

Item No. 20

Permission to DBS Bank India Ltd to have more than the number of tie-up arrangements permitted by Regulations, pursuant to the amalgamation of Lakshmi Vilas Bank Ltd.

1. Pursuant to the approval from the Government of India on 25.11.2020 to the scheme of amalgamation of Lakshmi Vilas Bank Limited with DBS Bank India Ltd (DBIL), all branches of Lakshmi Vilas Bank Ltd. are working as branches of DBS Bank India Ltd.
2. Prior to the amalgamation, LVB had 3 Life, 2 General and 1 Health Insurance tie-ups. DBS Bank India Ltd. had 2 Life and 3 General Insurance tie-ups of its own. After amalgamation, the number of tie-ups of the merged entity thus crosses the permitted maximum tie-ups under both Life and General insurance, as stipulated under Regulation 3 of IRDAI (Registration of Corporate Agents) Regulations, 2015.
3. Previously, the Authority had allowed an extension of 12 months to carry on tie-ups with more than 3 insurers in each line of business to 4 merged public sector banks to protect the interests of the policyholders who have purchased policies from any of the merged entities.
4. On the same ground, DBIL may be permitted to retain its pre-existing tie-ups and also to continue the arrangements with the partners of erstwhile Lakshmi Vilas Bank Ltd. for a period of 12 months, at the end of which, the limit of 3 insurers has to be complied by the merged entity.
5. For approval of the proposal at Para 4 above.

Placed for approval by the Authority.