

**digit**



# ANNUAL REPORT 2020

Go Digit General Insurance Ltd

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## **Message from Prem Watsa**

“At Fairfax, we believe in great leaders, and Kamesh Goyal is an outstanding leader. With a mission to make insurance simple, Kamesh and his team will transform the insurance industry. We are excited about the possibilities.”

## Digit's Simplicity Journey Till Now

### What was the problem Digit Insurance set out to solve?

One of the biggest issues in the insurance industry is that it is mistrusted by people. Terms and conditions that are written to maintain clarity are indeed looked with a sceptical or a helpless eye. 'Why does this industry, that should thrive on trust, be so full of agony and discomfort?'. This introspection led to Digit's mission to 'Make Insurance Simple'.

For a lot of people in India, this sounded like an oxymoron, 'Simple and insurance? Nahhh' Well, for Digit, that's where the opportunity lied. If there is one thing that would truly make a difference to people in the insurance context, it is busting complexity and bringing in the simpler insurance.

### How are we 'Simplifying Insurance'?

Simplicity is a journey and we are doing the below to make it happen!

- **Simple Insurance that Even 15-year-olds Understand**

All our documents are written in simple English, with as less jargons as possible. We also create 2-pager Summary documents for all our products which explain the What's Covered, What's Not Covered and Claims Processes in simple English again. Not just that, our summary documents are tested with 15-year old kids. Only if they approve them to be simple, we send them to our consumers.

Watch the experiment here- <https://www.youtube.com/watch?v=fW7XWMJp65I>



- **Customized Products**

We believe in making customized solutions for customers. For example, if someone only wants their phone screen covered, they don't need to buy the whole package that includes theft and all types of damages, they can choose to only protect their screen. Additionally, we innovated the pay-out structure for these plans by making them flat benefit products. For example, if a damage occurs, the customer automatically gets a flat 20% of the invoice value of their phone. This is because we understand that a screen replacement costs approximately 20% of the value of the phone and people would rather avoid the claims negotiation process and enjoy the simplicity of this benefit. Simple terms, simple pay out.

This results in faster claim payouts as well. See below:

## Turn Around Time for Claims

The number of days taken to close a claim since it has been registered until payment, that means including repair time:

Pvt Car	16 days
Two Wheeler	16 days
Commercial Vehicle	23 days
Travel	4 days
Mobile	14 days
Property	21 days



Time Period: Oct 2019 to Mar 2020

- Real benefits- Products that can be bought for One's Own Family**

People sometimes think they are covered for a loss, only to realize they're not actually covered when they go to make a claim. This was our next challenge to be simplified.

In the travel insurance industry, there are claims terms that include six-hour flight delay and six-hour checked-in baggage delay. These claim terms are rarely met because the flight is typically cancelled before then.

At Digit, we believe in making products and terms that we would like for themselves and their families, therefore, we launched a starting from 75-minute flight delay benefit and a two-hour checked-in baggage delay benefit, and these occur much more often.

**58% of our domestic travel claims to be settled in 24 hours and our avg. time taken for claim settlement for the same being 2 days.**

- Processes that trust people**

No simplicity will be felt if the processes remain tough. And one reason why the processes in insurance are full of checks is because they are made for fraudulent cases. We flipped this and said how would the processes look like for genuine customers. Without any hard-copies? Completely digital? Do-It-Yourself? Yes, so that's how we simplified processes.

Here are a few examples:

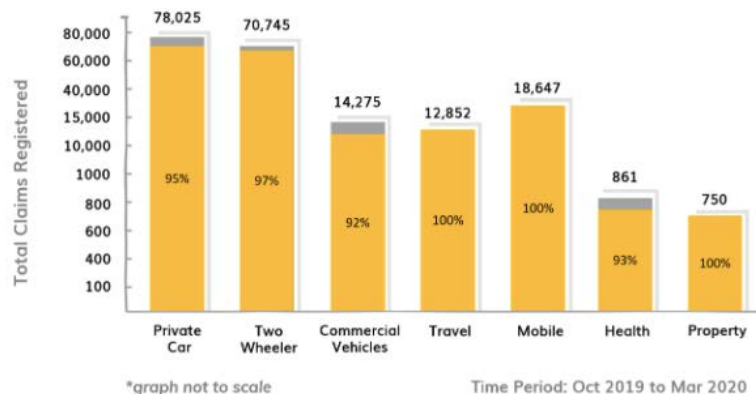
- 1. 100% of Digit's flight delay claims are automated**

If a flight is delayed beyond a stipulated time, an SMS is auto-triggered for a claim and people only need to send their boarding pass to receive the payment.

- 2. Cut down Claims Inspection process from 7 days to 7 min**

Even for motor and mobile claims, instead of people waiting for a third-party inspection, we empower people to go for a self-inspection. This cuts down both operational costs for us and time for the customer. To give you an idea, the inspection time for car claims is 7 days on an average but our process takes 7 min.

With these processes, we have closed more than 35,000 claims this year with the below healthy Claim Settlement Ratios.



## List of Board of Directors

SL.NO	Name of the Person	DIN	Designation
1	Mr. Kamesh Goyal	(DIN 01816985)	Chairman
2	Mr. Chandran Ratnaswami	(DIN 00109215)	Non Executive Director
3	Mr. Rajendra Beri	(DIN 03177323)	Independent Director
4	Dr. Vandana Gupta	(DIN 07790005)	Independent Director
5	Mr. Vijay Kumar	(DIN 05263010)	CEO and Principal Officer and Director
6	Mr. Sameer Bakshi	(DIN 07634138)	Non Executive Director

### A little about them



#### Mr. Kamesh Goyal | Chairman

- 31+ years of experience in the Insurance space across the globe
- Has been the CEO of Bajaj Allianz General & Life Insurance businesses, CEO for Allianz business in Asia, Head of Allianz Group's Planning and Performance Management
- His last assignment was as Head of Allianz's Asset Management Business Division based in Munich, Germany



#### Mr. Chandran Ratnaswami | Non-Executive Director

- 26+ years of experience in Investment Management
- Currently, Mr. Chandran is the CEO of Fairfax India Holdings Corporation (Listed on Toronto Stock Exchange) and Managing Director of Hamblin Watsa Investment Council



#### Mr. Rajendra Beri | Independent Director

- 48 years of experience in General Insurance space
- Held various senior positions and was the Chairman cum Managing Director of New India Assurance Company from 2002 to 2005



#### Dr. Vandana Gupta | Independent Director

- 32+ years of experience in the medical field (MBBS and MD in Pathology)
- Worked as a Consultant in private hospitals from 1983 to 2015



**Mr. Vijay Kumar** | CEO and Principal Officer and Director

- 18+ years of experience in General Insurance Industry
- He was the President of Motor Business at Bajaj Allianz General Insurance



**Mr. Sameer Bakshi** | Non-Executive Director

- 16 years of experience
- Has held various senior positions like, Head – Legal and Compliance, Company Secretary and Chief Risk Officer at Bajaj Allianz Life Insurance Company Limited and at Go Digit General Insurance Limited

## Top Management Executives

SL.NO	Designation	Name of the Person
1	Chief Financial Officer	Mr. Ravi Khetan
2	Chief Investment Officer	Mr. Parimal Heda
3	Chief Distribution Officer	Ms. Jasleen Kohli
4	Head- Marketing	Mr. Vivek Chaturvedi
5	Chief Risk Officer	Mr. Rajeev Singh
6	Chief Compliance Officer	Ms. Rasika Kuber
7	Appointed Actuary	Mr. Adarsh Agarwal
8	Vice President - Customer Experience	Mr. Praveen Bhat
9	Head - Data Science	Mr. Vishal Shah
10	Head - Business Process	Mr. Bijan Mohanty
11	Head - Human Resources	Ms. Amrit Jaidka
12	Company Secretary	Mr. Tejas Saraf

# Directors' Report

To,  
The Members of  
**Go Digit General Insurance Limited**

Your Directors have pleasure in presenting their Fourth Annual Report and audited financial statements for the financial year ended 31 March 2020.

## 1. The highlights of the Financial Results are as under:

### Financial Highlights

₹ in lakhs

Particulars	31 March 2020	31 March 2019
Gross written premium	2,252,35	1,204,98
Net earned premium	1,241,35	499,98
Profit / (Loss) after tax	(175,25)	(270,64)
Net worth	1,122,34	478,00
Assets under management (including cash)	3,549,81	1,565,37

## 2. State of Affairs and Business Review :

The industry premium grew from ₹ 169,725 crore in FY 2019 to ₹ 189,302 crore in FY 2020, a growth of 11.5%. Your Company's premium grew from ₹ 1,205 crore in FY 2019 to ₹ 2,252 crore in FY 2020. Market share of the Company stood at 1.16%.

## 3. Material changes and commitments affecting the financial position:

There were no material changes or commitments, affecting the financial position of the Company between 31 March 2020 and the date of this Report.

## 4. Extract of Annual Return:

The extract of Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, in the prescribed Form MGT- 9 is annexed to this Report and the same has been hosted on the website of the Company and can be viewed at

[https://d2h44aw7l5xdvz.cloudfront.net/financials/GDGIL%20BM%20Annexure%20VIB%20-%20MGT-9\\_FY2019-20.pdf](https://d2h44aw7l5xdvz.cloudfront.net/financials/GDGIL%20BM%20Annexure%20VIB%20-%20MGT-9_FY2019-20.pdf)

## 5. Directors and Key Managerial Personnel :

Mr. Sameer Bakshi, (DIN 07634138) Additional Director was appointed as a Non-Executive Director at the Annual General Meeting of the Company held on 22 July 2019.

At the ensuing Annual General Meeting, Mr. Vijay Kumar (DIN 05263010) will retire by rotation and being eligible have offered himself for re-appointment. The Board recommends his re-appointment.

There is no change in the Key Managerial Personnel appointed by the Company, during the financial year.

## 6. Independent Directors:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.



## **7. Number of Meetings of the Board:**

The Board of Directors met eight times during the year. The detailed information about dates of meetings and attendance of Directors at the meetings is given in the Corporate Governance Report annexed to this Report.

## **8. Directors' Responsibility Statement:**

In accordance with the requirements of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013 (the Act), the Board of Directors wishes to confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2020 and of the loss of the Company for that period;
- c. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis;
- e. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **9. Directors' Remuneration Policy :**

Policy on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of the Companies Act, 2013 is given as annexure to this Report.

## **10. Conservation of Energy & Technology absorption:**

Your Company, does not have a manufacturing activity. The Directors, therefore, have nothing to report on conservation of energy and technology absorption. However, your Company extensively uses technology in its operations.

## **11. Foreign Exchange Earnings and Outgo:**

Foreign exchange earnings during the year were ₹ 235.1 lakhs (USD 0.33 million). The foreign exchange outgo during the year was ₹ 14,134.8 lakhs (USD 19.94 million).

## **12. Risk Management Policy :**

Your Company has a Risk Management policy to identify and mitigate possible risks, which might endanger the existence of the Company. A statement on key risks and their mitigation is given in the Corporate Governance Report annexed to this Report.

## **13. Corporate Social Responsibility:**

The Company has constituted a Corporate Social Responsibility (CSR) Committee in accordance with the provisions of the Companies Act, 2013. The Composition of the CSR committee and the disclosure requirement as envisaged under Section 134(3)(o) and Section 135 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in the annual report on CSR activities, annexed to this Report.

#### **14. Performance Evaluation of the Board, its Committees and Directors:**

Pursuant to the provisions of the Companies Act, 2013 and IRDAI Corporate Governance Guidelines, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees, and individual Directors for the year 2019-20 in the following manner:

- Evaluation sheets were filled by each of the Directors with regards to the evaluation of the performance of the Board, its Committees and individual Directors for the year under review;
- The feedback received from all the Directors was then compiled, based on which a report of performance evaluation was prepared by the Chairman;
- The report of performance evaluation was then noted and discussed in the meeting of the Board of Directors;
- The Nomination and Remuneration Committee reviewed the implementation and compliance of the evaluation process followed by the Company.

#### **15. Significant and Material Orders Passed by the Regulators or Courts or Tribunals:**

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review impacting the going concern status of your Company and its operations in future.

#### **16. Adequacy of Internal Financial Controls:**

The Company has in place adequate internal financial controls commensurate with size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

#### **17. Composition of Audit Committee:**

The details in this regard are provided in the Corporate Governance Report annexed to this Report.

#### **18. Particulars of Employees:**

Pursuant to the provisions of Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of the employees are annexed to this Report. This Report and financial statements are being sent to Shareholders excluding the said information. Any Shareholder interested in obtaining such information may write to the Company Secretary at the registered office of the Company for a copy thereof.

#### **19. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no cases were filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**20. Establishment of Vigil Mechanism:**

Section 177(9) & (10) of the Companies Act, 2013 and rules made thereunder were not applicable to your Company with reference to the year under review.

However, your Company has vigil mechanism in place in the form of Whistle Blowing Mechanism. The Whistle Blowing Policy outlines the instances and the manner of raising concern by employees, establishment, powers and functions and decision making of Whistle Blower / Ethics Committee (Management level), whistle blower's access to the Audit Committee in appropriate cases, protection to the employees raising concerns in good faith and action against false and frivolous concern.

**21. Contracts or Arrangements with Related Parties:**

The transactions entered with related parties, during the year under review, were in the ordinary course of business and on arm's length basis. There were no material contracts or arrangement or transactions at arm's length basis that needs to be disclosed in Form AOC-2 as required under the Companies Act, 2013.

**22. Dividend:**

The Directors do not recommend any dividend for the year under review.

**23. Details of Subsidiary Company:**

Your Company does not have any subsidiary or joint venture or associate company.

**24. Capital (₹):**

During the year under review, the Company called up balance amount of ₹ 5 per share towards face value and ₹ 10 per share towards premium for the 11,00,00,000 partly paid equity shares of the Company on 27 June 2019. The Company has further allotted 8,66,11,164 equity shares of ₹ 10 each at a premium of ₹ 65 on 14 February 2020 and 6,66,667 equity shares of ₹ 10 each at a premium of ₹ 65 on 26 March 2020. Total outstanding equity shares as on 31 March 2020 are 81,68,43,051.

**25. Amounts to be carried to reserves:**

The Company does not propose to transfer any amounts to reserve.

**26. Auditors' Report:**

The observations, if any, made in the Auditor's Report, read with the relevant notes thereon, are self-explanatory and hence do not call for any comments under Section 134 of the Companies Act, 2013.

During the year under review, there was no fraud reported by the joint statutory auditors to the Audit Committee under sections 134(3)(ca) and 143(12) of the Companies Act, 2013.

**27. Auditors:**

Kirtane & Pandit LLP, Chartered Accountants (Firm Registration Number 105215W / W100057), joint statutory auditors of the Company hold office from the conclusion of First Annual General Meeting till the conclusion of Sixth Annual General Meeting of the Company and PKF Sridhar & Santhanam LLP, Chartered Accountants, (Firm Registration Number 003390S/S200018) joint statutory auditors of the Company hold office from the conclusion of Second Annual General Meeting till the conclusion of Seventh Annual General Meeting of the Company.

## 28. Secretarial Auditor:

Pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Kanj & Co. LLP, Practicing Company Secretaries, to conduct secretarial audit of the Company for the financial year 2019-20.

The Secretarial Audit report is annexed to this Report. The same does not contain any qualification, reservation, adverse remark or disclaimer.

## 29. Deposits:

Your Company has not accepted any public deposits during the year under review.

## 30. Particulars of Loans, Guarantees or Investments:

Section 186 of the Companies Act, 2013, except sub-section (1) thereof, does not apply to the Company.

## 31. Compliance with Secretarial Standards:

The Company has complied with the provisions of Secretarial Standards issued by the Institute of Company Secretaries of India, for the time being in force and applicable, during the year 2019-20.

## 32. Employee Stock Appreciation Rights (ESAR):

Your Company has an Employee Stock Appreciation Rights (ESAR) plan to enable the employees and Directors of the Company to participate in its future growth and financial success.

### Particulars of ESARs granted up to 31 March 2020 are given below:

ESAR granted	16,23,557
ESAR vested	NIL
ESAR exercised	NIL
The total number of shares arising as a result of exercise of ESAR	NIL
ESAR lapsed	57,364
Exercise price	₹ 75 for 12,23,557 ₹ 10 for 4,00,000
Variation of terms of ESARs	None
Money realized by exercise of ESARs	NIL
Total number of ESARs in force	1,50,08,982

### Employee wise details of ESARs granted to:-

- (i) key managerial personnel;
  - Vijay Kumar (Chief Executive Officer) – 4,00,000 (24.64% of ESARs granted during the year).7
  - Ravi Khetan (Chief Financial Officer) – 13,568 (0.84% of ESARs granted during the year).
- (ii) any other employee who receives a grant of ESARs in any one year of ESAR amounting to five percent or more of options granted during that year.
  - Sandeep Malik (Executive President) - 83,000 (5.11% of ESARs granted during the year).

\*In addition to the above, ESARs have also been granted to some of the employees of Go Digit Infoworks Services Private Limited (Holding Company) in accordance with ESAR policy.

Employees who were granted ESAR, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant: Nil

**33. Update on IndAS:**

IRDAI vide Circular no. IRDAI/F&A/CIR/ACTS/023/01/2020 dated 21 January 2020 has notified that effective date for implementation of Ind AS 109 and Ind AS equivalent of IFRS 17 (Insurance Contracts) shall be decided after finalization of IFRS 17 by International Accounting Standards Board (IASB).

**34. Any revision of financial statement or report of the Board:**

There has been no revision of financial statements or reports of the Board during the FY 2019-20.

**35. Acknowledgements:**

The Board of Directors is grateful to Insurance Regulatory and Development Authority of India for its support.

The Directors would also like to take this opportunity to express their sincere appreciation for the continued support and guidance of Company's Bankers, Consultants and Advisors and Shareholders.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

**For and on behalf of Board of Directors  
Go Digit General Insurance Limited**

**Mr. Kamesh Goyal  
Chairman  
DIN - 01816985**

20 May 2020  
Pune

## Annexure to Directors' Report - Report on Corporate Governance

In accordance with the provisions of Guidelines for Corporate Governance for insurers in India dated 18 May 2016 ("the Guidelines") issued by Insurance Regulatory and Development Authority of India (IRDAI), given below are the corporate governance policies and practices of Go Digit General Insurance Limited ("the Company" or "DIGIT") for the financial year 2019-20.

### Board of Directors

As at 31 March 2020, the Board of Directors of the Company consisted of six Directors. Out of the six Directors, three are Non-executive Directors, two are Independent Directors and One CEO, who is Executive Director. All Directors except the Executive Directors are Non-executive Directors, including the Chairman.

The list of Directors as on 31 March 2020 and other major offices held by them is mentioned elsewhere in this report.

1. **Mr. Kamesh Goyal**, Chairman, is a Science and Law graduate and has also done MBA from Faculty of Management Studies, Delhi University. He is also an Associate of Insurance Institute of India. He comes with over 31 years of experience in Insurance markets (both life and non-life) in India as well as in abroad.
2. **Mr. Chandran Ratnaswami**, Director, holds a Bachelor's Degree in Civil Engineering from I.I.T. Madras, India and an MBA from the University of Toronto, Canada. He is a Managing Director of Hamblin Watsa Investment Counsel Limited and also the Chief Executive Officer and Director of Fairfax India Holdings Corporation. He also serves on the Boards of Fairbridge Capital Private Limited, IIFL Holdings Limited (formerly India Infoline Limited), Thomas Cook (India) Limited, Qess Corp Limited, Bangalore International Airport Limited (India), Thai Reinsurance Public Company Limited (Thailand), Zoomer Media Limited (Canada), Fairfirst Insurance Limited (Sri Lanka).
3. **Mr. Rajendra Beri**, Independent Director, holds an Honours Degree in Arts (History) from Delhi University and MBA from Birla Institute of Technology & Science, Pilani. He has over 48 years of experience in general insurance sector and presently he is an Independent Director in TransAfrica Assurance Co. Ltd. He has served as Insurance Ombudsman for Delhi and Rajasthan. He was the Chairman cum Managing Director of the New India Assurance Company Limited. He was an Independent Director in Cholamandalam MS General Insurance Limited.
4. **Dr. Vandana Gupta**, Independent Director, is MBBS and MD (Pathology). She has 32 years of experience in Medical field. She has worked as consultant Pathologist in private hospitals during 1983 till 2015.
5. **Mr. Vijay Kumar**, CEO and Principal Officer and Director has a Bachelors Degree in Mechanical Engineering. He has more than 18 years of experience in General Insurance Industry particularly in Motor line of Business. He has held various senior positions in Bajaj Allianz General Insurance Limited. As the Chairman of the Board is a Non-Executive Director, the CEO and Principal Officer is a Whole Time Director.
6. **Mr. Sameer Bakshi**, Director, is a Fellow Member of Institute of Company Secretaries of India and Graduate Member of Institute of Cost and Works Accountants of India, and also holds a Bachelor's Degree in Commerce and Law. He has around 16 years of experience in Insurance Sector. He has held various senior positions like, Head – Legal and Compliance, Company Secretary and Chief Risk Officer in Bajaj Allianz Life Insurance Company Limited and at Go Digit General Insurance Limited.

## Meetings of the Board of Directors

During the year, the Board of Directors met eight times on 22 May 2019, 22 July 2019, 8 November 2019, 17 December 2019, 18 December 2019, 25 January 2020, 4 February 2020 and 20 March 2020. The following table sets out the details of Composition of Board of Directors and attendance of Directors at the Board meetings-

Name of Director	Category	Meetings Attended	Sitting Fees (Amount in ₹)
Mr. Kamesh Goyal	Chairman, Non Executive Director	4/8	-
Mr. Chandran Ratnaswami	Non Executive Director	3/8	-
Mr. Rajendra Beri	Independent Director	4/8	2,00,000
Dr. Vandana Gupta	Independent Director	4/8	2,00,000
Mr. Vijay Kumar	CEO and Principal Officer and Director	7/8	-
Mr. Sameer Bakshi	Non Executive Director	8/8	-

## Board Committees:

The Board has constituted Audit Committee, Investment Committee, Risk Management Committee, Policyholder Protection Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee which are mandatorily required to be constituted as per the applicable provisions of the Guidelines and Companies Act 2013. The Board has also constituted a Share Allotment Committee.

