where Ms. Chanda Kochhar in her capacity as a Director of ICICI Bank has been impleaded as one of the parties including ICICI Bank and in some cases other ICICI Bank officials and directors.

1. Pune Municipal Corporation (PMC) in 2009 issued a demand on Bank for ₹ 12.8 million with 10 times penalty for alleged evasion of octroi on gold coins brought into the Bank's branches within Pune city. A criminal complaint has been filed against MD Ms Chanda Kochhar and others. Bank offered to pay the octroi with nominal penalty which was rejected. On filing a quash petition the Bombay High Court has stayed the proceedings.

2. Dinbandhu Dash filed a criminal complaint alleging that his current account was not closed despite his several request and his a/c was debited for not-maintaining the minimum QAB, the court had issued summon against which we have filed quashing in High Court, proceedings has been stayed.

3. Mukesh Chand has deposited around ₹ 0.218 million, in different a/c of ICICI Bank on the assurance from some fraudster for appointment of his son in a Hotel at London, he accused that ICICI Bank in collusion with others are running the racket of cheating the person, the court had issued summon to MD Ms. Chanda Kochhar, We have challenged this summoning order in Allahabad High court and obtained stay in the proceedings against MD.

4. Ejaz Hasan Khan filed a criminal complaint alleging that though the loan was not disbursed, EMI of ₹ 76,643 was collected. The Bank had realised this mistake and had sent him the refund cheque which he claims not to have received. In 2010 once again a refund cheque together with the interest of ₹ 46,000 as handed over to him which he has not encashed. The Police had filed a closure report stating this was a civil matter. The complainant has alleged that the police closure was also wrong. A quash petition has been filed before the High Court which has stayed all proceedings before the Lower Court.

5. Syed Mustafa Zafar has filed a criminal complaint alleging the Bank had wrongfully filed a cheque bouncing case against him, for dishonour of cheque even though he had made the payment. The fact is the Bank had withdrawn the Section 138 complaint upon the borrower regularizing his loan account. An appeal has been preferred to the High Court to dismiss the complaint and obtained stay on proceedings of lower court.

6. Rajesh Kumar Nigam has availed home loan and has defaulted in payment of EMI. He alleges that the tenure of loan repayment has been illegally increased from 180 to 241 months and was threatened by the bank officials to vacate the property. Upon his complaint the Magistrate has directed police to inquire into the matter. As per the facts the loan has been availed on floating rate of interest and hence there is an increase in tenure. Representation has duly been made to the police.

7. Mr. Bharat Bhogilal Patel filed a criminal complaint alleging infringement of his intellectual property rights. His claim is that he has invented and patented necessary technology and equipment for laser marking and engraving process on metals and non-metals which are used on gift articles and certain items in the Banking Industry. The Magistrate ordered a Police Investigation who have filed a final report stating neither true nor false and that this is a civil matter. On the last hearing, the lawyer on behalf of the complainant has insisted for re-investigation.

8. Kalpana Singh a borrower who has availed loans on credit card, personal loans and home loans, filed a criminal complaint alleging harassment by recovery agents. This complaint is yet to be heard and is a counter to prevent recovery of the loan. Meanwhile recovery suits for ₹ 4.75 million have been filed against Kalpana Singh, and court directed the complainant not to create any third party rights in her property.

9. Chander Pal Singh has filed a criminal complaint alleging that even after repaying his loan and issue of a NOC by the Bank, the blank cheques given as security was sent for collection. The Bank is at fault and with follow up the complainant has amicably settled the matter. The investigation has been completed and police need to file the final closure report in court for closure of the case. RCU is following up with police to submit the closure report in court.

10. Rakeshkumar Singh a borrower who has availed a personal loan has filed a criminal complaint alleging that without disbursing the whole loan, the EMIs were deducted from his salary account. The Magistrate has directed the Police to investigate the matter as the complainant alleged that the marketing agent misled him. Meanwhile the complainant dishonoured a cheque for ₹ 0.85 million for which the Bank has preferred a section 138 complaint. In addition a recovery suit has been filed before DRT Pune, in which Recovery Certificate has been issued.

11. Office Nine to Nine a DSA of the Bank filed a police complaint alleging that dues of ₹ 2.73 million has not been paid. The fact is that DSA was terminated due to fraudulent acts. The Police dismissed the complaint stating the matter is of a civil nature. The DSA then filed a complaint to the Magistrate who directed the Police to investigate and submit the report. Upon this the Bank has filed a quashing petition before the High Court and the investigation has been stayed.

12. Imran Ahmad, a credit card customer has filed a criminal complaint. As per the complainant three unauthorised 3D secure online transactions done on his credit card for Turkey based merchant. He had alleged in his complaint that bank fraudulently created 3D secure PIN and misused the PIN for transaction. Customer approached the Bank and raised dispute which was closed in Bank's favor as transections were 2nd level authenticated with 3D Secure PIN. The Court passed an order directing police to register FIR and investigate the matter. RCU is co-ordinating with police.

13. Om Prakash Gurudayal Berlia a Credit Card customer has filed a complaint alleging that he has not applied for any Credit Card in his wife's name and it is never received by them. As per our records and RCU investigation, Card has been delivered at his residence. RCU has joined the investigation and submitted representation. Police is yet to file the final report since statement of Complainant is pending.

14. Ghanjith Sharma a home loan borrower had filed a private complaint in August 2013, alleging that the Bank had increased the EMI & interest rates for its capital gains and he has been receiving harassment calls from recovery agents. The complainant has defaulted in payment of loan instalments, which is sold to ARCIL and closed in our books. The same was also intimated to the Complainant vide our letter in 2009. His petition was dismissed at the preliminary evidence stage as no case was made out against the Bank, aggrieved by the order he has filed appeal vide Criminal Revision.

15. Shripad Krishnaji Sovani an ex-employee of erstwhile Sangli Bank has filed criminal complaint for seeking pension. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

16. Balasaheb Mahipati Patil an ex-employee of erstwhile Sangli Bank has filed criminal complaint contesting the pension calculation. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

17. Dilip ShrikrishnaThakar an ex-employee of erstwhile Sangli Bank had resigned from the services of Bank in 1999, he passed away in 2001. The instant criminal complaint has been filed by wife of late Mr Thakar, Ms Shobha Dilip Thakar claiming pension and family pension. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

18. Vasant Krishna Patil an ex-employee of erstwhile Sangli Bank has filed criminal complaint for seeking pension. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

19. Rajendra Bongale an ex-employee of erstwhile Sangli Bank has filed criminal complaint for seeking pension. Bank has preferred a writ petition before High Court, Karnataka (Dharwad bench) wherein stay has been granted.

20. Krishna Kumar Brijpuriya a three in one account holder had filed case in 2005 alleging that the Opposite Party has illegally gained profits at the expense of the complainant by selling the shares at a lower price. His complaint was dismissed against which he preferred a revision is the Session's Court. The said revision has also been dismissed so, he preferred this quashing in the High Court, Jabalpur (M.P).

21. Ganga Charan Yadav a home loan borrower had filed a criminal complaint against SARFAESI action taken by ARCIL. The said complaint was dismissed, against which he has filed an appeal.

22. Shraddha Gupta (the "**Complainant**") has filed a criminal complaint before the Judicial Magistrate First Class ("JMFC"), Belapur, Navi Mumbai against Mukesh Pandey ("Accused no.1"), Chanda Deepak Kochhar, Sandeep Bakhshi, Judajit Das, Kalpana Sampat and Poonam Bharadwaj ("Accused no. 2 to 5", and collectively the "Accused") under Sections 354, 509, 294, 107, 120B read with Sections 34 and 354-A of the IPC in relation to the alleged sexual harassment by Accused no.1 of the Complainant and Accused no. 2 to 5 have been alleged with abetment of the sexual harassment offence by destroying evidence, failure to follow ICICI Prudential Life's code of conduct and other policies or take any action against Accused no.1. The JMFC has passed an order instructing the police to investigate the matter under the provisions of the IPC and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Pursuant to this order, the Complainant filed an FIR against ICICI Prudential Life. Accused no. 2 to 5have filed a writ petition before the Bombay High Court pleading, amongst others, quashing of the FIR and stay on the operation of the order passed by the JMFC. Subsequently, the Bombay High Court has passed an order granting ad-interim relief directing that no coercive action must be taken against the Accused no. 2 to 5. The matter is currently pending.

23. Vivek Vardhan (the "**Complainant**") has filed a criminal complaint before the Chief Judicial Magistrate, Patna against Chanda Deepak Kochhar, Rajiv Sabharwal, Kannan Narayanan Srinivasa, K. Ramkumar, V.V. Balaji and the chairman of the IRDAI (collectively the "Accused") under Sections 406, 420, 409, 120B of the IPC in relation to cancellation of the insurance policy issued to the Complainant due to alleged non-payment of premium amount by the Complainant without giving any notice to the Complainant. Subsequently, the Accused

filed a criminal writ petition before the Patna High Court seeking quashing of the aforesaid criminal complaint. The matter is currently pending.

24. Sangita Madhukarrao Ulabhaje (the "**Complainant**") has filed a criminal writ petition before the Supreme Court under Article 32 of the Constitution of India against Chanda Deepak Kochhar, ICICI Prudential Life (through Sandeep Bakhshi), certain employees of ICICI Prudential Life and others in relation to, inter alia, the alleged (i) failure to transfer her insurance advisor code to a different manager; (ii) creation of a client ID instead of an advisor or business partner code; (iii) non-payment of appropriate commission and discrepancies in her commissions; and (iv) non-renewal of her IRDAI license prior to its expiry. The Complainant has prayed for inter alia quashing of all matters instituted by ICICI Prudential Life against her in various forums and to conduct CBI investigation upon employees of ICICI Prudential Life impleaded via the writ petition. Separately, ICICI Prudential Life had filed a writ petition and other complaints against the Complainant in relation to her alleged acts of repeatedly making harassing phone calls and sending derogatory, defamatory and threatening messages to the senior officials of ICICI Prudential Life. The Supreme Court has, pursuant to an order, granted an interim stay on (i) further proceedings in the matter filed by ICICI Prudential Life before the Chief Metropolitan Magistrate, Mumbai in relation to compliant under various provisions of the Information Technology Act 2000, and the IPC; and (ii) the ongoing investigation being undertaken pursuant to an order passed by the Bombay High Court at Nagpur in a writ petition filed by us against the Complainant. The matter is currently pending.

25. Pankaj Kumar an ex-employee of ICICI Prudential Life (the "**Complainant**") has filed a criminal complaint against ICICI Prudential Life (through Chanda Deepak Kochhar), and certain employees of ICICI Prudential Life before the Chief Magistrate Court, Giridih, for offences alleged under Sections 34, 120B, 420, 405, 477 and 506 of the IPC, in relation to, inter alia, criminal breach of trust, cheating, mischief, criminal conspiracy and forgery for purpose of cheating. The Complainant has alleged that ICICI Prudential Life has wrongfully terminated him from employment while withholding ₹ 30,000 of his entitled salary. The Complainant has alleged that one of the accused demanded a bribe of **₹** 50,000 when the complainant approached ICICI Prudential Life for payment of his salary entitlement. Additionally, in relation to the alleged wrongful termination, the Complainant has also lodged a complaint with the Assistant Labour Cooperative Commissioner, Giridih. The matter is currently pending.

26. Vitthal Premji Shankarwalais an ex-employee of erstwhile Sangli Bank, has filed criminal complaint for seeking pension. Police has submitted the final report to magistrate and the inquiry has been closed.

27. Shadab Ismail Khan had filed private criminal case against board of Director of ICICI Bank before Judicial Magistrate First Class, Nagpur for unauthorisely deducting Home Loan amount towards ICICI Lombard general Insurance. Court had dismissed the complaint. Against the above said order complainant filed Criminal Revision.

28. Rajesh Kumar earlier posted at Meerut location has filed the application against the senior management MD/CEO/ Legal Head/Branch Manager/ Ms. Seema Udayvir chief manager and Mohd Shahzad U/s 340 Cr.P.C. alleging that all the persons have forged the documents filed by them in the civil suit filed by Mr. Rajesh against the Bank. He has prayed before the court that the court should referred the complaint to the concerned Magistrate and the case should be registered against all the person U/s 120 B/193/196/420/467/468/471 IPC.

29. Harbans Lal Gupta filed a criminal complaint (No. 545 of 2009) against Ms Kalpana Morparia, (then JMD), ICICI Bank Ltd. and other Bank officials alleging misuse of Section 138 of the Negotiable Instruement Act. The complainant alleged that he was falsely implicated by the Bank to get him convicted and such unwarranted litigation has resulted in loss of his reputation.

30. Urmila Devi, a vehicle loan customer has filed a criminal complaint against Managing Director, ICICI Bank. The customer had defaulted on repayment and so the vehicle was repossessed. In complaint the customer alleges that the value of vehicle was more than the amount outstanding to Bank and there by demanding the excess money to be remitted.

31. Nem Singh, father of the home loan borrower Yesheswar Singh has filed the complaint alleging the higher rate of interest and fraudulent adjustment of major portion of the repayment amount towards the interest portion. Complaint filed in DCDRF, Delhi was dismissed so they have preferred an appeal in State Commission. In the meantime SARFAESI proceedings have been initiated against the Borrower.

32. Rahul Bhatnagar, a jewel loan customer has filed a criminal revision against Managing Director, ICICI Bank. The customer had defaulted on repayment and so Bank auctioned the ornaments as per the procedure. Aggrieved by the same he filed a criminal complaint before chief judicial magistrate which was dismissed by court as not maintainable so now the customer has preferred criminal revision before Session Judge.

33. Three complaints filed by various Borrowers are at various stages of investigations.

For additional litigation against Chanda Deepak Kochhar, see "Litigation filed against our Company – Criminal matters" and "Litigation against ICICI Bank - Criminal matters" on page 358 and 375, respectively.

Actions by regulatory / statutory authorities

For further details, see "Litigation against ICICI Bank - Actions by regulatory/statutory authorities" and "Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated" on page 401.

2. Litigation against Uday Madhav Chitale

For litigation against Uday Madhav Chitale, see "Outstanding Litigation and Material Developments – Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated" on page 401.

3. Litigation against Kannan Narayanan Srinivasa

Criminal matters

1. Office Nine to Nine, a Direct Sales Agent (DSA) of the Bank, has filed a police complaint alleging that dues of ₹ 2.7 million has not been paid. The fact is that the DSA agreement was terminated due to fraudulent acts. The Police dismissed the complaint stating the matter is of a civil nature. The DSA then filed a complaint to the Magistrate who directed the Police to investigate and submit the report. Upon this the Bank has filed a quashing petition before the High Court and the investigation has been stayed.

2. Om Prakash Gurudayal Berlia, a Credit Card customer, has filed a complaint alleging that he has not applied for any Credit Card in his wife's name and it is never received by them. As per our records and investigation, Card has been delivered at his residence. ICICI Bank has joined the investigation and submitted its representation. Police is yet to file the final report since statement of Complainant is pending.

3. Vivek Vardhan (the "Complainant") has filed a criminal complaint before the Chief Judicial Magistrate, Patna against Chanda Deepak Kochhar, Rajiv Sabharwal, Kannan Narayanan Srinivasa, K. Ramkumar, V.V. Balaji and the chairman of the IRDAI (collectively the "Accused") under Sections 406, 420, 409, 120B of the IPC in relation to cancellation of the insurance policy issued to the Complainant due to alleged non-payment of premium amount by the Complainant without giving any notice to the Complainant. Subsequently, the Accused filed a criminal writ petition before the Patna High Court seeking quashing of the aforesaid criminal complaint. The matter is currently pending.

4. Shripad Krishnaji Sovani an ex-employee of erstwhile Sangli Bank has filed criminal complaint for seeking pension. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

5. Balasaheb Mahipati Patil an ex-employee of erstwhile Sangli Bank has filed criminal complaint contesting the pension calculation. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

6. Dilip Shrikrishna Thakar an ex-employee of erstwhile Sangli Bank had resigned from the services of Bank in 1999, he passed away in 2001. The instant criminal complaint has been filed by wife of late Mr Thakar, Ms Shobha Dilip Thakar claiming pension and family pension. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

7. Vasant Krishna Patil an ex-employee of erstwhile Sangli Bank has filed criminal complaint for seeking pension. Bank has preferred a writ petition before High Court, Mumbai wherein stay has been granted.

8. Rajendra Bongale an ex-employee of erstwhile Sangli Bank has filed criminal complaint for seeking pension. Bank has preferred a writ petition before High Court, Karnataka (Dharwad bench) wherein stay has been granted.

9. Vitthal Premji Shankarwala is an ex-employee of erstwhile Sangli Bank, has filed criminal complaint for seeking pension. Police has submitted the final report to magistrate.

10. Shadab Ismail Khan had filed private criminal case against board of Director of ICICI Bank before JMFC Nagpur for unauthorisely deducting Home Loan amount towards ICICI Lombard general Insurance. Court had dismissed the complaint. Against the above said order complainant filed Criminal Revision.

Actions by regulatory / statutory authorities

For litigation against Kannan Narayanan Srinivasa, see "Outstanding Litigation and Material Developments – Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated" on page 401.

4. Litigation against Bhargav Dasgupta

Civil matter

Deepak Srivastav has filed a suit before the High Court of Bombay in relation to his discharge of services from our Company. The petitioner is claiming damages to the tune of ₹ 20.0 million along with re-instatement in services. Our Company is duly contesting the matter.

For additional details, please see "*Litigation involving our Company – Litigation filed against our Company - Criminal cases*" on page 358.

Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated

1. SEBI has vide letter dated May 20, 2015, issued an administrative warning to ICICI Bank (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors), as a Depository Participant (DP), for the following observation post the inspection conducted for the period April 2012 to June 2013. It was noticed that in all account opening forms, the date of execution of power of attorney (POA) was prior to date of account opening/date of activation of account in the DP system. ICICI Bank has intimated SEBI that the necessary changes have been effected in PoA in such a manner that the effective date of PoA will be the date of account opening or the date of PoA execution, whichever is later.

2. Pursuant to inspection conducted for the period April 2010 to March 2012, SEBI has vide letter dated February 18, 2013, issued an administrative warning to ICICI Bank (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors) as a registered Depository Participant (DP) to have an exclusive designated e-mail ID for receiving complaints pertaining to its DP operations. The same (headdematservices@icicibank.com) has been created and status has been intimated to SEBI vide letter dated August 28, 2013.

3. SEBI had issued a show cause notice under SEBI (Procedure for Holding Inquiry and imposing Penalties by Adjudicating Officer) Rules, 1995 for delay of 81 days in filing disclosures under the SEBI (Prohibition of Insider Trading) Regulations 1992, for change in shareholding exceeding 2% in a listed Company, when prior shareholding exceeded 5%. This was in respect of ICICI Bank's (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors) holding in Jord Engineers India Ltd which was largely unlisted, and trading in the scrip was suspended, though the company was listed. ICICI Bank filed consent terms and paid ₹ 1 lac to SEBI pursuant to the consent order passed in May 2012. ICICI Bank has put in place systems and controls to file necessary disclosures irrespective of the listing status of its securities.

4. SEBI had carried out certain inspections of ICICI Bank's (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors) books and records with respect to debenture trustee activity on August 4, 2014 and September 19, 2014. ICICI Bank had submitted its comments on the SEBI search report. Subsequently, ICICI Bank had received letter from SEBI dated October 19, 2015 highlighting certain discrepancies. SEBI had pointed out that there was a (i) delay in transfer of issues to other debenture trustee after the regulation 13A (b) of the Debenture Trustee Regulations came into effect from August 08, 2000; (ii) non issuance of press release and non-dissemination of the events of default on ICICI Bank's website; (iii) failure to obtain quarterly reports from other issuer companies; (iv) non-dissemination of designated investor grievance e-mail-id on DT's website and that (v) ICICI Bank had not furnished correct data in the periodical report for the half year ending from March 2012 to SEBI. SEBI had advised ICICI Bank to be careful in future and improve its compliance standards to avoid recurrence of such instances, failing which, action may be initiated in accordance with SEBI Act and rules/regulations thereunder. ICICI Bank took note of the same.

