



360°

Customer-centric
Innovation

Annual Report 2016-17

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Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will

be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.



In a fast-changing environment, organisations need to keep pace with the evolving market and consumer dynamics. Sustained leadership requires redefined business models by embedding the principles of innovation across all aspects of the enterprise – **products, services, technology, infrastructure and people**. Further, in tandem with the emergence of a hyper-connected world, customer expectations have changed considerably. More than ever, their expectations need to be at the forefront of every business decision.

In the insurance sector, the yesteryears were all about developing new products and selling them through a large network of agents and advisors. However, today's customers seek not just a product, but a positive and seamless experience at every touch point. Looking for insurers to provide more than efficient claim settlements, they expect an encompassing suite of value-added offerings across the customer life cycle, going beyond insurance coverage. For achieving this objective, it is critical to embrace and embed innovation that revolves around the customers and their needs.

At ICICI Lombard, our customers are at the heart of our innovation strategy. We are continually seeking creative ways to identify and address their evolving and unmet needs. To us, customer-centric innovation is ultimately about delivering technology, products, services and information that benefits, empowers and enriches the customer. Observing things from a customer's perspective will enable us to win even in a changing world.

We believe in 360° Customer-Centric Innovation.

ICICI Lombard – An Introduction

ICICI Lombard General Insurance Company Limited (ICICI Lombard / Company) is among India's leading private sector general insurance companies.

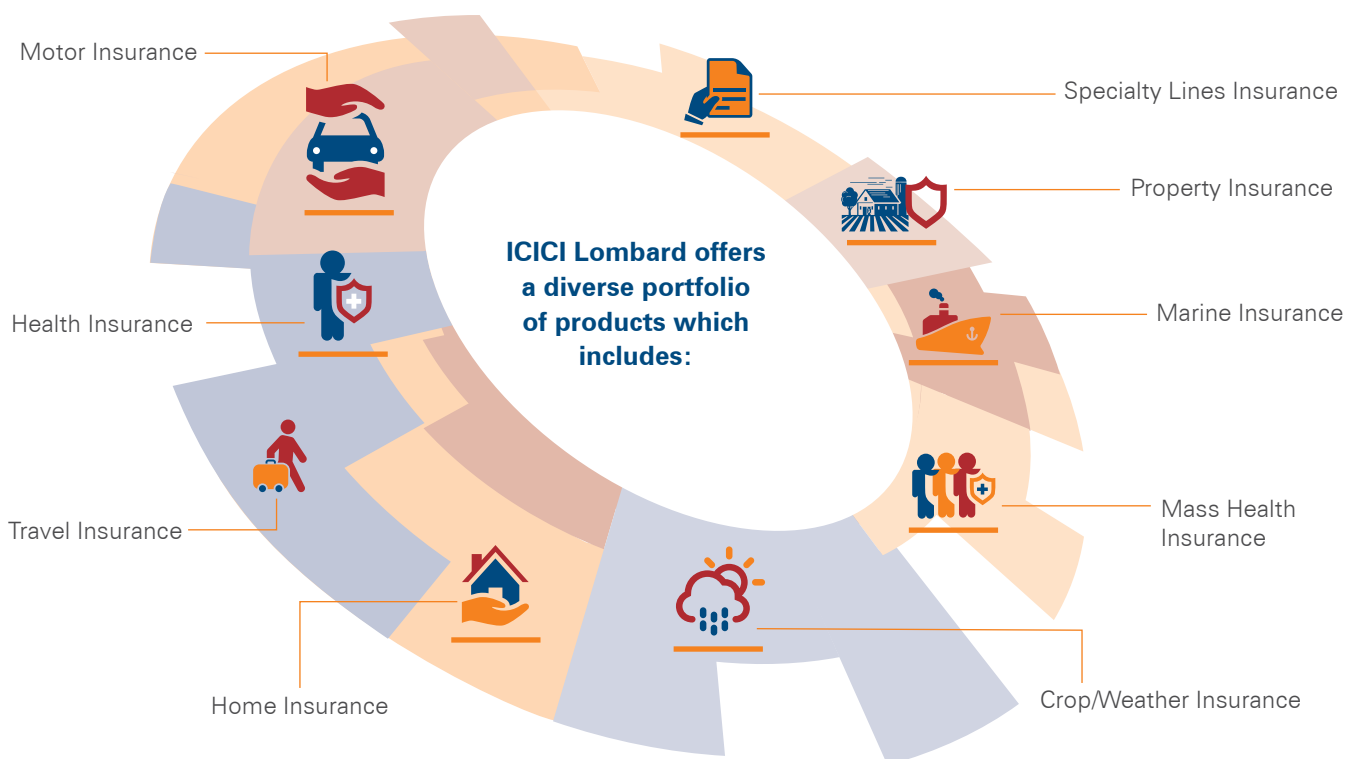
The Company was founded in 2001 through a joint venture between ICICI Bank Limited and Fairfax Financial Holdings Limited, the former being India's largest private sector bank and the latter being a Canada-based diversified financial services company engaged in general insurance, reinsurance, insurance claims management and investment management.