The role, composition of these Committees along with the number of meetings held during the financial year 2019-20 and the attendance of the Committee Members at such meetings are provided below.

## Audit Committee

The Audit Committee of the Board of Directors, inter alia, is responsible to oversee the financial statements and financial reporting, to set-up procedures and processes to address all concerns relating to adequacy of check and control mechanisms, to oversee the efficient functioning of the internal audit department and review its plans and reports and to monitor the progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice. The Committee is also responsible to recommend appointment, remuneration, terms of appointment, oversee the performance and independence of auditors and to review any additional work to be entrusted to statutory auditors, to act as Compliance Committee to discuss the level of compliance in the Company and any associated risks and to monitor and report to the Board on any significant compliance breaches. The Audit Committee is also responsible for approval or any subsequent modification of transactions of the Company with its related parties. The role of the Committee also encompasses matters specified under Corporate Governance Guidelines and other applicable laws.

The Audit Committee comprises of three Non-executive Directors, two of whom are Independent Directors and one Non-executive Director. The CEO & Principal Officer, Executive Director, Appointed Actuary, Chief Financial Officer, Chief Risk Officer, Head- Legal and Compliance, Company Secretary, Statutory Auditors and Internal Auditors are Invitees to the Committee Meetings. The Committee is chaired by Mr. Rajendra Beri, Independent Director.

The Audit Committee met four times during the year on 22 May 2019, 22 July 2019, 8 November 2019 and 4 February 2020. The Composition of the Committee along with the attendance of the Members at the Committee Meetings are given below:

Name of Member	Category	Meeting Attended	Sitting Fees (Amount in ₹)
Mr. Rajendra Beri	Chairman, Independent Director	4/4	2,00,000
Dr. Vandana Gupta	Independent Director	4/4	2,00,000
Mr. Chandran Ratnaswami	Non Executive Director	3/4	-

### Investment Committee

The Investment Committee of the Board of Directors is, inter alia, responsible to recommend investment policy to Board and lay down operational framework for investment operations, to periodically review Investment policy based on performance of investments and evaluation of dynamic market condition, to implement Board approved Investment policy, to formulate effective reporting system to ensure compliance with policy set out by it for ongoing monitoring of Investment Operations and to review Investment Operations and submit report to Board on performance of investment portfolio with regard to its safety and soundness. The role of the Committee also encompasses matters specified under Corporate Governance Guidelines and other applicable laws.

The Investment Committee comprises of two Non-executive Directors, CEO & Principal Officer, Chief Financial Officer, Chief Investment Officer, Appointed Actuary, and Chief Risk Officer. The Committee is chaired by Mr. Chandran Ratnaswami, Non-executive Director.

The Investment Committee met four times during the year on 22 May 2019, 22 July 2019, 8 November 2019 and 4 February 2020. The Composition of the Committee along with the attendance of the Members at the Committee Meetings are given below:

Name of Member	Category	Meetings Attended
Mr. Chandran Ratnaswami	Chairman, Non Executive Director	3/4
Mr. Kamesh Goyal	Non Executive Director	4/4
Mr. Vijay Kumar	CEO and Principal Officer and Director	3/4
Mr. Ravi Khetan	Chief Financial Officer	4/4
Mr. Parimal Heda	Chief Investment Officer	4/4
Mr. Adarsh Agarwal	Appointed Actuary	3/4
Mr. Rajeev Singh	Chief Risk Officer	4/4

### Policyholder Protection Committee

The Policyholder Protection Committee of the Board of Directors is, inter alia, responsible to recommend a policy on customer education and ensure proper implantation of the same, to adopt standard operating procedures to treat the customer fairly including time-frames for policy and claims servicing parameters and monitoring implementation thereof, to put in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries, to put in place a framework for review of awards given by Insurance Ombudsman/Consumer Forums, to analyze the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any. The Committee also reviews measures and steps taken by the Company to reduce customer complaints at periodic intervals, it also reviews unclaimed amounts of Policyholders. The role of the Committee also encompasses matters specified under Corporate Governance Guidelines and other applicable laws.

The Policyholder Protection Committee comprises of four Directors, three of whom are Non-executive Directors. The CEO & Principal Officer is the other member of the Committee. Industry Expert and Grievance Redressal Officer are invited to the Committee meetings. The Committee is chaired by Mr. Chandran Ratnaswami, Non-executive Director.



The Policyholder Protection Committee met four times during the year on 22 May 2019, 22 July 2019, 8 November 2019 and 4 February 2020. The Composition of the Committee along with the attendance of the Members at the Committee Meetings are given below:

Name of Member	Category	Meetings Attended
Mr. Chandran Ratnaswami	Chairman, Non Executive Director	3/4
Mr. Kamesh Goyal	Non Executive Director	4/4
Mr. Vijay Kumar	CEO and Principal Officer and Director	3/4
Mr. Sameer Bakshi	Non Executive Director	4/4

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors is, inter alia, responsible to identify the persons who are qualified to become Directors and who may be appointed in senior management in accordance with criteria laid down, to recommend to the Board their appointment and removal, to specify the manner for effective evaluation of performance of Board, its Committees and individual Directors, to formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to Board a policy relating to remuneration for Directors, Key Managerial Personnel and other employees. It ensures that remuneration packages of Key Management Persons of Company are as per Remuneration Policy approved by Board, it also ensures that proposed appointments/ re-appointments of Key Management Persons or Directors are in conformity with Board approved policy on retirement/ superannuation. The role of the Committee also encompasses matters specified under Corporate Governance Guidelines and other applicable laws.

The Nomination and Remuneration Committee comprises of four Directors, two of whom are Independent Directors and two are Non-executive Directors. The Committee is chaired by Mr. Rajendra Beri, Independent Director.

The Nomination and Remuneration Committee met three times during the year on 22 May 2019, 8 November 2019 and 4 February 2020. The Composition of the Committee along with the attendance of the Members at the Committee Meetings are given below:

Name of Member	Category	Meeting Attended	Sitting Fees (Amount in ₹)
Mr. Rajendra Beri	Chairman, Independent Director	3/3	1,50,000
Dr. Vandana Gupta	Independent Director	3/3	1,50,000
Mr. Chandran Ratnaswami	Non Executive Director	3/3	-
Mr. Kamesh Goyal	Non Executive Director	3/3	-

### Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been formed by the Board during the year with the responsibility to formulate and recommend to the Board the CSR policy of the Company which shall indicate the activities to be undertaken by the Company in areas or subject, specified in Schedule VII of the Companies Act 2013, to recommend the amount of expenditure to be incurred on the CSR activities, to monitor CSR Policy of the Company from time to time and institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company. The role of the Committee also encompasses matters specified under Corporate Governance Guidelines and other applicable laws.

The Corporate Social Responsibility Committee comprises of four Directors, two of whom are Non-executive Directors, one is an Independent Director and one is CEO & Principal Officer. The Committee is chaired by Mr. Kamesh Goyal, Non-executive Director.

The Corporate Social Responsibility Committee met once during the year on 4 February 2020, The Composition of the Committee along with the attendance of the Members at the Committee Meetings are given below:

Name of Member	Category	Meetings Attended	Sitting Fees (Amount in ₹)
Mr. Kamesh Goyal	Chairman, Non Executive Director	1/1	-
Mr. Chandran Ratnaswami	Non Executive Director	1/1	-
Dr. Vandana Gupta	Independent Director	1/1	50,000
Mr. Vijay Kumar	CEO and Principal Officer and Director	1/1	-

#### Share Allotment Committee:

The Share Allotment Committee has been formed by the Board during the year for allotment and transfer of securities that may be issued by the Company from time to time.

The Share Allotment Committee comprises of four Directors, three of whom are Non-executive Directors and one is CEO & Principal Officer. The Committee is chaired by Mr. Kamesh Goyal, Non-executive Director.

The Share Allotment Committee did hold any meeting during the year. The Composition of the Committee is given below:

Name of Member	Category
Mr. Kamesh Goyal	Chairman, Non Executive Director
Mr. Chandran Ratnaswami	Non Executive Director
Mr. Sameer Bakshi	Non Executive Director
Mr. Vijay Kumar	CEO and Principal Officer and Director

#### Risk Management Committee:

The Risk Management Committee of the Board of Directors is, inter alia, responsible to establish Risk Management framework of the Company and to recommend to the Board Risk Management Policy and Processes of the Company, to set risk tolerance limits and assess the cost and benefits associated with risk exposure. The Committee is also responsible to review Company's risk-reward performance to align with overall policy objectives, discuss and consider best practices in risk management in market and advise the respective functions. It also assists Board in effective operation of risk management system by performing specialized analyses and quality reviews. The Committee maintains an aggregated view on risk profile of the Company for all categories of risk, advises the Board about risk management decisions. The Committee is also responsible to formulate and implement Asset Liability Management strategies for the Company. The role of the Committee also encompasses matters specified under Corporate Governance Guidelines and other applicable laws.

The Risk Management Committee comprises of three Directors, two of whom are Non Executive Directors and one is CEO & Principal Officer. The Committee is chaired by Mr. Chandran Ratnaswami, Non Executive Director. The Chief Risk Officer, Appointed Actuary, Chief Financial Officer and Chief Investment Officer are invitees to the Committee meetings.

The Risk Management Committee met four times during the year on 22 May 2019, 22 July 2019, 8 November 2019 and 4 February 2020. The Composition of the Committee along with the attendance of the Members at the Committee Meetings are given below:

Name of Member	Category	Meetings Attended
Mr. Chandran Ratnaswami	Chairman, Non Executive Director	3/4
Mr. Kamesh Goyal	Non Executive Director	4/4
Mr. Vijay Kumar	CEO and Principal Officer and Director	3/4

### Risk Management framework:

The objective of the Risk Management Framework of the Company is to clearly define, identify, measure and mitigate various risks to which the Company is exposed to.

The risk management framework of the Company consists of the Board of Directors, Risk Management Committee of the Board, the Chief Risk Officer and the Risk Management Committee (Management) comprising of respective functional heads, who are the owners of risks emanating from their respective functions, the Internal Auditor and Statutory Auditors. The Chief Risk Officer and Functional heads are responsible for periodically reviewing the risk management process to ensure that they are aligned to the risk management objectives of the Company.

An Annual review of all Departments and their risks was conducted wherein the key risks were highlighted by each Functional Head, which were further evaluated by Risk Management Committee (Management) in detail and then were classified into Low, Medium and High risk categories and the frequency of the review was agreed upon.

The critical risks to which the Company is exposed to along with their mitigation are identified and monitored and are presented to the Risk Management Committee on Quarterly basis.

The key risks identified by the Company along with their mitigation plans are as under.

- ALM Risk is the risk of negative impact on the entity's net asset value and the risk of entity's inability to meet financial obligations when they fall due. The risk is managed by ensuring that there are adequate assets, returns and liquidity to cover potential liability that arises in the future as per the corresponding period.
- Liquidity Risk (Investment Risk) is monitored on a regular basis to ensure sufficient cash flows are maintained to meet Claims and operating expenses.
- Reinsurance Risk (Credit Risk) is a risk of default of Reinsurer (failure to perform their obligation) in the event of claim for reinsurance ceded. This risk is managed by ensuring minimum credit rating of the reinsurer while placement and its regular monitoring.
- Operational Risks are risks related to operational execution and include, among others systems risk, fraud risk, legal risk, compliance risk, process risk and outsourcing risk. These are mitigated by implementing effective internal control framework, through strong policy and process, periodical reviews and internal audit.
- Business Continuity Risks include traditional emergencies like fires, floods, earthquakes and tornados as well as risks from physical and cyber terrorism, cybercrime, computer and telecommunications equipment failures, theft, employee sabotage, lockdown situation (like pandemics and lockdown due to pandemics) etc. The Company has an existing Business Continuity Plan which is periodically reviewed and updated by Chief Information Security Officer (CISO) and Head IT. During the unprecedented time of lockdown due to Covid19 pandemic, it assisted the Company in continued operations and service of customer without significant delays or drop in quality of service.

**Disclosure pursuant to IRDAI Guidelines on Remuneration of Non-executive Directors and Managing Director /Chief Executive Officer / Whole-time Directors of Insurers dated 5 August 2016**

**1. Qualitative Disclosures:**

**a. Information relating to the design and structure of remuneration processes and the key features and objective of remuneration policy**

The remuneration policy of the Company sets out all the aspects of the remuneration structure of the Non-Executive Directors and Managing Director / Chief Executive Officer / Whole-Time Director (MD/CEO/WTD), Key Managerial Personnel (KMP) and other employees of the Company.

The policy provides that the Remuneration (fixed and variable) of the MD/CEO/WTD shall be competitive

a-vis other insurers in the market. The policy provides that the Remuneration (fixed and variable) of the MD/CEO/WTD shall be competitive vis-a-vis other insurers in the market. Salary revisions shall be done annually after considering relevant factors such as performance of the MD/CEO/WTD, inflation, trends in financial services industry, market benchmarks, etc. The Nomination and Remuneration Committee (NRC) shall recommend any revisions for approval of the Board. The Board shall after considering the recommendation of NRC, approve the remuneration, subject to approval of IRDAI. Any payment to MD/CEO/WTD shall be made as per approval granted by IRDAI.

The remuneration policy containing the details of component of remuneration is annexed to the Directors report.

**b. Description of the ways in which current and future risks are taken into account in the remuneration processes.**

The Company works within a risk framework which is approved by the Board. Qualitative risk factors such as solvency, claims settlement, grievance redressal, expenses of management, claim repudiation, overall compliance status, overall financial position and such other parameters as the NRC feels relevant for each year, are considered in the evaluation.

Every year, the Company targets are finalized keeping in mind the risks with limit structures for various areas of risk/lines of business, within which the Company operates to achieve the financial plan. Key performance index of MD/CEO/WTD, as well as employees, incorporate relevant risk management related aspects. For example, in addition to performance targets in areas such as growth and profits, performance indicators include aspects such as the Loss ratio and control on management expense.

The Company also structures the remuneration in a manner that there is no guaranteed variable pay and 20% of remuneration is variable which is paid every six months. MD/CEO/WTD is also allotted Employee Stock Appreciation Rights (ESARs) to ensure that there are no payments in cash upfront and hence would not create perverse incentives and promote undue risk taking.

**c. Description of the ways in which the insurer seeks to link performance during a performance measurement period with levels of remuneration.**

Salary revisions are done annually after considering relevant factors such as performance of the Company, performance of the MD/CEO/WTD, inflation, trends in financial services industry, market benchmarks, etc.

Remuneration to KMP and Senior Management should involve a balance between fixed and variable / incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

## 2. Quantitative Disclosures:

The following table sets forth the quantitative disclosure of CEO/WTD remuneration:

Particulars	Year ended 31 March 2020 (Amount in ₹)
Number of MD/ CEO/ WTDs having received a variable remuneration award during the financial year	1
Number and total amount of sign on awards made during the financial year	NIL
Details of guaranteed bonus, if any, paid as joining / signing bonus	NIL
Total amount of outstanding deferred remuneration, split into cash, shares and share linked instruments and other forms	
Fixed	NIL
Variable	NIL
ESAR	NIL
Total amount of deferred remuneration paid out in the financial year	NIL
Breakup of amount of remuneration awarded for the financial year to show fixed and variable, deferred and non-deferred	
Fixed	1,15,38,893
Variable	27,65,914
ESAR (in Number of ESARs granted)	4,00,000

### **Certification for Compliance of the Corporate Governance Guidelines**

I, Tejas Saraf, Company Secretary, hereby certify that the Company has complied with the Corporate Governance Guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

20 May 2020  
Pune

Tejas Saraf  
Company Secretary

## Annexure to Directors' Report – Remuneration Policy

The Insurance Regulatory and Development Authority of India (IRDAI) has laid down the framework on remuneration of the Non-Executive Directors and Managing Director | Chief Executive Officer | Whole-Time Directors of insurance companies vide its Circular No IRDA / F&A / GDL / LSTD / 154 / 08 / 2016 dated 5th August 2016 (Guidelines). The Companies Act 2013 also requires the Nomination and Remuneration Committee of the Company shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

This policy sets out all the aspects of the remuneration structure of the Non-Executive Directors and Managing Director / Chief Executive Officer | Whole-Time Director(MD/CEO/WTD), Key Managerial Personnel (KMP) and other employees of the Company.

### 1. Remuneration to Non-Executive Directors:

- The Remuneration to Non-Executive Directors shall be as per the provisions of guidelines issued by IRDAI and Companies Act 2013.
- The Board shall approve payment of sitting fees to the Non-Executive Directors based on the recommendation of the NRC. The Board can decide to pay sitting fees only to Independent Directors.
- Any other payment to the Non-Executive Directors shall be as per the approval of the Board.

### 2. Remuneration to MD/CEO/WTD:

#### a) Remuneration

- The Remuneration of the MD/ & CEO shall be competitive vis-a-vis other insurers in the market.
- Salary revisions shall be done annually after considering relevant factors such as performance of the MD & CEO, inflation, trends in financial services industry, market benchmarks, etc.
- The Nomination and Remuneration Committee (NRC) shall recommend any revisions for approval of the Board.
- Any payment to MD/CEO/WTD shall be made as per approval granted by IRDAI.

#### b) Components of remuneration

- Fixed Remuneration consisting of salaries and allowances, perquisites, employer's contributions to PF, superannuation and other retiral benefits
- Annual bonus
- Any other benefit as may be recommended by the NRC and approved by the Board from time to time

Fixed Remuneration should not be more than 80% of total cost to company. The variable component shall be 20% of the total CTC.

Reimbursements of expenses incurred for official purposes, as per company policy shall not be included in Remuneration.

The Board may also grant Employee Stock Option Plans (ESOP) of the Company/any group Company. These shall be compliant with the SEBI guidelines governing ESOPs ESOP's shall not be considered as part of remuneration, however the extent of ESOP's should be reasonable. The details of ESOP's granted should be disclosed in Annual Report.

**c) Variable Pay (Annual bonus)**

- These are variable amounts
- Annual bonus is ascertained and paid each year as approved by the Board
- Targets shall cover quantitative measures including growth, profitability and cost control

**d) Risk adjustment:**

Apart from the above, qualitative risk factors such as solvency, claims settlement, grievance redressal, expenses of management, claim repudiation, overall compliance status, overall financial position and such other parameters as the NRC feels relevant for each year, may also be considered in the evaluation.

**e) Additional compliances:**

- Where a person is newly recruited as MD/CEO/WTD, the Company may offer such increase as it deems fit, over the existing salary to make the total package comparable to the market benchmarks
- The Board, on recommendation of the NRC, may offer joining or sign-on bonuses, as maybe applicable.
- The severance pay (apart from accrued benefits like gratuity, notice pay etc), if any, shall be paid to MD/CEO/WTD after approval from the Board.
- No remuneration shall be paid to MD/CEO/WTD by any of the promoters or group companies of promoters.
- Disclosures regarding remuneration etc as mandated by IRDAI shall be made in the Annual Report.
- All payments shall be subject to the extant guidelines of the IRDAI and provisions of law and further subject to approval of the IRDAI. The maximum amount that may be debited to Policyholders' account shall be as specified by regulations/guidelines/circulars issued by IRDAI from time to time.

**3. Remuneration to KMP and other employees:**

- The level and composition of remuneration to KMPs and other employees should be reasonable and sufficient to attract, retain and motivate employees of the quality required to run the Company successfully.
- Relationship of remuneration to performance should be clear and meet appropriate performance benchmarks.
- Remuneration to KMP and Senior Management should involve a balance between fixed and variable / incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- Employees shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs and as per the grades assigned, if any.
- The Board may also grant Employee Stock Option Plans (ESOP) of the Company/any group Company. These shall be compliant with the SEBI guidelines governing ESOPs. ESOP's shall not be considered as part of remuneration, however the extent of ESOP's should be reasonable. The details of ESOP's granted should be disclosed in Annual Report.

**4. Criteria for determining qualifications, positive attributes & independence of Director:**

**a) Qualifications of Director**

A Director shall possess knowledge or expertise in one or more fields of finance, economics, insurance, law, management, sales, marketing, CSR, corporate governance, operations or other disciplines related to the Company's business with qualifications and experience that is appropriate to the Company.

**b) Positive Attributes of Directors**

- Director shall be a person of integrity, who
- possesses relevant expertise and experience;
- upholds ethical standards of integrity and probity;
- acts objectively and constructively while exercising his duties;
- exercises his/her responsibilities in a bona-fide manner in the interest of the Company;
- devotes sufficient time and attention to his/her professional obligations for informed and balanced decision making; and
- assists Company in implementing the best corporate governance practices.

**c) Independence of Independent Directors**

An Independent Director should meet the requirements of the Companies Act, 2013 concerning independence of Directors.

**Review:**

NRC shall have the oversight on implementation of this policy and shall recommend to the Board changes if any in the policy. The Board shall have the authority to review this policy annually and make any modifications.



# Annual Report on Corporate Social Responsibility activities

## 1. A brief outline of Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

This policy sets out all the aspects of the remuneration structure of the Non-Executive Directors and Managing Director / Chief Executive Officer / Whole-Time Director (MD/CEO/WTD), Key Managerial Personnel (KMP) and other employees of the Company.

Digit believes to be meaningful to not only its customers but also to the society at large, in the ambit of their services. As a responsibility towards the growth of the community and protection of the environment, Digit would channel the resources towards 1. Being a paperless company with a go green initiative 2. Increasing awareness and education about insurance to the public at large 3. Promoting education and employment by enhancing vocational skills in youngsters. Digit has processes that would help in incorporating these initiatives as a part of the business culture and would partner projects and activities to promote the same.