5. During SEBI inspection of debenture trustee operations of erstwhile ICICI Limited, observations on certain shortcomings were made by SEBI in its inspection report dated July 24, 1998. Erstwhile ICICI Limited initiated suitable action based on the SEBI report and submitted a detailed reply to SEBI on August 6, 1998. Subsequently, we received a notice dated February 12, 2007 from SEBI requesting us to provide certain details. We have furnished all the details required by them on March 2, 2007. SEBI again inspected books and records of ICICI Bank maintained in its capacity as debenture trustee during September, 2007 to October 2007. ICICI Bank (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors) received inspection report on September 10, 2008 and submitted a detailed reply to them on October 15, 2008. However vide letter dated June 22, 2010, SEBI observed that, certain observations made by SEBI in the inspection report dated

September 10, 2008 were not rectified or partially rectified and had accordingly advised ICICI Bank to take appropriate corrective steps to rectify the discrepancies. SEBI also advised ICICI Bank to notify the board of directors of ICICI Bank, the relevant communication regarding the inspection, further observations made by SEBI and corrective steps taken to rectify the discrepancies. ICICI Bank, by letter dated July 19, 2010, intimated SEBI of the corrective steps taken by ICICI Bank to address the discrepancies and have informed the audit committee and the board of directors of ICICI Bank on July 30, 2010 and July 31, 2010, respectively.

6. SEBI had issued a notice to ICICI Bank (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors) in connection with matters pertaining to erstwhile Bank of Madura's Bhadra, Ahmedabad branch, to show cause as to why the said branch should not be suspended from conducting merchant banking activities for a period of six months. SEBI stated that there were irregularities in fiscal 1996 in the operations of the account of North Star Gems Limited with the branch. A detailed reply was filed with SEBI in this regard. SEBI vide order dated October 16, 2002 issued a warning to Bank of Madura's Bhadra, Ahmedabad branch with a further direction to that branch to act with due skill, care and diligence while acting as banker to an issue. SEBI noted that ICICI Bank had taken appropriate disciplinary action against the concerned employees. SEBI further noted that inspection by the Reserve Bank of India did not indicate malafide actions on the part of our officials. In view of the same, SEBI concluded that the aforesaid warning would suffice as sufficient action against the branch.

7. During SEBI inspection of books of accounts of Depository Participant activities of ICICI Bank (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors), observations on certain shortcomings were made by SEBI, in its inspection report dated March 15, 2010. ICICI Bank had submitted reply/comments informing about the steps taken to improve system and procedures. SEBI vide letter dated June 17, 2010 advised not to repeat the irregularities and ensure compliance with SEBI Depositories Act 1996, Rules and Regulations. SEBI also advised to place the findings of inspection, corrective steps taken by ICICI Bank and the final communication by SEBI before the Board. The same was reported and noted at the Audit Committee Meeting of ICICI Bank held on July 30, 2010.

8. In May 2005, SEBI had issued the advice letter to ICICI Bank (in which Chanda Deepak Kochhar and Kannan Narayanan Srinivasa are directors) based on the inspection conducted in 2003-04.

9. ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) received a letter dated December 20, 2013, advising it to strengthen its systems and have proper checks and balances for ensuring that the borrowings made by the schemes and exposure of the debt schemes to a particular sector are in accordance with the regulatory threshold specified in the extant SEBI regulations/circulars.

10. ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) received a letter dated March 26, 2014 from SEBI, whereby SEBI advised it to strengthen its systems for ensuring that no investor holds more than SEBI-prescribed maximum threshold of the scheme's quarterly average net assets for two or more continuous quarters, and to report the exceptions, if any to SEBI.

11. ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) received a letter dated April 23, 2014 from SEBI, whereby SEBI advised it to strengthen its systems to ensure that the funds of the schemes deployed in short-term deposits adhere to the regulatory limits specified in the extant SEBI regulations/circulars.

12. ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) received a letter dated January 29, 2016 from SEBI whereby SEBI advised it to strengthen its systems to ensure the reporting of over the counter transactions within the stipulated time.

13. SEBI vide its letter dated May 12, 2016, with reference to SEBI Inspection of ICICI Prudential Mutual Fund for the period from February 1, 2013 to March 31, 2014, had noted instances of non-compliance/deficiencies with the Mutual Funds Regulations with respect to, inter alia, investments by schemes, discrepancies in offer document, inter-scheme transfers, purchase/ sale transactions with the same counterparties and transactions by access persons. SEBI had advised ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) to be diligent in future to ensure strict compliance and abide by the provisions of the Mutual Funds Regulations.

14. SEBI had vide its letter dated January 20, 2015 with reference to SEBI Inspection of ICICI Prudential Mutual Fund for the period from September 1, 2011 to January 31, 2013, had noted certain instances of non-compliance/deficiency with Mutual Funds Regulations with respect to, *inter alia*, investments by schemes, inter-

scheme transfers reporting of complaints and expense records. SEBI had advised ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) to be diligent in future to ensure strict compliance and abide by the provisions of the Mutual Fund Regulations, including with respect to the above areas as well as recording of PAN for transactions, timely payment of fees, maintenance of documents and records, reporting of scheme financials, investment policies with respect to cash and cash equivalents and margin-related policies.

15. SEBI vide its letter dated September 10, 2015 had advised ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) to comply with SEBI circular dated September 13, 2012 for investor awareness programs.

16. SEBI had *vide* its letter dated February 7, 2014 with reference to SEBI inspection of the fund for the period from July 1, 2009 to August 31, 2011, noted certain instances of non-compliance /deficiencies with the Mutual Funds Regulations and various circulars issued by SEBI.

17. SEBI vide its letter dated November 27, 2014 with reference to the inspection report of CAMS, registrar and transfer agent to ICICI Prudential Mutual Fund for the period from September 1, 2011 to January 31, 2013, had observed certain deficiencies such as incorrect updation of date of credit of funds in system and data entry errors while processing investors' transactions. SEBI had issued certain advice to ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) and the trustees, including (i) ensuring fair treatment is provided to all investors and to promptly reverse entries on receipt of advice of dishonour of cheques or other instruments against which units were initially allotted; (ii) exercising diligence in updating credit of funds in the system for all transactions.

18. SEBI vide its letter dated January 16, 2014 with reference to the inspection report of CAMS, registrar and transfer agent to ICICI Prudential Mutual Fund for the period from 2009 to 2011, the ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) was advised to collect all requisite documents for referred documents and no fresh subscription from the concerned investors shall be allowed until the said documents are obtained.

19. SEBI vide its letter dated July 25, 2012 had advised the ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) to carryout due diligence of certain distributors involved in multiple application pending, where SEBI had directed to not make any payout to such distributors.

20. SEBI vide its letter dated December 8, 2014 with reference to SEBI Inspection of Book of Accounts and other records of ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) pertaining to portfolio management services for the period from 01/04/2013 to 31/05/2014, had advised ICICI Prudential Asset Management Company Limited to be cautious in future with reference to compliance with SEBI (Portfolio Managers) Regulations, 1993.

21. SEBI vide its letter dated December 8, 2011 with reference to SEBI Inspection of ICICI Prudential Mutual Fund for the period from July 1, 2007 to June 30, 2009, had noted certain instances of non-compliance/deficiency with SEBI (Mutual Funds) Regulations, 1996 and had advised the ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) to be diligent in future to ensure strict compliance and abide by the provisions of SEBI (Mutual Fund) Regulations, 1996.

22. SEBI had vide its letter dated June 29, 2017 with reference to Inspection of Book of Accounts and other records of ICICI Prudential Real Estate AIF from the date of registration i.e. from June 25, 2014 to June 30, 2016, noted the reply letters submitted by the ICICI Prudential Asset Management Company Limited (in which Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi and Suresh Muthukrishna Kumar are directors) and the steps taken by the fund with regard to the findings made by SEBI. SEBI had also advised the Fund to be careful and cautious in future and abide by the applicable regulatory provisions.

23. SEBI had issued a letter dated January 28, 2011 to ICICI Prudential Mutual Fund based on exception reported on CTR for bimonthly period ending November 30, 2010.

24. SEBI has, vide its letter dated May 6, 2016, issued an administrative warning to I-SEC-PD (in which Kannan Narayanan Srinivasa and Ashvin Dhirajlal Parekh are directors) for certain observations pertaining to merchant banking activities. These have since been complied with by I-SEC-PD.

25. SEBI vide its letter dated July 13, 2017, had issued an administrative warning to I-Sec PD (in which our Directors, Kannan Narayanan Srinivasa and Ashvin Dhirajlal Parekh are also directors) for not shifting its operations from Sharepro Services (India) Private Limited as required in its order dated March 22, 2016. I-Sec PD has, vide its reply dated July 19, 2017, submitted all the documents evidencing the steps taken by it to comply with the SEBI order. The audit committee and the board of directors of I-Sec PD has been apprised of the same on July 20, 2017.

26. SEBI had undertaken an inspection of the merchant banking activities of I-SEC-PD (in which Kannan Narayanan Srinivasa and Ashvin Dhirajlal Parekh are directors) during December 2005 for a period from April 2003 till August 2005. SEBI had, vide the Inspection Report communicated its findings and observations to I-SEC-PD in March 2007 which were replied to on April 9, 2007. Subsequently, I-SEC-PD surrendered its merchant banking license in July 2007 and the merchant banking activities were carried out by ICICI Securities Limited. In reply to the submissions made by I-SEC-PD, SEBI had, vide a letter dated January 22, 2008 addressed to ICICI Securities Limited, advised ICICI Securities Limited to be careful in future in respect of procedures and criteria adopted for allocation of shares to QIBs, due diligence procedural issues, post-issue related work.

27. I-SEC-PD (then known as ICICI Securities Limited) (in which Kannan Narayanan Srinivasa and Ashvin Dhirajlal Parekh are directors) was one of the book running lead manager for the IPO of ABG Shipyard Limited. SEBI had, vide its letter dated November 22, 2005, sought an explanation from I-SEC-PD as to why the fact about the intention of ABG Shipyard Limited to list its shares on NSE was not informed to SEBI. Taking into consideration the submissions made by I-SEC-PD, SEBI had, vide its letter dated December 22, 2005, informed I-SEC-PD to be more careful in future and advised I-SEC-PD to exercise due caution and diligence.

28. SEBI had vide letter dated August 5, 2014 issued administrative warning to I-Sec (in which Chanda Deepak Kochhar and Ashvin Dhirajlal Parekh are directors) for the observation made during AML and Investor Grievance Inspection conducted in September 2013. SEBI required I-Sec to submit Action Taken Report (ATR) for the observations and place corrective steps taken to rectify discrepancies before Board of Directors and forward their comments to SEBI. ICICI Securities Limited had submitted ATR vide letter dated September 2, 2014.

29. In two of the public issues managed by I-Sec (in which Chanda Deepak Kochhar and Ashvin Dhirajlal Parekh are directors) viz., Parabolic Drugs Limited and Nitesh Estates Limited, SEBI had vide its letters dated June 28, 2011 and November 25, 2011 observed that the age of applicants was not captured by the Registrar and Transfer Agent and the allotment of shares was made to the minors. I-Sec, Avendus Capital Private Limited and SPA Merchant Bankers Limited were the Book Running Lead Managers ("**BRLMs**") to the IPO of Equity Shares by Parabolic Drugs Limited. Certain demand notices were issued to Parabolic Drugs Limited by Directorate General for Foreign Trade alleging non-fulfilment of export obligations, the details of which were not mentioned in the DRHP. The BRLMs learnt of the above mentioned notices on receipt of a letter dated February 26, 2010 issued by SEBI. On enquiring, the BRLMs were informed that PDL was in receipt of such notice and had inadvertently omitted to inform the same to the BRLMs and legal counsels. The same was communicated by the BRLMs to SEBI vide their response dated March 17, 2010. SEBI vide its letter dated April 19, 2010 advised the BRLMs to be careful and diligent in future while performing its role as a lead merchant banker to an issue. The BRLMs had advised Parabolic Drugs Limited to ensure that there were no such omissions in future as these would adversely affect the IPO process.

30. I-Sec (in which Chanda Deepak Kochhar and Ashvin Dhirajlal Parekh are directors), along with other book running lead managers to the IPO of Equitas Holdings Limited ("**Equitas**"), received a letter dated March 31, 2016 from SEBI advising all the book running lead managers to be more careful while exercising due diligence with respect to disclosure in the offer document.

31. SEBI had vide its observations dated March 5, 2010 on the draft letter of offer for the rights issue of issuer company, Adani Enterprises Limited had stated that the issuer company was required to appoint one additional independent director on its Board of Directors within six month from March 5, 2010, i.e. by September 5, 2010. The lead managers (namely I-Sec (in which Chanda Deepak Kochhar and Ashvin Dhirajlal Parekh are directors), Enam Securities Private Limited and IDFC SSKI Limited) vide their in-seriatim reply dated March 11, 2010 had conveyed to SEBI that the issuer company had undertaken to comply with the said requirement. Subsequently, the issuer company completed the process of appointment one additional independent director on February 12, 2011. SEBI vide its letter dated May 10, 2011, advised the lead managers to the Issue that the appointment of independent director was made after a delay of 5 months and required the lead managers to ensure compliance with SEBI observations and exercise due diligence with proper care in future.

32. I-Sec (in which Chanda Deepak Kochhar and Ashvin Dhirajlal Parekh are directors) was one of the merchant banker for the IPO of Parabolic Drugs Limited. SEBI had, vide its letter dated June 24, 2010, conveyed its no-objection to the merchant bankers to consider forms with PAN mismatch for allocation in certain cases and had

advised the merchant bankers to ensure that all syndicate members in the process of data entry, gear up their back office systems, consider introducing maker checker concepts and adopt appreciate data validation procedure so as to ensure error free data entry in future in the bidding system. SEBI has further advised to ensure that such instances do not recur and the applicable regulatory requirements are strictly followed in future.

33. Pursuant to inspection of the activities of M/s. Karvy Computershare Private Limited, Registrar & Transfer Agent ("**Karvy**") to the schemes of Axis Mutual Fund Trustee Limited ("**Axis Mutual Fund**") (in which Uday Madhav Chitale, one of the Directors of our Company is a director) from September 1, 2011 to January 31, 2013 under Regulation 61(1) of SEBI (Mutual Funds) Regulations, 1996, SEBI had issued letter dated September 26, 2014 conveying its observations/suggestions to Axis Mutual Fund on the inspection report which included the need to obtain and maintain necessary unitholders documents as per regulatory guidelines, ensuring completeness in the reply sent to the investors' queries and requests, ensuring scanning of both sides of the payment instruments, ensuring accurate tagging and storage of documents for ease of reference and verification, ensuring maintenance of authorized signatory list at all times and other similar matters. Karvy had been instructed to put in place checks and balances to ensure that all observations/suggestions raised by SEBI were addressed. Karvy had accordingly put in place the necessary controls to address these issues. Activities of Karvy are reviewed by the auditors of Karvy and Axis Mutual Fund, on an ongoing basis to, inter alia, review if the observations of SEBI have been appropriately addressed.

34. SEBI had vide letter dated January 18, 2008 warned I-Sec (in which Chanda Deepak Kochhar and Ashvin Dhirajlal Parekh are directors) to be careful and ensure strict compliance with the provisions of SEBI Act, Rules, Regulations, issued thereunder and circulars of SEBI and strictly abide by provisions of Securities Contract (Regulation) Act, 1956 and Securities Contract (Regulation) Rules, 1957 and the Rules, Regulations, Bye-laws, directives / circular issued by Exchanges from time to time.

35. SEBI had initiated an enquiry under SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalties) Regulations 2002 pursuant to an investigation into the transactions of a scrip done by ICICI Brokerage Services Ltd. (presently known as "ICICI Securities Ltd.) on behalf of its client. SEBI passed Order under Regulation 13(4) of the SEBI (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalties) Regulations 2002 read with Section 4(3) of the Securities and Exchange Board of India Act, 1992, dated 10th September, 2004, discharging ICICI Brokerage Services Ltd. from the proceedings in the said matter and no penalty was imposed on ICICI Brokerage Services Ltd.

Though no adverse order has been passed against I-Sec, I-Sec has put in place a robust surveillance system to monitor trading activities of its clients on a daily basis. Surveillance team generates multiple reports daily for detecting any unusual transactions done by our clients. Necessary action is then taken based on the alerts received and further analysis of such alerts.

36. Proceedings were initiated against ICICI Securities Ltd. (I-Sec) by SEBI under Rule 4 of SEBI (Procedure for holding enquiry and imposing penalties by Adjudicating officer) Rules, 1995, for dealing with the SEBI debarred entity. SEBI passed an order dated March 3, 2010 stating that the Company has a good track record in compliance with regulatory requirement and there is no previous instance of such lapses on its part. The Adjudicating Officer recognized the effective steps taken by the Company to stop recurrence of such incidents. The Adjudicating Officer concluded that the Company never consciously or deliberately avoided to comply with the obligations cast upon it under relevant clauses of Code of Conduct and the lapse was inadvertent and due to bona fide belief/conduct of the Company and the breach was venial and technical. Hence, no penalty was imposed on the Company under section 15HB of the SEBI Act and adjudication proceedings have been disposed of. I-Sec has taken the following initiatives for strengthening its existing processes with respect to deactivation of trading accounts of SEBI debarred entities:

- Processes/systems have been suitably modified to ensure that apart from searching the existing client database no new trading account is opened of the client who is debarred by SEBI to access the securities market.
- Concerned teams involved in this process have been sensitized about the importance of complying with the said requirement and to comply with the requirement by paying utmost attention.
- A Maker-Checker process has been initiated under supervision of senior employee to minimize the risk of human error.
- A special team of experts has been formed to identify the operational risks such as the present technical lapse and ensuring to mitigate the possible risks involved in operational processes.
- We have also started a practice of scanning the client database at periodical intervals to cross check whether any of the debarred entities have been enabled for trading inadvertently.

- To ensure instant alerts on orders issued by SEBI debarred entities, I-Sec has subscribed to a special software designed by vendor for tracking regulatory circulars.

37. SEBI has directed BSE to carry out inspection of TOP 5 Stock brokers involved in shares of Alka securities, to ensure that due diligence has been exercised by them while dealing with 1st & 2nd level of entities. Accordingly BSE has conducted inspection & it has been concluded without any observation, advice or penalty wide BSE letter dated November 19, 2009. Though no adverse order has been passed against I-Sec, I-Sec has put in place a robust surveillance system to monitor trading activities of its clients on a daily basis. Surveillance team generates multiple reports daily for detecting any unusual transactions done by our clients. Necessary action is then taken based on the alerts received and further analysis of such alerts.

Tax Proceedings:

We have disclosed claims relating to direct and indirect taxes involving our Company, our Promoter, Group Companies and Directors, in a consolidated manner giving details of the number of cases and total amount involved in such claims:

Nature of case	Number of cases	Amount involved (in ₹million)
Company		
Direct Tax	5	230.19
Indirect Tax	18	4374.50
Promoter		
Direct Tax	123(1)	37,628.50(2)
Indirect Tax	249	6,265.6(2)
Group Companies		
Direct Tax	42	19,230.53
Indirect Tax	48	11,749.34
Directors		
Direct Tax	-	-
Indirect Tax	-	-

(1) *In addition to the above, there are 30 direct tax cases amounting to ₹ 35,607.7 million which are classified as "remote" mainly pertaining to disputed tax matters pending in appeal, which are likely to be settled in ICICI Bank's favour in view of the Supreme Court rulings on identical issues and 8 cases amounting to ₹ 2,277.5 million are mainly pertaining to short credit of taxes paid in direct/indirect tax matters.*

(2) *Amount is net of provisions.*

V. Small scale undertakings or any other creditors

Our Company does not owe small scale undertakings any amounts as of June 30, 2017. Our Company, in its ordinary course of business, has certain amounts aggregating ₹3,764.1 million which are due towards other creditors. As of June 30, 2017, our Company does not owe any amount towards other creditors where dues to each creditor exceeded **₹**188.2 million (being 5% per cent of total dues owed by our Company to the small scale undertakings and other creditors). There are no disputes with such entities in relation to payments to be made to them.

Material Developments

For details of material developments since last balance sheet date, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" from page 324.

GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of material approvals obtained by our Company. In view of these approvals, our Company can undertake this Offer and current business activities. We have also disclosed below approvals under consideration which have been applied for by our Company and approvals that are required but not obtained.

Approval for the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 411.

Incorporation Details of our Company

1. Certificate of incorporation dated October 30, 2000 issued by the RoC to our Company.

2. Certificate for commencement of business dated January 11, 2001 issued by the RoC to our Company.

Business Related Approvals of our Company

Our Company requires various approvals for carrying on our business in India. The approvals that we require include the following:

(a) **Regulatory approvals**

1. Certificate of registration to undertake general insurance business in India, dated August 3, 2001, issued by IRDAI.

2. Letter dated November 8, 2005 by IRDAI to approve transfer of 28.6 million Equity Shares of our Company held by Lombard Canada Ltd. in favour of FAL.

3. Letter dated June 28, 2006 by IRDAI to approve transfer of 31.85 million Equity Shares of our Company held by First Capital Insurance Limited in favour of FAL.

4. Letter dated September 15, 2006 by IRDAI to approve transfer of 6.5 million Equity Shares of our Company held by First Capital Insurance Limited in favour of FAL.

