

## Media Release

### Zurich acquires majority stake in Kotak General Insurance; to build a leading general insurer for India

- *Zurich acquires 70% of Kotak General Insurance, becoming the first foreign insurer to enter India since the FDI rules were amended in 2021*
- *Zurich and Kotak will jointly build a leading general insurer in India, bringing together Zurich's global insurance leadership and scale with Kotak's local expertise and reach*
- *Acquisition helps Zurich enter one of the world's most important growth markets and reflects continued progress in Asia Pacific*

**Mumbai, 19<sup>th</sup> June 2024** – Zurich Insurance Company Limited (“Zurich”) today announced the successful completion of acquiring majority stake in Kotak Mahindra General Insurance Company Limited (“Kotak General Insurance”) from Kotak Mahindra Bank Limited (“Kotak”), following the receipt of all necessary regulatory approvals.

Zurich has acquired a 70% stake in Kotak General Insurance for a total consideration of Rs 5,560 crores (i.e., USD 670 million), through a combination of fresh growth capital and share purchase. The transaction marks the largest foreign investment in India's general insurance market and is the first by a foreign insurer since the foreign direct investment (FDI) limit was raised from 49% to 74% in 2021.

The combined entity will bring to the Indian market - Zurich and Kotak's collective commitment to trust, innovation, integrity, and customer service. In due course, the business will adopt a new brand that represents both Zurich and Kotak as shareholders.

Zurich is fully committed to fostering the development and expansion of India's insurance sector in keeping with the Insurance Regulatory and Development Authority of India's (IRDAI) goal of achieving “Insurance for All” by 2047.

India's general insurance market is poised for substantial growth, driven by greater consumer awareness of the benefits of insurance, continued development of digital and financial infrastructure, and a large and growing middle class. The strong growth in India's SME and corporate sectors will see demand for commercial insurance solutions. Customers in these segments have distinct and complex needs that require a diverse range of commercial propositions to manage and minimize business continuity risks. As an established industry leading insurer, Zurich has a proven track record in delivering differentiated services and solutions to retail and commercial customers underpinned by strong underwriting discipline and capability.

“The acquisition of Kotak General Insurance sets the way forward for Zurich to be a leading player in a very significant growth market – India. This is a key strategic step for Zurich,” said Tulsi Naidu, CEO - Asia Pacific, Zurich Insurance Group. “India's insurance market offers

immense potential, and together with Kotak, we are committed to supporting its growth and development. We have the global scale, strong expertise in managing complex risks, digital capabilities and technology leadership to bridge the insurance protection gap. Our goal is to build resilience among Indian customers and businesses through simple and innovative solutions.”

Shanti Ekambaram, Deputy Managing Director, Kotak Mahindra Bank said, “We are excited about the partnership with Zurich as we aim to leverage our combined local knowledge and global expertise to enhance insurance coverage in India. The partnership will unlock the next phase of growth for Kotak General Insurance and create a leading non-life insurance franchise that will focus on technology and scale, while prioritising customer needs.”

Suresh Agarwal, Managing Director & CEO, Kotak Mahindra General Insurance said, "This milestone marks a pivotal moment for us and will catalyse our expansion in the market by offering comprehensive solutions tailored to meet the evolving needs of our diverse customer base. This is a major stride in advancing our mission of enhancing insurance penetration in India through technology, scale, and bringing global best practices to our business to provide value-adding experiences to our customers. We are committed to set new benchmarks for the general insurance industry.”

The transaction was announced in November 2023 and was subject to customary conditions precedent including regulatory approvals from the Reserve Bank of India, Insurance Regulatory and Development Authority of India, and the Competition Commission of India. All necessary approvals have been received.

#### **About Zurich Insurance Group**

Zurich Insurance Group (Zurich) is a leading multi-line insurer serving people and businesses in more than 200 countries and territories. Its customers include individuals, small businesses, and mid-sized and large companies, as well as multinational corporations. With a rich heritage spanning more than 150 years, Zurich has established itself as a trusted partner in managing risks and providing innovative insurance solutions. A balanced and diversified global business, with industry-leading capital levels, Zurich’s solid financial position gives confidence to our stakeholders, reassuring our customers that we will be there when they need us to handle their claims and positioning us to invest in future growth. The company’s resilient business model, together with a clear strategy focused on customers, innovation, and simplification, positions it well to generate sustainable value for all its stakeholders. Zurich Insurance Company Ltd’s financial strength was rated AA/stable by Standard & Poor’s, Aa3/positive by Moody’s and A+/stable by A.M. Best as of December 31, 2023.

The Group has about 60,000 employees and is headquartered in Zurich, Switzerland. Zurich Insurance Group Ltd (ZURN), is listed on the SIX Swiss Exchange and has a level I American Depositary Receipt (ZURVY) program, which is traded over-the-counter on OTCQX. Further information is available at [www.zurich.com](http://www.zurich.com).

#### **About Kotak Mahindra Bank**

Established in 1985, Kotak Mahindra Group is one of India's leading financial services conglomerates. In February 2003, Kotak Mahindra Finance Ltd. (KMFL), the Group's flagship company, received banking licence from the Reserve Bank of India (RBI), becoming the first non-banking finance company in India to convert into a bank - Kotak Mahindra Bank Limited.

The Bank has four Strategic Business Units – Consumer Banking, Corporate Banking, Commercial Banking, and Treasury, which cater to retail and corporate customers across urban and rural India. The premise of Kotak Mahindra Group’s business model is concentrated India, diversified financial services. The bold vision that underscores the Group’s growth is an inclusive one, with a host of products and services designed to address the needs of the unbanked and insufficiently banked. As on 31<sup>st</sup> March 2024, Kotak Mahindra Bank Ltd has a national footprint of 1,948 branches and 3,219 ATMs, and branches in GIFT City and DIFC (Dubai).

For more information, please visit the company’s website at <https://www.kotak.com/> .

#### **About Kotak Mahindra General Insurance Company Limited**

Kotak Mahindra General Insurance Company Limited is one of the youngest and one of the fastest growing non-life insurance franchises in India. Kotak General Insurance was established in 2015 to service the growing non-life insurance segment in India. The company aims to cater to a wide range of customer segments & geographies offering an array of non-life insurance products like Motor, Health, Home etc. As a practice, the company seeks to provide a differentiated value proposition through customised products and services leveraging state of art technology and digital infrastructure.

For more information, please visit the company’s website at <https://www.kotakgeneral.com/>

#### **For further information, please contact:**

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