The Corporate Social Responsibility ("CSR") Policy of the Company sets the framework guiding the Company's CSR activities. It outlines the list of CSR activities that may be undertaken by the Company, modalities of execution of CSR projects/ programs, operating framework and monitoring mechanism of CSR projects/ programs.

The CSR committee is responsible to monitor the CSR policy of the Company. The policy has been approved by the Board on 4 February 2020, on the recommendations of CSR Committee. The CSR Policy has been placed on the website of the Company ([www.godigit.com](http://www.godigit.com)).

## 2. Composition of the Committee:

The Corporate Social Responsibility Committee comprises of four Directors, two of whom are Non-executive Directors, one is an Independent Director and one is CEO & Principal Officer. The Committee is chaired by Mr. Kamesh Goyal, Non-executive Director.

The Composition of the Committee are given below:

Name of Member	Category
Mr. Kamesh Goyal	Chairman, Non-Executive Director
Mr. Chandran Ratnaswami	Non-Executive Director
Dr. Vandana Gupta	Independent Director
Mr. Vijay Kumar	CEO and Principal Officer and Director

## 3. Average net profit of the Company for last three financial years:

The Company did not earn any profit for the last three financial years calculated as specified by the Companies Act, 2013 and IRDAI Corporate Governance Guidelines.

## 4. Prescribed CSR Expenditure:

The prescribed CSR expenditure requirement for FY 2019-20 is Nil.

**5. Details of CSR spent during the financial year:**

**a) Total amount to be spent for the financial year:**

Section 135 of the Companies Act, 2013 requires that the Company spends at least two per cent of the average net profits made during the three immediately preceding financial years towards Corporate Social Responsibility (CSR). The computation of net profit is determined by Section 198 of the Companies Act, 2013 and CSR Rules, 2014 and IRDAI Corporate Governance Guidelines. Based on the above, the Company was not required to spend any amount towards CSR projects.

**b) Amount unspent, if any:**

Not Applicable

**c) Manner in which the amount spent during the financial year is detailed below:**

1	2	3	4	5	6	7	8
Sl No.	CSR project or activity Identified	iSector in which the project is covered	Projects or programs 1. Local area or other 2. Specify the State and district where project or programs was undertaken	Amount outlay (budget) projects or programs-wise	Amount spent on projects or programs Sub-heads: 1. Direct expenditure on projects or programs 2. Overheads	Cumulative Expenditure upto the reporting period	Amount Spent: Direct or through implementing agencies
	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

**d) Details of the implementing agencies:**

Not Applicable

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report:**

Not applicable

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:**

The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with CSR objectives and the CSR Policy of the Company.

**Mr. Kamesh Goyal**  
(DIN 01816985)  
Chairman of CSR Committee

**Mr. Vijay Kumar**  
(DIN 05263010)  
CEO and Principal Officer and Director

20 May 2020  
Pune

## Annexure to Directors' Report – Secretarial Audit Report

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31st March, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014]

To,

The Members,

### **Go Digit General Insurance Limited**

Smartwork Business Center, 1st Floor Nyati Unitree West Wing,

Samrat Ashok Road, Yerawada,

Pune- 411006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Go Digit General Insurance Limited (hereinafter called 'the Company') bearing CIN- U66010PN2016PLC167410. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2020, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Insurance Act, 1938, the Insurance Regulatory and Development Authority Act, 1999 and rules and regulations made thereunder;
- iii. Rules, regulations, guidelines, circulars and notifications issued by the Insurance Regulatory and Development Authority of India (IRDAI) as are applicable to a general insurance company The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not Applicable);
- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- v. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment;
- vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (Not Applicable):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable)
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; (Not Applicable)

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not Applicable)
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable)
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not Applicable)
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable)

**We have also examined compliance with the applicable clauses of the following:**

- Secretarial Standards issued by the Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with .... Stock Exchange(s), if applicable; (Not applicable)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously. As per the records available in the said minutes there were no dissenting views expressed by any Director in the meetings.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- the Company made calls on Go Digit Infoworks Services Private Limited of ₹ 15/- per share (with ₹ 5/- per share towards Face Value and ₹ 10/- per share towards Premium) in respect of money unpaid on 11,00,00,000 equity shares allotted on 29 March 2019;
- the Company issued and allotted additional 57,17,827 equity shares having face value of ₹ 10/- (Rupees Ten only) each for cash, fully paid-up at a price of ₹ 75/- (Rupees Seventy-Five only) each (including premium of ₹ 65/- each as per the provisions of Section 62 (1) (a) of the Act;

- the Company issued and allotted 8,15,60,004 equity shares having face value of ₹ 10/- (Rupees Ten only) each for cash, fully paid-up, on a preferential basis, at a price of ₹ 75/- (Rupees Seventy-Five only) each (including premium of ₹ 65/- each).

**For KANJ & CO. LLP**  
**Company Secretaries**

**Mr. Sunil G Nanal**  
**Partner**  
**FCS No. 5977**  
**CP No. 2809**

Place: Pune

Date: 19 May 2020

UDIN: F005977B000257657

# Management Report

## for the Financial Year ended 32 March 2020

With respect to the operations of Go Digit General Insurance Limited (“the Company”) for the year ended 31 March 2020 and results thereof, the management of the Company confirms and declares that:

1. The Company has paid to the Insurance Regulatory and Development Authority of India (IRDAI) the annual fees for the year 2020-21 as specified by the IRDA (Registration of Indian Insurance Companies) Regulations, 2000 (as amended).
2. We certify that all dues payable to the statutory authorities have been duly paid except where the Company has preferred appeals.
3. The shareholding pattern is in accordance with the statutory and regulatory requirements. No shares have been transferred during the year.
4. The Management has not invested any funds of holders of policies in India, directly or indirectly outside India.
5. The required solvency margin under the Insurance Act, 1938 has been maintained.
6. We certify that the values of all the assets have been reviewed on the date of Balance Sheet and in management’s belief, the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value, under the several headings – “Loan”, “Investments”, “Agents”, “Outstanding Premiums”, “Interest, Dividends and Rents outstanding”, “Interest, Dividends and Rents accruing but not due”, “Amounts due from other persons or bodies carrying on insurance business”, “Sundry Debtors”, “Cash” and the several items specified under “Other Advances”..
7. As a general insurer, the Company is exposed to a variety of risks. Some of the key risks are provided hereunder:
  - a. Reinsurance Risk (Credit Risk) is a risk of default of Reinsurer (failure to perform their obligation) in the event of claim for reinsurance ceded. This risk is managed by ensuring minimum credit rating of the reinsurer while placement and its regular monitoring.
  - b. ALM Risk is the risk of negative impact on the entity’s net asset value and the risk of entity’s inability to meet financial obligations when they fall due. The risk may be managed by ensuring that there are adequate assets, returns and liquidity to cover potential liability that arises in the future.
  - c. The investment portfolio is also diversified within limits set under the IRDAI Regulations. The Internal Auditor of the Company performs concurrent audit of Company’s investment function and reports to Audit Committee on quarterly basis.
  - d. The Company has appointed an Internal Auditor who audits the key operational functions of the Company periodically as per the approved Audit Plan. The Company also has Board approved an Anti Fraud Policy and Whistle Blower mechanism in place to identify and mitigate various operational risks.
  - e. Taxation Risks are risks related to various tax assessments and filings which include Income tax and

Goods and Service Tax (GST). These are mitigated by daily monitoring of open items, opinions from tax consultants for tax positions to be adopted, quarterly update to the committee on various ongoing tax assessment and inquires.

- f. The Company has a Risk Management Committee of the Board of Directors which advises the Board on the risk exposures and the actions taken to manage the same.
8. The Company does not have insurance operations in any other country.
  9. The settlement time for claims depends on various factors pertinent to various lines of business, such as cause of loss, the nature of claim, etc. Typically, claims which result in total or partial destruction of assets or records (such as those caused by Acts of God), those where adequate documentation to assess the claims are awaited and those which are the subject matter of judicial processes (such as Motor Third Party claims) tend to have longer settlement times, which are beyond the control of the Company. The Company has internal processes for regular review of such claims paid and outstanding. Ageing of claims indicating the trends in average claim settlement time during the preceding five years is given in Annexure 1 and ageing analysis of claims registered and not settled (excluding provision for IBNR / IBNER and claims relating to inward re-insurance from terrorism pool) is given in Annexure 2 to this Report.
  10. We certify that the values, as shown in the Balance Sheet, of the investments which consists of fixed income securities, equity shares and mutual fund units have been valued as per accounting policies prescribed by IRDAI. For fixed income securities, the market value is based on procedure issued by Fixed Income and Money Market and Derivative Dealers Association (FIMMDA). The investments in the Mutual Funds are valued at the Net Asset Values (NAV) of these Mutual Funds as on the Balance Sheet date. Investment in listed equity shares is valued as per price quoted on the National Stock Exchange on India (NSE). Where prices are not available on NSE, price quoted on the Bombay Stock Exchange are considered.
  11. Investment as at 31 March 2020 amount to Rs. 3,475.6 Crore. The fixed income securities are mainly approved Government securities and bonds rated AA and above. The primary aim while investing is to generate adequate return while minimizing risk. The emphasis is also on the liquidity of investments to ensure that the Company meets all its obligations related to claims and other operations. The Company monitors the cash position on daily basis and seasonal liquidity needs are considered while planning maturities of investments in respect of all assets. None of the fixed income investments have had any delays in servicing of interest or principal amounts. Investments in loans are valued at historical cost. Based on the past track record, the Management has reasonable confidence in the quality and expected performance of all the investments, in line with the objectives.
  12. The Management of the Company certifies that:
    - a. in the preparation of financial statements, the applicable accounting standards, principles and policies have been followed along with proper explanations relating to material departures, if any;
    - b. the management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the operating loss and of the loss of the company for the year;
    - c. the management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act 1938 / Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d. the Management has prepared the financial statements on a going concern basis;
- e. the management has ensured that an internal audit system commensurate with the size and nature of the business exists and is operating effectively.
13. The schedule of payments which have been made to individuals, firms, companies and organizations in which the Directors of the Company are interested is given as Annexure 3.

**For and on behalf of the Board**

**Mr. Kamesh Goyal**

Chairman

**Mr. Rajendra Beri**

Director

**Mr. Sameer Bakshi**

Director

**Mr. Vijay Kumar**

Chief Executive Officer and  
Principal Officer and Director

**Mr. Ravi Khetan**

Chief Financial Officer

**Mr. Tejas Saraf**

Company Secretary

Place : Pune

Date : 20 May 2020

**Annexure 1 – Details of Gross claims outstanding -**

Amount in ₹ lakhs

**As at 31st March 2020**

Product	Fire		Engineering		Motor OD		Motor TP	
	Count	Amt	Count	Amt	Count	Amt	Count	Amt
0 – 30 days	61	1,278.6	2	58.9	4,738	1,347.8	407	2,767.2
31 days – 6 months	280	3,494.1	5	30.9	2,550	22,674.9	1,014	7,874.7
More than 6 Months	202	5,571.9	-	-	192	350.6	655	6,543.0
<b>Total</b>	<b>503</b>	<b>10,344.7</b>	<b>7</b>	<b>89.8</b>	<b>7,480</b>	<b>4,373.5</b>	<b>2,076</b>	<b>17,185.0</b>

Product	Health		Miscellaneous		Marine Cargo	
	Count	Amt	Count	Amt	Count	Amt
0 – 30 days	72	51.2	81	5.3	14	0.5
31 days – 6 months	14	51	49	10.0	3	11.6
More than 6 Months	2	5.1	1	2.9	-	-
<b>Total</b>	<b>63</b>	<b>94.5</b>	<b>131</b>	<b>18.2</b>	<b>17</b>	<b>12.1</b>

Product	Personal Accident		Total	
	Count	Amt	Count	Amt
0 – 30 days	1	4.0	5,376	55,13.6
31 days – 6 months	9	42.7	3,924	141,90.0
More than 6 Months	-	-	1,052	124,73.6
<b>Total</b>	<b>10</b>	<b>46.7</b>	<b>10,352</b>	<b>32,177.2</b>



### As at 31st March 2019

Product	Fire		Engineering		Motor OD		Motor TP	
	Count	Amt	Count	Amt	Count	Amt	Count	Amt
0 – 30 days	45	453.4	-	-	768	448.6	85	628.8
31 days – 6 months	98	2,011.4	1	0.1	164	368.6	244	1,680.5
More than 6 Months	58	3,317.9	-	-	-	-	38	518.1
<b>Total</b>	<b>201</b>	<b>5,782.7</b>	<b>1</b>	<b>0.1</b>	<b>932</b>	<b>817.2</b>	<b>367</b>	<b>2,827.4</b>

Product	Health		Miscellaneous		Total	
	Count	Amt	Count	Amt	Count	Amt
0 – 30 days	13	0.9	96	4.7	1,007	1,536.5
31 days – 6 months	1	0.1	1	0.0	509	4,060.7
More than 6 Months	-	-	-	-	96	3,836.0
<b>Total</b>	<b>14</b>	<b>1.0</b>	<b>97</b>	<b>4.8</b>	<b>1,612</b>	<b>9,433.1</b>

### As at 31st March 2018

Product	Fire		Engineering		Motor OD		Motor TP	
	Count	Amt	Count	Amt	Count	Amt	Count	Amt
0 – 30 days	5	32.3	-	-	11	5.9	-	-
31 days – 6 months	-	-	-	-	2	3.5	1	0.7
More than 6 Months	-	-	-	-	-	-	-	-
<b>Total</b>	<b>5</b>	<b>32.3</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>9.4</b>	<b>1</b>	<b>0.7</b>

Product	Health		Miscellaneous		Total	
	Count	Amt	Count	Amt	Count	Amt
0 – 30 days	157	4.7	8	0.7	181	43.6
31 days – 6 months	-	-	-	-	3	4.2
More than 6 Months	-	-	-	-	-	-
<b>Total</b>	<b>157</b>	<b>4.7</b>	<b>8</b>	<b>0.7</b>	<b>184</b>	<b>47.8</b>

**Annexure 2 – Details of average claim settlement time :  
As at 31st March 2020**

Line of business	No of claims	Average settlement Days
Fire	16	118
Motor OD	10,433	22
Motor TP	132	182
Workmen Compensation	1	17
Engineering	1	29
Personal Accident	5	96
Health	507	6
Miscellaneous	856	19
<b>Total</b>	<b>11,951</b>	<b>23</b>

**As at 31st March 2019**

Line of business	No of claims	Average settlement Days
Fire	9	17
Motor OD	23,005	13
Motor TP	384	22
Health	3,925	13
Miscellaneous	3,292	10
<b>Total</b>	<b>30,615</b>	<b>13</b>

**As at 31st March 2018**

Line of business	No of claims	Average settlement Days
Fire	-	-
Motor OD	37	15
Motor TP	1	33
Health	1,202	6
Miscellaneous	1	21
<b>Total</b>	<b>1,241</b>	<b>20</b>

**Annexure 3 – Details of payments to individuals, firms, companies and organizations in which directors are interested during the year ended 31 Mar 2020 :** (₹ in lakhs)

Sl. No	Entity in which director is interested	Name of Director	Interested as	Payment during the year	Payment during the previous year
1	Go Digit Infoworks Services Private Limited	Mr. Kamesh Goyal	Chairman	2,447.2	1,853.9
		Mr. Chandran Ratnaswami	Director		
2	We Care Insurance Broking Services Private Limited	Mr. Kamesh Goyal	Private Company in which Relative of Director is Interested.	8.1	0.4

# **Independent Auditor's Report**

## on financial statements for the year ended March 31, 2020 of Go Digit General Insurance Limited

To,

**The Members of Go Digit General Insurance Limited**

**Report on the Audit of the Financial Statement**

### **Opinion**

We have audited the accompanying financial statements of Go Digit General Insurance Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, the Revenue accounts of fire, marine and miscellaneous insurance (collectively known as the 'Revenue accounts'), the Profit and Loss account and the Receipts and Payments account for the year then ended, the schedules annexed there to, a summary of the significant accounting policies and other explanatory notes thereon.

In our opinion and to the best of our information and according to the explanations given to us, we report that the aforesaid financial statements, prepared in accordance with the requirements of Accounting Standards as specified under Section 133 of the Companies Act, 2013 (the 'Act'), including relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority of India Act, 1999 (the "IRDAI Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of these financial statements and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI" / "Authority"), to the extent applicable, give a true and fair view in conformity with the accounting principles generally accepted in India as applicable to insurance companies:

- in the case of Balance Sheet, of the state affairs of the Company as at 31st March 2020;
- in the case of Revenue Accounts, of the operating loss in Fire, Marine and Miscellaneous business for year ended on that date;
- in the case of Profit and Loss Account, of the loss for the year ended on that date; and
- in case of Receipts and Payments Account, of the receipts and payments for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that is relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Directors are responsible for the preparation of other information. The other information comprises Directors Report and Management Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We confirm that we have nothing material to report, add or draw attention to in this regard.

### **Responsibilities of the Management and those charged with governance for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, underwriting results, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards specified under Section 133 of the Act, the Insurance Act, the IRDAI Act, the Regulations and orders / directions prescribed by the Insurance Regulatory and Development Authority of India ("IRDAI") in this behalf and current practices prevailing within the insurance industry in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, that could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Other Matters

The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (the "IBNR"), Claims Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at 31st March 2020 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves and the PDR contained in the financial statements of the Company.

## Report on Other Legal and Regulatory Requirements

1. As required by the IRDAI Financial Statements Regulations, we have issued a separate certificate dated 20th May 2020 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDAI Financial Statement Regulations.
2. As required by the paragraph 2 of Schedule C to the IRDAI Financial Statement Regulations and Section 143(3) of the Act, in our opinion & according to the information and explanations give to us, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. As the Company's accounts are centralized and maintained at the corporate office, no returns for the purposes of our audit are prepared at the branches and other offices of the Company.
  - c. Proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - d. The Balance sheet, the Revenue accounts, the Profit and Loss account and the Receipts and Payments account dealt with by this report are in agreement with the books of account.
  - e. The aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act and with the accounting principles prescribed by the Regulations and orders/directions prescribed by IRDAI in this regard.
  - f. Investments have been valued in accordance with the provisions of the Insurance Act, the Regulations and orders/directions issued by IRDAI in this regard.
  - g. On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
  - h. With respect to the adequacy of the internal financial controls with reference to the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
  - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 32 to the financial statements;
  - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company did not have any outstanding long term derivative contracts – Refer Note no. 33 to the financial statements; and
  - During the year there were no amount required to be transferred to the Investor Education and Protection Fund by the Company - Refer Note no. 34 to the financial statements.
3. With respect to the other matters to be included in the Auditor’s report, in terms of the requirements of Section 197(16) of the Act, we report that managerial remuneration payable to the Company’s Directors is governed by the provisions of Section 34A of the Insurance Act, 1938 and requires approval of IRDAI. Accordingly, the managerial remuneration limits specified under Section 197 of the Act do not apply.

**For Kirtane and Pandit LLP**

Chartered Accountants

Firm Registration Number

105215W / W100057

**Mr. Parag Pansare**

Partner

Membership No. 117309

UDIN: 20117309AAAAEK6391

Place: Pune

Date: 20 May 2020

**For PKF Sridhar and Santhanam LLP**

Chartered Accountants

Firm Registration Number

003990S / S200018

**Mr. Dhiraj Kumar Birla**

Partner

Membership No. 131178

UDIN: 20131178AAAACS2771

Place: Mumbai

Date: 20 May 2020



## **Annexure “A” to the Independent Auditors’ Report**

Referred to in paragraph ‘2 (h)’ of Section ‘Report on Other Legal and Regulatory Requirements’ of our report of even date.

To the members of Go Digit General Insurance Limited (“the Company”) on the financial statements as of and for the year ended 31st March 2020.

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

### **Opinion**

We have audited the internal financial controls with reference to the aforesaid financial statements of Go Digit General Insurance Limited (“the Company”) as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial reporting and such internal financial controls were operating effectively as at 31st March 2020, based on “the internal control with reference to the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India” (the “Guidance Note”).

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the “internal control with reference to financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial reporting and their operating effectiveness. Our audit of internal financial controls with reference to financial reporting included obtaining an understanding of internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control with reference to financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls with reference to financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the financial reporting to future periods are subject to the risk that the internal financial control with reference to the financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Other Matter**

The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (the "IBNR"), Claims Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at 31st March 2020 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. The said actuarial valuations of liabilities for outstanding claims reserves and the PDR have been relied upon by us as mentioned in Other Matters paragraph in our Audit Report on the financial statements for the year ended 31st March 2020. Accordingly, our opinion on the internal financial controls with reference to financial reporting does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities.

#### **For Kirtane and Pandit LLP**

Chartered Accountants  
Firm Registration Number  
105215W / W100057

#### **Mr. Parag Pansare**

Partner  
Membership No. 117309  
UDIN: 20117309AAAEEK6391  
Place: Pune  
Date: 20 May 2020

#### **For PKF Sridhar and Santhanam LLP**

Chartered Accountants  
Firm Registration Number  
003990S / S200018

#### **Mr. Dhiraj Kumar Birla**

Partner  
Membership No. 131178  
UDIN: 20131178AAAACS2771  
Place: Mumbai  
Date: 20 May 2020

# **Independent Auditor's Certificate**

## related to certain matters stated in schedule of the IRDAI Financial Statement Regulation

To,  
The Board of Directors,  
Go Digit General Insurance Limited,  
Atlantis, 95, 4th B Cross Road,  
Koramangala Industrial Layout,  
5th Block, Bengaluru, Karnataka 560095

**Dear Sirs,**

**(Referred to in paragraph 1 of our Independent Auditors' Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated 20th May 2020)**

**This certificate is issued in accordance with the terms of our engagement letter dated 16th March 2020 with Go Digit General Insurance Limited (the "Company"), wherein we are requested to issue certificate for compliance with the provisions of paragraphs 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, (the "IRDAI Financial Statement Regulations") read with regulation 3 of the Regulations.**

### **Management's Responsibility**

The Company's Board of Directors is responsible for complying with the provisions of The Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act 2015) (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the IRDA Financial Statements Regulations, orders/ directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid.