5. Letter dated March 30, 2016 by IRDAI to approve transfer of 9% of paid up equity share capital of our Company pursuant to section 6 A of the Insurance Act in favour of FAL.

6. Letter dated June 27, 2017 by IRDAI (read with letter dated June 30, 2017) to approve transfer of 12.18% of paid up equity share capital of our Company pursuant to section 6 A of the Insurance Act in favour of Red Bloom Investment Ltd, Tamarind Capital Pte. Ltd and IIFL Special Opportunities Fund (represented through its investment manager, IIFL AMC).

7. E-mail dated June 8, 2017 from IRDAI for grant of permission for insurance Self-Network Platform of IRDAI, subject to compliance with the conditions stipulated in the guidelines on insurance e-commerce.

8. Certificate of registration as telemarketer for undertaking telemarketing activity at specified locations in India, dated January 29, 2016, issued by Telecom Regulatory Authority of India.

(b) **Product related approvals of our Company**

We provide various products and services which are spread across motor insurance, health insurance, home insurance, specialty lines insurance, property insurance, marine insurance, mass health insurance and crop insurance. The details of the approvals received from IRDAI for the products currently offered by us are provided below:

Sr. No.	Name of the product	Date of Approval
1.	Aviation insurance	November 21, 2006
2.	Credit insurance	June 2, 2011
3.	Boiler and pressure plant insurance	November 21, 2006
4.	Electronic equipment insurance	October 17, 2007
5.	Machinery breakdown insurance policy	October 17, 2007
6.	Contractors all risks insurance	October 17, 2007
7.	Contractors plant and machinery insurance	October 17, 2007
8.	Erection all risks insurance	October 17, 2007
9.	Machinery loss of profits insurance	November 25, 2006

Sr. No.	Name of the product	Date of Approval
10.	Civil engineering completed risks (CECR)	June 23, 2004
11.	Deterioration of stocks	November 21, 2006
12.	Contractor's plant and machinery insurance (first loss basis)	November 25, 2006
13.	Erection / construction all risk advance loss of profit insurance	November 25, 2006
14.	Standard fire and special perils insurance	October 17, 2007
15.	Consequential loss (fire) insurance	October 23, 2007
16.	Industrial all risks insurance	October 17, 2007
17.	Mega risk insurance	November 17, 2006
18.	Standard fire and special perils insurance (petrochemical)	October 17, 2007
19.	Business guard	February 22, 2017
20.	Group health insurance	March 28, 2002
21.	Group health (floater) insurance	March 28, 2002
22.	Critical illness	March 17, 2003
23.	Secure mind	May 26, 2006
24.	Group secure mind policy	July 2, 2007
25.	Health care plus policy	September 10, 2008
26.	Home insurance policy	June 27, 2002
27.	Home insurance gold plan	May 6, 2004
28.	Public liability insurance (under Public Liability Insurance Act, 1991)	September 4, 2001
29.	Public liability insurance (industrial risks)	September 4, 2001
30.	Public liability insurance (non-industrial risks)	September 4, 2001
31.	Product liability insurance policy	October 30, 2002
32.	Professional indemnity policy for doctors and medical practitioners	October 30, 2002
33.	Professional indemnity policy for medical establishments	March 6, 2003
34.	Professional indemnity policy for consulting engineers, architecture and interior decorators	November 22, 2002
35.	Professional indemnity policy for chartered accountants / management / consultants / lawyers / advocates / solicitors / counsels	November 22, 2002
36.	Comprehensive general liability policy	April 30, 2003
37.	Kidnap and ransom liability insurance	November 21, 2006
38.	Clinical trials liability insurance	November 21, 2006
39.	Directors and officer liability insurance	November 21, 2006
40.	Product recall guarantee and financial loss liability insurance	November 25, 2006
41.	Professional indemnity (technology) insurance	November 27, 2006
42.	Carrier's legal liability insurance	November30, 2006
43.	Total recall contamination (brand protection) liability insurance	November 30, 2006
44.	Transport intermediaries package cover	January 5, 2007
45.	Premises pollution liability insurance	March 31, 2010
46.	Public offering of security liability insurance	December 6, 2006
47.	Employee dishonesty liability insurance	December 12, 2006
48.	Professional indemnity (consultants) insurance	December 12, 2006
49.	Marine transit insurance (inland)	September 4, 2001
50.	Marine export-import insurance	March 28, 2002
51.	Tea insurance package policy	May 17, 2004
52.	Marine hull insurance	April 8, 2005
53.	Port package insurance	November 27, 2006
54.	Marine hull loss of earnings / hire insurance	November 27, 2006
55.	Delay in startup (marine) insurance	November 27, 2006
56.	Protection and indemnity insurance	November 27, 2006
57.	Energy package insurance	November 27, 2006
58.	Amusement park insurance package policy	December 13, 2007

Sr. No.	Name of the product	Date of Approval
59.	Religious institution package policy	December 23, 2008
60.	All risk insurance	September 4, 2001
61.	Burglary insurance	September 4, 2001
62.	Fidelity guarantee insurance	September 4, 2001
63.	Money insurance	September 4, 2001
64.	Merchants cover III insurance policy	July 1, 2002
65.	Corporate cover II insurance policy	July 1, 2002
66.	Baggage group insurance policy	March 6, 2003
67.	Plate glass insurance policy	September 16, 2002
68.	Credit / debit / ATM card package insurance policy	August 5, 2004
69.	Banker's indemnity insurance policy	May 29, 2006
70.	Jeweler's block insurance policy	April 28, 2006
71.	Event insurance policy	April 29, 2003
72.	Windmill package insurance	November 9, 2004
73.	Extended warranty insurance (miscellaneous)	July 23, 2012
74.	Special mobile equipment insurance	November 21, 2006
75.	Plantation insurance	November 21, 2006
76.	Cellular network insurance	November 27, 2006
77.	Art Insurance	November 27, 2006
78.	Agents fidelity guarantee insurance	November 25, 2006
79.	Residual value insurance	April16, 2007
80.	Hotel corporate cover	July 31, 2007
81.	Pharma guard	September 3, 2007
82.	Autoguard Policy	September 3, 2007
83.	Enterprise secure package policy	December 13, 2007
84.	Educational institutions package policy	December 13, 2007
85.	Malls / multiplex comprehensive insurance policy	December 13, 2007
86.	Medical establishments comprehensive insurance policy	December 13, 2007
87.	Automobile trade secure policy	December 13, 2007
88.	Petrol station package policy	December 13, 2007
89.	Employment practices liability insurance	December 6, 2006
90.	Financial services / institutions professional indemnity insurance	December 6, 2006
91.	ICICI Lombard complete health insurance	May 16, 2011
92.	Comprehensive home insurance policy	March 28, 2012
93.	Rashtriya swasthya bima yojana	March 5, 2013
94.	Health booster	March 3, 2016
95.	Modified national agriculture insurance scheme (MNAIS)	July 11, 2011
96.	Wallet insurance	November 15, 2011
97.	Hospital cash	December 6, 2004
98.	International travel insurance	July 11, 2012
99.	Extended warranty insurance	November 21, 2006
100.	Commercial Political risk insurance	December 6, 2006
101.	Livestock insurance	December 4, 2007
102.	Comprehensive insurance (private car) "B" policy	September 19, 2001
103.	Act Liability insurance (Goods Carrying Policy) "A" Policy	September 19, 2001
104.	Act Liability insurance (Miscellaneous) "A" Policy	September 19, 2001
105.	Act Liability insurance (Motor Cycle/Scooter Comprehensive Policy) "A" Policy	September 19, 2001
106.	Act Liability insurance (Passenger Carrying) "A" Policy	September 19, 2001
107.	Act Only Motor trade "A"policy (road risks)	September 19, 2001
108.	Act liability insurance (private car) "A" policy	September 19, 2001
109.	Commercial vehicle "B" policy -goods carrying	April 9, 2002
110.	Commercial vehicle "B" policy - Trailer	April 9, 2002
111.	Comprehensive policy "B" agricultural tractor insurance	April 15, 2002
112.	Commercial vehicle "B" policy – passenger carrying	April 9, 2002

Sr. No.	Name of the product	Date of Approval
	policy	
113.	Comprehensive insurance (motor cycle / scooter) "B" policy	April 9, 2002
114.	Motor trade "B" policy (road risks)	April 9, 2002
115.	Motor trade "B" policy (internal risks)	April 9, 2002
116.	Commercial vehicle "B" policy -miscellaneous	April 9, 2002
117.	Motor extended warranty insurance policy	April 21, 2008
118.	Commercial vehicle extended warranty insurance	September 7, 2009
119.	Comprehensive Insurance (Two wheeler) "B" Policy: Extension of policy Tenure	January 20, 2015
120.	Standalone third party long term Two Wheeler Insurance Policy	September 12, 2014
121.	Group personal accident insurance	September 4, 2001
122.	Personal care Insurance Policy	July 1, 2002
123.	Janata personal accident policy	March 15, 2002
124.	Personal protect policy	May 5, 2008
125.	Pradhan Mantri Suraksha Bima Yojana	June 12, 2015
126.	Weather insurance	May 8, 2007
127.	Cattle insurance policy	November 1, 2004
128.	Agricultural pump set insurance	March 15, 2002
129.	Inland fish insurance	October 10, 2008
130.	Farmers package policy	January 12, 2009
131.	Crop insurance	June 4, 2010
132.	Sericulture insurance	March 31, 2010
133.	Pradhan mantri fasal bima yojana (PMFBY)	November 4, 2016
134.	Overseas group travel insurance	February 13, 2008
135.	Pravasi bharatiya bima yojana	April 1, 2008
136.	Globetrotter – overseas individual student insurance policy	August 13, 2003
137.	Domestic travel insurance policy	October 28, 2003
138.	Globetrotter – overseas group travel insurance policy	March 12, 2003
139.	Optional travel insurance for e-ticket passengers of IRCTC	November 30, 2016
140.	Employer's liability / workmen's compensation insurance	February 16, 2007

(c) **Branch related approvals of our Company**

Our Company has 246 branches all over India and two temporary branches, which have been approved by the IRDAI.

(d) **Other Approvals**

1. Registration certificates issued by the Assistant Labour Commissioner to our Company under the Contract Labour (Regulation and Abolition) Act, 1970.

2. Shops and Establishments certificate issued under relevant laws of the state where our Company is established.

3. Registration certificate issued by the Employee Provident Fund Organization.

4. Registration certificates issued under the Employees State Insurance Corporation Act.

5. Our Company has obtained various tax related registrations and approvals including those relating to permanent account number, tax deduction account number and service tax registration number. Our Company also maintains registration for Goods and Services Tax in the states wherever applicable, as per applicable laws.

Applications made by our Company and currently being considered by the IRDAI

Product related approvals

Sr. No.	Name of Product	Date on which approval applied for
1.	Cyber Liability Insurance	July 11, 2017
2.	Special Contingency (Solar Panel Warranty)	July 21, 2017

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board of Directors and our Shareholders have approved the Offer pursuant to the resolutions dated June 5, 2017 and July 10, 2017, respectively.

ICICI Bank has approved its participation in the Offer pursuant to a resolution passed by its board of directors dated June 5, 2017 read with letters dated June 5, 2017 and July 13, 2017 issued by ICICI Bank.

FAL has approved its participation in the Offer pursuant to a resolution passed by its board of directors dated June 5, 2017 read with letter dated June 5, 2017 issued by FAL.

Our Company received the in-principle approval dated June 28, 2017 from IRDAI to undertake a public offer in accordance with the provisions of the SEBI Regulations, under the provisions of the IRDAI Issuance of Capital Regulations. This approval is subject to certain conditions as set out below and our Company's compliance with such conditions:

1. Our Company to provide prescribed confirmations from concurrent auditor, appointed actuary and custodian: Complied with.

2. ICICI Bank and FAL to divest up to 9.93% and up to 11.99% of their respective shareholding in our Company: Noted for compliance. ICICI Bank and FAL shall divest up to such number of Equity Shares as stated in the application submitted to IRDAI, i.e. up to 31,761,478 Equity Shares and up to 54,485,709 Equity Shares, respectively.

3. Maximum subscription that may be allotted to any class of foreign investors shall be in accordance with (a) the Foreign Investment Rules, (b) Guidelines on 'Indian owned and controlled', and (c) any other statutory / regulatory stipulations prescribed by any other regulator in this regard: Noted for compliance.

4. The Equity Shares, subject to any prior directions on lock-in period issued by IRDAI, shall not be divested: Noted for compliance.

5. The disclosure in the prospectus / offer document shall be in compliance with Schedule I of IRDAI Issuance of Capital Regulations (over and above the disclosure requirements prescribed by SEBI): Complied with and noted for compliance.

6. The Articles of Association shall be amended so as to explicitly state that no transfer beyond the limits specified in Section 6A of the Insurance Act shall be registered without prior approval of IRDAI; and any directions, issued by IRDAI in this regard: Complied with.

7. Our Company is required to ensure compliance with the Insurance Act and other applicable circulars, directions and regulations issued thereunder including the Insurance Regulatory and Development Authority of India (Protection of Policyholders' Interests) Regulations, 2017 (the erstwhile IRDA (Protection of Policyholders Interests) Regulations, 2002): Noted for compliance.

IRDAI pursuant to its letter dated August 24, 2017 bearing reference number 147/F&A(NL)/GIL/IPO/01/2017-18/02/76 advised our Company to proceed with the Offer in terms of Regulation 3 of the IRDAI Issuance of Capital Regulations for divesting upto 21.92% of the share capital of the Company (upto 9.93% by ICICI Bank and upto 11.99% by FAL Corporation), subject to the conditions mentioned therein.

Our Company received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated July 27, 2017 and July 28, 2017, respectively.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoter, our Directors, our Promoter Group, our Group Companies, the directors of the Promoter and the Selling Shareholders have not been prohibited or debarred from accessing or operating in capital markets under any orders of or directions made by SEBI or any other authorities.

The companies, with which our Promoter or Directors are or were associated as promoter, directors or persons in control have not been prohibited or debarred from accessing capital markets under any order or direction passed by SEBI or any other regulatory authority.

Other than Chanda Deepak Kochhar, Kannan Narayanan Srinivasa, Ved Prakash Chaturvedi, Suresh Muthukrishna Kumar, Ashvin Dhirajlal Parekh and Uday Madhav Chitale, none of our Directors are associated with the securities market. For further details in relation to action taken by SEBI against the entities operating in the securities market with which these Directors are associated, see "Outstanding Litigation and Material Developments – Action initiated by SEBI against the entities operating in the Securities Market with which Directors are associated" on page 401.

Prohibition with respect to Wilful Defaulters

Neither our Company, nor our Promoter, Directors, Group Companies, or the Selling Shareholders have been identified as Wilful Defaulters.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the Regulation 26(1) of the SEBI Regulations as explained below:

- Our Company has had net tangible assets of at least ₹ 30.0 million in each of the preceding three full years (of 12 months each). As the Offer is being made entirely through an offer for sale, the limit of not more than 50% of net tangible assets being monetary assets, is not applicable;

- Our Company has a minimum average pre-tax operating profit of ₹150.0 million calculated on a restated consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹10.0 million in each of the preceding three full years (of 12 months each);

- The aggregate size of the proposed Offer and all previous issues made in the same Fiscal is not expected to exceed five times the pre-Offer net worth as per the audited balance sheet of our Company for the year ended March 31, 2017; and

- Our Company has not changed its name within the last one year.

Our Company's pre-tax operating profit, as restated, net worth and net tangible assets derived from the Restated Financial Statements included in this Red Herring Prospectus as at, and for the last five years ended March 31 are set forth below:

(*In ₹ million, unless otherwise stated*)

Particulars	Fiscal ended March 31, 2017	Fiscal ended March 31, 2016	Fiscal ended March 31, 2015	Fiscal ended March 31, 2014	Fiscal ended March 31, 2013
Net tangible assets	36,510.2	31,658.1	28,104.5	23,193.6	16,921.3
Pre-tax Operating Profit	8,801.2	7,048.0	7,047.3	5,334.4	3,513.7
Net Worth	37,250.6	32,354.8	28,852.6	23,933.2	17,692.7

Notes:

a. *'Net Worth' represents the shareholders' funds and is computed as sum of share capital and reserves including share premium net of debit balance in profit and loss account, if any. However, share application money and fair value change account is excluded from the same.*

b. *'Net Tangible Assets' means the sum of all assets of the issuer less all liabilities except share capital and free reserves, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India. For the purpose of Net Tangible Assets, fair value change account and share application money pending allotment is considered as part of liabilities.*

c. *'Pre – tax' Operating Profits' means profit before tax as restated.*

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application monies shall be refunded forthwith.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI Regulations, to the extent applicable.

Each of the Selling Shareholders has severally confirmed that it has held the Equity Shares proposed to be offered and sold by it in the Offer for Sale for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS, DSP MERRILL LYNCH LIMITED, ICICI SECURITIES LIMITED AND IIFL HOLDINGS LIMITED AND THE BOOK RUNNING LEAD MANAGERS, CLSA INDIA PRIVATE LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND JM FINANCIAL INSTITUTIONAL SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN

CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND EACH SELLING SHAREHOLDER WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF OR FOR THE EQUITY SHARES OFFERED BY THEM BY WAY OF THE OFFER FOR SALE, THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS AND BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GLOBAL CO-ORDINATORS AND BOOK RUNNING LEAD MANAGERS AND BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 14, 2017 WHICH READS AS FOLLOWS:

WE, THE GLOBAL CO-ORDINATORS AND THE BOOK RUNNING LEAD MANAGERS AND THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE OFFER;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:**

   (A) **THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**

   (B) **ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   (C) **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 TO THE EXTENT NOT REPLACED BY THE COMPANIES ACT, 2013, THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID. <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - <u>NOTED FOR COMPLIANCE</u>**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. – <u>COMPLIED WITH AND NOTED FOR COMPLIANCE</u>.**

7. **WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. <u>NOT APPLICABLE</u>**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY. <u>NOT APPLICABLE.</u>**

AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. <u>COMPLIED WITH</u>.

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS WILL BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. - <u>NOTED FOR COMPLIANCE.</u>**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. <u>NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.</u>**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**

12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS: <u>COMPLIED WITH</u>**

(A) **AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

(B) **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI REGULATIONS WHILE MAKING THE OFFER. – <u>NOTED FOR COMPLIANCE</u>**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTER'S EXPERIENCE, ETC. <u>COMPLIED WITH</u>**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. <u>COMPLIED WITH</u>**

16. **WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE OFFER)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR. COMPLIED WITH**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, AS PER THE ACCOUNTING STANDARD 18 AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS**.

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1)(A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI REGULATIONS (IF APPLICABLE) - NOT APPLICABLE.**

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up, at any point of time, with the GCBRLMs and the BRLMs any irregularities or lapses in the Draft Red Herring Prospectus, this Red Herring Prospectus, and the Prospectus.

The filing of this Red Herring Prospectus does not absolve either of the Selling Shareholders from any liabilities to the extent of the statements made specifically by it in respect of the Equity Shares offered by such Selling Shareholders, as part of the Offer for Sale, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

Caution - Disclaimer from our Company, the Selling Shareholders, the GCBRLMs and the BRLMs

Our Company, our Directors, our Promoter, the Selling Shareholders, the GCBRLMs and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance. Anyone placing reliance on any other source of information, including on our Company's website www.icicilombard.com or the respective websites of our Promoter, Promoter Group or Group Companies, would be doing so at his or her own risk.

Each of the Selling Shareholders, its directors, affiliates (other than our Company), associates and officers accept/ undertake no responsibility for any statements made other than those made by such Selling Shareholder specifically in relation to itself and to the Equity Shares offered by it, by way of the Offer for Sale.

The GCBRLMs and BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information, to the extent required in relation to the Offer, shall be made available by our Company, the Selling Shareholders, the GCBRLMs and the BRLMs to the public and investors at large, and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/ hardware system or otherwise.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

Our existing customers and corporate agents may include certain GCBRLMs and BRLMs or their affiliates. In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI Regulations, I-Sec and IIFL will be involved only in marketing of the Offer. Each of the GCBRLMs and the BRLMs and their respective associates and affiliates, in its capacity as principal or agent, is and may in the future be involved in a wide range of commercial banking and investment banking activities globally (including investment advisory, asset management, research, securities issuance, trading (customer and proprietary) and brokerage). Certain of the GCBRLMs and the BRLMs and/or their respective associates and affiliates has engaged, and may in the future engage, in transactions with, and has performed, and may in the future perform, services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or any third parties in the ordinary course of their commercial banking and investment banking activities, for which they have received, and may in the future receive, compensation. In addition, in the ordinary course of their commercial banking and investment banking activities, the GCBRLMs and the BRLMs, and their respective associates and affiliates may at any time hold long or short positions, and may trade or otherwise effect transactions, for their own account or the accounts of their customers, in debt or equity securities (or related derivative instruments) or senior loans of our Company, the Selling Shareholders and/or any of their respective group companies, affiliates or associates or any third parties. As used herein, the term 'affiliate' means any person or entity that controls or is controlled by or is under common control with another person or entity.