Steered by its customer-centric approach, the Company provides prudent risk management solutions across a wide range of business lines in a fair, fast and friendly manner. Its relentless focus on meeting customer expectations is also manifested through its disciplined approach to innovation and embedment of internationally benchmarked service quality standards for its offerings. The Company's excellence

in products and services is bolstered by a robust technology infrastructure which is continually being enhanced to ensure the best in terms of customer experience.

Playing an instrumental role in ensuring that ICICI Lombard is successful in delivering on its goal of customer-centricity is its dedicated team of employees. Putting the needs of customer's first and ensuring consistency and quality in each interaction, the Company's talent base has secured their trust and confidence. A holistic approach to customer well-being and being a reliable single-point destination for varied customer requirements has reinforced the Company's reputation for agility, approachability and accessibility.

Unwavering commitment to the values of integrity and transparency across the entire lifecycle of customer relationship - from the policy advice stage to renewals and claims - underpins all transactions at ICICI Lombard.



₹ 109.60
Billion

Gross Written
Premium (GWP)
in FY2017

17.73
Million

Policies Issued
in FY2017

2.18
Million

Claims Settled
in FY2017

7,904

Headcount as on
March 31, 2017

249

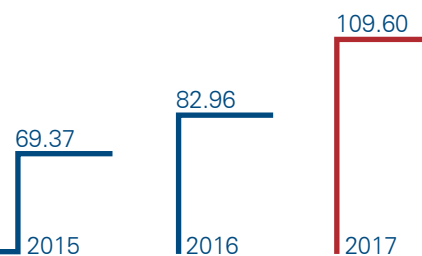
Branches as
on March 31,
2017

Financial Performance FY2017

109.60

Revenue Growth

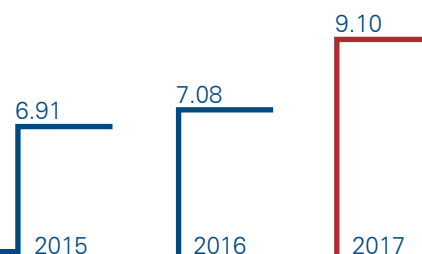
(Gross Written Premium (GWP) in ₹ Billion)



9.10

Profit Before Tax

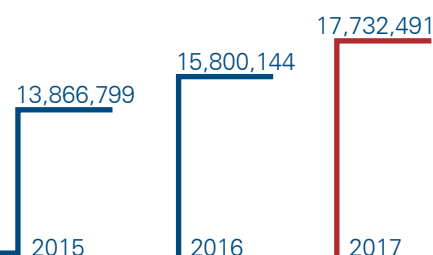
(₹ in Billion)



17,732,491

Policy Growth

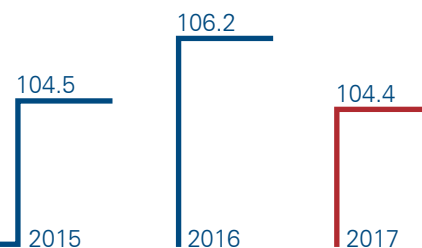
(Number of policies serviced)