### **Auditor's Responsibility**

Pursuant to the requirements, it is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Company has complied with the matters contained in paragraphs 3 and 4 of Schedule C, read with Regulation 3, to the IRDAI Financial Statement Regulations.

We have audited the financial statements of the Company as of and for the financial year ended 31st March 2020 on which we have issued an unmodified audit opinion vide our report dated 20th May 2020. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the ICAI, which include the concepts of test checks and materiality.

The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

**Opinion:**

In accordance with information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained by the Company for the year ended 31st March 2020, we certify that:

- We have reviewed the Management Report attached to the financial statements for year ended 31 March 2020, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
- Based on management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, nothing has come to our attention that causes us to believe that the Company has not complied with the terms and conditions of registration as stipulated by the IRDAI;
- We have verified the cash balances, to the extent considered necessary and securities relating to the Company's loans and investments as at 31st March 2020, by actual inspection or on the basis of certificates / confirmations / statements received from the Company / Custodian and/ or Depository Participants appointed by the Company, as the case may be;
- The Company is not a trustee of any trust; and
- No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act relating to the application and investments of the Policyholders' Funds.

**Restriction to use**

This certificate is addressed to and provided to the Board of Directors of the Company, solely for inclusion in the annual accounts of the Company as per the Regulations and should not be used by any other person or for any other purpose. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Kirtane and Pandit LLP**

Chartered Accountants  
Firm Registration Number  
105215W / W100057

**Mr. Parag Pansare**

Partner  
Membership No. 117309  
UDIN: 20117309AAAAEK6391

**For PKF Sridhar and Santhanam LLP**

Chartered Accountants  
Firm Registration Number  
003990S / S200018

**Mr. Dhiraj Kumar Birla**

Partner  
Membership No. 131178  
UDIN: 20131178AAAACS2771

# Financial Statements

## Go Digit General Insurance Limited

Form B - BS

IRDAI Registration No. 158

Date of Registration with IRDAI - 20 Sep 2017

Balance Sheet as on 31 March 2020

₹ in thousands

	Particulars	Sch	As on 31 Mar 2020	As on 31 Mar 2019
1	Sources of Funds			
2	Share Capital	5	81,68,431	67,45,652
	Share application money pending allotment	-	-	-
	Reserves and Surplus	6	83,62,512	15,18,025
3	Fair Value Change Account			
	Shareholders		(1,51,073)	(5,209)
	Policyholders		(25,810)	3,398
4	Borrowings	7		-
5	Deferred tax liability			-
	<b>Total</b>		<b>1,63,54,060</b>	<b>82,61,866</b>
	Application of Funds			
	Investments			
	Shareholders	8	68,75,502	71,16,983
	Policyholders	8A	2,78,80,110	74,07,100
	Loans	9	-	-
	Fixed Assets	10	8,74,431	1,46,563
	Current Assets			
	Cash and Bank Balances	11	7,42,532	11,29,600
	Advances and Other Assets	12	25,58,240	17,73,201
	Sub Total (A)		<b>33,00,772</b>	<b>29,02,801</b>
	Current Liabilities	13	1,93,04,079	75,02,167
	Provisions	14	84,95,109	52,79,383
	Sub Total (B)		<b>2,77,99,188</b>	<b>1,27,81,550</b>
	Net Current Assets (A)-(B)		2,44,98,416	(98,78,749)
	Miscellaneous expenditure to the extent not written off		-	-
	Debit Balance in Profit and Loss Account		52,22,433	34,69,969
	<b>Total</b>		<b>1,63,54,060</b>	<b>82,61,866</b>
	Significant accounting policies and notes to accounts	16		

Schedules referred to above and notes to accounts form an integral part of Financial Statements.

**As per our report of even date attached**

**For and on behalf of the Board**

**For PKF Sridhar and Santhanam LLP**

Chartered Accountants  
Firm Registration Number  
003990S / S200018

**Mr. Dhiraj Kumar Birla**

Partner  
Membership No. 131178  
UDIN: 20131178AAAAC2771  
Place: Mumbai  
Date: 20 May 2020

**For Kirtane and Pandit LLP**

Chartered Accountants  
Firm Registration Number  
105215W / W100057

**Mr. Parag Pansare**

Partner  
Membership No. 117309  
UDIN: 20117309AAAAEK6391

Place: Pune

Date: 20 May 2020

**Mr. Kamesh Goyal**

Chairman  
DIN - 01816985

**Mr. Sameer Bakshi**

Director  
DIN - 07634138

**Mr. Ravi Khetan**

Chief Financial Officer

Place: Pune

Date: 20 May 2020

**Mr. Rajendra Beri**

Director  
DIN - 03177323

**Mr. Vijay Kumar**

Chief Executive Officer and  
Principal Officer and Director  
DIN - 05263010

**Mr. Tejas Saraf**

Company Secretary  
Membership No.A26225

**Go Digit General Insurance Limited**

Form B - PL

IRDAI Registration No. 158

Date of Registration with IRDAI - 20 Sep 2017

Profit and Loss Account for the year ended 31 March 2020

₹ in thousands

Particulars	2020	2019
Operating Profit / (Loss)		
(a) Fire Insurance	59,129	(43,229)
(b) Marine Insurance	(85)	(233)
(c) Miscellaneous Insurance	(23,28,514)	(29,56,368)
<b>Total</b>	<b>(22,69,470)</b>	<b>(29,99,830)</b>
Income From Investments		
(a) Interest, Dividend & Rent – Gross	5,22,559	3,46,927
(b) Profit on sale of investments	22,446	9,846
Less: Loss on sale of investments	(1,399)	(35,211)
Other Income- Interest on income tax refund	33	-
<b>Total (A)</b>	<b>(17,25,831)</b>	<b>(26,78,268)</b>
Provisions (Other than taxation)		
(a) For diminution in the value of investments	-	-
(b) For doubtful debts	-	-
Other Expenses		
(a) Expenses other than those related to Insurance Business	26,633	30,471
(b) Others	-	-
<b>Total (B)</b>	<b>26,633</b>	<b>30,471</b>
<b>Profit/(Loss) Before Tax</b>	<b>(17,52,464)</b>	<b>(27,08,739)</b>
Provision for Taxation	-	(2,302)
Current tax	-	-
Deferred Tax	-	(2,302)
<b>Profit/(Loss) After Tax</b>	<b>(17,52,464)</b>	<b>(27,06,437)</b>
Less: Catastrophe Reserve	-	-
Profit/(Loss) available for appropriation	(17,52,464)	(27,06,437)
Appropriations		
(a) Interim dividends paid during the year	-	-
(b) Proposed final dividend	-	-
(c) Dividend distribution tax	-	-
(d) Transfer to any Reserves or Other Accounts (to be specified)	-	-
Balance of profit / loss brought forward from last year	(34,69,969)	(7,63,532)
Balance carried forward to Balance Sheet	(52,22,433)	(34,69,969)
Earnings per share - Basic (in ₹)	(2.41)	(5.04)
Earnings per share - Diluted (in ₹)	(2.41)	(5.04)

Schedules referred to above and notes to accounts form an integral part of Financial Statements.

As per our report of even date attached

For and on behalf of the Board

**For PKF Sridhar and Santhanam LLP**

Chartered Accountants  
Firm Registration Number  
003990S / S200018

**Mr. Kamesh Goyal**

Chairman  
DIN - 01816985

**Mr. Rajendra Beri**

Director  
DIN - 03177323

**Mr. Dhiraj Kumar Birla**

Partner  
Membership No. 131178  
UDIN: 20131178AAAAC2771  
Place: Mumbai  
Date: 20 May 2020

**Mr. Sameer Bakshi**

Director  
DIN - 07634138

**Mr. Vijay Kumar**

Chief Executive Officer and  
Principal Officer and Director  
DIN - 05263010

**For Kirtane and Pandit LLP**

Chartered Accountants  
Firm Registration Number  
105215W / W100057

**Mr. Ravi Khetan**

Chief Financial Officer

**Mr. Tejas Saraf**

Company Secretary  
Membership No.A26225

**Mr. Parag Pansare**

Partner  
Membership No. 117309  
UDIN: 20117309AAAEEK6391

Place: Pune

Date: 20 May 2020

Place: Pune

Date: 20 May 2020



**Go Digit General Insurance Limited**

Form B - RA

IRDAI Registration No. 158

Date of Registration with IRDAI - 20 Sep 2017

Revenue Account for the year ended 31 March 2020

₹ in thousands

Particulars	Sch	2020						2019					
		Fire	Marine			Misc	Total	Fire	Marine			Misc	Total
			Cargo	Other	Total				Cargo	Other	Total		
Premiums earned (net)	1	1,50,622	346	99	445	1,22,62,395	1,24,13,462	35,600	13	33	46	49,64,123	49,99,769
Profit on sale of investments		1,039	1	-	1	56,882	57,922	477	-	1	1	26,288	26,706
Less: Loss on sale of investments		(252)	-	-	-	(13,791)	(14,043)	(95)	-	-	-	(5,234)	(5,329)
Others		-	-	-	-	-	-	1	-	-	-	49	50
Interest, Dividend & Rent – Gross		23,157	15	7	22	11,67,890	11,91,069	4929	1	4	5	2,32,435	2,37,369
<b>Total (A)</b>		<b>1,74,566</b>	<b>362</b>	<b>106</b>	<b>468</b>	<b>1,34,73,376</b>	<b>1,36,48,410</b>	<b>40,912</b>	<b>14</b>	<b>38</b>	<b>52</b>	<b>52,17,601</b>	<b>52,58,565</b>
Claims Incurred (net)	2	1,17,655	227	(3)	224	91,91,847	93,09,726	78,452	12	30	42	38,62,609	39,41,103
Commission (net)	3	(1,14,581)	55	-	55	(80,800)	(1,95,326)	(43,392)	(50)	(38)	(88)	2,17,165	1,73,685
Operating Expenses related to Insurance Business	4	1,23,318	274	-	274	66,90,843	68,14,435	38,126	18	313	331	40,94,195	41,32,652
Provision for premium deficiency		(10,955)	-	-	-	-	(10,955)	10,955	-	-	-	-	10,955
<b>Total (B)</b>		<b>1,51,437</b>	<b>556</b>	<b>(3)</b>	<b>553</b>	<b>1,58,01,890</b>	<b>1,59,17,880</b>	<b>84,141</b>	<b>(20)</b>	<b>305</b>	<b>285</b>	<b>81,73,969</b>	<b>82,58,395</b>
<b>Operating Profit/ (Loss) (A - B)</b>		<b>59,129</b>	<b>(194)</b>	<b>109</b>	<b>(85)</b>	<b>(23,28,514)</b>	<b>(22,69,470)</b>	<b>(43,229)</b>	<b>34</b>	<b>(267)</b>	<b>(233)</b>	<b>(29,56,368)</b>	<b>(29,99,830)</b>
Appropriations													
Transfer to Shareholder's Account		59,129	(194)	109	(85)	(23,28,514)	(22,69,470)	(43,229)	34	(267)	(233)	(29,56,368)	(29,99,830)
Transfer to Catastrophe reserve													
Transfer to other reserves													
<b>Total (C)</b>		<b>59,129</b>	<b>(194)</b>	<b>109</b>	<b>(85)</b>	<b>(23,28,514)</b>	<b>(22,69,470)</b>	<b>(43,229)</b>	<b>34</b>	<b>(267)</b>	<b>(233)</b>	<b>(29,56,368)</b>	<b>(29,99,830)</b>

Significant accounting policies and notes to accounts

We certify that, to the best of our knowledge and according to the information and explanations given to us, and so far as appears from our examination of the Company's books of account, all expenses of management, wherever incurred, whether directly or indirectly, have been recognised in the Revenue Accounts as an expense to extent allowable under Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2016.

Schedules referred to above and notes to accounts form an integral part of Financial Statements

As per our report of even date attached

For and on behalf of the Board

**For PKF Sridhar and Santhanam LLP**

Chartered Accountants  
Firm Registration Number  
003990S / S200018

**Mr. Kamesh Goyal**

Chairman  
DIN - 01816985

**Mr. Rajendra Beri**

Director  
DIN - 03177323

**Mr. Dhiraj Kumar Birla**

Partner  
Membership No. 131178  
UDIN: 20131178AAAAC2771  
Place: Mumbai  
Date: 20 May 2020

**Mr. Sameer Bakshi**

Director  
DIN - 07634138

**Mr. Vijay Kumar**

Chief Executive Officer and  
Principal Officer and Director  
DIN - 05263010

**For Kirtane and Pandit LLP**

Chartered Accountants  
Firm Registration Number  
105215W / W100057

**Mr. Ravi Khetan**

Chief Financial Officer

**Mr. Tejas Saraf**

Company Secretary  
Membership No.A26225

**Mr. Parag Pansare**

Partner  
Membership No. 117309  
UDIN: 20117309AAAEEK6391

Place: Pune

Date: 20 May 2020

Place: Pune

Date: 20 May 2020

**Go Digit General Insurance Limited**  
**Schedule 1 & 1A - Premium Earned (net)**  
**For the period ended 31 March 2020**  
₹ in thousands

Schedule 1 - Premium Earned (net)	2020						2019					
	Fire	Marine			Misc	Total	Fire	Marine			Misc	Total
		Cargo	Other	Total				Cargo	Other	Total		
Premium from direct business written (Net of GST)	4,23,484	18,640	-	18,640	1,72,36,433	1,76,78,557	1,12,477	142	9,928	10,070	88,25,618	89,48,165
Add: Premium on reinsurance accepted	16,36,751	666	-	666	32,07,500	48,44,917	7,24,900	237	10,048	10,285	23,66,483	31,01,668
Less : Premium on reinsurance ceded	18,19,564	18,939	-	18,939	50,78,714	69,17,217	7,54,798	336	19,877	20,213	17,21,105	24,96,116
<b>Net Premium</b>	<b>2,40,671</b>	<b>367</b>	<b>-</b>	<b>367</b>	<b>1,53,65,219</b>	<b>1,56,06,257</b>	<b>82,579</b>	<b>43</b>	<b>99</b>	<b>142</b>	<b>94,70,996</b>	<b>95,53,717</b>
Add/Less: Change in reserve for unexpired risks	90,049	21	(99)	(78)	31,02,824	31,92,795	46,979	30	66	96	45,06,873	45,53,948
<b>Total Premium Earned (Net)</b>	<b>1,50,622</b>	<b>346</b>	<b>99</b>	<b>445</b>	<b>1,22,62,395</b>	<b>1,24,13,462</b>	<b>35,600</b>	<b>13</b>	<b>33</b>	<b>46</b>	<b>49,64,123</b>	<b>49,99,769</b>

Schedule 1A - Premium Earned (net) Miscellaneous Class of Business	2020												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Premium from direct business written (Net of GST)	46,51,499	1,18,43,617	1,64,95,116	6,638	-	-	39,382	-	1,20,559	3,54,632	-	2,20,105	1,72,36,433
Add: Premium on reinsurance accepted	2,24,628	23,60,020	25,84,648	-	-	-	22,609	-	-	-	5,83,581	16,662	32,07,500
Less : Premium on reinsurance ceded	13,27,586	33,69,592	46,97,178	332	-	-	51,409	-	6,028	17,734	2,68,755	37,278	50,78,714
<b>Net Premium</b>	<b>35,48,541</b>	<b>1,08,34,045</b>	<b>1,43,82,586</b>	<b>6,306</b>	<b>-</b>	<b>-</b>	<b>10,582</b>	<b>-</b>	<b>1,14,531</b>	<b>3,36,898</b>	<b>3,14,826</b>	<b>1,99,489</b>	<b>1,53,65,219</b>
Add/Less: Change in reserve for unexpired risks	6,22,758	22,64,166	28,86,924	5221	-	-	1,698	-	60,278	1,08,286	-	40,417	31,02,824
<b>Total Premium Earned (Net)</b>	<b>29,25,783</b>	<b>85,69,879</b>	<b>1,14,95,662</b>	<b>1085</b>	<b>-</b>	<b>-</b>	<b>8,884</b>	<b>-</b>	<b>54,253</b>	<b>2,28,612</b>	<b>3,14,826</b>	<b>1,59,072</b>	<b>1,22,62,395</b>

Schedule 1A - Premium Earned (net) Miscellaneous Class of Business	2019												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Premium from direct business written (Net of GST)	2,342,451	6,202,854	8,545,305	-	-	-	24,818	-	1,046	152,528	-	101,921	88,25,618
Add: Premium on reinsurance accepted	-	-	-	-	-	-	18,156	-	-	-	2,348,327	-	23,66,483
Less : Premium on reinsurance ceded	263,238	310,548	573,786	-	-	-	35,900	-	52	7,667	1,096,835	6,865	17,21,105
<b>Net Premium</b>	<b>2,079,213</b>	<b>5,892,306</b>	<b>7,971,519</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,074</b>	<b>-</b>	<b>994</b>	<b>144,861</b>	<b>1,251,492</b>	<b>95,056</b>	<b>94,70,996</b>
Add/Less: Change in reserve for unexpired risks	1,234,089	3,206,245	4,440,334	-	-	-	5,078	-	947	(354)	-	60,868	45,06,873
<b>Total Premium Earned (Net)</b>	<b>845,124</b>	<b>2,686,061</b>	<b>3,531,185</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,996</b>	<b>-</b>	<b>47</b>	<b>145,215</b>	<b>1,251,492</b>	<b>34,188</b>	<b>49,64,123</b>

**Go Digit General Insurance Limited**  
**Schedule 2 & 2A - Claims Incurred (net)**  
**For the period ended 31 March 2020**  
 ₹ in thousands

Schedule 2 - Claims Incurred (net)	2020						2019					
	Fire	Marine			Misc	Total	Fire	Marine			Misc	Total
		Cargo	Other	Total				Cargo	Other	Total		
Claims paid Direct	51,000	-	-	-	26,04,799	26,55,799	-	-	-	-	610,364	6,10,364
Add: Re-insurance accepted	1,34,262	-	-	-	18,03,873	19,38,135	5,255	-	-	-	52,981	58,236
Less: Re-insurance Ceded	1,62,674	-	-	-	12,60,301	14,22,975	4,567	-	-	-	85,331	89,898
<b>Net Claims paid</b>	<b>22,588</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31,48,371</b>	<b>31,70,959</b>	<b>688</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,78,014</b>	<b>5,78,702</b>
Add: Claims outstanding at the end of year	1,74,730	239	32	271	93,92,800	95,67,801	79,663	12	35	47	33,49,324	34,29,034
Less: Claims outstanding at the beginning of year	79,663	12	35	47	33,49,324	34,29,034	1,899	-	5	5	64,729	66,633
<b>Total Claims Incurred (Net)</b>	<b>1,17,655</b>	<b>227</b>	<b>(3)</b>	<b>224</b>	<b>91,91,847</b>	<b>93,09,726</b>	<b>78,452</b>	<b>12</b>	<b>30</b>	<b>42</b>	<b>38,62,609</b>	<b>39,41,103</b>

Schedule 2A - Claims Incurred (net) Miscellaneous Class of Business	2020												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Claims paid Direct	22,56,140	2,11,019	24,67,159	7	-	-	8	-	13,787	71,886	-	51,952	26,04,799
Add: Re-insurance accepted	61,382	8,242	69,624	-	-	-	522	-	-	-	17,33,727	-	18,03,873
Less: Re-insurance Ceded	4,56,354	19,992	4,76,346	-	-	-	434	-	689	3,594	7,76,631	2,607	12,60,301
<b>Net Claims paid</b>	<b>18,61,168</b>	<b>1,99,269</b>	<b>20,60,437</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>96</b>	<b>-</b>	<b>13,098</b>	<b>68,292</b>	<b>9,57,096</b>	<b>49,345</b>	<b>31,48,371</b>
Add: Claims outstanding at the end of year	5,32,405	82,29,870	87,62,275	644	-	-	6,542	-	20,219	47,630	5,38,343	17,147	93,92,800
Less: Claims outstanding at the beginning of year	1,05,670	21,15,864	22,21,534	-	-	-	1,199	-	28	2,593	11,19,199	4,771	33,49,324
<b>Total Claims Incurred (Net)</b>	<b>22,87,903</b>	<b>63,13,275</b>	<b>86,01,178</b>	<b>651</b>	<b>-</b>	<b>-</b>	<b>5,439</b>	<b>-</b>	<b>33,289</b>	<b>1,13,329</b>	<b>3,76,240</b>	<b>61,721</b>	<b>91,91,847</b>

Schedule 2A - Claims Incurred (net) Miscellaneous Class of Business	2019												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Claims paid Direct	555,943	16,948	5,72,891	-	-	-	-	-	-	21,884	-	15,589	6,10,364
Add: Re-insurance accepted	-	-	-	-	-	-	80	-	-	-	52,901	-	52,981
Less: Re-insurance Ceded	57,371	854	58,225	-	-	-	-	-	-	1,095	25,232	779	85,331
<b>Net Claims paid</b>	<b>498,572</b>	<b>16,094</b>	<b>5,14,666</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80</b>	<b>-</b>	<b>-</b>	<b>20,789</b>	<b>27,669</b>	<b>14,810</b>	<b>5,78,014</b>
Add: Claims outstanding at the end of year	105,670	21,15,864	22,21,534	-	-	-	1,199	-	28	2,593	11,19,199	4,771	33,49,324
Less: Claims outstanding at the beginning of year	1,385	54,918	56,303	-	-	-	2	-	-	7,783	-	641	64,729
<b>Total Claims Incurred (Net)</b>	<b>6,02,857</b>	<b>20,77,040</b>	<b>26,79,897</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,277</b>	<b>-</b>	<b>28</b>	<b>15,599</b>	<b>11,46,868</b>	<b>18,940</b>	<b>38,62,609</b>