Price information of past issues handled by the GCBRLMs and the BRLMs

A. *DSPML*

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on listing date[3]	% Change in closing price, (% change in closing benchmark) - 30th calendar day from listing [(4) (5) (6)]	% Change in closing price, (% change in closing benchmark) - 90th calendar day from listing [(4) (5) (7)]	% Change in closing price, (% change in closing benchmark) - 180th calendar day from listing [(4) (5) (8)]
1.	PNB Housing Finance Limited[(1)]	30,000.00	775.00	November 7, 2016	860.00	+11.70% [-4.16%]	+26.92% [3.58%]	+70.50% [9.28%]
2.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60% [+0.54%]	-11.54% [-6.50%]	+12.31% [+5.28%]
3.	L&T Technology Services Limited	8,944.00	860.00	September 23, 2016	920.00	-1.09% [-1.39%]	-8.54% [-8.72%]	-9.55% [3.28%]
4.	Inox Wind Limited [(2)]	10,205.27	325.00	April 9, 2015	400.00	+28.54% [-6.68%]	+42.42% [-3.05%]	+11.20% [-7.51%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details

1. *In PNB Housing Finance Limited, price for eligible employees was* **₹** *700 per equity share*
2. *In Inox Wind Limited, price for retail individual bidders and eligible employees was ₹ 310 per equity share*
3. *Opening price information as disclosed on the website of NSE.*
4. *Benchmark index is CNX Nifty*
5. *In case 30th day, 90th day or 180th day is not a trading day, closing price on NSE of next trading day is considered*
6. *30th listing day has been taken as listing date plus 29 calendar days.*
7. *90th listing day has been taken as listing date plus 89 calendar days.*
8. *180th listing day has been taken as listing date plus 179 calendar days*

Table 2: Summary statement of disclosure

Fiscal	Total number of IPOs(1)	Total amount of funds raised (₹ Mn.)	Number of IPOs trading at discount - 30th calendar day from listing			Number of IPOs trading at premium - 30th calendar day from listing			Number of IPOs trading at discount - 180th calendar day from listing			Number of IPOs trading at premium - 180th calendar day from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	3	99,511.91	-	-	2	-	-	1	-	-	1	1	-	1
2015-2016	1	10,205.27	-	-	-	-	1	-	-	-	-	-	-	1

Source: www.nseindia.com

1. *Based on the day of listing*

B. *I-Sec*

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Advanced Enzyme Technologies Limited	4,114.88	896.00 (1)	August 1, 2016	1,210.00	+56.24%, [+1.24%]	+148.91%, [-0.13%]	+101.14%, [+0.05%]
2.	RBL Bank Limited	12,129.67	225.00	August 31, 2016	274.20	+27.07%, [-2.22%]	+56.98%, [-7.50%]	+107.91%, [+1.26%]
3.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54%, [-6.50%]	+12.31%, [+5.28%]
4.	HPL Electric & Power Limited	3,610.00	202.00	October 4, 2016	190.00	-14.75%, [-2.91%]	-51.19%, [-6.72%]	-37.77%, [+5.34%]
5.	Sheela Foam Limited	5,100.00	730.00	December 9, 2016	860.00	+30.23%, [-0.31%]	+48.39%, [+8.02%]	+86.65%, [+16.65%]
6.	Music Broadcast Limited	4,885.29	333.00	March 17, 2017	413.00	+4.58%, [-0.23%]	+4.19%, [+5.00%]	-
7.	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	+145.08%, [-0.20%]	+166.35%, [+5.88%]	-
8.	Housing and Urban	12,095.70	60.00(2)	May 19, 2017	73.00	+13.17%, [+2.44%]	+34.67%, [+4.98%]	-

Sr. No.	Issue Name	Issue Size (₹ mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
	Development Corporation Limited							
9.	AU Small Finance Bank Limited	19,125.14	358.00	July 10, 2017	530.00	+58.76%, [+2.12%]	-	-
10.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.80	-	-	-

(1) Discount of ₹86 per equity share offered to eligible employees. All calculations are based on issue price of ₹ 896.00 per equity share.

(2) Discount of ₹2 per equity share offered to retail investors and to eligible employees. All calculations are based on issue price of ₹60.00 per equity share.

Notes:

1. All data sourced from www.nseindia.com.
2. Benchmark index considered is NIFTY.
3. 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day.

Table 2: Summary statement of disclosure

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18	3	39,016.64	1	-	1	-	-	-	-	-	-	-	-	-
2016-17	12	160,855.45	-	-	3	4	4	1	-	1	1	6	2	-
2015-16	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-

C. ***IIFL***

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on listing date (₹)	% Change in closing price, (% change in closing benchmark) - 30th calendar day from listing	% Change in closing price, (% change in closing benchmark) - 90th calendar day from listing	% Change in closing price, (% change in closing benchmark) - 180th calendar day from listing
1.	Manpasand Beverages Limited	4,000.00	320.00	July 9, 2015	300.00	+23.2%, [+2.4%]	+31.5%, [-2.2%]	+58.6%, [-6.9%]
2.	Power Mech Projects Limited	2,732.16	640.00	August 26, 2015	600.00	-9.4%, [-0.2%]	-2.8%, [-0.6%]	-10.6%, [-8.2%]
3.	Precision Camshafts Limited	4,101.90	186.00	February 8, 2016	165.00	-15.0%, [+0.6%]	-20.8%, [+3.3%]	-20.1%, [+15.9%]
4.	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.9%, [+3.3%]	-17.4%, [+7.0%]	-1.3%, [+14.8%]
5.	Ujjivan Financial Services Limited	8,824.96	210.00	May 10, 2016	231.90	+74.1%, [+4.3%]	+115.4%, [+10.7%]	+98.3%, [+7.2%]
6.	Quess Corp Limited	4,000.00	317.00	July 12, 2016	500.00	+67.9%, [+1.5%]	+94.6%, [+2.8%]	+110.8%, [-2.6%]
7.	Dilip Buildcon Limited	6,539.77	219.00	August 11, 2016	240.00	+5.1%, [3.4%]	-3.9%, [-1.7%]	+20.3%, [+2.3%]
8.	RBL Bank Limited	12,129.67	225.00	August 31, 2016	274.20	+29.4%, [-1.5%]	59.8%, [-6.9%]	+107.9%, [+1.7%]
9.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.6%, [-1.2%]	-11.6%, [-8.1%]	+11.3%, [+4.1%]
10.	Security and Intelligence Services (India) Limited	7,795.80	815.00	August 10, 2017	879.00	*NA*	*NA*	*NA*

Source: *www. nseindia.com*

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 30, 90 and 180 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. % change taken against closing CNX NIFTY Index a day prior to the listing date. NA means Not Applicable

Table 2: Summary statement of disclosure

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	1	7,795.80	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	5	92,062.31	-	-	1	2	1	1	-	-	-	3	1	1
2015-2016	4	17,330.46	-	-	3	-	-	1	-	-	3	1	-	-
2014-2015	NA	NA	-	-	-	-	-	-	-	-	-	-	-	-

Note: Data for number of initial public offers trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

D. *CLSA*

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark[1]] - 30th calendar days from listing [(2), (3)]	+/- % change in closing price, [+/- % change in closing benchmark[1]] - 90th calendar days from listing [(2), (3)]	+/- % change in closing price, [+/- % change in closing benchmark[1]] - 180th calendar days from listing [(2), (3)]
1.	Varun Beverages Limited[2]	11,125.00	445.00	November 8, 2016	430.00	-7.72%, [-5.17%]	-9.36%, [3.01%]	10.60%, [9.02%]
2.	ICICI Prudential Life Insurance Company Limited[2]	60,567.91	334.00	September 29, 2016	330.00	-7.60%, [+0.54%]	-11.54%, [-6.50%]	12.31%, [5.28%]

Source: www.nseindia.com

Notes:

1. *The CNX NIFTY is considered as the Benchmark Index.*
2. *Price on NSE is considered for all of the above calculations.*
3. *In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.*

Table 2: Summary statement of disclosure

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2016-2017	2	71,692.91	-	-	2	-	-	-	-	-	-	-	-	2
2015-2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: For 2017-18, the information is as on the date of this Red Herring Prospectus.

E. ***Edelweiss***

Table 1: Price information of past issues handled

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Cochin Shipyard Limited	14,429.30.	432.00^	August 11, 2017	440.15	Not applicable	Not applicable	Not applicable
2	Central Depository Services (India)	5,239.91	149.00	June 30, 2017	250.00	127.92%; [5.84%]	Not applicable	Not applicable

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
	Limited							
3	Tejas Networks Limited	7,766.88	257.00	June 27, 2017	257.00	28.04%; [5.35%]	Not applicable	Not applicable
4	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	145.08%; [-0.20%]	166.35% [5.88%]	Not applicable
5	BSE Limited	12,434.32	806.00	February 3, 2017	1,085.00	17.52%; [2.55%]	24.41%; [6.53%]	34.43% [15.72%]
6	Sheela Foam Limited	5,100.00	730.00	December 9, 2016	860.00	30.23%; [-0.31%]	48.39% [8.02%]	86.65% [16.65%]
7	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60%; [0.54%]	11.54%;[-6.50%]	12.31%; [5.28%]
8	Thyrocare Technologies Limited	4,792.14	446.00	May 9, 2016	665.00	36.85%; [5.09%]	22.57%;[10.75%]	39.09%;[7.22%]
9	Equitas Holdings Limited	21,766.85	110.00	April 21, 2016	145.10	34.64%;[-2.05%]	57.91%;[7.79%]	63.77%;[7.69%]
10	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.30%;[1.45%]	-19.98%;[4.65%]	-1.28%;[12.77%]

Source: www.nseindia.com

@ *Cochin Shipyard Limited - Discount of ₹21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of ₹432 per equity share.*

Notes

1. *Based on date of listing.*

2. *% of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing.*

3. *day vs closing index on 30th/ 90th / 180th calendar day from listing day.*

4. *Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*

5. *The Nifty 50 index is considered as the benchmark index.*

6. *Not Applicable. – Period not completed*

7. *Disclosure in Table-1 restricted to 10 issues.*

Table 2: Summary statement of disclosure

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-18^	3	27,436.09	-	-	-	1	1	-	-	-	-	-	-	-
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	2	2	1
2015 - 16	7	56,157.83	-	-	3	-	2	2	-	-	4	-	1	2

^*The information is as on the date of this Red Herring Prospectus.*

1. *Based on date of listing.*

2. *Wherever 30th and 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.*

3. *The Nifty 50 index is considered as the Benchmark Index.*

For the financial year 2017-18 – 3 issues have been completed. However, only 2 issues have completed 30 days and no issues have completed 90 days yet.

For the financial year 2016-17 – total 6 issues were completed. However, 5 issues have completed 180 days.

For the financial year 2015-16 total 7 issues were completed. However, disclosure under Table-1 is restricted to latest 10 issues.

F. ***JM Financial***

Table 1: Price information of past issues handled

Sr. No.	Issue Name	Issue Size (₹in millions)	Issue Price (₹)	Listing Date	Opening Price on Listing Date (in ₹) (2)	+/- % change in closing price(3), [+/- % change in closing benchmark](4) - 30th calendar days from listing	+/- % change in closing price(3), [+/- % change in closing benchmark](4) - 90th calendar days from listing	+/- % change in closing price(3), [+/- % change in closing benchmark](4) - 180th calendar days from listing
1.	Cochin Shipyard Limited	14,681.10	432.00	August 11, 2017	440.15	NA	NA	NA
2.	GTPL Hathway Limited	4,848.00	170.00	July 4, 2017	170.00	-10.71%[+4.87%]	NA	NA
3.	S Chand And Company Limited	7,286.00	670.00	May 09, 2017	700.00	-17.37% [+3.72%]	-25.38%[+8.05%]	NA
4.	Avenue Supermarts Limited	18,700.00	299.00	March 21, 2017	600.00	+145.08% [-0.20%]	+167.59% [+5.11%]	NA
5.	PNB Housing Finance Limited	30,000.00	775.00	November 7, 2016	860.00	+11.70% [-4.16%]	+21.28% [+2.87%]	+70.50%[+9.28%]
6.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	-7.60% [+0.54%]	-11.54% [-6.50%]	+12.31% [+5.28%]
7.	L&T Technology Services Limited	8,944.00	860.00	September 23, 2016	920.00	-0.85% [-1.57%]	-8.54% [-8.72%]	-9.55% [+3.28%]
8.	Dilip Buildcon Limited	6,539.80	219.00	August 11, 2016	240.00	+5.11% [+3.20%]	+1.53% [-0.57%]	+22.12% [+2.43%]
9.	Parag Milk Foods Limited	7,505.40	215.00(1)	May 19, 2016	217.50	+17.07% [+4.97%]	+48.67% [+11.04%]	+38.93% [+6.59%]
10.	Thyrocare Technologies Limited	4,792.10	446.00	May 9, 2016	665.00	+36.85% [+5.09%]	+23.48% [+10.39%]	+39.09% [+7.22%]

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details

Notes:

1. *Issue price for anchor investors was ₹227 per equity share and a discount of ₹12 per equity share had been offered to eligible employees and retail individual bidders.*

2. *Opening price information as disclosed on the website of NSE.*

3. *Change in closing price over the issue/offer price as disclosed on NSE.*

4. *Change in closing price over the closing price as on the listing date for benchmark index viz. NIFTY 50.*

5. *In case of reporting dates falling on a trading holiday, values for the trading day immediately preceding the trading holiday have been considered.*

6. *30th calendar day has been taken as listing date plus 29 calendar days; 90th calendar day has been taken as listing date plus 89 calendar days; 180th calendar day has been taken a listing date plus 179 calendar days.*

Table 2: Summary statement of disclosure

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ Mn.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2017-2018	3	26,815.10	-	-	2	-	-	-	-	-	-	-	-	-
2016-2017	7	137,049.21	-	-	2	1	1	3	-	-	1	1	2	2
2015-2016	1	5,081.70	-	-	-	-	-	1	-	-	-	-	-	1

* *The information is as on the date this Red Herring Prospectus.*

Source: www.nseindia.com

Track record of past issues handled by the GCBRLMs and BRLMs

For details regarding the track record of the GCBRLMs and BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, see the websites of the GCBRLMs and BRLMs, as set out in the table below:

Sr. No.	Name of the GCBRLMs and BRLMs	Website
1.	DSPML	http://www.ml-india.com/
2.	I-Sec	http://www.icicisecurities.com
3.	IIFL	www.iiflcap.com
4.	CLSA	www.india.clsa.com
5.	Edelweiss	https://www.edelweissfin.com
6.	JM Financial	www.jmfl.com

Disclaimer in respect of Jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, insurance companies registered with the IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India) and to Eligible NRIs, FPIs and other eligible foreign investors (viz. bilateral and multilateral development financial institution). This Red Herring Prospectus does not, however, constitute an invitation to subscribe to shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus had been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act "Rule 144A") in reliance on the exemption from the registration requirements of the U.S.Securities Act provided by Rule 144A and (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act. Prospective purchasers are hereby notified that the seller of the Equity Shares may be relying on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction except in compliance with the applicable laws or such jurisdiction.

Disclaimer Clause of BSE

BSE Limited ("the Exchange") has given vide its letter dated July 27, 2017, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner-

a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/14252 dated July 28, 2017 permission to the Issuer to use the Exchange's name in this Offer Document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinised this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER CLAUSE OF THE IRDAI

INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA DOES NOT UNDERTAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF OUR COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS CONNECTION.

ANY APPROVAL BY THE IRDAI UNDER THE IRDAI ISSUANCE OF CAPITAL REGULATIONS SHALL NOT IN ANY MANNER BE DEEMED TO BE OR SERVE AS A VALIDATION OF THE REPRESENTATIONS BY OUR COMPANY IN THE OFFER DOCUMENT.

Filing

A copy of the Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot number C4-A, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of this Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 have been delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai 400 002.

Listing

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. BSE Limited will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company and the Selling Shareholders shall forthwith repay, without interest, all moneys received from the Bidders / Applicants in pursuance of this Red Herring Prospectus / the Prospectus, with respect to the Equity Shares offered by it in the Offer for Sale. If such money is not repaid within the prescribed time after our Company and the Selling Shareholders become liable to repay it, then our Company and every Director of our Company who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest, as disclosed in this Red Herring Prospectus or the Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date. Further, the Selling Shareholders confirm that they shall provide reasonable assistance to our Company, the GCBRLMs and BRLMs, as may be reasonably required and necessary, for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Offer Closing Date. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent such delay has been caused solely by such Selling Shareholder and to the extent of the Equity Shares being offered by the Selling Shareholder in the Offer for Sale.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

Each of the Selling Shareholder confirms that it shall reimburse our Company for any interest payments made by our Company on behalf of such Selling Shareholder in this regard in proportion to the Equity Shares offered by each of them in the Offer.

Consents

Consents in writing of the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal advisors, Banker to our Company, Bankers to the Offer, the GCBRLMs, the BRLMs, the Syndicate Members and the Registrar to the Offer to act in their respective capacities, have been obtained and filed along with a copy of this Red Herring Prospectus with the RoC as required under the Companies Act and such consents have not been withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI Regulations, our Joint Auditors, Chaturvedi & Co, Chartered Accountants and PKF Sridhar & Santhanam LLP, Chartered Accountants have given their written consent to the inclusion of their examination report dated August 24, 2017 on Restated Financial Statements and the statement of tax benefits dated September 1, 2017 included in this Red Herring Prospectus and such consents have not been withdrawn as on the date of this Red Herring Prospectus.

Experts

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Joint Auditors namely, Chaturvedi & Co, Chartered Accountants and PKF Sridhar & Santhanam LLP, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Red Herring Prospectus and as an "expert" defined under Section 2(38) of the Companies Act, 2013 in respect of the examination report of the Joint Auditors dated August 24, 2017 on the Restated Financial Statements, and the statement of tax benefits dated September 1, 2017 included in this Red Herring Prospectus and such consent has not been withdrawn as on the date of this Red Herring Prospectus. As the Equity Shares in the Offer will not be registered under the U.S. Securities Act, any references to the term "expert" herein and the Joint Auditors' consent to be named as "expert" with respect to the Offer are not in the context of a U.S. registered offering of securities.

Offer Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see "Objects of the Offer" on page 115.

The Offer related expenses (other than listing fees which shall be payable by our Company from our Shareholders' account) will be paid by the Selling Shareholders in proportion to the Equity Shares offered by each of them in the Offer.

Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the engagement letter with the GCBRLMs and BRLMs and the Syndicate Agreement. For further details of Offer expenses, see "Objects of the Offer" on page 115.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see "Objects of the Offer" on page 115.

Fees Payable to the Registrar to the Offer

The fees payable by our Company and the Selling Shareholders to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement dated July 13, 2017 entered into, between our Company, the Selling Shareholders and the Registrar to the Offer, a copy of which will be available for inspection at the Registered Office.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as disclosed in "Capital Structure" on page 104, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on previous issues

Since this is the IPO of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Company's inception.

Previous issue during the previous three years by listed Group Companies

None of our Group Companies (except ICICI Bank and ICICI Prudential Life Insurance Company Limited) has its equity shares listed on any stock exchange. Further, ICICI Bank and ICICI Prudential Life Insurance Company Limited have not issued any capital during the preceding three years (other than pursuant to their employee stock option scheme).

During Fiscal 2017, ICICI Prudential Life Insurance Company Limited completed an IPO of 181,341,058 equity shares of face value of ₹ 10 each by way of an offer for sale by ICICI Bank for cash at a price of ₹ 334 per equity share aggregating to ₹ 60,567.91 million. The issue was closed on September 21, 2016. The issued, subscribed and paid-up capital of ICICI Prudential Life Insurance Company Limited immediately after the IPO was ₹ 14,353,240,100.00 (comprising 1,435,324,010 equity shares of face value of ₹ 10 each). As on August 31, 2017, the issued, subscribed and paid-up capital of ICICI Prudential Life Insurance Company Limited was ₹ 14,354,279,600.00 (comprising 1,435,427,960 equity shares of face value of ₹ 10 each) on account of the equity shares issued to employees upon exercise of the employee stock option scheme held by them.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies and associates of our Company

Our Company has not undertaken any previous public or rights issue. Other than ICICI Prudential Life Insurance Company Limited, none of our Group Companies have undertaken any public or rights issue of their equity shares in the last ten years preceding the date of the Draft Red Herring Prospectus. ICICI Prudential Life Insurance Company Limited had undertaken an IPO of its equity shares by way of an offer for sale. Therefore, the entire proceeds of the IPO were transferred to the selling shareholder (i.e. ICICI Bank) and ICICI Prudential Life Insurance Company Limited did not receive any part of the proceeds.

