



**INSURANCE REGULATORY AND  
DEVELOPMENT AUTHORITY**

43/RD/PBBY-ICICI/07-08

May 14, 2008

Shri Sandeep Bakshi,  
Chief Executive Officer,  
ICICI Lombard General Insurance Company Ltd.  
Zenith House, Keshavrao Khadye Marg,  
Mahalaxmi, Mumbai: 400 034

Dear Sir,

Re: Violation of rates in respect of Pravasi Bharatiya Bima Yojana

This has reference to our Show Cause Notice dated 16<sup>th</sup> October, 2007 and your reply thereto dated 31<sup>st</sup> October, 2007. Vide the Show Cause Notice, we had communicated that there was non-adherence to the premium rates filed with us as, the maximum discount proposed in the rating schedule, was allowed in Pravasi Bharatiya Bima Yojana policies across the board without exercising discretion to the facts of each case taking into account the relevant factors indicated in the rate schedule. The Authority has noted that no modified rating schedule had been filed before allowing such maximum discount in all cases.

After carefully examining your aforementioned reply, subsequent discussions of your company, and taking into account the nature of violation, IRDA hereby imposes a penalty of Rs. 5 lakh under Section 102 of the Insurance Act, 1938. The penalty shall be paid within 15 days of receipt of this order. Please note that repetition of such instances of violation shall be viewed very seriously.

This issued with the approval of Chairman, IRDA.

Yours truly,

  
(Prabodh Chander)  
Executive Director