**Go Digit General Insurance Limited**  
**Schedule 3 & 3A - Commission (net)**  
**For the period ended 31 March 2020**  
 ₹ in thousands

Schedule 3 - Commission (net)	2020						2019					
	Fire	Marine			Misc	Total	Fire	Marine			Misc	Total
		Cargo	Other	Total				Cargo	Other	Total		
Commission paid												
Direct	26,732	2,853	-	2,853	6,09,158	6,38,743	5,544	-	472	472	286,716	292,732
Add: Re-insurance Accepted	1,85,439	155	-	155	4,20,415	6,06,009	79,167	-	-	-	1,04,299	1,83,466
Less: commission on Re- Insurance Ceded	3,26,752	2,953	-	2,953	11,10,373	14,40,078	1,28,103	50	510	560	1,73,850	3,02,513
<b>Net Commission</b>	<b>(1,14,581)</b>	<b>55</b>	<b>-</b>	<b>55</b>	<b>(80800)</b>	<b>(1,95,326)</b>	<b>(43,392)</b>	<b>(50)</b>	<b>(38)</b>	<b>(88)</b>	<b>2,17,165</b>	<b>1,73,685</b>
Breakup of Commission paid Direct												
Agents	2,060	-	-	-	1,50,865	1,52,925	-	-	-	-	33,929	33,929
Brokers	24,510	2,853	-	2,853	4,05,027	4,32,390	5,544	-	472	472	90,890	96,906
Corporate Agency	162	-	-	-	18,648	18,810	-	-	-	-	11,942	11,942
Others	-	-	-	-	34,618	34,618	-	-	-	-	149,955	149,955

"Schedule 3A - Commission (net) Miscellaneous Class of Business"	2020												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Commission paid													
Direct	5,02,852	90,372	5,93,224	299	-	-	5,155	-	(147)	9,002	-	1,625	6,09,158
Add: Re-insurance Accepted	33,694	3,54,003	3,87,697	-	-	-	2,534	-	-	-	27,186	2,998	4,20,415
Less: commission on Re- Insurance Ceded	3,12,404	7,56,226	10,68,630	50	-	-	7,436	-	904	2,065	23,964	7,324	11,10,373
<b>Net Commission</b>	<b>2,24,142</b>	<b>(3,11,851)</b>	<b>(87,709)</b>	<b>249</b>	<b>-</b>	<b>-</b>	<b>253</b>	<b>-</b>	<b>(1,051)</b>	<b>6,937</b>	<b>3,222</b>	<b>(2,701)</b>	<b>(80,800)</b>
Breakup of Commission paid Direct													
Agents	1,11,218	37,530	1,48,748	113	-	-	88	-	14	1,909	-	(7)	1,50,865
Brokers	3,56,067	36,859	3,92,926	182	-	-	5,066	-	(193)	5,329	-	1,717	4,05,027
Corporate Agency	9,307	9,327	18,634	4	-	-	1	-	32	62	-	(85)	18,648
Others	26,260	6,656	32,916	-	-	-	-	-	-	1,702	-	-	34,618

"Schedule 3A - Commission (net) Miscellaneous Class of Business"	2019												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Commission paid													
Direct	224,993	59,291	2,84,284	-	-	-	1,337	-	10	905	-	180	2,86,716
Add: Re-insurance Accepted	-	-	-	-	-	-	2,179	-	-	-	1,02,120	-	1,04,299
Less: commission on Re- Insurance Ceded	49,844	16,107	65,951	-	-	-	6,324	-	8	1,094	99,649	824	1,73,850
<b>Net Commission</b>	<b>1,75,149</b>	<b>43,184</b>	<b>218,333</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,808)</b>	<b>-</b>	<b>2</b>	<b>(189)</b>	<b>2,471</b>	<b>(644)</b>	<b>2,17,165</b>
Breakup of Commission paid Direct													
Agents	24,624	9,159	33,783	-	-	-	-	-	2	117	-	27	33,929
Brokers	75,698	13,724	89,422	-	-	-	1,337	-	8	57	-	66	90,890
Corporate Agency	7,322	4,532	11,854	-	-	-	-	-	-	1	-	87	11,942
Others	1,17,349	31,876	1,49,225	-	-	-	-	-	-	730	-	-	1,49,955

**Go Digit General Insurance Limited**  
**Schedule 4 & 4A - Management Expenses \***  
**For the period ended 31 March 2020**  
 ₹ in thousands

Schedule 4 - Management Expenses	2020						2019					
	Fire	Marine			Misc	Total	Fire	Marine			Misc	Total
		Cargo	Other	Total				Cargo	Other	Total		
Employees' remuneration & welfare benefits	21,971	15	-	15	11,90,754	12,12,740	7,074	4	12	16	8,07,208	8,14,298
Travel and conveyance	1,300	1	-	1	70,433	71,734	802	-	1	1	91,438	92,241
Training and recruitment cost	757	-	-	-	40,981	41,738	205	-	-	-	23,349	23,554
Rent, rates and taxes	839	1	-	1	45,496	46,336	177	-	-	-	20,084	20,261
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-
Printing and Stationery	136	-	-	-	7,354	7,490	50	-	-	-	5,697	5,747
Communication	213	-	-	-	11,516	11,729	53	-	-	-	6,021	6,074
Legal and professional charges	14,226	9	-	9	7,70,975	7,85,210	272	-	-	-	30,991	31,263
Auditors' fees, expenses etc	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	48	-	-	-	3,053	3,101	16	-	-	-	1,784	1,800
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	1	-	-	-	59	60	1	-	-	-	59	60
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	-	-	-	-	7	7	-	-	-	-	40	40
(d) Reimbursement of expenses	4	-	-	-	275	279	1	-	-	-	87	88
Branding, advertisement and publicity	65,231	43	-	43	35,35,256	36,00,530	22,099	11	38	49	25,21,475	2,543,623
Interest and bank charges	1,204	1	-	1	65,263	66,468	255	-	-	-	29,032	29,287
Depreciation	1,051	1	-	1	56,955	58,007	281	-	-	-	32,053	32,334
Other	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous expenses	213	193	-	193	18,597	19,003	2,329	1	255	256	10,464	13,049
Sales promotion expenses	176	-	-	-	9,537	9,713	117	1	-	-	13,291	13,408
Business support services	7,415	5	-	5	4,01,849	4,09,269	526	-	1	1	59,969	60,496
Information technology expenses	4,945	3	-	3	2,68,018	2,72,966	2,585	-	4	5	2,94,922	2,97,512
Facility management charges	3,420	2	-	2	1,85,336	1,88,758	1,161	-	1	2	1,32,484	1,33,647
GST Expenses	168	-	-	-	9,129	9,297	121	1	-	-	13,748	13,869
<b>Total</b>	<b>1,23,318</b>	<b>274</b>	<b>-</b>	<b>274</b>	<b>66,90,843</b>	<b>68,14,435</b>	<b>38,125</b>	<b>18</b>	<b>312</b>	<b>330</b>	<b>40,94,196</b>	<b>41,32,651</b>

"Schedule 4A - Management Expenses Miscellaneous Class of Business"	2020												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Employees' remuneration & welfare benefits	3,02,145	8,02,547	11,04,692	553	-	-	868	-	10,024	29,528	27,586	17,503	11,90,754
Travel and conveyance	17,872	47,470	65,342	33	-	-	51	-	593	1,747	1,632	1,035	70,433
Training and recruitment cost	10,399	27,620	38,019	20	-	-	30	-	345	1,016	949	602	40,981
Rent, rates and taxes	11,544	30,664	42,208	21	-	-	33	-	383	1,128	1,054	669	45,496
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
Printing and Stationery	1,866	4,957	6,823	3	-	-	5	-	62	183	170	108	7,354
Communication	2,922	7,762	10,684	5	-	-	8	-	97	286	267	169	11,516
Legal and professional charges	1,95,629	5,19,624	7,15,253	358	-	-	562	-	6,490	19,118	17,861	11,333	7,70,975
Auditors' fees, expenses etc	-	-	-	-	-	-	-	-	-	-	-	-	-
(a) as auditor	705	2,152	2,857	1	-	-	2	-	23	67	63	40	3,053
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-

(i) Taxation matters	14	42	56	-	-	-	-	-	-	1	1	1	59
(ii) Insurance matters	--	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	2	5	7	-	-	-	-	-	-	-	-	-	7
(d) Reimbursement of expenses	63	194	257	-	-	-	-	-	2	6	6	4	275
Branding, advertisement and publicity	8,97,045	23,82,699	32,79,744	1,640	-	-	2,578	-	29,761	87,666	81,902	51,965	35,35,256
Interest and bank charges	16,560	43,986	60,546	31	-	-	48	-	549	1,618	1,512	959	65,263
Depreciation	14,452	38,387	52,839	26	-	-	42	-	479	1,412	1,320	837	56,955
Other													
Miscellaneous expenses	9,988	7,792	17,780	5	-	-	(6)	-	97	287	268	166	18,597
Sales promotion expenses	2,420	6,428	8,848	4	-	-	7	-	80	237	221	140	9,537
Business support services	1,01,966	2,70,839	3,72,805	186	-	-	293	-	3,383	9,965	9,310	5,907	4,01,849
Information technology expenses	68,007	1,80,639	2,48,646	125	-	-	195	-	2,257	6,646	6,209	3,940	2,68,018
Facility management charges	47,028	1,24,913	1,71,941	86	-	-	135	-	1,560	4,596	4,294	2,724	1,85,336
GST Expenses	2,316	6,153	8,469	4	-	-	7	-	77	226	211	135	9,129
<b>Total</b>	<b>17,02,943</b>	<b>45,04,873</b>	<b>62,07,816</b>	<b>3,101</b>	<b>-</b>	<b>-</b>	<b>4,858</b>	<b>-</b>	<b>56,262</b>	<b>1,65,733</b>	<b>1,54,836</b>	<b>98,237</b>	<b>66,90,843</b>

"Schedule 4A - Management Expenses Miscellaneous Class of Business"	2019												
	Motor			Workmen Compensation	Public Liability	Product Liability	Engineering	Aviation	Personal Accident	Health	Crop	Others	Total
	OD	TP	Total										
Employees' remuneration & welfare benefits	177,214	5,02,209	6,79,423	-	-	-	585	-	85	12,347	106,666	8,102	8,07,226
Travel and conveyance	20,074	56,889	76,963	-	-	-	66	-	10	1,399	12,083	917	91,440
Training and Recruitment Cost	5,126	14,529	19,655	-	-	-	16	-	2	357	3,085	234	23,349
Rent, rates and taxes	4,409	12,495	16,904	-	-	-	15	-	2	307	2,654	202	20,084
Repairs and maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-
Printing and Stationery	1,251	3,544	4,795	-	-	-	4	-	1	87	753	57	5,697
Communication	1,322	3,746	5,068	-	-	-	4	-	1	92	796	60	6,021
Legal and professional charges	6,804	19,282	26,086	-	-	-	22	-	3	474	4,095	311	30,991
Auditors' fees, expenses etc													
(a) as auditor	392	1,110	1,502	-	-	-	1	-	-	27	236	18	1,784
(b) as adviser or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-	-	-
(i) Taxation matters	13	36	49	-	-	-	-	-	-	1	8	1	59
(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-	-	-
(iii) Management services; and	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) in any other capacity	9	25	34	-	-	-	-	-	-	1	5	-	40
(d) Reimbursement of expenses	19	54	73	-	-	-	-	-	-	1	12	1	87
Branding, advertisement and publicity	553,564	15,68,750	21,22,314	-	-	-	1,829	-	265	38,567	3,33,194	25,306	25,21,475
Interest and bank charges	6,374	18,063	24,437	-	-	-	21	-	3	444	3,836	291	29,032
Depreciation	7,037	19,942	26,979	-	-	-	23	-	3	490	4,236	322	32,053
Other													
Miscellaneous expenses	7,891	2,131	10,022	-	-	-	(145)	-	-	52	453	82	10,464
Sales promotion expenses	2,918	8,269	11,187	-	-	-	10	-	1	203	1,756	134	13,291
Business support services	13,165	37,310	50,475	-	-	-	44	-	6	917	7,924	603	59,969
Information technology expenses	64,747	1,83,487	2,48,234	-	-	-	214	-	31	4,511	38,972	2,960	2,94,922
Facility management charges	29,086	82,426	1,11,512	-	-	-	96	-	14	2,026	17,507	1,329	1,32,484
GST Expenses	3,018	8,553	11,571	-	-	-	10	-	1	210	1,817	139	13,748
<b>Total</b>	<b>9,04,433</b>	<b>25,42,850</b>	<b>34,47,283</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,815</b>	<b>-</b>	<b>428</b>	<b>62,513</b>	<b>5,40,088</b>	<b>41,069</b>	<b>40,94,196</b>

\* Allocation of expenses is as per expense allocation policy of the company, refer note 2(R) in Schedule 16.

## Go Digit General Insurance Limited

### Schedule 5 - Share Capital

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Authorised Capital 1,00,00,00,000 Equity shares of ₹ 10 each (Previous year 80,00,00,000 equity shares of ₹ 10 each)	1,00,00,000	80,00,000
Issued Capital 81,68,43,051 Equity shares of ₹ 10 each (Previous year 72,95,65,220 equity shares of ₹ 10 each)	81,68,431	72,95,652
Subscribed Capital 81,68,43,051 Equity shares of ₹ 10 each (Previous year 72,95,65,220 equity shares of ₹ 10 each)	81,68,431	72,95,652
Called-up capital 81,68,43,051 Equity shares of ₹ 10 each 11,00,00,000 Equity shares of ₹ 10 each, ₹ 5 called up (Previous year 61,95,65,220 equity shares of ₹ 10 each)	81,68,431	67,45,652
Less: Calls unpaid	-	-
Add: Equity shares forfeited	-	-
Less: Par value of equity shares bought back	-	-
Less: Preliminary expenses	-	-
Less: Expenses including commission or brokerage on underwriting of shares	-	-
<b>Total</b>	<b>81,68,431</b>	<b>67,45,652</b>

## Go Digit General Insurance Limited

### Schedule 5A - Pattern of Shareholding

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Promoters		
Indian- Go Digit Infoworks Services Pvt Ltd		
Number of Shares	72,95,65,220	72,95,65,220
% of Holdings	89.3%	100%
Foreign		
Number of Shares	-	-
% of Holdings	-	-
Others		
Indian		
Number of Shares	8,63,47,833	-
% of Holdings	10.6%	-
Foreign		
Number of Shares	9,29,998	-
% of Holdings	0.1%	-
<b>Total</b>	<b>100%</b>	<b>100%</b>



**Go Digit General Insurance Limited**

## Schedule 6 - Reserves and Surplus

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Capital Reserve	-	-
Capital Redepmtion Reserve	-	-
Securities Premium		
Opening balance	15,04,348	-
Addition during the period	67,73,059	15,04,348
Closing balance	82,77,407	15,04,348
General Reserve	-	-
Less: Debit balance in Profit and Loss Account		
Less: Amount utilised for buyback		
Catastrophe Reserve	-	-
Other Reserves	-	-
ESAR Outstanding	85,105	13,677
Balance in Profit and Loss Account		
<b>Total</b>	<b>83,62,512</b>	<b>15,18,025</b>

**Go Digit General Insurance Limited**

## Schedule 7 - Borrowings

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Debentures / Bonds	-	-
Banks	-	-
Financial Institutions	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Go Digit General Insurance Limited**  
Schedule 8 - Investments - Shareholders  
As on 31 March 2020  
₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
<b>Long term investments</b>		
Government securities and Government guaranteed bonds	26,40,685	21,29,058
including Treasury bills		
Other approved securities	2,09,838	2,14,423
Other investments		
(a) Shares		
(aa) Equity	8,80,818	2,96,051
(ab) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments		
(d) Debentures / Bonds	3,99,753	2,49,885
(e) Other securities	-	-
(f) Subsidiaries	-	-
(g) Investment properties - Real estate	-	-
Investment in infrastructure and social sector other than Approved Investments	23,19,214	12,74,604
(a) Equity Shares	27,097	-
<b>Total</b>	<b>64,77,405</b>	<b>41,64,021</b>
<b>Short term investments</b>		
Government securities and Government guaranteed bonds	-	8,49,647
including Treasury bills		
Other approved securities	-	-
Other investments		
(a) Shares		
(aa) Equity	-	-
(ab) Preference	-	-
(b) Mutual Funds	-	7,00,845
(c) Derivative Instruments		
(d) Debentures / Bonds	2,47,991	1,49,189
(e) Other securities	-	-
(f) Subsidiaries	-	-
(g) Investment properties - Real estate	-	-
Investment in infrastructure and social sector other than Approved Investments	1,50,106	12,53,281
<b>Total</b>	<b>3,98,097</b>	<b>29,52,962</b>
<b>Total investments - Shareholders</b>	<b>68,75,502</b>	<b>71,16,983</b>

**Notes**

	₹ in thousands	₹ in thousands
1. Aggregate value of investments other than valued at Fair Value		
Long-term investment		
Book value	55,96,587	38,67,970
Market value	57,84,958	41,50,564
Short-term investment		
Book value	3,98,097	22,52,117
Market value	4,00,092	22,54,285
2. Long term other approved securities include investment in 100% Government of India backed bond amounting to ₹ 2,13,979 (previous year ₹ 2,14,423 thousands)		

**Go Digit General Insurance Limited**
**Schedule 8A - Investments - Policyholders**

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
<b>Long term investments</b>		
Government securities and Government guaranteed bonds	1,60,95,798	45,58,074
including Treasury bills		
Other approved securities	14,15,237	1,55,571
Other investments		
(a) Shares		
(aa) Equity	10,72,595	4,93,418
(ab) Preference	-	-
(b) Mutual Funds	-	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	21,58,009	7,53,233
(e) Other securities	-	-
(f) Subsidiaries	-	-
(g) Investment properties - Real estate	-	-
Investment in infrastructure and socail sector	3719407	9,97,781
Other than Appoved Investments	-	-
<b>Total</b>	<b>2,44,61,046</b>	<b>69,58,077</b>
<b>Short term investments</b>		
Government securities and Government guaranteed bonds	2,49,998	-
including Treasury bills	-	-
Other approved securities	-	-
Other investments	-	-
(a) Shares	-	-
(aa) Equity	-	-
(ab) Preference	-	-
(b) Mutual Funds	9,16,120	-
(c) Derivative Instruments	-	-
(d) Debentures / Bonds	6,98,495	3,49,106
(e) Other securities	-	-
(f) Subsidiaries	-	-
(g) Investment properties - Real estate	-	-
Investment in infrastructure and socail sector	15,54,451	99,917
Other than Appoved Investments	-	-
<b>Total</b>	<b>34,19,064</b>	<b>4,49,023</b>
<b>Total investments - Policyholders</b>	<b>2,78,80,110</b>	<b>74,07,100</b>

## Notes

1. Aggregate value of investments other than valued at Fair Value	₹ in thousands	₹ in thousands
Long-term investment		
Book value	2,33,88,451	64,64,659
Market value	2,43,05,708	71,21,820
Short-term investment		
Book value	25,02,944	4,49,023
Market value	25,00,395	4,49,993
2. Long term other approved securities include investment in 100% Government of India backed bond amounting to ₹ 14,15,237 (previous year ₹1,55,571 thousands)		

**Go Digit General Insurance Limited**

Schedule 9 - Loans

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
<b>Security-wise classification</b>		
Secured		
(a) On mortgage of property	-	-
(aa) In India	-	-
(ab) Outside India	-	-
(b) On Shares, Bonds, Govt Securities, etc.	-	-
(c) Others	-	-
Unsecured	-	-
(a) Loans against policies	-	-
(b) Others	-	-
<b>Total</b>	-	-
<b>Borrower-wise classification</b>		
Central and State Governments	-	-
Banks and Financial Institutions	-	-
Subsidiaries	-	-
Industrial Undertakings	-	-
Others	-	-
<b>Total</b>	-	-
<b>Performance-wise classification</b>		
Loans classified as standard	-	-
(aa) In India	-	-
(ab) Outside India	-	-
Non-standard loans less provisions	-	-
(ba) In India	-	-
(bb) Outside India	-	-
<b>Maturity-wise classification</b>		
Short Term	-	-
Long Term	-	-
<b>Total</b>	-	-
<b>Grand Total</b>	-	-

## Go Digit General Insurance Limited

### Schedule 10 - Fixed Assets

As on 31 March 2020

₹ in thousands

Particulars	Assets				Depreciation				Net Block	
	As on 01 Apr 2019	Additions	Deletions / Adjustments	As on 31 Mar 2020	As on 01 Apr 2019	Additions	Deletions / Adjustments	As on 31 Mar 2020	As on 31 Mar 2020	As on 01 Apr 2019
Goodwill	-			-				-	-	-
Intangibles - Software	30,706	14,199	-	44,905	10,594	13,843	-	24,437	20,468	20,112
Land - Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Improvements	18,909	25,014	-	43,923	369	3,813	-	4,182	39,741	18,540
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture and fittings	5,521	7,894	-	13,415	1,238	1,794	-	3,032	10,383	4,283
IT Equipments	99,716	65,015	400	1,64,331	26,112	40,297	281	66,128	98,203	73,604
Vehicles	-	-	-	-	-	-	-	-	-	-
Office equipments	19,214	24,146	-	43,360	1,675	5,657	-	7,332	36,028	17,539
Others	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,74,066</b>	<b>1,36,268</b>	<b>400</b>	<b>3,09,934</b>	<b>39,988</b>	<b>65,404</b>	<b>281</b>	<b>1,05,111</b>	<b>2,04,823</b>	<b>1,34,078</b>
Capital work in progress	-	-	-	-				-	6,69,608	12,485
<b>Grand Total</b>	<b>1,74,066</b>	<b>1,36,268</b>	<b>400</b>	<b>3,09,934</b>	<b>39,988</b>	<b>65,404</b>	<b>281</b>	<b>1,05,111</b>	<b>8,74,431</b>	<b>1,46,563</b>
Previous year	58,545	1,15,521	-	1,74,066	7,655	32,333	-	39,988	1,46,563	50,890