Outstanding Debentures or Bonds

Other than as disclosed in the "Financial Indebtedness" on page 354, there are no outstanding debentures or bonds issued by our Company as of the date of filing this Red Herring Prospectus.

Outstanding Preference Shares or other convertible instruments issued by our Company

Other than employee stock options issued under the existing ESOS Scheme, our Company does not have any outstanding preference shares or other convertible instruments as on date of this Red Herring Prospectus.

Partly Paid-up Shares

Our Company does not have any partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

Stock Market Data of Equity Shares

This being an IPO of our Company, the Equity Shares are not listed on any stock exchange.

Redressal of Investor Grievances

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders dated July 13, 2017 provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Resolutions of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders' Relationship Committee comprising (i) Suresh Muthukrishna Kumar, Independent Director (Chairman), (ii) Kannan Narayanan Srinivasa, Nominee Director, (iii) Bhargav Dasgupta, Managing Director and Chief Executive Officer, and (iv) Sanjeev Radheyshyam Mantri, Executive Director. For details, see "Our Management - Committees of the Board - Stakeholders' Relationship Committee" on page 211.

Our Company has also appointed Vikas Mehra, as the Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

Vikas Mehra
Company Secretary and Compliance Officer
ICICI Lombard House
414, Veer Savarkar Marg
Near Siddhivinayak Temple
Prabhadevi
Mumbai 400 025

Tel: (91 22) 6196 1331

Fax: (91 22) 6196 1323

E-mail: investors@icicilombard.com

Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) under the same management within the meaning of section 370 (1B) of the Companies Act, 1956

ICICI Bank and ICICI Prudential Life Insurance Company Limited have arrangements and mechanisms in place for redressal of investor grievances. For details, see "Our Promoter and Promoter Group" and "Our Group Companies" on pages 219 and 223.

Changes in joint auditors

Except as described below, there has been no change in our Joint Auditors for the last five years:

Name of Auditors	Date of Appointment	Date of Completion of Tenure	Reason for change
PKF Sridhar & Santhanam LLP, Chartered Accountant	July 1, 2016	At the conclusion of twenty-first Annual General Meeting	-
Chaturvedi & Co., Chartered Accountant	June 17, 2013	At the conclusion of eighteenth Annual General Meeting	-
Khandelwal Jain & Co., Chartered Accountant	June 20, 2011	July 1, 2016	Completion of tenure of five years
PKF Sridhar & Santhanam, LLP Chartered Accountant	July 23, 2008	June 17, 2013	Completion of tenure of five years

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

Revaluation of Assets

Except as disclosed in "Financial Statements" from page 233, there has been no revaluation of assets by our Company.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Insurance Act, the IRDA Act and the rules and regulations made thereunder, including the IRDAI Issuance of Capital Regulations, the SEBI Regulations, the SCRA read with the SCRR, the Memorandum of Association and the Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by the SEBI, the Government, the concerned Ministry / Department of Government of India, the Stock Exchanges, the RBI, the RoC, the IRDAI and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the IRDAI, the Government, the concerned Ministry / Department of Government of India, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Offer.

Offer for Sale

All expenses (except for the listing fees to be paid to the Stock Exchanges for listing of the Equity Shares pursuant to the Offer) with respect to the Offer shall be borne by the Selling Shareholders in proportion to the respective Equity Shares offered by each Selling Shareholder in the Offer. Payments (other than such listing fees), if any, made by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be reimbursed by the Selling Shareholders to our Company in proportion to the respective Equity Shares offered by each Selling Shareholder in the Offer.

Ranking of the Equity Shares

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the Insurance Act, the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares, including the right to receive dividend. The Allottees, upon Allotment, of the Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see "Main Provisions of the Articles of Association" on page 486.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum of Association and the Articles of Association, and provisions of the Listing Regulations. For further details in relation to dividends, see "Dividend Policy" and "Main Provisions of the Articles of Association" on pages 231 and 486, respectively. Section 49 of the Insurance Act states that an insurer for the purpose of declaring and paying any dividend to shareholders is prohibited from utilising directly or indirectly any portion of the life insurance fund or any other such equivalent fund, apart from the surplus as represented in the valuation balance sheet submitted to the IRDAI as part of the actuarial abstract.

Face Value, Offer Price, Floor Price and Price Band

The face value of each Equity Share is ₹ 10 per Equity Share and the Offer Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] and the Cap Price is ₹ [●]. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs and will be advertised in all editions of the English national newspaper Financial Express, all editions of the Hindi national newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and such advertisement shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

At any given point of time, there shall be only one denomination of Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by the SEBI and the IRDAI from time to time.

Rights of our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;

- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability of Equity Shares, subject to applicable laws including any rules and regulations prescribed by the IRDAI or the RBI; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Regulations and the Memorandum of Association and the Articles of Association.

In accordance with section 11(2) of the Insurance Act, every insurer shall keep separate accounts relating to funds of shareholders and policy-holders and hence the funds attributed to policy-holders cannot be utilised by shareholders. Further, in accordance with Insurance Regulatory and Development Authority of India (Other Forms of Capital) Regulations, 2015, the claims of preference shareholders and equity shareholders shall be subordinate to the interests of the policyholders, subordinated debt holders and all other creditors.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "Main Provisions of Articles of Association" on page 480.

Option to Receive Securities in Dematerialised Form

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated July 12, 2017 entered into between NSDL, our Company and the Registrar to the Offer; and
- Tripartite agreement dated July 11, 2017, entered into between CDSL, our Company and the Registrar to the Offer.

Market Lot and Trading Lot

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Nomination Facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person to whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee in accordance with Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to register himself or herself as a Shareholder, or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days from the date of such notice, our Board may, thereafter, withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the Bidders require changing of their nomination, they are requested to inform their respective depository participants.

Period of operation of subscription list

See "Offer Structure – Bid / Offer Programme" from page 438.

Minimum Subscription

The requirement of minimum subscription is not applicable to the Offer in accordance with the SEBI Regulations. However, if our Company does not make the minimum Allotment specified under terms of Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company and the Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders shall pay interest prescribed under the applicable law.

Further, our Company and the Selling Shareholders shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI Regulations.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for lock-in of the pre-Offer Equity Share capital of our Company, 40,278,460 Equity Shares held by FAL (constituting 8.9% of our issued and paid-up capital) which are subject to lock-in for a minimum period of five years with effect from March 30, 2016 in accordance with the conditions prescribed by the IRDAI in its letter dated March 30, 2016, the minimum promoter's contribution and the Anchor Investor lock-in of Equity Shares as detailed in "Capital Structure" on page 106 and except as provided in the Insurance Act, the IRDAI Transfer of Equity Shares Regulations and the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details, see "Risk Factors", "Regulations and Policies" and "Main Provisions of the Articles of Association" on pages 62, 186 and 483 respectively.

The Insurance Act requires prior approval from the IRDAI where the nominal value of the shares intended to be transferred by any individual, firm, group, constituents of the group, or body corporate under the same management, jointly or severally exceeds 1% of the paid-up Equity Share capital of our Company. The Insurance Act prohibits any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, unless a prior approval has been obtained by the acquirer from the IRDAI, in this regard. Accordingly, our Company shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Company after the Allotment without such approval.

Additionally, the Listed Indian Insurance Companies Guidelines are applicable to all insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer. The self certification is to be filed with the insurance company and the same shall be considered as deemed approval of IRDAI for the purpose of Section 6A(4)(b)(iii) of the Insurance Act. However, if the person proposing to acquire equity shares is likely to result in (i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or the total voting rights of the insurer, or (ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10%, each such acquisition would require prior approval of the IRDAI. The investors intending to acquire Equity Shares amounting to 1% or more, up to 5%, of the paid up equity share capital of our Company in the Offer would be required to comply with the self-certification criteria as set out in "Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company" on page 441. Additionally, investors intending to acquire Equity Shares in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of the paid up Equity Share capital of our Company or the total voting rights of our Company, or (ii) the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of the paid up Equity Share capital of our Company or the total voting rights of our Company, each such acquisition would require prior approval of the IRDAI. For further details, see "Regulations and Policies", on page 186.

OFFER STRUCTURE

The Offer is a public offer of up to 86,247,187 Equity Shares for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million by way of an offer for sale by the Selling Shareholders. The Offer includes a reservation of up to 4,312,359 Equity Shares for subscription by the ICICI Bank Shareholders under the ICICI Bank Shareholders Reservation Portion for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ [●] million. The Offer will constitute 19.00% of the post-Offer paid-up Equity Share capital of our Company and the Net Offer shall constitute 18.05% of our post-Offer paid-up Equity Share capital.

The Offer is being made through the Book Building Process.

Particulars	QIBs[1]	Non Institutional Investors	Retail Individual Bidders	ICICI Bank Shareholders Reservation Portion
Number of Equity Shares available for Allotment/allocation[2]	Not more than 40,967,413 Equity Shares	Not less than 12,290,225 Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 28,677,190 Equity Shares or Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation	Up to 4,312,359 Equity Shares
Percentage of Offer Size available for Allotment/allocation	Not more than 50% of the Net Offer However at least 5% of the QIB Portion net of the Anchor Investor Portion ("**Net QIB Portion**") shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Net Offer or Net Offer less allocation to QIB Bidders and Non Institutional Investors shall be available for allocation	Up to 5% of the Offer size
Basis of Allotment/ allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion): At least 819,349 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only and 15,567,617 Equity Shares shall be available for allocation on a proportionate basis to all other QIBs, including Mutual Funds receiving allocation as above. Up to 24,580,447 Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	Proportionate, subject to minimum Bid Lot. For details see, "Offer Procedure – Part B – Section 7: Allotment Procedure and Basis of Allotment – Allotment to RIIs" on page 469.	Proportionate, subject to minimum Bid Lot. For details see, "Offer Procedure – Part B – Section 7: Allotment Procedure and Basis of Allotment – Allotment under the ICICI Bank Shareholders Reservation Portion" on page 469.

Particulars	QIBs[(1)]	Non Institutional Investors	Retail Individual Bidders	ICICI Bank Shareholders Reservation Portion
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares so that the Bid Amount does not exceed ₹ 200,000	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of Allotment	Compulsorily in dematerialised form			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of [●] Equity Share			
Trading Lot	One Equity Share			
Who can apply[(3)]	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, multilateral and bilateral development financial institutions, mutual funds registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, FVCIs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250.0 million and pension fund with minimum corpus of ₹ 250.0 million in accordance with applicable law and National Investment Fund set up by the Government, insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and systemically important non-banking financial companies	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, societies and trusts, Category III Foreign Portfolio Investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)	Individuals and HUFs who are equity shareholders of ICICI Bank, (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines and American Depository Receipt holders of ICICI Bank)
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified			

Particulars	QIBs[(1)]	Non Institutional Investors	Retail Individual Bidders	ICICI Bank Shareholders Reservation Portion
	in the ASBA Form at the time of submission of the ASBA Form.[(4)]			

(1) *Our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Offer Procedure" on page* 440.

(2) *Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR. The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.*

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Further, a Bidder Bidding in the ICICI Bank Shareholders Reservation Portion (subject to the Payment Amount being up to ₹200,000) can also Bid under the Net Offer and such Bids will not be treated as multiple Bids. To clarify, an ICICI Bank Shareholder Bidding in the ICICI Bank Shareholders Reservation Portion above ₹ 200,000 would not be allowed to Bid in the Net Offer as such Bids would be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, see "Offer Procedure – Part B - Section 7: Allotment Procedure and Basis of Allotment" from page* 469. *The unsubscribed portion if any, in the ICICI Bank Shareholders Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of under-subscription shall be permitted from the ICICI Bank Shareholders Reservation Portion.*

Under-subscription, if any, in any category (including ICICI Bank Shareholders Reservation Portion) except the QIB Category, would be met with spill-over from the other categories at the discretion of our Company and the Selling Shareholders in consultation with the GCBRLMs and BRLMs and the Designated Stock Exchange.

The Insurance Act prohibits any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, unless a prior approval has been obtained by the insurer from the IRDAI, in this regard. Accordingly, our Company shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Company after the Allotment without such approval.

Additionally, the Listed Indian Insurance Companies Guidelines are applicable to insurance companies whose equity shares are listed on the stock exchanges and to the allotment process pursuant to a public issue. The guidelines, inter alia, propose self-certification of fit and proper criteria by a person intending to acquire equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer. The self certification to be filed with the insurance company and the same shall be considered to be deemed approval of the IRDAI for the purpose of Section 6A(4b)(iii) of the Insurance Act. However, if the person proposing to acquire equity shares is likely to result in (i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or the total voting rights of the insurer, or (ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10%, each such acquisition would require prior approval of the IRDAI. The investors intending to acquire Equity Shares amounting to 1% or more, up to 5%, of the paid up equity share capital of our Company in the Offer would be required to comply with the self-certification criteria as set out in "Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company" on page 441. Additionally, investors intending to acquire in the Offer such that (i) the aggregate holding of such investor, his relatives, associate enterprises and persons acting in concert, would increase to 5% or more of the paid up Equity Share capital of our Company or the total voting rights of our Company, or (ii) the aggregate holding of the investor along with the persons acting in concert, increasing to in excess of 10% of the paid

up Equity Share capital of our Company or the total voting rights of our Company, each such acquisition would require prior approval of the IRDAI. For further details, see "Regulations and Policies", on page 186.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the GCBRLMs and BRLMs, reserve the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company shall issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date, or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The GCBRLMs and BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed.

If our Company and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date and thereafter determine that they will proceed with a fresh issue and/or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/Offer Programme

BID/OFFER OPENS ON	September 15, 2017(1)
BID/OFFER CLOSES ON	September 19, 2017

(1) *Our Company and the Selling Shareholders, may, in consultation with the GCBRLMs and the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI Regulations.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Friday, September 22, 2017
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about Monday, September 25, 2017
Credit of Equity Shares to demat accounts of Allottees	On or about Tuesday, September 26, 2017
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Wednesday, September 27, 2017

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the GCBRLMs or the BRLMs.

While our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Selling Shareholder confirms that it shall extend reasonable co-operation required by our Company, the GCBRLMs and BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date.

Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time)
Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time)

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4.00 p.m. IST in case of Bids by QIBs, Non-Institutional Investors and the ICICI Bank Shareholders bidding under the ICICI Bank Shareholders Reservation Portion, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the GCBRLMs and the BRLMs to the Stock Exchanges.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. IST on the Bid/Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids will be accepted only on Business Days i.e. Monday to Friday (excluding any public/bank holiday). Our Company, the Selling Shareholders and the members of Syndicate are not liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

In case of any discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the bid files received from the Stock Exchanges may be taken as the final data for the purpose of allotment.

Our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20% on either side i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a press release, and also by indicating the change on the websites of the GCBRLMs and the BRLMs and at the terminals of the Syndicate Members.

OFFER PROCEDURE

*All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") included below under "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges, GCBRLMs and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.*

Our Company, the Selling Shareholders, the GCBRLMs and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company and the Selling Shareholders, in consultation with the GCBRLMs and BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI Regulations of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. The Insurance Act prohibits any transfer of Equity Shares in the event the total paid up capital held by the transferee is likely to exceed 5% of the paid up capital after the transfer, unless a prior approval has been obtained by the insurer from the IRDAI, in this regard. Accordingly, our Company shall not Allot Equity Shares pursuant to the Offer to any Bidder in excess of such number of Equity Shares which is likely to result in the total post-Offer paid up capital held by such Bidder to exceed 5% of the paid up capital of our Company after the Allotment without such approval.

Under-subscription, if any, in any category (including ICICI Bank Shareholders Reservation Portion), except in the QIB Category, would be allowed to be met with spill over from any other category or combination of categories, at the discretion of our Company and the Selling Shareholders in consultation with the GCBRLMs and BRLMs and the Designated Stock Exchange. The unsubscribed portion if any, in the ICICI Bank Shareholders Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such undersubscription shall be permitted from the ICICI Bank Shareholders Reservation Portion.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres and the Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the GCBRLMs and the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FPI or FVCIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
ICICI Bank Shareholders Bidding under the ICICI Bank Shareholders Reservation Portion on a non-repatriation basis	Pink
ICICI Bank Shareholders Bidding under the ICICI Bank Shareholders Reservation Portion on a repatriation basis	Pink
Anchor Investors	White

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB or any Escrow Collection Bank.

Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company

If any Bidder makes a Bid for Equity Shares representing 1% or more but less than 5% of the post-Offer paid up equity share capital of our Company, such Bidder will be required to attach a self certification with the Bid cum Application Form, confirming and certifying that such Bidder is a ‘fit and proper person’. To be a ‘fit and proper person’ the Bidder must be:

1. Either:

   a. an intermediary registered (or deemed to be registered) with the Securities and Exchange Board of India (“SEBI”) in terms of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended; or

   b. an entity carrying out business which is regulated in India by the Reserve Bank of India, the SEBI, the Insurance Regulatory and Development Authority of India, the Pension Fund Regulatory and Development Authority or outside India by any financial services, capital markets or banking regulatory authorities including the U.S. Securities and Exchange Commission, the (U.K.) Prudential Regulation Authority, Monetary Authority of Singapore and Hong Kong Monetary Authority; or

   c. a subsidiary of an entity falling under a and b above; or

   d. a sovereign wealth fund or an investment company which is controlled by a sovereign wealth fund, either directly or indirectly; or

   e. a person who or whose affiliates (including the investment companies of such Bidder) is the promoter of a company in the top 100 listed companies in India. The top 100 listed companies will be on the basis of their respective market capitalisation. The market capitalisation shall be the product of the “weighted average number of total shares” of such company and the “volume weighted average market price” of such shares for the preceding quarter. (The terms “weighted average number of total shares” and “volume weighted average market price” have the meaning assigned to them in the SEBI Takeover Regulations. The preceding quarter in relation to the Offer, is the period from April 1, 2017 until June 30, 2017 (inclusive of both days). Additionally, the “volume weighted average market price” will be adjusted for corporate actions such as issuances pursuant to rights issue, bonus issue, stock consolidations, stock splits, payment of extraordinary dividend (50% higher than the dividend per share paid during the preceding three financial years), de-mergers and reduction of capital, where the record date for effecting such corporate actions falls within the preceding quarter).

2. Is eligible to hold, subscribe and deal with the Equity Shares under the applicable laws; and

3. The aggregate of the existing shareholding of the Bidder, if any, and the Equity Shares for which the Bid has been made do not exceed 5% of the post-Offer paid up equity share capital of our Company.

For details relating to the paid up equity share capital of our Company, see “Capital Structure” on page 99.

Bidders submitting Bid for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company should satisfy the 'fit and proper person' criteria as set out hereinabove. Bidder not qualifying the above criteria may submit the self-certification highlighting the 'fit and proper person', as their application, for our consideration. Based on the self-certification submitted by the Bidder, our Company shall determine whether the Bidder is 'fit and proper' to acquire 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company. Failing this, our Company reserves the right to reject any Bid in whole or in part, in either case, without assigning any reason thereof. The aforementioned 'fit and proper person' criteria has been noted by our Board.

Participation by Promoter, Promoter Group, GCBRLMs and BRLMs, Syndicate Members and persons related to them.

The GCBRLMs, BRLMs and Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the GCBRLMs, the BRLMs and the Syndicate Members may Bid for Equity Shares in the Net Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the GCBRLMs, BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The GCBRLMs, BRLMs and any persons related to the GCBRLMs or BRLMs (other than Mutual Funds sponsored by entities related to the GCBRLMs or BRLMs) and our Promoter, Promoter Group and any persons related to our Promoter and Promoter Group cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds (including the asset management companies or custodians of Mutual Funds forming part of the Promoter Group ("**PG Mutual Funds**")) shall be subject to (i) specifically stating the names of the concerned schemes for which such Bids are made, and (ii) the investment in the Equity Shares, if Allotted, being in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. Apart from the above, the Bids by asset management companies or custodians of PG Mutual Funds shall be subject to (i) the Bid Amount being sourced from the money collected under the relevant scheme of the PG Mutual Funds, and (ii) the investment decision being made at the discretion of the asset management companies or custodians of the PG Mutual Funds, in accordance with the terms and conditions of the relevant scheme of such PG Mutual Funds. The Equity Shares Allotted, if any, to the PG Mutual Funds, shall form part of the 'public' shareholding of our Company in accordance with Rule 19(2)(b) of the SCRR.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

Bids by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. The existing individual and aggregate investment limits for an FPI in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively. An increase in the aggregate limit of 24% to 49% (sectoral cap) has been approved by way of a resolution passed by our Board on June 9, 2017 followed by a special resolution passed by our Shareholders on July 10, 2017. In this regard, our Company has filed the necessary intimation dated July 26, 2017 with RBI intimating them about the Company's proposal to increase the aggregate investment limit of FIIs / FPI under the portfolio investment scheme / the foreign portfolio investment scheme from 24% to 49% of the issued and paid-up equity share capital of the Company.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations and circulars issued in this regard, an FPI, other than Category III Foreign Portfolio Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue, subscribe or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms, and (iii) such offshore derivatives investments shall not be issued to or transferred to persons who are resident Indians or NRIs and to entities beneficially owned by residents Indian or NRIs.