104.4

Combined Ratio

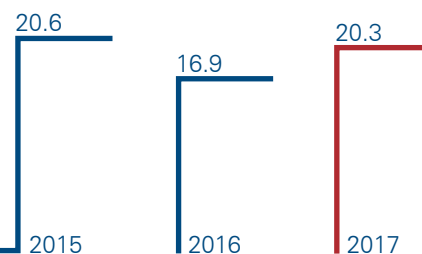
(%)



20.3

ROE (Return on Equity)

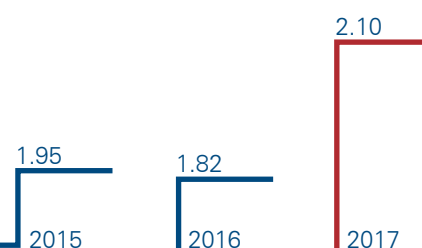
(%)



2.10

Solvency

(times)



Awards and Accolades



Indian Insurance Awards, 2016

ICICI Lombard was awarded the 'Claim Service Leader' (General Insurance – Large category) and 'Technology Innovation' Awards at the Indian Insurance Awards, 2016. The 'Claim Service Leader' Award was bestowed on the Company for its excellent track record in claim settlement across product segments, while the 'Technology Innovation' recognition was conferred for its technology driven initiatives.



Frost and Sullivan India Best Practices Award, 2016

ICICI Lombard was adjudged as the Most Innovative Health Insurance Company of the Year at the Frost & Sullivan India Best Practices Awards, 2016.



Stevie Award

ICICI Lombard was conferred the Bronze Award for Contact Centre of the Year (over 100 Seats) in the Business Services and Financial Services Industries Segment by Stevie Awards, Inc., a US based firm that stages seven annual Stevie Awards competitions to recognise accomplishments of companies and business people worldwide. Effective usage of customer-centric metrics, multifunctional technology integration and structured processes were the differentiators that led to ICICI Lombard winning this prestigious accolade.



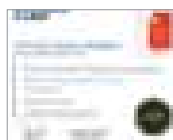
World Quality Congress - Global Awards, 2016

The Company was declared the winner of the World Quality Congress - Global Awards, 2016 for excellence in Quality Management & Leadership.



Golden Peacock National Training Award 2017

ICICI Lombard was conferred with the coveted Golden Peacock National Training Award 2017 for demonstrating excellence in training practices. ICICI Lombard is the first general insurance company to receive this award for training since the inception of these awards.



LACP, USA 'Vision Awards'

ICICI Lombard won the 'Gold' Award in the 'Insurance' category for its Annual Report 2015-16 at the Vision Awards – Annual Report Competition, organised by the 'League of American Communication Professionals, USA' (LACP). The Awards, recognising those who demonstrate exemplary communications capabilities, received entries from companies located across 24 countries.



India Legal Summit & Legal Awards, 2016

ICICI Lombard's Legal Department was adjudged as the 'Best Legal Department for 2016' at the prestigious India Legal Summit & Legal Awards, 2016, outshining the legal departments of some of the most well-known companies. For the awards, the legal departments were required to share details relating to strategic vision, client satisfaction, efficiency, innovation, technology, etc.



IPRCCA 2016

At the India PR & Corporate Communications Awards 2016, ICICI Lombard General Insurance Company Limited received an award in the CSR & NOT-FOR-PROFIT category for its initiative, 'Ride to Safety'- Campaign for safer roads for children.