Note: Capital work in progress includes advance of ₹ 65.9 cr given for building under construction

## Go Digit General Insurance Limited

### Schedule 11 - Cash and Bank Balances

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Cash balance (including cheques, drafts and stamps)	3,81,333	1,93,602
Bank balances		
(a) Deposit accounts		
(aa) Due within 12 month of the date of balance sheet	-	-
(ab) Others	-	-
(b) Current accounts	3,61,199	9,35,998
(c) Others	-	-
Money at call and short notice		
(a) with Banks	-	-
(b) with Other institutions	-	-
Others		
<b>Total</b>	<b>7,42,532</b>	<b>11,29,600</b>

Note: Bank Balances maintained with Foreign Bank outside India is Nil (Previous year Nil)

**Go Digit General Insurance Limited**
**Schedule 12 - Advances and Other Assets**

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
<b>Advances</b>		
Reserve deposits with ceding companies	-	-
Application money for investments	-	-
Prepayments	46,390	20,710
Advances to Officers / Directors	-	-
Advance tax paid and taxes deducted at source (net of provision for tax)	-	270
Others	-	-
MAT credit entitlement	-	-
Other advances	1,028	14,155
<b>Total - Advances (A)</b>	<b>47,418</b>	<b>35,135</b>
<b>Other Assets</b>		
Income accrued on investments	9,07,311	3,93,722
Outstanding premiums	2,376	5,072
Less: Provisions for doubtful debts	-	-
Agents' balances	59,028	55,522
Foreign Agencies balances	-	-
Due from other entities carrying on insurance business	6,31,486	1,046,163
Less: Provisions for doubtful debts	-	-
Dues from subsidiaries / holding company	-	5,656
Assets held for unclaimed amounts of policyholders	5,000	1,000
Add: Investment income accruing on above	74	19
Deposit with Reserve Bank of India (Pursuant to section 7 of Insurance Act, 1938)	-	-
Others	-	-
Cenvat credit unutilised	7,20,508	25,071
Unsettled investment contracts receivable	-	-
Other assets	1,84,234	205,841
Excess in Gratuity Fund	805	-
<b>Total - Other assets (B)</b>	<b>25,10,822</b>	<b>1,738,066</b>
<b>Total</b>	<b>25,58,240</b>	<b>17,73,201</b>

**Go Digit General Insurance Limited**

## Schedule 13 - Current Liabilities

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Agents' balances	1,26,800	92,147
Balances due to other insurance companies	30,11,308	6,75,719
Deposits held on re-insurance ceded	-	-
Premiums received in advance	1,51,481	1,57,451
Unallocated premiums	44,63,478	12,53,485
Sundry creditors	11,33,857	9,14,971
Due to subsidiaries / holding company	18,296	18,348
Claims outstanding (net)	95,67,801	34,29,034
Due to Officers / Directors	-	-
Others	-	-
Statutory dues payable	6,92,873	2,27,911
Salary payable	3,913	1,420
Unclaimed amounts of policyholders	1,395	603
Add: Accrued Investment income on above	40	16
Other Current Liabilities- Employees	81,973	57,148
Other Policyholder Dues	50,864	14,566
Unsettled investment contracts payable	-	6,59,348
<b>Total</b>	<b>1,93,04,079</b>	<b>75,02,167</b>

**Go Digit General Insurance Limited**

## Schedule 14 - Provisions

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Reserve for unexpired risk	84,26,504	5,233,709
Reserve for premium deficiency	-	10,955
Provision for taxation	-	-
Provision for proposed dividend	-	-
Provision for DDT	-	-
Others	-	-
Gratuity	-	6,619
Leave encashment	40,758	18,868
Rent equalisation reserve	27,847	9,232
<b>Total</b>	<b>84,95,109</b>	<b>52,79,383</b>

**Go Digit General Insurance Limited**

## Schedule 15 - Misc expenditure to the extent not written off

As on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
Discount allowed on issue of shares and debentures	-	-
Others	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



# Significant Accounting Policies and Notes

## Forming Part of the Financial Statements for the Year Ended 31 March 2020

(Currency – in thousands of Indian Rupees unless otherwise stated)

### Schedule 16 – Notes to the Financial Statements

#### 1 Background

Go Digit General Insurance Limited (“the Company”) was incorporated on 07 December 2016 under the Companies Act, 2013 and is a subsidiary of Go Digit Infoworks Services Private Limited (formerly known as Oben Services Private Limited). The Company received certificate of registration from Insurance Regulatory and Development Authority of India (IRDAI) on 20 September 2017 to undertake General Insurance business with registration number 158 and subsequently commenced operations in October 2017. The Company’s registered office is situated at Smartworks Business Center, 1st Floor, Nyati Unitree, West Wing, Samrat Ashok Road, Yerawada, Pune, Maharashtra 411006 India.

#### 2 Significant accounting policies

##### a. Basis of preparation

These financial statements have been prepared and presented on a going concern basis in accordance with Generally Accepted Accounting Principles followed in India under the historical cost convention, unless otherwise specifically stated, on an accrual basis and in accordance with the applicable provisions of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditor’s Report of Insurance Companies) Regulations, 2002 (the “IRDAI Financial Statements Regulation”), the Insurance Act, 1938 (the “Insurance Act”), the Insurance Regulatory and Development Authority Act, 1999 (the “IRDAI Act”), circulars / notifications issued by IRDAI from time to time, the Accounting Standards (AS) specified under Section 133 of the Companies Act, 2013 (the “Companies Act”), to the extent applicable and the relevant provisions of the Companies Act and orders / directions prescribed by the IRDAI in this behalf and current practices prevailing within the insurance industry in India.

##### b. Use of estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Principles in India (“Indian GAAP”) requires the management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the financial statements and the reported income and expenses during the reported period. The estimates and assumptions used in the financial statements are based on management’s evaluation of the relevant facts and circumstances up to and as of the date of the financial statements. Actual results could differ from the estimates. Any revision to accounting estimates is accounted for prospectively.

##### c. Revenue recognition

###### Premium

Premium including reinsurance accepted (net of goods and services tax), other than for Long-term (with policy term of more than one year) motor insurance policies for new cars and new two wheelers sold on or after 01 September 2018, is recognised as income on receipt of complete information at commencement of risk and for instalment policies it is recognised on instalment receipt. Any revisions in premium amount are recognised in the period in which it occurs and over the remaining period of the policy or period of risk, as appropriate.

In accordance with

- IRDAI notification no. IRDAI/NL/CIR/MOT/08/2018 dated 28 August 2018, premium received (net

of Goods & Service Tax) for third party liability coverage under long-term motor insurance policies for new cars and new two wheelers sold on or after 01 September 2018, is recognized as income on a year to year basis over the policy period on 1/n basis where 'n' denotes the term of the policy in years and

- IRDAI notification no. IRDAI/NL/CIR/MISC/052/03/2019 dated 29 March 2019 premium received for the Own Damage under long-term motor insurance policies for new cars and new two wheelers sold on or after 01 September 2018, is recognised as income on a year to year basis in proportion to the Insurance Declared Value of the asset, as it moves from year to year.

Premium deferred for recognition of income in the future period related to long-term motor insurance policies are included in Unallocated Premium in the balance sheet.

Premium earnings including the reinsurance accepted are recognised over the period of policy or period of risk, as appropriate.

At the year end, estimates are made for reinsurance statement of accounts not yet received, based on available information and current trends. Any revisions in premium amount are recognised in the period in which it occurs and over the remaining period of the policy or period of risk, as appropriate.

Reinstatement premium is recorded as and when such premiums are recovered. Premium allocated for the year is recognised as income earned based on 1/365 method, on a gross basis net of goods and service tax. Reinstatement premium is allocated on the same basis as the original premium over the balance term of the policy or period of risk, as appropriate. Any subsequent revisions to premium are recognised on the same basis as the original premium in the period in which it occurs and over the remaining period of the policy or period of risk, as appropriate.

Subsequent cancellations of policies are recognised in the period in which it occurs.

#### **Premium received in advance**

Premium on policies booked during the current period which have risk inception date subsequent to balance sheet date represent premium received in advance

#### **Income earned on investments**

Interest income is recognised on accrual basis. Accretion of discount and amortisation of premium relating to debt securities is recognised over the holding / maturity period on constant yield to maturity basis.

Dividend income is recognised when right to receive is established.

Gain / loss on transfer / sale of securities is the difference between the transfer / sale price and the net amortised cost / book value, which is computed on weighted average basis as on the date of transfer / sale. Sale consideration for realised gain / loss is net of brokerage and taxes, if any.

The realised gain / loss on mutual funds, additional tier 1 (Basel III compliant) bonds and listed equity shares is the difference between sale consideration and carrying cost as on the date of sale, determined on a weighted average cost basis and includes accumulated changes previously recognised under "Fair Value Change Account".

#### **Commission on reinsurance ceded**

Commission on reinsurance ceded is recognised as income in the period of ceding risk.

Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the period of final determination of the profits and on confirmation by the reinsurer and included under commission on reinsurance ceded.

Adjustment to scaled commission under reinsurance treaties, wherever applicable, is assessed at the end of each period and is recognised as income / expenditure and included under commission on reinsurance ceded.

**d. Reinsurance ceded**

Reinsurance premium ceded, other than for long-term motor insurance policies for new cars and new two wheelers sold on or after 01 September 2018, is accounted for in the period in which the risk commences and over the period of risk.

In case of long-term motor insurance policies for new cars and new two wheelers sold on or after 01 September 2018, reinsurance premium ceded is recognized on the insurance premium income allocated for the year simultaneously with the recognition of the insurance premium income.

Unearned premium on reinsurance ceded is carried forward to the subsequent accounting period and is set off against related unearned premium income.

Any subsequent revisions to or cancellations of premiums are accounted for in the period in which they occur.

Premium on excess of loss reinsurance cover is accounted as per the terms of the reinsurance arrangements.

**e. Reserve for unexpired risk**

Reserve for unexpired risk represents that part of the net premium written which is attributable to and allocated to the succeeding accounting periods. In accordance with Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated 04 April 2016 and Master Circular on Preparation of financial statements and Auditor's Report of General Insurance business and corrigendum issued thereon, reserve for unexpired risk is calculated based on 1/365 method in all segments subject to minimum of 100% of net premium written with respect of Marine Hull policies written during the year and are unexpired as on Balance Sheet date.

**f. Premium deficiency**

Premium deficiency is recognised if the sum of expected claim costs, related expenses and maintenance costs (related to claims handling) exceeds related reserve for unexpired risk.

Premium deficiency is assessed at each balance sheet date and is recognised at segmental revenue account(s) level. The expected claims including related expenses and maintenance costs (related to claims handling) costs for premium deficiency reserve computation are calculated and duly certified by the Appointed Actuary.

**g. Claims incurred**

Claims incurred comprises of claims paid (net of reinsurance, salvage and other recoveries), change in estimated liability for outstanding claims made following a loss occurrence reported, change in estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) and specific settlement costs comprising survey, legal and other directly attributable

expenses.

Provision is made for estimated value of outstanding claims at the Balance Sheet date net of reinsurance, salvage and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid on each claim, established by the management in light of past experience and progressively modified for changes as appropriate, on availability of further information and include claim settlement costs likely to be incurred to settle outstanding claims.

Claims (net of amounts receivable from reinsurers / co-insurers) are recognised on the date of intimation based on estimates from surveyors / insured in the respective revenue accounts.

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers and salvage to the extent there is certainty of realisation.

The estimated liability for claims incurred but not reported (IBNR) and claims incurred but not enough reported (IBNER) has been estimated by the Appointed Actuary in compliance with guidelines issued by IRDAI vide circular number 11/IRDA/ACTL/IBNR/2005-06 dated 08 June 2005 and applicable provisions of Actuarial Practice Standard 21 issued by the Institute of Actuaries of India. The Appointed Actuary has used generally accepted actuarial methods for each product category as considered appropriate depending upon the availability of past data as well as appropriateness of the different methods to the different lines of businesses

#### **h. Acquisition costs**

Acquisition costs are defined as costs that vary with and are primarily related to the acquisition of new and renewal insurance contracts viz. commission. These costs are expensed in the period in which they are incurred except for commission on long-term motor insurance policies for new cars and new two wheelers sold on or after 01 September 2018.

In case of long-term motor insurance policies for new cars and new two wheelers sold on or after 01 September 2018 commission is expensed at the applicable rates only on the premium allocated for the year.

#### **i. Property, plant and equipment, intangibles and impairments**

Property, plant and equipment are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of assets) and expenses directly attributable to bringing the asset to its working condition for its intended use, less accumulated depreciation and impairment of assets, if any.

Intangible assets are stated at cost less accumulated amortisation. Significant direct expenditure on improvement to software are capitalised when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and such expenditure can be measured and attributed to the assets reliably. Indirect expenditure and overheads are not capitalized.

Capital work in progress includes assets not ready for intended use and are carried at cost, comprising direct cost and related incidental expenses.

Depreciable amount for assets is the cost of an asset or other amount substituted for cost, less its estimated residual value. The Company has, considering expected economic values post retirement and other technical factors, estimated that residual value of assets / intangible to be nil.

Depreciation / amortisation on assets is provided on the straight-line method over the estimated useful life

Depreciation / amortisation on assets purchased / disposed-off during the year, has been provided on pro-rate basis.

The estimated useful life used for calculation of depreciation or amortisation is as follows for various classes of assets

Asset Type	Useful life in years
Office Equipment	5
IT Equipment/ Computer – End user devices	3
Computers – Servers and networks	6
Furniture and fixtures	10
Leasehold Improvements	10 years or lease hold period- whichever is less
Intangible assets (Computer Software)	3

Assets costing less than ₹5,000 are fully expensed off during the year of purchase.

The estimated useful life of assets and depreciation or amortisation period are reviewed at the end of each financial year and the depreciation and amortisation period is revised to reflect the changed pattern, if any.

#### **Impairment of assets**

The carrying values of assets are reviewed at each balance sheet date for impairment, if and when there are indications thereof. Impairment occurs when the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value, as determined above. After impairment, depreciation is provided on the revised carrying value of the asset over its remaining useful life. Impairment loss previously expensed is reversed in subsequent period to the extent, higher of the asset's net sales price or present value, as determined above, is higher than its carrying amount.

#### **j. Operating leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments made towards assets / premises are recognised as expense in the revenue account(s) and profit and loss account on straight line basis, as per lease terms.

Initial direct costs incurred specifically for an operating lease are charged to the revenue account(s) and profit and loss account as and when those are incurred.

#### **k. Foreign currency transactions**

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

At the balance sheet date, monetary items denominated in foreign currencies are converted into rupees equivalents at the exchange rate prevailing as on that date.

All exchange differences arising on settlement / conversion of foreign currency transactions are included in the revenue accounts or profit and loss account, as the case maybe.

## I. Investments

### Recognition

Investments are made and accounted for in accordance with the Insurance Act, 1938, the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended and various other circulars / notifications issued by the IRDAI in this context from time to time.

Investments are recorded at cost, which includes brokerage, taxes, if any, stamp duty and excludes broken period interest.

### Classification

Investments maturing within twelve months from the balance sheet date and investments made with specific intention to be disposed off within twelve months from the balance sheet date are classified as short-term investments.

Investments other than short-term investments are classified as long-term investments.

Investment funds are segregated into policyholders' funds and shareholders' funds at the security level in compliance with Circular No. IRDA/F&A/CIR/CPM/056/03/2016 dated 04 April 2016.

Policyholders' fund is the sum of a) outstanding claims including IBNR (incurred but not reported) & IBNER (incurred but not enough reported), b) unexpired premium reserve, c) premium deficiency, if any, d) catastrophe reserve, if any, and e) other liabilities net off other assets. Other liabilities comprise of premium received in advance, unallocated premium, balance due to other insurance companies, due to other members of the Motor Third Party Pool and due to policyholders. Other assets comprise of outstanding premium, dues from other entities carrying on insurance business (including reinsurers), balance with Terrorism Pool and balance with Motor Third Party Pool, if any.

Shareholders' funds comprise of share capital, including reserves and surplus, less accumulated losses, if any, preliminary expenses and miscellaneous expenditure to the extent not written off or adjusted.

Schedule 8 denotes investments made out of shareholders' funds and Schedule 8A denotes investments made out of policyholders' funds.

### Valuation

All debt securities and non-convertible preference shares are considered as 'held to maturity' and accordingly stated at historical cost subject to amortisation of premium or accretion of discount on constant yield to maturity basis in the Revenue Account and in the Profit and Loss Account over the period of maturity / holding.

All mutual fund investments, additional tier 1 (Basel III compliant) bonds and listed equity shares are valued at fair value as at balance sheet date.

Fair value for listed equity investments is derived basis last quoted closing price on the National Stock Exchange (NSE) being selected as primary exchange as required by IRDAI Master Circular on Investments dated 02 May 2017, as amended. In case if stock is not listed on NSE, last quoted closing price from BSE Limited is taken for fair valuation.

Fair value of mutual fund is derived basis NAV published by Association of Mutual Funds of India (AMFI)

and valuation of additional tier 1 (Basel III compliant) bonds as per FIMMDA guidelines published by CRISIL

#### **Fair value change account**

In accordance with the IRDAI Financial Statement Regulations, any unrealised gain / loss arising due to change in fair value of mutual fund investments, additional tier 1 (Basel III compliant) bonds and listed equity shares are accounted in 'Fair value change account' and carried forward in balance sheet and is not available for distribution as dividend.

#### **Impairment of investments**

The Company assesses, whether any other than temporary impairment has occurred on its investments at each balance sheet date. If any such indication exists, then carrying value of such investment is reduced to its recoverable amount / market value on balance sheet date and impairment loss is recognised in Profit and Loss Account. If, at balance sheet date, there is any indication that a previously assessed impairment loss no longer exists then impairment loss, earlier recognised in Profit and Loss Account, is reversed in Profit and Loss Account and the investment is restated to that extent.

### **m. Employee benefits**

#### **Short-term employee benefits**

All employee benefits payable within twelve months of rendering of service are classified as short-term employee benefits. Benefits such as salaries, bonuses, short-term compensated absences and other non-monetary benefits are recognised in the period in which the employee renders the related service. All short-term employee benefits are accounted on undiscounted basis.

#### **Long-term employee benefits**

The Company has both, defined contribution and defined benefit plans. The plans are financed by the Company and in case of some defined contribution plans, by the Company along with its employees.

- **Defined contribution plans**

These are plans in which the Company contributes prescribed percentages of the qualifying salary of eligible employees, on monthly basis to funds managed by Employee Provident Fund Organisation in accordance with the relevant regulations and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the employees' provident fund and family pension fund. The Company's payments to defined contribution plans are expensed off during the period in which employees perform the services.

- **Defined benefit plans**

The company is required to pay prescribed percentage of qualifying salary for every completed year of service as Gratuity to employees on their separation/retirement after continuous service of five years subject to a maximum of Rs. 20 Lakhs, in accordance with the relevant regulations.

Expenses for this defined benefit statutory gratuity are calculated as at the Balance Sheet date based on actuarial valuation carried out using the Projected unit credit method by an independent actuary. Actuarial losses and gains are charged off to Revenue account/Profit and loss account.

- **Other long-term employee benefits**

Provision for other long-term benefits includes accumulated compensated absences that are entitled to be carried forward for availment in service or encashment at the time of separation. The Company's liability towards these other long-term benefits are accrued based on actuarial

valuation carried out using the Projected unit credit method by an independent actuary. Actuarial losses and gains are charged off to Revenue account/Profit and loss account.

**n. Employee Stock Appreciation Rights (“ESAR”)**

The Company has an equity settled ESAR plan with a quantified benefit. ESARs are measured at fair value of the option on the grant date using the Black Sholes method. Grant-date fair value is recognized as an employee compensation expense over the vesting period or debited to holding company as applicable with a corresponding liability recorded under ESAR Outstanding Reserve Account which is grouped under Reserves & Surplus. When the option is settled, the related liability in the ESAR Outstanding Reserve Account is transferred to paid-up capital to the extent of the face value of the shares issued and the balance is transferred to share premium account.

**o. Taxation**

Income tax expenses comprise current tax (i.e. the amount of tax payable on the taxable income for the period determined in accordance with the Income-tax Act, 1961), and deferred tax charge or credit (reflecting the tax effects of timing differences between the accounting income and taxable income for the period).

**Current tax**

Current tax is the amount expected to be paid to the tax authorities after taking credit for allowances and exemptions in accordance with the Income-tax Act, 1961.

**Deferred tax**

Deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which the deferred tax assets can be realised.

Deferred tax assets are reviewed as at balance sheet date and written down or written up to reflect the amount that is reasonably certain to be realised.

**Goods and Service tax**

Goods and Service tax (“GST”) collected (net of refunds) is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority. Unutilised GST credits, if any, are carried forward under “Other Assets” and disclosed in Schedule 12 for adjustment in subsequent periods. At the end of every reporting period, the company assesses whether the unutilised GST credits are eligible for carrying forward to subsequent period as per the related legal provisions. Any ineligible GST credit is expensed on such determination. GST liability to be remitted to the appropriate authority is disclosed under “Other – Statutory dues payable” in Schedule 13.