An FPI is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to the following conditions:

(a) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and

(b) prior consent of the foreign portfolio investor is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the foreign portfolio investor.

An FPI is required to collect regulatory fee of US $ 1,000 or any other amount, as may be specified by SEBI from time to time, from every subscriber of offshore derivative instruments issued by it and deposit the same with SEBI by way of electronic transfer in the designated bank account of SEBI. FPI is required to deposit this regulatory fee once every three years, provided that for the block of three years beginning April 1, 2017, the FPI shall collect and deposit the regulatory fee within two months from the date of notification of the Securities and Exchange Board of India (Foreign Portfolio Investors) (Fourth Amendment) Regulations, 2017 (i.e. July 20, 2017).

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an IPO.

The category I and II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3 of its corpus by way of subscription to an IPO of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company and the Selling Shareholders reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the IRDAI Investment Regulations, are broadly set forth below:

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of the following: (i) an amount of 10% of the investment assets of a general insurer excluding fair value change of certain investment assets as prescribed under the IRDAI Investment Regulations; and (ii) the amount calculated under (a), (b) and (c) below, as the case may be.

(a) *Limit for the investee company*: The lower of: (i) 10%* of the outstanding equity shares (face value); or (ii) 10% of such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer, or 10% of the approved investments and other investments as permitted under the Insurance Act and the IRDAI Investment Regulations, in case of a general insurer or reinsurer or health insurer, as the case may be;

(b) *Limit for the entire group of the investee company*: Not more than: (i) 15% of such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer, or 15% of the approved investments and other investments as permitted under the Insurance Act and the IRDAI Investment Regulations, in case of a general insurer or reinsurer or health insurer; and

(c) *Limit for the industry sector to which the investee company belongs*: Not more than: (i) 15% of the such funds and reserves as specified under the IRDAI Investment Regulations, in case of a life insurer, or 15% of the approved investments and other investments as permitted under the Insurance Act and the IRDAI Investment Regulations, in case of a general insurer or reinsurer or health insurer.

* *The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.0 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India, systemically important non-banking financial companies or the National Investment Fund and provident funds with a minimum corpus of ₹ 250.0 million (subject to applicable law) and pension funds with a minimum corpus of ₹ 250.0 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form, as the case may be. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders in consultation with the GCBRLMs and the BRLMs in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

Bids by ICICI Bank Shareholders

Bids under the ICICI Bank Shareholders Reservation Portion shall be subject to the following:

1. Only ICICI Bank Shareholders (i.e. Individuals and HUFs who are equity shareholders of ICICI Bank (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines and American Depository Receipt holders) as at the date of this Red Herring Prospectus) would be eligible to apply in this Offer under the ICICI Bank Shareholders Reservation Portion.

2. The sole/ First Bidder shall be an ICICI Bank Shareholder.

3. Only those Bids, which are received at or above the Offer Price, would be considered for allocation under this category.

4. The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter.

5. Bids by ICICI Bank Shareholders in ICICI Bank Shareholders Reservation Portion (subject to the Bid Amount being up to ₹ 200,000) and in the Net Offer portion shall not be treated as multiple Bids. To clarify, an ICICI Bank Shareholder bidding in the ICICI Bank Shareholders Reservation Portion above ₹ 200,000 cannot Bid in the Net Offer as such Bids will be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories. For further details, see "Offer Procedure – Multiple Bids" on page 458.

6. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the ICICI Bank Shareholders to the extent of valid bids.

7. Under-subscription, if any, in any category including the ICICI Bank Shareholders Reservation Portion, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company and the Selling Shareholders, in consultation with the GCBRLMs, the BRLMs and the Designated Stock Exchange.

8. ICICI Bank Shareholders would need to have a valid PAN and their PAN should be updated with the register of shareholders maintained with ICICI Bank. Further, ICICI Bank Shareholders would need to have a valid demat account number and details, as Equity Shares can only be Allotted to ICICI Bank Shareholders having a valid demat account.

If the aggregate demand in this category is greater than [●] Equity Shares the allocation to the ICICI Bank Shareholders Category at or above the Issue Price, then the maximum number of ICICI Bank Shareholders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to ICICI Bank Shareholders by the minimum Bid Lot ("**Maximum ICICI Bank Shareholders Allottees**"). The Allotment to the ICICI Bank Shareholders will then be made in the following manner:

(a) In the event the number of ICICI Bank Shareholders who have submitted valid Bids in the Issue is equal to or less than Maximum ICICI Bank Shareholders Allottees, (i) all such ICICI Bank Shareholders shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the ICICI Bank Shareholders Category shall be Allotted on a proportionate basis to the ICICI Bank Shareholders who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of ICICI Bank Shareholders who have submitted valid Bids in the Issue is more than Maximum ICICI Bank Shareholders Allottees, the ICICI Bank Shareholders (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, the GCBRLMs and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

General Instructions

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form, in the prescribed form;

4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;

6. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);

11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised Acknowledgment Slip;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that the Demographic Details are updated, true and correct in all respects;

14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

15. Ensure that the category and the investor status is indicated;

16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

18. Bidders should note that in case the DP ID, Client ID and PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, matches with the DP ID, Client ID and PAN available in the Depository database;

19. In terms of the Listed Indian Insurance Companies Guidelines, Bidders submitting Bid for Equity Shares representing 1% or more and less than 5% of the post-Offer paid up equity capital of our Company should satisfy the 'fit and proper' criteria set out by our Company, through a self certification process. For details of the 'fit and proper' criteria set out by our Company, see "Offer Procedure - Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company" on page 441;

20. Bidders should note that in the event the acquisition of Equity Shares results in the Bidder holding 5% or more of the post-Offer paid up equity capital of our Company, the approval of the IRDAI in this regard will have to affixed along with the Bid cum Application Form;

21. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid;

22. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form; and

23. Bidders bidding under ICICI Bank Shareholders Reservation Portion should ensure that they have a valid PAN and their PAN is updated with the register of shareholders maintained with ICICI Bank.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not pay the Bid Amount in cheques, demand drafts, by cash, money order, by postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs, Non-Institutional Investors and ICICI Bank Shareholders under the ICICI Bank Shareholders Reservation Portion (subject to the Bid Amount being above ₹ 200,000));

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);

8. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;

9. Do not submit Bid for an amount more than funds available in your ASBA Account;

10. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

11. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

12. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

13. Do not submit more than five Bid cum Application Forms per ASBA Account;

14. Anchor Investors should not bid through the ASBA process; and

15. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Payment into Escrow Account for Anchor Investors

Our Company and the Selling Shareholders in consultation with the GCBRLMs and BRLMs will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident investors: "ICICI Lombard GIC Anchor Investor-R"

(b) In case of Non-Resident investors: "ICICI Lombard GIC Anchor Investor-NR"

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering this Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in all editions of the English national newspaper Financial Express, all editions of the Hindi national newspaper Jansatta, and Mumbai edition of the Marathi newspaper Navshakti, each with wide circulation.

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Undertakings by our Company

Our Company undertakes the following:

- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date will be taken;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;

- Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- intimation of the credit of securities/refund orders to Eligible NRIs shall be despatched within specified time;

- other than Equity Shares issued pursuant to the exercise of options granted under any employee stock option scheme of our Company, no further Issue of the Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in ASBA Account on account of non-listing, under-subscription, etc.; and

- adequate arrangements shall be made to collect all Bid cum Application Forms by Bidders.

Undertakings by each of the Selling Shareholders

The statements and undertakings set out below, in relation to each Selling Shareholder, are statements which are specifically confirmed or undertaken by such Selling Shareholder. All other statements and / or undertakings in the DRHP in relation to any Selling Shareholder shall be statements made by our Company, even if the same relate to such Selling Shareholder. Each of the Selling Shareholders, severally and not jointly, undertake that:

- the Equity Shares offered by it in the Offer have been held by it for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI;

- it shall not have any recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges;

- it shall provide reasonable assistance to our Company and the GCBRLMs and the BRLMs to ensure that the Equity Shares being offered by it in the Offer, shall be transferred to the successful Bidders within the time specified under applicable law; and

- it shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

Utilisation of Offer Proceeds

The Selling Shareholders along with our Company declare that all monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

PART B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the issuer and the issue, and should carefully read this Red Herring Prospectus/Prospectus before investing in the issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in this Red Herring Prospectus ("**RHP**")/Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may see "*Glossary and Abbreviations*".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 ("SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Offers – Fixed Price Offers and Book Built Offers

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the

Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

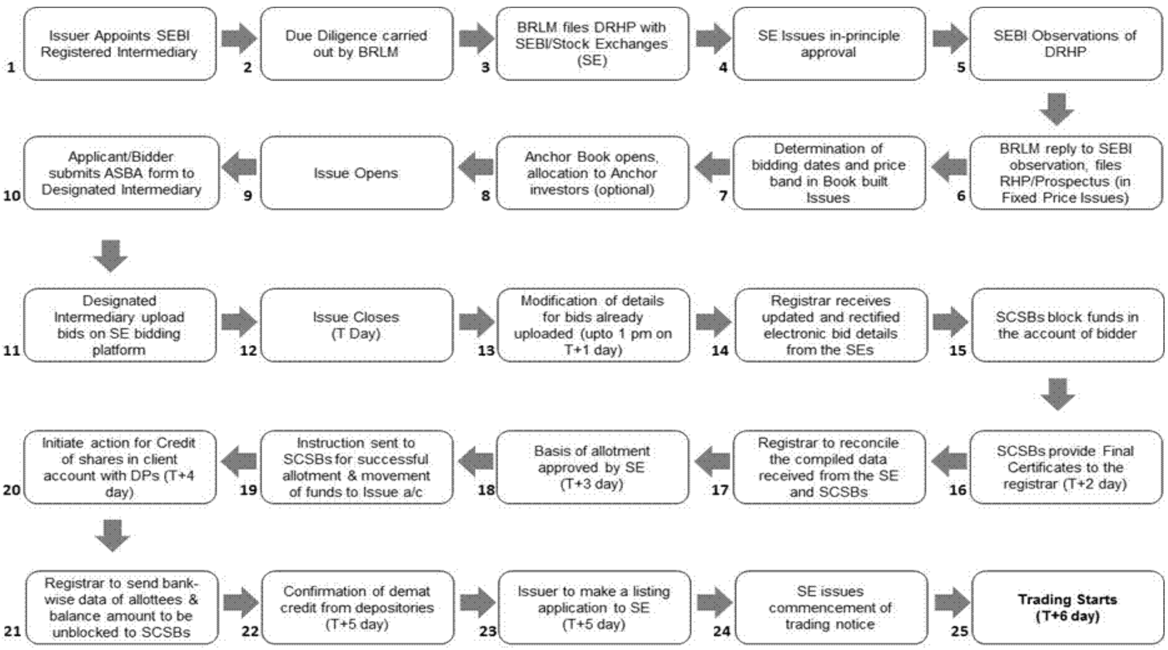
2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

  i. Step 7: Determination of Issue Date and Price

  ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries.



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders/Applicants should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of the Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders/Applicants may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in accordance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below. The samples of the Bid cum Application Form for resident Bidders/Applicants and the Bid cum Application Form for non-resident Bidders/Applicants are reproduced below:

Application Form – For Residents

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R
Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	Bid Price 3 | 2 | 1	Retail Discount 3 | 2 | 1	Net Price 3 | 2 | 1	"Cut-off" (Please ✓ tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

6. INVESTOR STATUS

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS — PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date :	3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

Stamp & Signature of SCSB Branch

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

Application Form – For Non – Residents

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

COMMON BID CUM APPLICATION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR
Address : .... Contact Details: .... CIN No ....

FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE
ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	**ESCROW BANK/SCSB BRANCH STAMP & CODE**
BANK BRANCH SERIAL NO.	**SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

6. INVESTOR STATUS

NRI	Non-Resident Indian(s) (Repatriation basis)
FII	FII or Sub-account not a Corporate/Foreign Individual
FIISA	FII Sub-account Corporate/Individual
FVCI	Foreign Venture Capital Investor
FPI	Foreign Portfolio Investors
OTH	Others (Please Specify)______

4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures): Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 | 7 | 6 | 5 | 4 | 3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	3 | 2 | 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. CATEGORY

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

7. PAYMENT DETAILS PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

8A. SIGNATURE OF SOLE/ FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue	
	1)	
	2)	
Date : ______	3)	

TEAR HERE

LOGO

XYZ LIMITED
INITIAL PUBLIC ISSUE - NR

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

PAN of Sole / First Bidder

DPID / CLID

Amount paid (₹ in figures)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

ASBA Bank A/c No. ______
Bank & Branch ______

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who:*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialised form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective CDP.

4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

(c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to an Issue.

(d) Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders'/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders/Applicants may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders/Applicants may Bid at Floor Price or any price above the Floor Price (For further details Bidders/Applicants may refer to (Section 5.6 (e))

(c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders/Applicants may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder/Applicant may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder/Applicant does not exceed ₹ 200,000.

(b) In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount, if any), then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut-off Price.

(e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 100.0 million. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder/Applicant including QIB Bidder/Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder/Applicant in the Bid cum Application Form may be treated as optional bids from the Bidder/Applicant and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders/Applicants may refer to (Section 5.6 (e)).

4.1.4.2 **Multiple Bids**

(a) Bidder/Applicant should submit only one Bid cum Application Form. Bidder/Applicant shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders/Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders/Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder/Applicant and may be rejected.

ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders/Applicants, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category. To clarify, an ICICI Bank Shareholder Bidding in the ICICI Bank Shareholders Reservation Portion above ₹200,000 cannot Bid in the Net Offer as such Bids will be treated as multiple Bids.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

(d) Multiple Bid cum Application Forms are liable to be rejected in the event (i) an ICICI Bank Shareholder holding multiple demat accounts makes such multiple applications and (ii) an ICICI Bank Shareholder, being first holder of a joint demat account makes such multiple applications individually and jointly

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS/APPLICANTS**

(a) The categories of Bidders/Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders/Applicants may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicant are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicant should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder/Applicant. In case of Bidders/Applicant specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders/Applicant who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.

(c) All Bidders/Applicants (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for Anchor Investors:**

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by RTGS, direct credit or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for ASBA Bidders/Applicants:**

(a) Bidders/Applicants may submit the ASBA Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

(b) Bidders/Applicants must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders/Applicants should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders/Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders/Applicants should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders/Applicants bidding through a Designated Intermediary (other than an SCSB) should note that ASBA Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit ASBA Forms.

(h) Bidders/Applicants bidding directly through the SCSBs should ensure that the ASBA is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.3 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each

Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders/Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(c) The Bidders/Applicants entitled to the applicable Discount in the Issue may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the ASBA Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the ASBA Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder and/or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders/Applicants should ensure that they receive the Acknowledgement Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

(c) Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

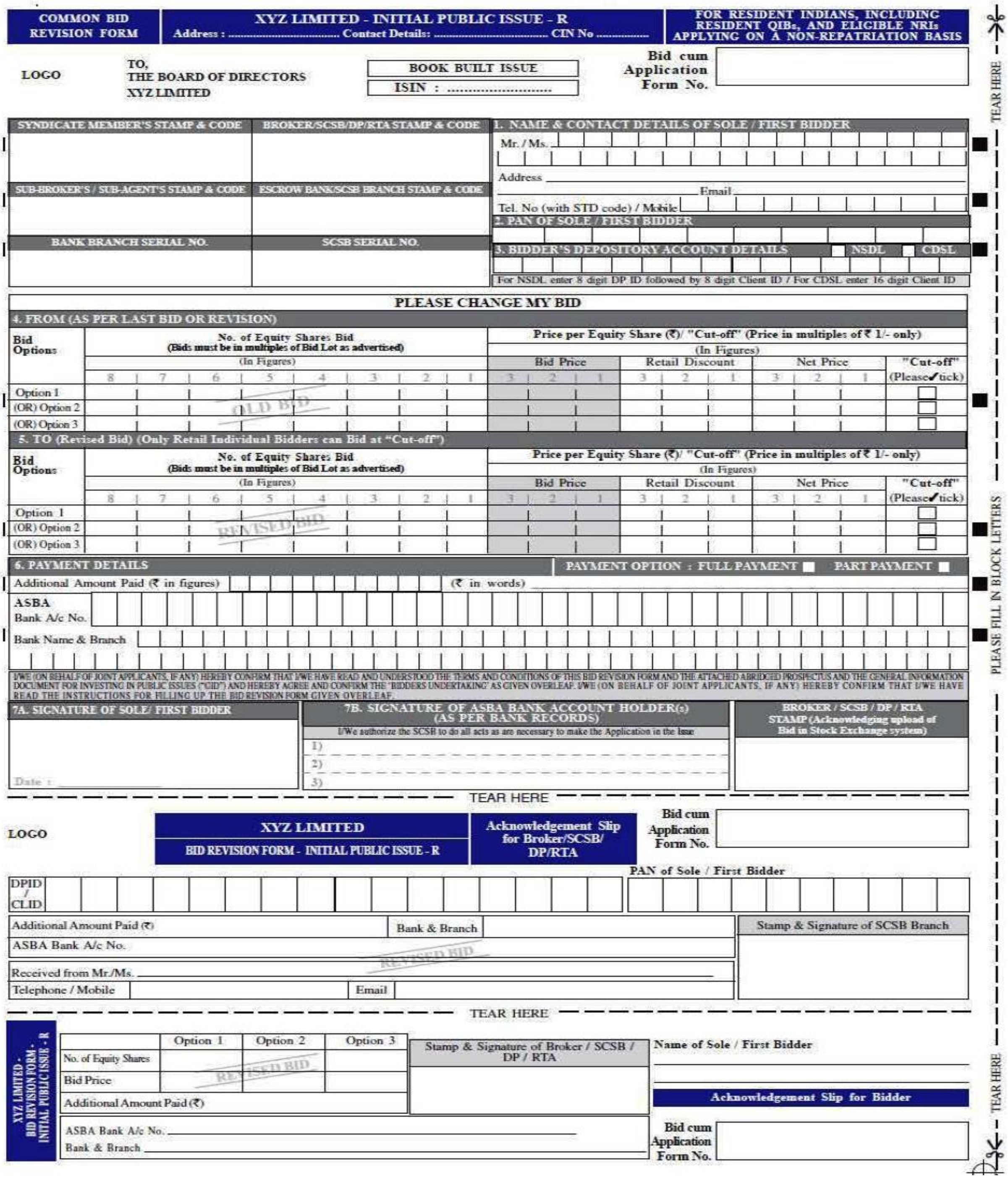
(a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their bids or withdraw their Bids till the Bid/Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:


COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : .... Contact Details: .... CIN No ....

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ....

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures): Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					
(OR) Option 2	OLD BID				
(OR) Option 3					

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures): Bid Price	Retail Discount	Net Price	"Cut-off" (Please ✓ tick)
	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	
Option 1					
(OR) Option 2	REVISED BID				
(OR) Option 3					

6. PAYMENT DETAILS | PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED

BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch | Stamp & Signature of SCSB Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case the Bid Amount exceeds ₹ 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the Allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise blocking of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after finalisation of Basis of Allotment.

4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However, a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Managers may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Bids bearing the same PAN may be treated as multiple applications by a Bidder and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5: CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use ASBA for applying in the Issue.