Corporate Information

Board of Directors

Chanda Kochhar

Chairperson

R. Athappan

Director

Vijay Chandok

Director

Ved Prakash Chaturvedi

Director

(w.e.f. July 13, 2016)

Uday Chitale

Director

Lalita D. Gupte

Director

(w.e.f. October 18, 2016)

N. S. Kannan

Director

Suresh Kumar

Director

(w.e.f. June 1, 2016)

S. Mukherji

Director

Ashvin Parekh

Director

Chandran Ratnaswami

Director

Bhargav Dasgupta

Managing Director

Alok Kumar Agarwal

Executive Director

Sanjeev Mantri

Executive Director

Board Nomination & Remuneration Committee

Mr. Uday Chitale

Chairman

Ms. Chanda Kochhar

Mrs. Lalita D. Gupte

Mr. Ashvin Parekh

Mr. Chandran Ratnaswami

Investment Committee

Mr. Chandran Ratnaswami

Chairman

Mr. N. S. Kannan

Mr. Bhargav Dasgupta

Mr. J. V. Prasad

Mr. S. Gopalakrishnan

Mr. Gopal Balachandran

Audit Committee

Mr. Ashvin Parekh

Chairman

Mr. Uday Chitale

Mrs. Lalita D. Gupte

Mr. S. Mukherji

Risk Management Committee

Mr. S. Mukherji

Chairman

Mr. R. Athappan

Mr. Uday Chitale

Mr. Suresh Kumar

Mr. Ashvin Parekh

Mr. Bhargav Dasgupta

Policyholder Protection Committee

Mr. Ashvin Parekh

Chairman

Mr. Ved Prakash Chaturvedi

Mr. S. Mukherji

Mr. Chandran Ratnaswami

Mr. Bhargav Dasgupta

Corporate Social Responsibility Committee

Mr. Uday Chitale

Chairman

Mr. R. Athappan

Mr. Ved Prakash Chaturvedi

Mr. S. Mukherji

Mr. Bhargav Dasgupta

Auditors

Chaturvedi & Co.

Chartered Accountants

PKF Sridhar & Santhanam LLP

Chartered Accountants

360° Customer-centric Innovation

From pushing products to providing solutions

Launching new products is among the most basic ways for businesses to achieve growth. However, this growth can be short-lived or even elusive if the product falls short on customer expectations. In today's environment, the problem can be even more complex as empowered customers now often make purchases only after discussing product reviews and prices with peers, friends and family. This means that simply pushing products is not an approach that will work anymore. We must increasingly look to our customers to have a deep understanding of their unique needs and then tailor offerings to meet their requirements. At ICICI Lombard, our customer-centric culture of innovation inspires us to do just that. We design products to meet the changing lifestyles and needs of our customers thus shifting us from the path of pushing products towards winning customers.

KEY INITIATIVES

Health Booster: We launched a new product 'Health Booster', a super-top up health insurance cover that takes care of expenses over and above the existing cover. This product is the first of its kind in which the amount of the policy is restored on expiry of the base sum insured.

Long-Term Two-Wheeler Insurance: We were among the first in the industry to introduce a policy where two-wheeler owners have the option to renew their policy over a period of 1, 2 or 3 years. Tie-ups with petrol stations to enhance product reach and use of mobile printers at petrol stations for instant printout of the policy were the unique aspects of this product. More than 5,00,000 customers availed of this product within the first year of its launch.





We were among the first in the industry to introduce a policy where two-wheeler owners have the option to renew their policy over a period of 1, 2 or 3 years.

Message from the Chairperson



Chanda Kochhar
Chairperson

Dear Shareholders,

Fiscal 2017 was a year that amply demonstrated the uncertain times that we now live in. The US presidential election, the Brexit vote and the demonetisation of ₹ 500 and ₹ 1,000 currency notes were some of the defining events of the year. Global economic growth continued to be moderate. The International Monetary Fund has forecast global growth for FY2017 at 3.5%, up from 3.1% in FY2016. India has continued to be the world's fastest growing major economy. With path-breaking reforms such as Goods & Services Tax, slated to be introduced in FY2018, and the expectation of another year of normal monsoons, we are optimistic that India will continue to grow at a healthy pace.

The general insurance industry in India continues to have high growth potential. Crossing the ₹ 1,000 billion premium milestone, the industry grew by 32.3% in FY2017. More importantly, some of the initiatives introduced by the Government in terms of ensuring risk protection in segments such as crop and railway travel are major steps that will ensure that we as a nation support our robust growth with adequate risk mitigation measures. The fact that crop insurance