**p. Terrorism Pool**

In accordance with the requirements of IRDAI, the Company, together with other insurance companies, participates in the Terrorism Pool. This pool is managed by General Insurance Corporation of India (“GIC Re”). Amounts collected as terrorism premium, as decided by the Terrorism Pool Underwriting



committee, are ceded at 100% of the terrorism premium collected to the Terrorism Pool, subject to conditions and overall limit of 2,000 crore.

In accordance with terms of agreement, GIC Re retrocedes to the Company terrorism premium to the extent of the Company's share in the risk, which is recorded as reinsurance accepted. Such reinsurance accepted is recorded on the basis of quarterly statements received from GIC Re. Reinsurance accepted on account of terrorism pool is recorded with the latest statement received from GIC Re, which is generally one quarter in lag.

The entire amount of reinsurance accepted for the current year on this account, net of claims and expenses, up to the above date, has been carried forward to the subsequent accounting period as unexpired risk reserve for subsequent risks, if any, to be borne by the Company.

**q. Contribution to solatium fund**

In accordance with the requirements of IRDAI circular dated 18 March 2003 and based on the decision made by the General Insurance Council in its meeting held on 06 May 2005 and further on 01 April 2010, the Company provides for contribution to solatium fund, established by the Central Government, at 0.1% of gross direct premium of motor liability only policies during the period.

**r. Segment reporting**

The Company has classified and disclosed segmental information for Fire, Marine and Miscellaneous classes of business based on the primary segments identified under IRDAI financial statements Regulations read with AS 17 – Segment Reporting specified under section 133 of Companies Act, 2013.

There are no reportable geographical segments, as all business is written in India.

Allocation of income and expenses to specific segments is done in following manner, which is applied on a consistent basis.

**Allocation of investment income**

Investment income earned on the investment identified out of shareholders fund is credited to profit and loss account.

Investment income earned on the investments identified out of policyholders' funds has been allocated to the various segments on the basis of average reserves for unexpired risks and outstanding claims of the respective segments.

**Allocation of other income**

Other income which are directly attributable and identifiable to business segments are allocated to the respective business segments.

Other income which are not directly attributable and identifiable to business segments, are apportioned on the basis of average reserves for unexpired risks and outstanding claims of the respective segments.

**Allocation of operating expenses relating to insurance business**

Expenses which are directly attributable and identifiable to business segments are allocated to the respective business segments.

Expenses (net of coinsurance administration charges /recoveries) which are not directly attributable

and identifiable to business segments, are apportioned on the basis of net premium of respective business segment.

Segment revenue & results have been disclosed in the Revenue accounts.

**s. Earnings per share (EPS)**

Earnings considered for calculating EPS comprises net profit or loss after tax. Number of shares used in computing basic EPS is weighted average number of shares outstanding during the reporting period. The number of shares used in computing diluted EPS comprises of weighted average number of shares considered for deriving basic EPS and also weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease net profit per share from continuing ordinary operations.

**t. Provisions and contingencies**

A provision is recognised when the Company has a present legal obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions, excluding retirement benefits, are not discounted to their present value and are determined based on the best estimate required to settle the obligation at balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Contingent losses arising from claims other than insurance claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

A disclosure for a contingent liability other than those under policies is made when there is a possible obligation or a present obligation that may not result in outflow of resources.

Show cause notices issued by various government authorities are not considered as obligations. When demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations.

When there is a possible obligation or a present obligation, in respect of which, the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent liabilities are not recognised in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

**u. Receipts and payments account & cash and cash equivalents**

Receipts and payments account is prepared and reported using Direct Method in conformity with para 2.2 of IRDAI Financial Statement Regulations.

**Cash and cash equivalents**

Cash comprises cash on hand, cheques on hand and demand deposits with banks. Cash equivalents are term deposits with an original maturity of three months or less from the date of acquisition, highly

liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of change in value.

### 3 Contingent Liabilities

Sl. No.	Particulars	As on 31 March 2020	As on 31 March 2019
1	Partly paid up investments	Nil	Nil
2	Underwriting commitments outstanding (in respect of shares and securities)	Nil	Nil
3	Claims, other than those under policies, not acknowledged as debts	Nil	Nil
4	Guarantees given by or on behalf of the Company	Nil	Nil
5	Statutory demands / liabilities in dispute, not provided for	Nil	Nil
6	Reinsurance obligations to the extent not provided for	Nil	Nil

### 4 Encumbrances on assets

The assets of the Company are free from all encumbrances.

### 5 Capital commitments

Outstanding capital commitments as at 31 March 2020 amount to ₹ 13,84,95 thousand (Previous year – ₹90,92 thousand).

### 6 Claims

All claims, net of reinsurance, are incurred and paid in India except marine insurance where consignments are exported from India and overseas travel insurance.

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1	In India	4,59,39,33	66,86,00
2	Outside India	Nil	Nil

The ageing of gross claims outstanding is as under –

Sl. No.	Particulars	As on 31 March 2020	As on 31 March 2019
1	More than 6 months	1,24,70,12	38,35,95
2	Others	1,97,07,10	55,97,00
	Total	3,21,77,22	94,32,95

There are no claims that have been settled and remaining unpaid for a period more than 6 month as on 31 March 2020. (Previous year – Nil).

### 7 Claims where the payment period exceeds four years are NIL (Previous year- NIL)

### 8 Premium

All premium, net of reinsurance, is written and received in India.

Premium income recognised on varying risk pattern is Nil (Previous year – Nil).

## 9 Extent of risks retained and reinsured

Extent of risk retained and reinsured with respect to gross written premium (excluding excess of loss reinsurance premium of ₹9,89,64 thousand and catastrophe reinsurance (Previous year ₹ 5,10,35 thousand) is set out below

For the year ended 31 March 2020 –

Particulars	Basis	Retention %	Cession %
Fire	Total sum insured	16.06%	83.94%
Marine Cargo	Value at risk	1.90%	98.10%
Marine Hull	Value at risk	NA	NA
Miscellaneous			
Motor	Total sum insured	75.38%	24.62%
Workmen's Compensation	Value at risk	95.00%	5.00%
Public / Product Liability	Value at risk	NA	NA
Engineering	Total sum insured	22.69%	77.31%
Aviation	Value at risk	NA	NA
Personal Accident	Value at risk	95.00%	5.00%
Health Insurance	Value at risk	95.00%	5.00%
Crop	Value at risk	54.87%	45.13%
Other Liability	Value at risk	82.08%	17.92%
Others	Value at risk	93.78%	6.22%

For the year ended 31 March 2019 –

Particulars	Basis	Retention %	Cession %
Fire	Total sum insured	13.81%	86.19%
Marine Cargo	Value at risk	13.12%	86.88%
Marine Hull	Value at risk	0.50%	99.50%
Miscellaneous			
Motor	Total sum insured	93.29%	6.71%
Workmen's Compensation	Value at risk	Nil	Nil
Public / Product Liability	Value at risk	Nil	Nil
Engineering	Total sum insured	16.46%	83.54%
Aviation	Value at risk	Nil	Nil
Personal Accident	Value at risk	95.00%	5.00%
Health Insurance	Value at risk	94.97%	5.03%
Crop	Value at risk	54.06%	45.94%
Other Liability	Value at risk	91.00%	9.00%
Others	Value at risk	95.00%	5.00%

## 10 Investments

Value of contracts in relation to investments for

Sl. No.	Particulars	As on 31 March 2020	As on 31 March 2019
1	Purchases where deliveries are pending	Nil	65,93,48
2	Sales where payments are pending	Nil	Nil

Historical cost of investments which have been valued on market value basis

Sl. No.	Particulars	As on 31 March 2020	As on 31 March 2019
1	Mutual funds, additional tier 1 (Basel III compliant) bonds and listed equity shares	307,85,87	1,49,03,13

Investments are made in accordance with the Insurance Act, 1938 and IRDAI Investment Regulations, 2016, as amended.

The Company has no non-performing assets for income recognition as per directions of IRDAI (Previous year – Nil).

Particulars of investments other than those valued at market value

Sl. No.	Particulars	As on 31 March 2020	As on 31 March 2019
1	Aggregate market value	32,99,11,53	13,97,66,61
2	Aggregate historical cost / amortised cost	31,85,89,81	13,03,37,70

## 11 Managerial Remuneration

The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated 18 May 2016 and as per the terms of approvals granted by IRDAI are as follows;

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1	Salary, perquisites and bonus	7,78,67	10,00,71
2	Contribution to provident fund	30,29	39,86

Out of above, ₹ 1,43,05 thousand (Previous year – ₹2,10,57) remuneration for Chief Executive officer and Principal Officer has been charged to revenue account and balance has been transferred to profit and loss account. Expenses towards gratuity and leave encashment provision are determined actuarially on an overall company basis annually and accordingly, have not been considered in the above information. In addition to the above, Directors and KMPs are entitled to ESAR under the Company's ESAR Scheme. During the year Company has granted 5,00,488 of ESAR to KMPs.

## 12 Sector-wise business based on gross direct premium income (GDPI)

Percentage of business sector – wise (Based on gross direct premium):

For the year ended 31 March 2020

Business Sector	GDPI	No. of Policies	No. of Lives	% of GDPI
Rural	1,64,44,63	4,95,419		9.30
Social	41	-	3,054	0.00024
Urban	16,03,40,53	46,56,271		90.70
Total	17,67,85,57	51,51,690		100.00

For the year ended 31 March 2019

Business Sector	GDPI	No. of Policies	No. of Lives	% of GDPI
Rural	50,92,63	1,02,233		5.691
Social	194	-	618	0.002
Urban	8,43,87,08	19,88,619		94.307
<b>Total</b>	<b>8,94,81,65</b>	<b>20,90,852</b>		<b>100.00</b>

### 13 Assets taken on lease

The Company takes commercial premises on lease as well as enters into integrated facility service agreements for 'pay as you go' model. The minimum lease payments to be made in future towards non-cancellable lease agreements are as follows:

Particulars	At 31 March 2020	At 31 March 2019
a. not later than one year	4,21,90	81,79
b. later than one year and not later than five years	5,76,67	1,30,95
c. later than five years	-	-

The lease expense recognised for cancellable and non-cancellable agreements for the year ₹ 2,53,36 thousand (Previous year ₹ 75,09 thousand) has been charged to Revenue Account.

### 14 Taxation

AS 22 – Accounting for Taxes on Income requires the Company to accrue taxes on income in the same period as the revenue and expenses to which they relate.

As taxable income is different from reported income due to timing differences, deferred tax asset or deferred tax liability, as the case maybe, may arise.

The Company has unabsorbed depreciation and carried forward losses under tax laws. As there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be recognised, deferred tax assets relating to unabsorbed depreciation and carried forward losses are not recognised.

The components of the Company's deferred tax liabilities are tabulated as below –

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Deferred tax liabilities</b>		
Depreciation	Nil	Nil

### 15 REPO/Reverse repo transactions

Particulars	For the year ended 31 March 2020			
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding at 31 March 2020
<b>Securities sold under repo (At cost)</b>				
Government Securities	8,63,39	2,62,02,91	92,32,17	
Corporate Debt Securities				
<b>Securities purchased under reverse repo (At cost)</b>				
Government Securities	8,63,05	2,61,99,43	92,30,42	
Corporate Debt Securities				

Particulars	For the year ended 31 March 2019			
	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding at 31 March 2019
<b>Securities sold under repo (At cost)</b>				
Government Securities	6,06,26	43,37,85	26,60,32	
Corporate Debt Securities				
<b>Securities purchased under reverse repo (At cost)</b>				
Government Securities	6,06,16	84,96,46	30,48,67	
Corporate Debt Securities				

## 16 Segment reporting

The statement on segment reporting is included as **Annexure I**.

## 17 Accounting ratios

The statement on accounting ratios is included as **Annexure II**.

## 18 Employee Stock Appreciation Rights

The Company has granted stock appreciation rights under Employees Stock Appreciation Rights Plan, 2018 ("ESAR 2018") to its employees and employees of its holding company.

Under ESAR 2018, during the year 4,00,000 rights (previous year 87,50,000), were granted at an exercise price of ₹ 10 per right, Nil rights (previous year 47,57,081), were granted at an exercise price of ₹ 27 per right and 12,23,557 rights (previous year Nil), were granted at an exercise price of ₹ 75 per right. The rights will vest after 5 years from the date of joining of employee and are exercisable over a period of 2 years from the respective dates of vesting.

### Method used for accounting-

The Company has adopted fair value method for computing the employee compensation expenses. The estimated fair value is computed on the basis of Black – Scholes model of option pricing for each stock option.

Nil options are vested during the year. (Previous year Nil).

Company has recognised the employee compensation expenses of ₹ 41,878 thousand (Previous year 80,21 thousand) and allocated ₹ 29,334 thousands (previous year 56,56 thousand) to its holding company for ESAR granted to holding company employees.

Key assumptions used in Black-Scholes method for calculating fair value under ESAR 2018 are as follows-

Particulars	Risk Free Interest rate	Expected Life	Expected Volatility*	Expected dividend yield
Tranche I	7.37%	5 years	13.49%	Nil
Tranche II	6.64%	4 Years	13.39%	Nil

### Movement in the rights under ESAR 2018 as on 31st March 2020

Total for all grants	No. of rights	Range of exercise prices	Weighted average exercise price	Weighted average remaining contractual life (Months)
Outstanding at the beginning of the year	1,34,42,789		15.93	49
Granted during the year	16,23,557		58.99	
Forfeited/Lapsed during the year	57,364		NA	
Exercised during the year	-	₹10 - ₹75	NA	
Outstanding at the end of the year	1,50,08,982		20.55	
Exercisable at the end of the year	-		NA	

### Movement in the rights under ESAR 2018 as on 31st March 2019

Total for all grants	No. of rights	Range of exercise prices	Weighted average exercise price	Weighted average remaining contractual life (Months)
Outstanding at the beginning of the year	-		NA	61
Granted during the year	1,35,07,081		15.99	
Forfeited/Lapsed during the year	64,292		NA	
Exercised during the year	-	₹10 - ₹27	NA	
Outstanding at the end of the year	1,34,42,789		15.93	
Exercisable at the end of the year	-		NA	

## 19 Employee benefits

### a Defined contribution plan

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1	Contribution to provident fund	11,64,10	658,30
2	Contribution to national pension scheme	39,75	18,31

### b Defined benefit plan

Disclosure as per AS 15 – Employee Benefits for the year ended 31 March 2020

The Company has a defined gratuity plan payable to every eligible employee on separation from employment.



## Gratuity

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>1</b>	<b>Assumptions</b>		
	Discount rate	6.58%	7.30%
	Rate of increase in compensation levels	8.00%	10.00%
	Rate of return on plan assets	NA	NA
<b>2</b>	<b>Demographic Assumptions</b>		
	Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
		for band:	
		1 – 30%	
		2 – 35%	
	Employee Turnover/ Withdrawal Rate	3 – 15%	23%
		4 – 15%	
		5 – 00%	
	Retirement Age	58 years	58 years
<b>3</b>	<b>Change in defined benefit obligation</b>		
	At beginning of period	66,19	28,51
	Service cost	78,19	54,16
	Interest cost	7,68	4,27
	Actuarial gains / (losses)	66,27	(20,75)
	Benefits paid	(78)	-
	Past service costs	-	-
	At end of period	2,17,56	66,19
<b>4</b>	<b>Change in fair value of plan assets</b>		
	At beginning of period	-	-
	Expected return on plan assets	-	-
	Contributions received	(2,25,00)	-
	Benefits paid	-	-
	Actuarial gains / (losses)	-	-
	At end of period	(2,25,00)	-
<b>5</b>	<b>Amounts recognised in Balance Sheet</b>		
	Defined benefit obligation	2,17,56	66,19
	Fair value of plan asset	(2,25,00)	-
	Liability recognised in Balance Sheet	(744)	66,19
<b>6</b>	<b>Amounts recognised in Revenue Account / Profit &amp; Loss account</b>		
	Current service cost	78,19	54,16
	Interest cost	7,68	4,27
	Expected return on plan asset	-	-
	Past service cost	-	-
	Net actuarial (gains) / losses recognised	66,27	-20,75
	Total expenses as per books	1,52,14	37,68

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>7</b>	<b>Movement in liability recognised in Balance Sheet</b>		
	At beginning of period	66,19	28,51
	Expenses as per (6) above	1,52,14	37,68
	Benefits paid	(78)	-
	At end of period	2,17,56	66,19
<b>8</b>	<b>Actual return on plan assets</b>		
	Expected return on plan assets	-	-
	Actuarial gains / (losses) on plan assets	-	-
	Actual return on plan assets	-	-
<b>9</b>	<b>Experience adjustments</b>		
	Defined benefit obligation	2,17,56	66,19
	Fair value of plan asset	(2,25,000)	-
	(Surplus) / deficit	(744)	66,19
	Experience adjustment on plan liability	-	-
	Experience adjustment on plan asset	-	-

#### Experience adjustment of five years is given below

Date of Valuation	31-03-2020	31-03-2019	31-03-2018	31-03-2017	31-03-2016
Defined benefit obligation	2,17,56	6,619	2,851		0
Fair value of plan asset	-	-	-	-	-
(Surplus) / deficit	21,756	6,619	2,851	-	-
Experience Adjustments on Plan Assets	-	-	-	-	-
(Gains)/losses due to change in Assumptions	5,111	(869)	-	-	-
Experience (Gains)/Losses on DBO	1,516	(1,206)	-	-	-
Total Actuarial (Gain)/Loss on DBO	6,627	(2,075)	-	-	-

#### The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Investment with Insurer	100%	Nil

## Leave encashment

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>1</b>	<b>Assumptions</b>		
	Discount rate	6.58%	7.30%
	Salary escalation rate	8.00%	10.00%
<b>2</b>	<b>Demographic Assumptions</b>		
	Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
		for band:	
		1 – 30%	
		2 – 35%	
	Employee Turnover/ Withdrawal Rate	3 – 15%	23%
		4 – 15%	
		5 – 00%	
	Retirement Age	58 years	58 years
<b>2</b>	<b>Change in defined benefit obligation</b>		
	At beginning of period	188,68	53,59
	Provision made during the year	218,90	135,09
	At end of period	407,58	188,68

The estimates of future salary increase considered in actuarial valuation takes into account Company's philosophy towards employee remuneration, regular increments, price inflation and promotional increases.

## 20 Related party disclosure

As per AS 18 – Related Party Disclosures, related parties of the Company are as follows –

### a Description of relationship and name of party

#### Holding company

Go Digit Infoworks Services Private Limited

#### Key management personnel

- Kamesh Goyal, Non-Executive Chairman
- Vijay Kumar, Chief Executive Officer and Principal Officer
- V Philip, Executive Director (ceased to be Director w.e.f. 31 August 2018)
- Sameer Bakshi, Director

#### Relatives of KMP with whom transactions have taken place during the year

- Amrish Goyal, Brother of Kamesh Goyal
- Aadesh Goyal, Brother of Kamesh Goyal
- Vaibhav Goyal, Son of Kamesh Goyal
- Sheela Philip, Spouse of V Philip
- Ria Ann Philip, Daughter of V Philip
- Ameet Bakshi, Brother of Sameer Bakshi
- Nisha Mani, Spouse of Vijay Kumar

**Entities in which KMP/ relative of KMP are interested with whom transactions have taken place during the year**

- Sparsh Partners
- Samruddhi Investments
- Nearby Insurance Broking Services Private Limited (formerly known as We Care Insurance Broking Services Private Limited)

**b Details of transactions**

For the year ended as on 31 March 2020

Sl. No.	Particulars	Holding Company	Key Management Personnel	KMP – Relative/ entity in which KMP or relative of KMP is interested
				2020
<b>1</b>	<b>Income</b>			
	Insurance premium	4,79,63	1,36	99
<b>2</b>	<b>Expenses</b>			
	Facilities management & Technology services	24,47,18	-	-
	Employees' remuneration and welfare benefits	-	1,43,05	-
	Brokerage	-	-	8,11
3	ESAR cost allocation	(2,94,90)		
<b>4</b>	<b>Assets</b>			
	Security deposit given			
	Opening balance	2,01,16	-	-
	Net transactions during the year	50,00	-	-
	Closing balance	2,51,16	-	-
	ESAR cost recoverable	3,51,47	-	-
<b>5</b>	<b>Liabilities</b>			
	Equity share capital			
	Opening balance	8,25,00,00	-	-
	Transactions during the year- Equity including security premium	1,65,00,00	2,51,00	11,16,53
	Closing balance	9,90,00,00	2,51,00	11,16,53
	Facilities management & Technology services payable	1,82,96	-	-
	Premium deposit taken			
	Opening balance	911	-	-
	Net transactions during the year	63	-	-
	Closing balance	848	-	-

**For the year ended as on 31 March 2019**

Sl. No.	Particulars	Holding Company	Key Management Personnel	KMP – Relative/ entity in which KMP or relative of KMP is interested
		2019		
<b>1</b>	<b>Income</b>			
	Insurance premium	2,01,83	2,13	70
<b>2</b>	<b>Expenses</b>			
	Facilities management & Technology services	18,53,86	-	-
	Employees' remuneration and welfare benefits		2,78,08	-
	Brokerage	-	-	37
<b>3</b>	<b>ESAR cost allocation</b>	(56,56)		
<b>4</b>	<b>Assets</b>			
	Security deposit given			
	Opening balance	2,01,16	-	-
	Net transactions during the year	-	-	-
	Closing balance	2,01,16	-	-
	<b>ESAR cost recoverable</b>	56,56	-	-
<b>5</b>	<b>Liabilities</b>			
	Equity share capital			
	Opening balance	3,50,00,00	-	-
	Transactions during the year- Equity including security premium	4,75,00,00	-	-
	Closing balance	8,25,00,00	-	-
	Facilities management & Technology services payable	1,83,48		
	Opening balance	5,95	-	-
	Net transactions during the year	3,16	-	-
	Closing balance	9,11	-	-

Note: All figures are inclusive of GST wherever applicable

**21 Loan restructuring**

The Company has not given any loans in the financial year 2019-20 (Previous year Nil)

**22 Summary of financial statements**

The summary of financial statements is included as Annexure III.