(b) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraph 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraph 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.2.3.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM

4.4.1 **Bidders may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investor Application Form
ASBA Form	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the CDP at the Designated CDP Location (b) To the Designated Branches of the SCSBs

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorised the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after finalisation of Basis of Allotment. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Bids accepted by the Designated Intermediary,

ii. the Bids uploaded by the Designated Intermediary, and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders/Applicants, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, entities forming part of the Promoter Group, NIIs & RIIs can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

a. Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account supported by guardian as per Demographic Details provided by Depositories);

b. Bids by OCBs;

c. Bids by any entity forming part of the Promoter Group (other than Bids by asset management companies or custodians of Mutual Funds forming part of the Promoter Group subject to conditions disclosed in "Offer Procedure – Part A - Bids by Mutual Funds" on page 442);

d. In case of partnership firms, Bid for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

e. In case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum Application Form;

f. Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

g. Bids by any person outside India if not in compliance with applicable foreign and Indian laws;

h. PAN not mentioned in the Bid cum Application Form, except for Bids by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

i. In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN, including for Bids submitted by ICICI Bank Shareholders*;

j. Bids for lower number of Equity Shares than the minimum specified for that category of investors;

k. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;

l. Bids at Cut-off Price by NIIs and QIBs;

m. The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;

n. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

o. Submission of more than five ASBA Forms as through a single ASBA Account;

p. Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

q. Multiple Bids as defined in this GID and the RHP/Prospectus;

r. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;

s. Where no confirmation is received from SCSB for blocking of funds;

t. Bids by Bidders/Applicants (other than Anchor Investors) not submitted through ASBA process;

u. Bids submitted to Designated Intermediaries at locations other than the Bidding Centres or to the Escrow Collection Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

v. Bids not uploaded on the terminals of the Stock Exchanges;

w. Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form; and

x. Bids uploaded without affixing the approval of the IRDAI to the Bid cum Application Form, in the event the Allotment of Equity Shares by the Bidder results in the Bidder holding 5% or more of the post-Offer paid up equity capital of our Company.

** For applications made under ICICI Bank Shareholder Reservation Portion, applicants/bidders should ensure that they have a valid PAN and the PAN is updated with the register of shareholders maintained with ICICI Bank. For example, in case there is no PAN updated in the register of shareholders maintained with ICICI Bank or the PAN mentioned in the application form does not match with the PAN in the register of shareholders maintained with ICICI Bank, the applications can be rejected.*

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder may refer to the RHP/Prospectus.

(b) Under-subscription in any category (except QIB Category) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

Bidders/Applicants should *note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders/Applicants can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from Bidders/Applicants, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer at various prices and is collated from bids received from various investors.

Bid quantity	Bid amount (₹)	Cumulative quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The issuer, in consultation with the book running lead managers, may finalise the issue price at or below such cut-off price, i.e., at or below ₹ 22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder/Applicant with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder/Applicant is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders/Applicants is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder/Applicant, decide whether a

Bidder/Applicant be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder/Applicant be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("**Maximum RII Allottees**"). The Allotment to the RIIs will then be made in the following manner:

(a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT UNDER THE ICICI BANK SHAREHOLDERS RESERVATION PORTION

Bids received from the ICICI Bank Shareholders at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the ICICI Bank

Shareholders category at or above the Issue Price, full Allotment may be made to the ICICI Bank Shareholders to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the ICICI Bank Shareholders Category at or above the Issue Price, then the maximum number of ICICI Bank Shareholders who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to ICICI Bank Shareholders by the minimum Bid Lot ("Maximum ICICI Bank Shareholders Allottees"). The Allotment to the ICICI Bank Shareholders will then be made in the following manner:

(a) In the event the number of ICICI Bank Shareholders who have submitted valid Bids in the Issue is equal to or less than Maximum ICICI Bank Shareholders Allottees, (i) all such ICICI Bank Shareholders shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the ICICI Bank Shareholders Category shall be Allotted on a proportionate basis to the ICICI Bank Shareholders who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of ICICI Bank Shareholders who have submitted valid Bids in the Issue is more than Maximum ICICI Bank Shareholders Allottees, the ICICI Bank Shareholders (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.4 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.5 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the Selling Shareholders and the BRLMs, subject to compliance with the following requirements:

   i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

   ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

   iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

      - a maximum number of two Anchor Investors for allocation up to ₹ 100.0 million;

      - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100.0 million and up to ₹ 2,500.0 million subject to minimum Allotment of ₹ 50.0 million per such Anchor Investor; and

      - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation more than ₹ 2,500.0 million, and an additional 10 Anchor Investors for every additional ₹ 2,500.0 million or part thereof, subject to minimum Allotment of ₹ 50.0 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹ 100.0 million in the Issue.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Issue Price is higher than the Anchor Investor Issue Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Issue Price is lower than the Anchor Investor Issue Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.6 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders/Applicants may be categorised according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders/Applicants in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders/Applicants may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder/Applicant in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder/Applicant, the Allotment may be made as follows: the successful Bidders/Applicants out of the total Bidders/Applicants for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder/Applicant may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder/Applicant is a number that is more than the minimum Bid Lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded to the lower whole number. Allotment to all Bidders/Applicants in such categories may be arrived at after such rounding; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders/Applicants in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders/Applicants in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders/Applicants applying for minimum number of Equity Shares.

7.7 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders/Applicants applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** In terms of the Listed Indian Insurance Companies Guidelines, Bidders submitting Bids for Equity Shares respresenting 1% or more and less than 5% of the post-Offer paid up equity capital of our Company should satisfy the 'fit and proper' criteria set out by our Company, through a self certification process. For details of the 'fit and proper' criteria set out by our Company, see "Offer Procedure -

Bids by Bidders for 1% or more and less than 5% of the post-Offer paid up equity share capital of our Company" on page 441. Bidders should note that in the event the acquisition of Equity Shares results in the Bidder holding 5% or more of the post-Offer paid up equity capital of our Company, the approval of the IRDAI in this regard will have to affixed along with the Bid cum Application Form; Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 0.5 million but which may extend to ₹ 5.0 million and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 0.3 million, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a Fresh Issue and the Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders/Applicants, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid and also for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders or transmit refund by way of electronic mode for all amounts payable to unsuccessful Anchor Investors and also any excess amount paid on bidding.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Bidders'/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(b) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(c) **RTGS**—Anchor Investors having a bank account at any of the centres notified by SEBI where **clearing houses are managed by the RBI, may have the option to receive refunds, if any,** through RTGS; and

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum, if the Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner. Instructions for unblocking of funds in the ASBA Account are not dispatched within the 15 days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and this Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the Bidder/Applicant
ASBA Bidder/Applicant	All Bidders/Applicants except Anchor Investors
Banker(s) to the Issue/Escrow Collection Bank/Collecting Banker	Banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	Basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder/Applicants pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicants upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Closing Date
Bid/Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Opening Date

Term	Description
Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Period
Bidder/Applicant	Any prospective investor who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/ Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant’s Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidders’/Applicants’ address, name of the Applicant’s father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders/Applicants can submit the ASBA Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred by the Escrow Collection Bank from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which our Board may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders/Applicants, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders/Applicants can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer

Term	Description
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank and in whose favour the Anchor Investors may transfer money through NEFT, direct credit or RTGS in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank and the Refund Bank for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Locations	Bidding centres where the syndicate shall accept ASBA Forms from Bidders/Applicants
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI

Term	Description
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders/Applicants other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	Date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	Bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	This red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account	The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank	Refund bank as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTO	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Investors who applies or bids for a value of not more than ₹ 200,000
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be Allotted on proportionate basis.
Revision Form	The form used by the Bidders/Applicants in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies

Term	Description
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement among the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than the second and fourth Saturdays of each month, Sundays or public holidays, on which commercial banks in Mumbai are open for business; provided however, when referring to (a) announcement of Price Band; and (b) Bid/Issue Period, the term shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government, the FDI Policy (as defined below) and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned Ministry / Department of Government of India and the RBI. Foreign investment in the insurance sector is also regulated by the Insurance Act, the IRDA Act and the rules and regulations made thereunder and such laws are implemented by the IRDAI.

The Government has from time to time has made policy pronouncements on FDI through circulars, clarifications, press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular number D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017 ("**FDI Policy**"), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases, circulars and clarifications on FDI issued by the DIPP that were in force and effect as on August 28, 2017. Additionally, pursuant to the FDI Policy, the sectoral cap for foreign investment in an insurance company is 49%. Further, the FDI Policy allows foreign investment (including by FPIs) of up to 49% under the automatic route subject to verification by the IRDAI.

The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until an updated circular is issued by the DIPP.

Further, the Insurance Regulatory and Development Authority (Registration of Indian Insurance Companies) Regulations, 2000, provides for calculation of shareholding of foreign investors in an insurer to be the aggregate of the quantum of paid up equity share capital held by the foreign investors (including foreign venture capital investors) in the insurer and the proportion of the paid up equity share capital held or controlled by such foreign investor(s) either by itself or through its subsidiary companies in the Indian promoter(s) or Indian investor(s) of the insurer, unless the Indian promoter or investor is a banking company other than foreign bank (or a branch of a foreign bank functioning in India) or a public financial institution.

Additionally, the Foreign Investment Rules also permit total foreign investment up to 49% of the paid up equity capital of Indian insurance companies, under the automatic route while ensuring that its ownership and control remains at all times in the hands of resident Indian entities as determined by Department of Financial Services, Government of India and the IRDAI. On March 30, 2016, the FEMA Regulations were also amended to reflect this change.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the concerned Ministry / Department of Government of India or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and the RBI.

The above information is given for the benefit of the Bidders / Applicants. Our Company, the Selling Shareholders, the GCBRLMs and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders / Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI Regulations, the main provisions of the Articles of Association of our Company are detailed below.

The Articles of Association of our Company comprises of two parts. In case of inconsistency between Part A and Part B, the provisions of Part B shall applicable. Part B shall automatically terminate and cease to have any force and effect and shall be deemed to fall away immediately from the commencement of listing and trading of Equity Shares of our Company on a stock exchange in India subsequent to an initial public offering of the Equity Shares of our Company without any further action by our Company or by the Shareholders of our Company.

Part A

Share Capital

Article 5 provides that "(a) The authorised share capital of the Company shall be as specified in the Memorandum. (b) The Company has power from time to time to increase or reduce its capital and to divide the shares in the capital for the time being, subject to and in accordance with the provisions of the Act and the Insurance Act, 1938 (4 of 1938), as amended or modified or superseded, into several classes and to attach thereto respectively such preferential, cumulative, convertible, guarantee, deferred, qualified or other special rights privileges, conditions or restrictions, as may be determined by or in accordance with these presents and to vary, modify or abrogate any such right, privileges or conditions or restrictions in such manner as may for the time being be permitted by these presents or the legislative provisions for time being in force in that behalf (including the Act and the Insurance Act, 1938 (4 of 1938))."

Article 14 provides that "Subject to the provisions of the Act and these presents the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Section 53 of the Act) and at such times as they may from time to time think fit and with sanction of the Company in the General Meeting to give any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold or transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting."

Increase, reduction, alteration of capital and buy back of shares

Article 75 provides that "The Company may from time to time increase its capital by issuing new shares."

Article 77 provides that "

(1) The new shares (resulting from an increase of capital aforesaid) may subject to the provisions of the Act, Insurance Laws and these presents be issued or disposed of in accordance with the provisions of these Articles and the following provisions:-

(a) Such new shares shall first be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date:

(i) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 (thirty) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

(ii) the offer aforesaid shall be deemed to include a right exercisable by the persons concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (i) above shall contain a statement of this right;

(iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company;

(b) To employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to such conditions as may be specified under the Act.

(c) To any persons, by way of passing a special resolution to that effect, whether or not those persons include the persons referred to in (a) or (b) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be specified under the Act.

(2) Nothing in sub-clause (ii) of sub-article (1)(a) above shall be deemed:-

(i) to extend the time within which the offer should be accepted; or

(ii) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(3) Nothing contained in this Article of these presents shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the Debentures issued or loans raised by the Company:

(i) to convert such Debentures or loans into shares in the Company; or

(ii) to subscribe to shares in the Company.

Provided that the terms of issue of such Debentures or loan containing such an option have been approved before the issue of such Debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

Notwithstanding anything contained in Article 77(3) hereof, where any debentures have been issued, or loan has been obtained from any Government by the Company, and if that Government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into Shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the company and the Government pass such order as it deems fit.

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder."

Article 80 provides that "(1) The Company may, subject to the provisions of Sections 55, 66 and 68 of the Act, from time to time by Special Resolution reduce its share capital (including the Capital Redemption Reserve Account, if any) in any way authorised by law and, in particular, may pay off any paid up share capital upon the footing that it may be called up again or otherwise and may if and so far as necessary alter its Memorandum and Articles of Association reducing the amount of its share capital and of its shares accordingly.

(2) Notwithstanding anything contained in these Articles, the Company shall be entitled to purchase or buy back the Shares and other Securities issued by the Company from the holders thereof (including employees of the Company) from the open market or otherwise from the free reserves of the Company and/or from the proceeds of any issue made by the Company specifically for the purpose and/or from such other sources as may be permitted by law, on such terms, conditions and in such manner as may be permitted by law from time to time."

Article 81 provides that "Subject to the provisions of Section 61 of the Act, the Company may in General Meeting by Ordinary Resolution alter the condition of its Memorandum and Articles of Association as follows:-

(a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.

(b) Sub-divide shares or any of them into shares of smaller amount than originally fixed by the Memorandum subject nevertheless to the provisions of the Act in that behalf.

(c) Cancel shares, which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares, so cancelled."

Article 82 provides that "The Directors may in their absolute discretion refuse applications for the sub-division of share certificates, debenture or bond certificates into denominations of less than the market lot except when such sub-division is required to be made to comply with a statutory provision or an order of a Competent Court of Law."

Payment of commission and brokerage

Article 25 provides that "The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares, debentures or other securities of the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares, debentures or other securities of the Company but so that if the commission in respect of the shares , debentures or other securities shall be paid or payable out of capital, the statutory conditions and requirements shall be observed and complied with and the amount or rate of commission shall not exceed the rates prescribed by the Act. The commission may be paid or satisfied in cash or in shares, debentures or other securities of the Company or partly in one and partly in the other. The Company may also, on any issue of shares, debentures or other securities pay such brokerage as may be lawful."

Calls

Article 29 provides that "The Directors may, from time to time, make such calls as they think fit upon the Members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Directors. A call may be made payable by installments. Provided that the paid up amount shall be the same for all the shares at all times same and except the period allowed by the Company for payment of any calls on the shares which period shall not exceed one year or such other period as Insurance Act, 1938 may prescribe."

Article 30 provides that "A call shall be deemed to have been made at the time when the resolution of the Directors authorising such call was passed and may be made payable by Members on such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors."

Article 34 provides that "If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof the holder for the time being or the allottee of the share in respect of which a call shall have been made or the installment shall be due, shall pay interest on the same at such rate as the Board shall fix from time to time from the day appointed for the payment thereof to the date of actual payment, but the Board may, in its absolute discretion, waive payment of such interest wholly or in part. A call may be revoked or postponed at the discretion of the Board. The Board shall be at liberty to waive payment of any such interest wholly or in part"

Article 36 provides that "The Directors may, if they think fit (subject to the provisions of the Act), agree to and receive from any Member willing to advance the same, the whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the moneys so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made the Company may pay interest at such rate as the Member paying such sum in advance and the Directors agree upon, and the Directors may at any time repay the amount so advanced upon giving to such Member one month's notice in writing. No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on Debentures issued by the Company."

Article 37 provides that "No Member shall be entitled to receive any dividend or to exercise any privilege as a Member until he shall have paid all calls for the time being due and payable on every share held by him whether alone or jointly with any person, together with interest and expenses, if any."

Article 38 provides that "On the trial or hearing of any action or suit brought by the Company against any Member or his legal representatives for recovery of any moneys claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member, in respect of whose shares the moneys are sought to be recovered, is entered in the Register of Members as a Member/as one of the Members at or any subsequent date on which the moneys sought to be recovered are alleged to have become due on the shares, and the resolution making the call is duly recorded in the minute book, and the notice of such call was duly given to the Member, holder or joint holder or his legal representatives sued in pursuance of these presents. It shall not be necessary to prove the appointment of Directors who made such call, nor that the quorum of Directors was present at the Board at which any such call was made nor that the meeting at which any such call was made had been duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt."

Forfeiture, surrender or lien

Article 39 provides that "If any Member fails to pay the whole or any part of any call or installment or any money due in respect of any share(s) either paid, by way of principal or interest on or before the day appointed for the payment of the same the Directors may at any time thereafter during such time as the call or installment or any part thereof or other moneys remain unpaid or a judgement or decree in respect thereof remains unsatisfied in whole or in part serve a notice on such Member or on the person (if any) entitled to the share(s) by transmission requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment."

Article 40 provides that "The notice shall name a day not being less than 14 days from the date of the notice and the place or places on and at which such call or installment or such part or other moneys as aforesaid and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the share(s) in respect of which the call was made or installment is payable will be liable to be forfeited."

Article 41 provides that "If the requisition of any such notice as aforesaid is not complied with any of the share(s) in respect of which such notice been given, may at any time thereafter before payment of all calls or installments, interest and expenses or the money due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share(s) and not actually paid before the forfeiture."

Article 35 provides that "Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any money shall preclude the forfeiture of such shares as herein provided."

Article 43 provides that "Any share(s) so forfeited shall be deemed to be the property of the Company and may be sold, reallotted or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Directors shall think fit."

Article 46 provides that "(i) Any Member whose share(s) has/have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses and other moneys owing upon or in respect of such shares at the time of the forfeiture together with further interest thereon from the time of the forfeiture until payment at such rate as the Directors may determine and the Directors may enforce the payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so. (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares."

Article 47 provides that "A certificate in writing under the hand of any Director or the Secretary or such other person as may be authorised, from time to time that the call in respect of the share(s) was made and that the forfeiture of the share(s) was made, by a Resolution of the Directors to that effect shall be conclusive evidence of the fact stated therein as against all persons entitled to such share."

Article 51 provides that "The Company shall have no lien on its fully paid shares / debentures. In the case of partly paid up shares / debentures registered in the name of each member (whether solely or jointly with another or others) and upon the proceeds of sale thereof the Company shall have a first and paramount lien only for all monies called or payable (whether presently payable or not) at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have fullest effect. Any such lien shall extend to all dividends, from time to time, and bonus declared in respect of such shares/ debentures subject to the Act. Unless otherwise agreed the registration of a transfer of shares/ debentures shall operate as a waiver of the Company's lien, if any, on such shares/ debentures. Provided that the Board may at any time declare any Share to be wholly or in part exempt from the provisions of this clause."

Article 52 provides that "(i) For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their number to execute a transfer thereof on behalf of and in the name of such member. (ii) No sale shall be made unless some sum in respect of which the lien exists is presently payable nor until notice in writing of the intention to sell shall have been served on such Member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment of the sum presently payable for 14 days after such notice. (iii) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. (a) The purchaser shall be registered as the holder of the shares comprised in any such transfer. (b) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale."

Article 53 provides that "The net proceeds of any such sale after payment of the costs of such sale shall be applied in or towards the satisfaction of the debt or liability in respect whereof the lien exists so far as the same is presently payable and the residue (if any) paid to the Member or the person (if any) entitled by transmission to the shares so sold. Provided that the amount so paid to such Member or person shall not exceed the amount received by the Company from such member or person towards such shares."

Article 54 provides that "The Directors may, subject to the provisions of the Act accept surrender of any share(s) from or for any Member desirous of surrendering on such terms as they think fit."

Transfer and Transmission

Article 56 provides that "The Company shall not register a transfer of shares in or debentures of the Company, unless in accordance with the provisions of Section 56 of the Act and rules framed thereunder and subject to the provisions of the Insurance Act, 1938 (4 of 1938) and other applicable laws and the approval of IRDAI or such other authorities as may be prescribed by the Insurance Act, 1938 or other applicable law, a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation, if any, of the transferee has been delivered to the Company along with the certificate relating to the shares or debentures, or if no such certificate is in existence, along with the letter of allotment of the shares or debentures; Provided that where on an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit;

Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debentures of, the Company has been transmitted by operation of law. .”

Article 61(a) provides that “Notwithstanding anything contained in Articles 56, 57 and 58, but subject to the provisions of Sections 58 of the Act and subject to the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules and Regulations made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Directors may at their absolute and uncontrolled discretion decline to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any shares, whether fully paid or not or interest of a member therein, or debentures of the Company, and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, and the Company shall within thirty days or such lesser period as may be prescribed under the applicable law from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal. Transfer in whatever lot shall not be refused. Provided that registration of any transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.”

Article 62 provides that “If the Company refuses to register the transfer of shares it shall, within 30 days from the date on which the instrument of transfer is delivered to the Company, send to the transferee and the transferor notice of the refusal.”

Article 65 provides that “The executors or administrators of a deceased Member or holder of a Succession Certificate or other legal representative in respect of shares of a deceased Member where he was a sole or only surviving holder shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors, administrators or holders unless such executors or administrators shall have first obtained Probate or Letters of Administration or such holder is the holder of a Succession Certificate or other legal representation as the case may be, from a Court of Competent Jurisdiction provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with production of Probate or Letters of Administration or Succession Certificate or other legal representation and under Article 66 register the name of any person who claims to be absolutely entitled to the share standing in the name of a deceased Member as a Member.”

