

## **L&T, Generali and Future Group sign Non-Binding term sheet for merger of general insurance businesses**

Larsen & Toubro Limited (L&T), Generali Group and the Future Group have signed a **non-binding** term sheet for the merger of L&T General Insurance Company Limited (LTGI) and Future Generali India Insurance Limited (FGI). On completion of the merger, L&T and Generali would acquire such number of shares as would result in L&T having a 51% stake, Generali having a 26% shareholding and the balance to be held by Future Group in the merged entity. The completion of the transaction is subject to satisfactory due diligence by both the parties, execution of mutually agreed definitive binding documents and requisite approvals from IRDA and other regulators and related corporate bodies.

LTGI, having started operations in 2010, achieved a GWP of Rs. 143 Crore for year ending March 2012 and Rs. 118 Crore for the 9 months ended December 2012. LTGI operates out of 15 branches, servicing customers in more than 1,000 locations using its state of art technology platform. Cumulatively, has issued more than 150,000 policies covering various products till date.

FGI is a joint venture between Future Group, owning 74% stake and Generali Group owning 26% stake. The company achieved a GWP of Rs. 1,034 Cr for the year ending March 2012 and Rs. 855 Cr for the 9 months ended December 2012. It has issued over 840,000 policies and has settled over 100,000 claims in FY13. Future Generali India Insurance is currently active through 83 offices with about 5900+ agents.

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