**23 Foreign exchange gain / (loss), net**

During the year ended 31 March 2020, foreign exchange gain (net) earned by the Company is ₹ 5,06 thousand (Previous year net loss of ₹ 29,28 thousand) which is netted of in Schedule 4 under the heading 'Miscellaneous expenses'.

Year-end foreign currency exposure is ₹ 205,72 thousand (Previous year ₹ 244,14 thousand).

## 24 Reclassifications and comparative figures

Certain reclassifications have been made to the prior year's financial statements to enhance comparability with the current year's financial statements. The items were reclassified as follows:

Current year Mapping	Current year	Previous Year	Change Amount
Employees' remuneration & welfare benefits	81,42,98	81,42,76	22
Travel and conveyance	9,22,41	9,22,39	2
Rent, rates and taxes	2,02,61	2,02,60	1
Branding, advertisement and publicity	2,54,36,23	2,54,35,54	69
Miscellaneous expenses	1,30,49	1,31,58	(1,09)
Sales promotion expenses	1,34,08	1,34,07	1
Business support services	6,04,96	6,04,94	2
Information technology expenses	29,75,12	29,75,04	8
Facility Management Charges	13,36,47	13,36,44	3
GST Expenses	1,38,69	1,38,68	1
<b>Total</b>	<b>4,00,24,04</b>	<b>4,00,24,04</b>	-

## 25 Disclosure of other expenses

Outsourcing expenses included in business support services and interest and bank charges are ₹55,907 thousand (previous year – ₹5,49,92) and Nil (previous year – Nil) respectively.

## 26 Earnings per share (EPS)

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1	Net loss after tax for the year	(1,75,24,64)	(2,70,64,37)
2	Weighted average number of equity shares (Nos)		
	Number of shares outstanding at the beginning	6,74,56,52,20	3,50,00,00,00
	Shares issued during the year	1,42,27,78,31	3,24,56,52,20
	Number of shares outstanding at the end	8,16,84,30,51	6,74,56,52,20
	Weighted average number of shares outstanding for basic EPS	7,27,47,43,04	5,36,56,28,37
	Weighted average number of shares outstanding for diluted EPS	7,34,04,35,83	5,37,87,66,93
3	Basic earnings per share (in ₹)	(2.41)	(5.03)
4	Diluted earnings per share (in ₹)*	(2.41)	(5.03)
5	Nominal value per share (in ₹)	10	10

\* Impact of outstanding ESAR on EPS is anti-dilutive.

27 According to the information available with the Company dues, including any overdue amount, interest due thereon and interest paid during the year to micro and small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 as on 31 March 2020 are as follows:

Sl. No.	Particulars	As at 31 March 2020	As at 31 March 2019
i)	Principal amount due and remaining unpaid to any Supplier as at the end of reporting year	1,39,04	2,67,22
ii)	Interest due on principal amount remaining unpaid as at the end of reporting year	-	-

iii)	Amount of Interest along with principal amount paid to Supplier beyond due date of payment	-	-
iv)	Amount of interest accrued/ due and remaining unpaid at the end of reporting year	-	-
v)	Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

## 28 Premium deficiency

Premium deficiency for the Company is Nil (previous year - ₹ 109,55 thousand) in accordance with para 2.5 of Master Circular on Preparation of Financial Statements of General Insurance business issued in October 2012.

## 29 Statement showing age-wise analysis of unclaimed amounts of policy-holders

The Statement is included as **Annexure IV**.

## 30 Corporate Social Responsibility (CSR)

The Gross amount required to be spent by the company on CSR initiatives is Nil.

## 31 Provision for free look period

The provision for free look period is ₹2 thousands (previous year nil), as certified by Appointed Actuary.

## 32 There are no pending litigations comprise of claims against the Company and proceedings pending with Tax Authorities. (Previous Year: Nil)

## 33 a. The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

b. As at March 31, 2020 the Company did not have any outstanding long term derivate contacts. (Previous Year: Nil)

## 34 Investor Education & Protection Fund

For the year ended 31 March 2020 the Company is not required to transfer any amount into the Investor Education & Protection Fund. (Previous year NIL).

## 35 Disclosure of other work given to auditors

Pursuant to Corporate Governance Guidelines issued by IRDAI on 18 May 2016, the services of statutory auditors are disclosed below

Sl. No.	Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
1	Kirtane and Pandit LLP		
	Taxation matters	60	60
	Other Services	7	40

### 36 Penalties levied by various government authorities during the year ended 31 March 2020 and 31 March 2019

Sl. No.	Particulars	Non compliance	Penalty awarded	Penalty paid	Penalty waived
1	Insurance Regulatory and Development Authority of India	NA	100	100	Nil
		NA	Nil	Nil	Nil
2	Indirect tax authorities	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
3	Income tax authorities	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
4	Any other tax authorities	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
5	Enforcement Directorate / Adjudicating Authority / Tribunal or any Authority under FEMA	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
6	Registrar of Companies / NCLT / CLB / Ministry of Corporate Affairs or any Authority under Companies Act, 2013 / 1956	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
7	Penalty awarded by any Court / Tribunal for any matter including claim settlement but excluding compensation	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
8	Securities and Exchange Board of India	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil
9	Competition Commission of India	NA	Nil	Nil	Nil
		NA	Nil	Nil	Nil

IRDAI levied penalty of ₹ 100 thousand for non-adherence of provisions of the IRDA Guidelines on Product Filing Procedures for General Insurance Products dated 18th February 2016.

### 37 Share Capital

During the year under review, the Company received balance amount of ₹ 15 per share (including ₹ 10 each share premium) on 11 Crore Equity shares on 27 June 2019. The Company has further allotted 8,66,11,164 equity shares of ₹ 10 each at a premium of ₹ 65 per share on 14 February 2020 and 6,66,667 equity shares of ₹ 10 each at a premium of ₹ 65 per share on 26 March 2020.

### 38 COVID – 19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closure of non-essential services have triggered significant disruptions to businesses worldwide, resulting in economic slowdown.

COVID-19 is significantly impacting business operations of the companies, by way of interruptions in production, supply chain disruptions, closure / lockdown of production facilities, etc. On 24 Mar 2020, the Government of India ordered a nationwide lockdown for 21 days which was extended by further till 17 May 2020 to prevent community spread of COVID-19 in India resulting in significant reduction in economic activities.

The assessments performed by the Company does not indicate any adverse impact on the ability of the Company to continue as a going concern.

The IRDAI vide circular no. IRDAI/NL/CIR/MOT/079/04/2020 dated April 02, 2020 and IRDAI/NL/CIR/MOT/090/04/2020 dated April 16, 2020 has stipulated that, the Policyholders whose motor vehicle third



party insurance policies fell due for renewal during the period on and from March 25, 2020 up to May 03, 2020 and who are unable to make payment of their renewal premium on time in view of the prevailing situation in the country as a result of COVID-19 are allowed to make premium payment for renewal of policies to their insurers on or before May 15, 2020 to ensure continuity of the statutory motor vehicle third party insurance cover, so that any valid claim triggered during the grace period can be paid. Further, in accordance with Circular IRDAI/NL/CIR/MOT/081/04/2020 dated April 3, 2020 and subsequent intimation following details are disclosed;

- Number of motor third party policies due for renewal between March 25, 2020 to March 31, 2020 was 32,792 and related premium of ₹ 20,75,79 thousand
- Out of a. above, number of motor third party policies which were renewed before March 31, 2020 and already accounted in the financial statement was 2,551 and related premium of ₹2,84,01 thousand; and
- Out of a. above, number of motor third party policies which were renewed between April 1, 2020 till May 15, 2020 was 1076 and related premium of ₹ 75, 81 thousand.
- No insured or intermediary approached the Company till above mentioned date for the benefit of grace days.
- Impact on financial results for the quarter and year ended March 31, 2020 is not material.

**As per our report of even date attached**

**For and on behalf of the Board**

**For PKF Sridhar and Santhanam LLP**

Chartered Accountants  
Firm Registration Number  
003990S / S200018

**Mr. Kamesh Goyal**

Chairman  
DIN - 01816985

**Mr. Rajendra Beri**

Director  
DIN - 03177323

**Mr. Dhiraj Kumar Birla**

Partner  
Membership No. 131178  
UDIN: 20131178AAAACS2771  
Place – Mumbai

**Mr. Sameer Bakshi**

Director  
DIN – 07634138

**Mr. Vijay Kumar**

Chief Executive Officer and  
Principal Officer and Director  
DIN – 05263010

**For Kirtane and Pandit LLP**

Chartered Accountants  
Firm Registration Number  
105215W / W100057

**Mr. Ravi Khetan**

Chief Financial Officer

**Mr. Tejas Saraf**

Company Secretary  
Membership No. A26225

**Mr. Parag Pansare**

Partner  
Membership No. 117309  
UDIN: 20117309AAAAEK6391

Place – Pune

Date – 20 May 2020

Place – Pune

Date – 20 May 2020

## Annexure I – Segment reporting (Refer note 16)

The Company's primary reportable segments are business segments, which have been identified in accordance with IRDAI Financial Statements Regulations and AS 17 – Segment Reporting. Operating expenses and investment income are allocated to business segments as per para 2.R of Schedule 16.

Segment revenue and segment results are shown in financial statements. Segmental assets and liabilities are disclosed to the extent identifiable.

### As on 31 March 2020

Line of business	Advance premium	Claims outstanding, net	Unexpired risk reserve, net
Fire	24,14	17,47,30	15,14,32
Marine Cargo	Nil	2,39	51
Marine Hull	Nil	32	1
Miscellaneous			
Motor	14,10,87	8,76,22,75	7,97,99,26
Workmen's Compensation	191	6,44	52,21
Public / Product Liability	Nil	Nil	Nil
Engineering	1,53	65,42	67,86
Aviation	Nil	Nil	Nil
Personal Accident	Nil	2,02,19	6,12,25
Health Insurance	4276	4,76,30	11,81,35
Crop	Nil	53,83,43	Nil
Other Liability	3358	1,19,84	9,07,57
Others	2	51,63	1,29,70
<b>Total</b>	<b>15,14,81</b>	<b>9,56,78,01</b>	<b>8,42,65,04</b>

### As on 31 March 2019

Line of business	Advance premium	Claims outstanding, net	Unexpired risk reserve, net
Fire	Nil	7,96,63	7,23,38
Marine Cargo	Nil	12	30
Marine Hull	Nil	35	99
Miscellaneous			
Motor	13,43,34	2,22,15,34	5,09,30,03
Workmen's Compensation	Nil	Nil	Nil
Public / Product Liability	Nil	Nil	Nil
Engineering	Nil	11,99	50,88
Aviation	Nil	Nil	Nil
Personal Accident	1,10,85	28	9,47
Health Insurance	1,17,04	25,93	98,49
Crop	Nil	1,11,91,99	Nil
Other Liability	328	18,71	2,18,63
Others	Nil	29,00	4,14,47
<b>Total</b>	<b>15,74,51</b>	<b>3,42,90,34</b>	<b>5,24,46,64</b>

**Annexure II – Accounting Ratios (Refer note 17)**

Ratios for Non-Life Companies		2020	2019
1	Gross direct premium growth rate		
	Fire	276.51%	-18.17%
	Marine Cargo	13026.58%	NA
	Marine Others	-100.00%	-42.77%
	Marine Total	85.10%	-41.95%
	Motor OD	98.57%	3379.80%
	Motor TP	90.94%	812.53%
	Motor Total	93.03%	1043.86%
	Workmen Compensation	NA	NA
	Public Liability	NA	NA
	Product Liability	NA	NA
	Engineering	58.68%	190780.52%
	Aviation	NA	NA
	Personal Accident	11425.73%	NA
	Health	132.50%	421.35%
	Crop	NA	NA
	Others	115.96%	1524.90%
	Miscellaneous Total	95.30%	1027.73%
	Grand Total	97.57%	854.57%
2	Gross direct premium to net-worth ratio	1.58	1.87
3	Growth rate of net-worth	134.80%	75.18%
4	Net Retention Ratio		
	Fire	11.68%	9.86%
	Marine Cargo	1.90%	11.25%
	Marine Others	NA	0.50%
	Marine Total	1.90%	0.70%
	Motor OD	72.77%	88.76%
	Motor TP	76.28%	95.00%
	Motor Total	75.38%	93.29%
	Workmen Compensation	95.00%	NA
	Public Liability	NA	NA
	Product Liability	NA	NA
	Engineering	17.07%	16.46%
	Aviation	NA	NA
	Personal Accident	95.00%	95.00%
	Health	95.00%	95.00%
	Crop	53.95%	53.29%
	Others	84.26%	93.26%
	Miscellaneous Total	75.16%	84.62%
	<b>Grand Total</b>	<b>69.29%</b>	<b>79.29%</b>

## Annexure II – Accounting Ratios (Refer note 17)

Ratios for Non-Life Companies		2020	2019
5	Net Commission Ratio		
	Fire	-47.61%	-52.44%
	Marine Cargo	15.03%	-325.10%
	Marine Others	NA	-38.91%
	Marine Total	14.94%	-124.75%
	Motor OD	6.32%	8.42%
	Motor TP	-2.88%	0.73%
	Motor Total	-0.61%	2.74%
	Workmen Compensation	3.95%	NA
	Public Liability	NA	NA
	Product Liability	NA	NA
	Engineering	2.39%	-39.68%
	Aviation	NA	NA
	Personal Accident	-0.92%	0.17%
	Health	2.06%	-0.13%
	Crop	1.02%	0.20%
	Others	-1.35%	-0.68%
	Miscellaneous Total	-0.53%	2.29%
	Grand Total	-1.25%	1.82%
6	Expenses of Management to Gross Direct Premium Ratio	42.16%	49.46%
7	Expenses of Management to Net Written Premium Ratio	47.76%	46.32%
8	Net Incurred Claims to Net Earned Premium	75.00%	78.83%
9	Combined Ratio	117.41%	123.90%
10	Technical Reserves to Net written Premium Ratio	1.15	0.91
11	Underwriting Balance Ratio	-0.28	-0.65
	Fire	0.17	-1.06
	Marine	-0.24	-3.41
	Miscellaneous	-0.28	-0.65
12	Operating Profit Ratio	-18.28%	-60.00%
13	Liquid Assets to liabilities ratio	20.26%	52.24%
14	Net Earning Ratio	-14.12%	-54.13%
15	Return on Net worth ratio	-15.61%	-56.46%
16	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio	3.24	2.27
17	NPA Ratio	NA	NA

**Annexure III – Summary of Financial Statements for the year ended as on 31 March (Refer note 22)**

Ratios for Non-Life Companies		2020	2019	2018
<b>Operating Results</b>				
1	Gross written premium	2,25,23,474	1,20,49,833	10,40,517
2	Net written premium @	1,56,06,257	95,53,717	7,54,411
3	Income from investments (net) &	12,34,948	2,58,746	-
4	Other income	-	50	-
5	Total income	1,68,41,205	98,12,513	7,54,411
6	Net incurred claims & other outgoes	92,98,771	39,41,103	70,133
7	Commission paid (net) (Including Brokerage)	(1,95,326)	1,73,685	12,635
8	Operating expenses	68,14,435	41,32,652	8,24,952
9	Change in unexpired risk reserve#	31,92,795	45,64,903	6,79,761
10	Operating profit / (loss)	(22,69,470)	(29,99,830)	(8,33,070)
<b>Non-operating results</b>				
11	Total income under shareholders' account &	5,17,006	2,91,091	1,33,849
12	Profit / (loss) before tax	(17,52,464)	(27,08,739)	(6,99,221)
13	Provision for tax	-	(2,302)	21,61
14	Profit / (loss) after tax	(17,52,464)	(27,06,437)	(7,01,282)
<b>Miscellaneous</b>				
15	Policyholders' account			
	Total funds		Not Applicable	
	Total investments	27,88,01,10	7,40,71,00	2,95,14
	Yield on investents		Not Applicable	
16	Shareholders' account			
	Total funds		Not Applicable	
	Total investments	6,87,55,02	7,11,69,83	3,30,49,12
	Yield on investents		Not Applicable	
17	Paid up equity capital	81,68,431	6,74,56,52	3,50,00,00
18	Net worth	1,12,23,405	4,79,37,08	2,73,64,68
19	Total assets	3,89,30,815	17,57,34,47	4,05,02,45
20	Yield on total investments			
21	Earnings per share (in ₹)	(2.41)	(5.04)	(2.33)
22	Book value per share (in ₹)	13.84	7.11	7.82
23	Total dividend	-	-	-
24	Dividend per share (in ₹)	-	-	-

# including premium deficiency reserve

@ Net of reinsurance

& Net of losses

**Annexure IV – Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders (including income from Investment) as on 31 March 2020 (Refer note 29)**

	Particulars		0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	36-120 months
1	Claims settled but not paid to the policyholders/beneficiaries due to any reasons except under litigation from the policyholders/ beneficiaries	-	-	-	-	-	-	-	-
2	Sum due to the policyholders/beneficiaries on maturity or otherwise	-	-	-	-	-	-	-	-
3	Any excess collection of the premium/tax or any other charges which is refundable to the policyholders/beneficiaries either as terms of conditions of the policy or as per law or as may be directed by the Authority but not refunded so far	13.95	8.71	5.16	0.07	0.01	-	-	-
4	Cheques issued but not encashed by the policyholder/beneficiaries	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>13.95</b>	<b>8.71</b>	<b>5.16</b>	<b>0.07</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Details of Unclaimed Amount and Investment Income**

	Particulars	Current Financial year	Previous Financial Year
1	Opening Balance	10,19	-
2	Add: Amount transferred to Unclaimed Fund	40,00	10,00
3	Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)		
4	Add: Investment Income on Unclaimed Fund	55	19
5	Less: Amount of claims paid during the year		
6	Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)		
7	<b>Closing Balance of Unclaimed Amount Fund</b>	<b>50,74</b>	<b>10,19</b>

**Mr. Kamesh Goyal**

Chairman

DIN - 01816985

**Mr. Sameer Bakshi**

Director

DIN - 07634138

**Mr. Ravi Khetan**

Chief Financial

Officer

**Mr. Rajendra Beri**

Director

DIN - 03177323

**Mr. Vijay Kumar**

Chief Executive Officer and

Principal Officer and Director

DIN - 05263010

**Mr. Tejas Saraf**

Company Secretary

Membership No. A26225

Place: Pune

Date: 20 May 2020

# Cash Flow

## Go Digit General Insurance Limited

Receipts and payments account

For the year ended and as on 31 March 2020

₹ in thousands

Particulars	As on 31 Mar 2020	As on 31 Mar 2019
<b>Cash flows from operating activities</b>		
Premium received from policyholders, including advance receipts	2,79,71,807	1,14,07,929
Payments to / from re-insurers, net of commission and claims	(8,38,096)	5,05,073
Payments to / from co-insurers, net of claims	6,34,747	598
Payments of claims	(30,84,856)	(643,397)
Payments of commission and brokerage	(6,91,657)	(2,37,839)
Payments of other operating expenses	(86,97,041)	(32,74,220)
Deposits, advances and staff loans, net	(23,609)	(2,764)
Income taxes paid, net	-	-
Goods and services tax paid, net (including erstwhile service tax)	(32,81,740)	(13,14,911)
Cash flows before extraordinary items	1,19,89,554	64,40,467
Cash flows from extraordinary items	-	-
<b>Net cash flows from operating activities (A)</b>	<b>1,19,89,554</b>	<b>64,40,467</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(7,65,697)	(1,08,710)
Proceeds from sale of fixed assets	-	-
Purchase of investments	(7,92,51,021)	(1,55,80,233)
Sale of investments/ redemption	5,75,43,594	64,43,213
Loans disbursed	-	-
Repayments received	-	-
Rent / Interests / Dividend received	13,81,798	2,94,368
Investment in money market instruments and liquid mutual funds, net	5,18,749	(14,49,950)
Expenses related to investments	117	(1,096)
<b>Net cash flows from investing activities (B)</b>	<b>(2,05,72,459)</b>	<b>(1,04,02,410)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital, net of share issue expenses	81,95,837	47,50,000
Proceeds from borrowings	-	-
Repayments of borrowings	-	-
Interest / dividends paid	-	-
<b>Net cash flows from financing activities (C)</b>	<b>81,95,837</b>	<b>47,50,000</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(3,87,068)</b>	<b>788,058</b>
Cash and cash equivalents at the beginning of the year	11,29,600	341,542
Cash and cash equivalents at the end of the year	7,42,532	11,29,600

Significant accounting policies and notes to accounts

Schedules referred to above and notes to accounts form an integral part of Financial Statements



As per our report of even date attached For and on behalf of the board

**For PKF Sridhar and Santhanam LLP**

Chartered Accountants  
Firm Registration Number  
003990S / S200018

**Mr. Kamesh Goyal**

Chairman  
DIN - 01816985

**Mr. Rajendra Beri**

Director  
DIN - 03177323

**Mr. Dhiraj Kumar Birla**

Partner  
Membership No. 131178  
UDIN: 20131178AAAACS2771  
Place: Mumbai  
Date: 20 May 2020

**Mr. Sameer Bakshi**

Director  
DIN - 07634138

**Mr. Vijay Kumar**

Chief Executive Officer and  
Principal Officer and Director  
DIN - 05263010

**For Kirtane and Pandit LLP**

Chartered Accountants  
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105215W / W100057

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Chief Financial Officer

**Mr. Tejas Saraf**

Company Secretary  
Membership No. A26225

**Mr. Parag Pansare**

Partner  
Membership No. 117309  
UDIN: 20117309AAAAEK6391

Place: Pune  
Date: 20 May 2020

Place: Pune  
Date: 20 May 2020