Article 66 provides that “Any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors shall require either be registered as a Member in respect of such shares or may subject to the regulations as to transfer contained in these presents transfer such shares to some other person. This Article is in these presents referred to as "the Transmission Clause”

Borrowing Powers

Article 85 provides that “Subject to the provisions of Sections 73, 74, 76, 179 and 180 of the Act and rules framed thereunder, the Board of Directors may from time to time, by a resolution passed at a Meeting of the Board accept deposits, or borrow moneys from Members, either in advance of calls or otherwise or accept deposits from the public and may generally raise or borrow and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds perpetual or redeemable debentures or debenture stock without security or by any mortgage or charge or other security on the undertaking or the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.”

Article 87 provides that “Debentures, debenture stock, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.”

Article 88 provides that “Subject to the provisions of the said Act, any bonds, debentures, debenture stock or other securities may be issued at a discount, premium or at par and with any special privileges as to redemption, surrender, drawing, allotment of shares, appointment of Directors or otherwise”

Conversion of shares into stock

Article 71 provides that “Subject to the provisions contained in Section 61 of the Act, the Company may, by ordinary resolution,-

(a) convert any paid-up shares into stock; and

(b) reconvert any stock into paid-up shares of any denomination.

Article 72 provides that “The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.”

Votes of members

Article 116 provides that “Subject to any rights or restrictions for the time being attached to any class or classes of shares,-

(a) on a show of hands, every Member present in person shall have one vote; and

(b) on a poll, the voting rights of Members present in person, or by attorney or by proxy shall be as provided by Section 47 of the Act and section 6A of the Insurance Act, 1938.

Article 121 provides that “Votes may be given either personally or by attorney or by proxy or in the case of a Body Corporate also by a representative duly authorised as aforesaid”

Article 122 provides that “Every instrument of proxy whether for a specified meeting or otherwise shall be in writing under the hand of the appointer or his attorney authorised in writing or if such appointer is a Body Corporate, under its Common Seal or the hand of an officer or an attorney duly authorised by it and shall as nearly as circumstances will admit be in the form MGT-11 or such other form as may be prescribed in the Rules made under Section 105 of the Act.”

Article 84(f) provides that “Any one of two or more joint holders may vote at any meeting either personally or by attorney or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint holders be present at any meeting personally or by proxy or by attorney then, that one of such persons so present whose name stands first or higher (as the case may be) in the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint holders shall be entitled to be present at the meeting provided always that a joint holder present at any meeting personally shall be entitled to vote in preference to a joint holder present by attorney or by proxy although the name of such joint holder present by attorney or proxy stands first or higher (as the case may be) in the Register in respect of such shares. Several executors or administrators of a deceased Member in whose (deceased Member's) sole name any share stands shall for the purpose of this Clause be deemed joint holders.”

Article 111 provides that “In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the Meeting at which the show of hands takes place or at which the poll is demanded, shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a Member.”

Directors

Article 129 provides that “Until otherwise determined by a General Meeting the number of Directors shall not be less than 6 (six) or more than 16 (sixteen) subject to compliance of Companies Act, 2013.”

Article 1341(1) provides that “The sitting fees payable to a Director for attending a meeting of the Board or Committee thereof shall be fixed by the Board of Directors, from time to time, within the limits as may be prescribed by the Act or the Central Government from time to time.”

Article 137 provides that “The Directors shall have power at any time and from time to time to appoint, subject to the provisions of these presents , any person as an additional Director to the Board but so that the total number shall not at any time exceed the maximum number fixed for the Board but any Director so appointed shall hold office only up to the date of the next Annual General Meeting of the Company or the last date on which the annual general meeting should have been held, whichever is earlier and shall then be entitled for re-election.

Provided that the election of the Director can also be approved by the Members through postal ballot prior to the date of the Annual General Meeting (till which date the appointment of the additional director is valid) in accordance with the provisions of the Act.”

Article 132(a) “The Board of Directors may appoint an Alternate Director, not being a person holding any alternate directorship for any other director in the Company, to act for a Director (hereinafter in this Article called "the original Director"), at his suggestion or otherwise, during his absence for a period of not less than three months from India;

Provided no person shall be appointed as an alternate director for an independent director unless he is qualified to be appointed as an independent director under the provisions of the Act;

(b) An Alternate Director appointed under sub-article (a) above, shall not hold office as such for a period longer than permissible to the original Director in whose place he has been appointed and shall vacate office if and when the original director returns to

India; (c) If the term of office of the original Director is determined before he so returns to India any provision for the automatic reappointment of retiring Directors in default of another appointment shall apply to the original, and not to the Alternate Director."

Proceedings of the Board

Article 155 provides "The Chairman may at any time and the Manager, or such other Officer of the Company as may be authorised by the Directors shall upon the requisition of a Director convene a meeting of the Board."

Dividends

Article 198 provides that "The Company may pay dividends in proportion to amount paid up or credited as paid up on each share, where a larger amount is paid up or credited as paid up on some shares than on others."

Article 199 provides that "Subject to the provisions of Section 123 of the Act, no dividend shall be payable except out of the profits of the year or any other undistributed profits. The declaration of the Directors as to the amount of the net profits of the Company shall be conclusive. In the event of inadequacy or absence of profits in any year, the Company may pay or declare dividend out of free reserves subject to Section 123 and rules framed thereunder."

Article 208 provides that "No dividend shall be payable except in cash: Provided that nothing in this Article shall be deemed to prohibit capitalization of profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by the Members of the Company."

Capitalisation of profits

Article 209 provides that "Any General Meeting may resolve by passing an Ordinary Resolution that any moneys, investments or other assets forming part of the undivided profits (including profits or surplus moneys arising from the realisation and where permitted by law] from the appreciation in value of any capital assets of the Company) standing to the credit of the Reserve or Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the share premium account be capitalised:

(a) by the issue and distribution as fully paid up shares, debentures, debenture-stock, bonds or other obligations of the Company. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the General Meeting by a special resolution, or

(b) by crediting shares of the Company which may have been issued to and are not fully paid up, with the whole or any part of the sum remaining unpaid thereon.

Such issue and distribution under (a) above and such payment to the credit of unpaid share capital under (b) above shall be made to, among and in favour of the Members or any class of them or any of them entitled thereto and in accordance with their respective rights and interest and in proportion to the amount of capital paid up on the shares held by them respectively in respect of which such distribution under (a) or payment under (b) above shall be made on the footing that such Members become entitled thereto as capital. "

Winding up

Article 217 provides that "For the winding up of the Company, the provisions contained in the Act and the Insurance Act will apply"

Article 218 provides that "If the Company shall be wound up and the assets for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up, on the shares held by them respectively. And if in a winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions."

Indemnity and responsibility

Article 222 provides that "(a) Subject to the provisions of Section 197 of the Act every Director of the Company, Officer (whether Managing Director, Manager, Secretary or other Officer) or employee or any person employed by the Company as Auditor shall be indemnified by the Company against any liability incurred by any one of the foregoing persons and it shall be the duty of the

Directors, out of the funds of the Company, to pay all costs, losses and expenses (including travelling expenses) which any such Director, Officer, other employee, or Auditor may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Officer, other employee or Auditor or in any way in the discharge of his duties.

(b) Subject as aforesaid every Director, Officer, other employee, or Auditor of the Company shall be indemnified against any liability incurred by him in defending any proceedings whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or discharged in connection with any application under Section 463 of the Act in which relief is granted to him by the Court."

Part B

Chairman of General Meeting

Article 102 provides that "(i) The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company; (ii) If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, then the Directors present at the meeting shall elect one of their Members to be Chairperson of the meeting. If at any meeting no Director is willing to act as Chairperson or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the Members present shall choose one of their Members to be Chairperson of the meeting. "

Nominee Directors

Article 131 provides that "131 (1) Each of ICICI and Fairfax shall have right to nominate their persons as Nominee Directors on the Board of Directors of the Company in proportion to their shareholding provided that the number of Directors nominated by ICICI shall be at least two more than the Nominee Directors nominated by Fairfax and independent directors as may be required by the applicable laws/rules/regulations unless ICICI's shareholding in the Company falls below 26% (Twenty Six percentage) for any reason other than by operation of law.

(2) Subject to the provisions of Section 152 of the Act and rules framed thereunder and to the extent permissible one third of the total number of Directors shall be non-rotational Directors and out of such non-rotational Directors, one of the Nominee Directors appointed by Fairfax shall be a non-rotational Directors and the balance of the non rotational Directors shall be nominee Directors nominated by ICICI. The balance of the Directors shall be persons whose period of office is liable to determination by rotation and subject to the provisions of the Act shall be appointed by the Company in General Meeting.

For the purposes of these Articles of Association, " ICICI Director" or " Fairfax Director" shall mean and include non-rotational Directors appointed by ICICI or Fairfax or such person as has been proposed by ICICI or Fairfax for candidature for the office of a Director and appointed by the Company in General Meeting "

Non-rotational and rotational Directors

Article 144 provides that " At every Annual General Meeting of the Company other than the First Annual General Meeting one-third of such of the Directors for the time being are liable to retire by rotation or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office. The non-rotational Directors shall not be subject to retirement under this Article. For the purpose of computing the directors liable to retire by rotation, the total number of directors will not include independent directors whether appointed under this Act or any other law for the time being in force."

Further Article 145 provides that "The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those who are to retire shall (unless they otherwise agree among themselves) be determined by lot."

Appointment of Nominee Director

Article 132 b provides that "Any appointment or removal of ICICI Directors or Fairfax Directors shall be by a notice in writing addressed to the Company and appointment or removal shall take effect forthwith upon such notice being delivered to the Company"

Removal of Directors

Article 132 c provides that "The Board of Directors of the Company shall have no power to remove from office any of ICICI Directors or Fairfax Directors."

Managing Director

Article 154 (a) provides that "Subject to the provisions of the Act and these presents, the Board of Directors shall have power to appoint from time to time one or more of their body to be Managing Director or Managing Directors and / or Whole-time Director or Whole-time Directors of the Company (hereinafter referred to as "Managing Director") for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

(b) Subject to the provisions of the Act and these presents, the Managing Director or the Whole-time Director shall not while he continues to hold that office be subject to retirement by rotation under Article 146, but he shall be subject to the provisions of any contract between him and the Company and be subject to the same provisions as to the resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director if he ceases to hold the office of Director for any cause provided that if at any time the number of Directors (including Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of the Directors for the time being, then such of the Managing Director or Whole-time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in accordance with Article 145 to the intent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being."

Quorum and its competence to exercise powers

Article 158 provides that "Subject to Section 174 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one, or two Directors, whichever is higher. Provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength of the number of remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time and the participation of the directors by video conferencing or by other audio visual means shall be also be counted for the purpose of quorum, provided further that no quorum for a meeting of the Board shall be constituted and no such meeting shall proceed to transact any business unless at least two of the ICICI Directors or their alternates and at least one Fairfax Directors or his alternate are present at such meeting, except where for a particular meeting the said requirement for a quorum is waived in writing by the Fairfax Directors or their alternate Directors.

For the purposes of this Article :-

"total strength" means the total strength of the Directors of the Company as determined in pursuance of the Act, after deducting therefrom the number of the Directors, if any, whose places may be vacant at the time;

"interested Director" means any Director whose presence cannot by reason of Article 143 count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

Directors may appoint committee

Article 160 provides that "Subject to the restrictions contained in Section 177, 178 and 179 of Act and rules framed thereunder, the Board may delegate any of their powers to committees of the Board consisting of at least the Chairman or the Managing Director of the Company, (unless membership of the Chairman and the Managing Director in such committee is prohibited by applicable laws) and one ICICI Director (other than the Managing Director) and one Fairfax Director and the Board may from time to time revoke and discharge such committee of the Board either wholly or in part and either as to persons or purposes, but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by such committee of the Board in conformity with such regulations and in fulfilment of the purposes of its appointment but not otherwise, shall have the force and effect as if done by the Board. The quorum for a meeting of such committee shall be two. PROVIDED further that no quorum for a meeting of such committee shall be constituted and no such meeting shall proceed to transact any business unless at least the ICICI Director or his alternate are present at such meeting, except where for a particular meeting the said requirement for a quorum is waived in writing by the ICICI Director or his alternate."

Non-executive chairman

Article 163 (a) provides that "The non-executive Chairman shall be nominated by ICICI from amongst the ICICI Directors. Unless otherwise indicated by ICICI, the Chairman of the Board of Directors of ICICI shall be the non-executive Chairman. All meetings of the Directors and any committee shall be presided over by the Non-Executive Chairman. If at any meeting the Non-Executive Chairman is not present within fifteen minutes of the time appointed for holding the same, the Directors present shall choose one of the ICICI Directors to be Non-Executive Chairman of the Meeting. (b) Approval of a majority of the Nominee Directors of ICICI and a majority of the Nominee Directors of Fairfax shall be required for the matters listed below before any action thereon is taken by the Company:- (i) New line/types of business; (ii) Significant expansions; acquisitions; investments (other than in the ordinary course) or mergers; sales of businesses or substantial assets (other than investment assets). (iii) Capital expenditures not included in the Business Plan for a year whose cost, individually or in the aggregate for such year, exceed 10% of the capital expenditures included for that year in the Business Plan. (iv) Winding up or other reorganization. (v) Material Borrowing, guaranteeing or giving of security. (vi) Issues or repurchases of, or changes in shares or any rights to acquire shares (e.g. convertible securities, options or warrants.) (vii) Pledge or encumbrance or any like item having the effect of or creating security on any outstanding shares or rights to acquire shares. (viii) Dividends or other distributions. (ix) Entering into, amending or terminating contracts between the Company and a member of either the Fairfax or the ICICI Group. (x) Any Initial Public Offering involving the Company or its shares or any rights to acquire its shares (including convertible securities, options or warrants). Subject to the above, any question arising at any meeting of the Board shall be decided by a majority of votes and in case of equality of votes, the Chairman shall have a second casting vote.**”**

Secrecy Clause

Article 222 provides that "(1) No Member shall be entitled to require discovery of or any information respecting any detail of the Company's trading or any matter which may be in the nature of a trade secret, mystery of trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be inexpedient in the interest of the Company to communicate the same. (2) Every director, manager, auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Board, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all secret processes or other secret investment or actuarial or technical or patterns of the various funds or information of any nature whatsoever, transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained."

***Note**: Fairfax has pursuant to a waiver letter dated July 2, 2017 waived its special rights under the Articles of Association. For details, see "History and Certain Corporate Matters" on pages 190, 191 and 195.*

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material will be attached to the copy of this Red Herring Prospectus which will be delivered to the RoC for registration. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of this Red Herring Prospectus until the Bid / Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated July 14, 2017 among our Company, the Selling Shareholders, the GCBRLMs and the BRLMs.

2. Registrar Agreement dated July 13, 2017 among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Escrow Agreement dated September 5, 2017 among our Company, the Selling Shareholders, the Registrar to the Offer, the GCBRLMs, the BRLMs, the Syndicate Members and the Bankers to the Offer.

4. Share Escrow Agreement dated September 5, 2017 among the Selling Shareholders, the GCBRLMs, the BRLMs, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated September 5, 2017 among our Company, the Selling Shareholders, the GCBRLMs, the BRLMs and the Syndicate Members.

6. Underwriting Agreement dated [●] among our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.

2. Certificate of incorporation dated October 30, 2000.

3. Certificate for commencement of business dated January 11, 2001.

4. Certificate of registration to undertake general insurance business in India, dated August 3, 2001.

5. Trademark licensing agreement dated July 6, 2017 entered into between ICICI Bank and our Company and the deed of assignment executed on July 13, 2017 between Northbridge Financial Corporation and our Company.

6. Resolution of our Board and Shareholders, dated June 5, 2017 and July 10, 2017, respectively, in relation to the Offer.

7. Resolution of the board of directors of ICICI Bank dated June 5, 2017 approving the Offer.

8. Resolution of the board of directors of FAL dated June 5, 2017 approving the Offer.

9. The in-principle approval dated June 28, 2017 from IRDAI to undertake a public offer in accordance with the provisions of the SEBI Regulations, under the provisions of the IRDAI Issuance of Capital Regulations.

10. Approval dated August 24, 2017 bearing reference number 147/F&A(NL)/GlL/IPO/01/2017-18/02/76 from IRDAI to proceed with the Offer in terms of Regulation 3 of the IRDAI Issuance of Capital Regulations.

11. Copies of the annual reports of our Company for Fiscals 2017, 2016, 2015, 2014 and 2013.

12. The Original Joint Venture Agreement, the Amended and Restated Joint Venture Agreement and the termination agreement dated July 3, 2017 entered into among ICICI Bank, Fairfax, Northbridge Financial Corporation (successor, by merger, to Lombard Canada Ltd.), Northbridge General Insurance Corporation (formerly Lombard General Insurance Company of Canada), Northbridge Personal Insurance Corporation (formerly Lombard Insurance Company) and Zenith Insurance Company.

13. The examination report of the Joint Auditors dated August 24, 2017 in relation to our Company's Restated Financial Statements, included in this Red Herring Prospectus.

14. The statement of tax benefits dated September 1, 2017 from the Joint Auditors.

15. Consents of our Directors, the GCBRLMs, the BRLMs, Syndicate Members, Indian Legal Counsel to our Company, Indian Legal Counsel to the GCBRLMs and the BRLMs, International Legal Counsel to the GCBRLMs and the BRLMs, Registrar to the Offer, Banker to our Company, Bankers to the Offer, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

16. Consent letter dated September 1, 2017 from the Joint Auditors, for inclusion of their names as experts herein.

17. The letter agreement dated May 27, 2017 (read with the amendment to letter agreement dated July 6, 2017) entered into among FAL, Red Bloom, ICICI Bank and our Company. The waiver letter dated July 2, 2017 issued by Fairfax.

18. The certification dated September 1, 2017 issued by the Joint Auditors in relation to liabilities, as required under the IRDAI Issuance of Capital Regulations.

19. Report titled "Analysis of general insurance industry in India" issued by CRISIL Research in August, 2017.

20. Due Diligence Certificate dated July 14, 2017 addressed to SEBI from the GCBRLMs and the BRLMs.

21. In-principle listing approvals dated July 27, 2017 and July 28, 2017 issued by BSE and NSE respectively.

22. Tripartite agreement dated July 12, 2017 entered into between our Company, NSDL and the Registrar to the Offer.

23. Tripartite agreement dated July 11, 2017 entered into between our Company, CDSL and the Registrar to the Offer.

24. Statement showing allotment of Equity Shares allotted pursuant to exercise of ESOPs under the ESOS Scheme aggregated on a quarterly basis.

25. SEBI final observation letter bearing reference number SEBI/HO/CFD/DIL-1/OW/P/2017/20803/1 dated September 1, 2017.

26. IRDAI observations pursuant to emails dated August 8, 2017, August 10, 2017 and August 14, 2017 received from IRDAI.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance with the provisions contained in the Companies Act and other relevant statutes and regulations.

DECLARATION

The undersigned Promoter Selling Shareholder hereby certifies that all statements made by the Promoter Selling Shareholder in this Red Herring Prospectus about or in relation to itself in connection with the Offer, and the Equity Shares offered by it in the Offer, are true and correct. The Promoter Selling Shareholder assumes no responsibility for any other statements in this Red Herring Prospectus.

Signed by the Promoter Selling Shareholder

For ICICI Bank Limited

Date: September 6, 2017

Place: ________________________

DECLARATION

The undersigned Investor Selling Shareholder hereby certifies that all statements made by the Investor Selling Shareholder in this Red Herring Prospectus about or in relation to itself in connection with the Offer, and the Equity Shares offered by it in the Offer, are true and correct. The Investor Selling Shareholder assumes no responsibility for any other statements in this Red Herring Prospectus.

Signed by the Investor Selling Shareholder

For FAL Corporation

Date: September 6, 2017

Place: ______________________

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, and IRDAI, established under Section 3 of the IRDA Act, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or the Insurance Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

______________________	**Chanda Deepak Kochhar** Non-Executive Chairperson and Nominee Director
______________________	**Ved Prakash Chaturvedi** Independent Director
______________________	**Uday Madhav Chitale** Independent Director
______________________	**Lalita Dileep Gupte** Independent Director
______________________	**Kannan Narayanan Srinivasa** Nominee Director
______________________	**Suresh Muthukrishna Kumar** Independent Director
______________________	**Ashvin Dhirajlal Parekh** Independent Director
______________________	**Bhargav Dasgupta** Managing Director and Chief Executive Officer
______________________	**Alok Kumar Agarwal** Executive Director
______________________	**Sanjeev Radheyshyam Mantri** Executive Director

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

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Gopal Balachandran
(Chief Financial Officer)

Date: September 6, 2017

Place: ______________________