

Annual Report 2023-24



**Kotak Mahindra General Insurance  
Company Limited**



**Transforming**  
for scale





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# Directors' Report

To the Members,

## KOTAK MAHINDRA GENERAL INSURANCE COMPANY LIMITED

Your Directors are pleased to present the Ninth Annual Report of your Company along with the Audited Financial Statements for the financial year ("FY") ended 31<sup>st</sup> March, 2024.

### INDUSTRY HIGHLIGHTS

The General Insurance industry as a whole registered a YoY growth of 12.8% for the financial year 2023-24, wherein the private sector (excluding Standalone Health Insurance companies) grew by 17.6%.

### FINANCIAL HIGHLIGHTS

The summarized results of operations of your Company for the FY 2023-24 are as follows:

| Particulars                | (₹ in Crore)                               |  |
|----------------------------|--|--|
|                            | Year ended<br>31 <sup>st</sup> March, 2024 | Year ended<br>31 <sup>st</sup> March, 2023 |
| Gross Written Premium      | 1,598.4                                    | 1,148.3                                    |
| Premium Earned             | 878.5                                      | 681.8                                      |
| Profit / (Loss) Before Tax | (89.0)                                     | (117.3)                                    |
| Profit / (Loss) After Tax  | (89.0)                                     | (117.3)                                    |
| Net worth                  | 447.1                                      | 341.1                                      |
| Assets Under Management    | 2,295.4                                    | 1,743.9                                    |

### PERFORMANCE

Your Company grew its premium from ₹ 1,134 crore in financial year 2022-23 to ₹ 1,587 crore in financial year 2023-24 registering a growth of 39.9%. The Net Earned Premium increased from ₹ 681.8 crore to ₹ 878.5 crore, growth of 29%. Loss after tax reduced from ₹ 117.3 crore to ₹ 88.9 crore.

### UPDATE ON STRATEGIC INVESTMENT BY ZURICH INSURANCE COMPANY LIMITED

On 2<sup>nd</sup> November, 2023, Kotak Mahindra Bank Limited, the Company entered into a definitive agreement with Zurich Insurance Company Limited ("Zurich") to acquire 51% stake in the Company through a combination of fresh growth capital and share purchase and to acquire an additional stake of 19% within a period of three years from the initial transaction. Subsequently on 23<sup>rd</sup> February, 2024, the parties to the aforesaid transaction mutually agreed that Zurich will acquire 70% stake in the Company by way of a combination of primary and secondary acquisitions in a single tranche, for a total consideration of approximately ₹ 5,560 crore ("Transaction"). The other terms of the transactions remain unchanged. The proposed 70% acquisition would be subject to fulfilment of customary conditions precedent, including the receipt of regulatory approvals from the Reserve Bank of India and the Insurance Regulatory and Development Authority of India. Upon completion of the Transaction (subsequent to receipt of all requisite approvals), the Company will cease to be a Wholly Owned Subsidiary of the Kotak Mahindra Bank Limited.

### FINANCIAL DISCLOSURE

With reference to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Insurance Regulatory and Development Authority of India (IRDAI) Circular reference: IRDA/F&A/ CIR/LFTD/027/01/2017 dated 30<sup>th</sup> January, 2017, the disclosures on financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2024 can be accessed at <https://www.kotakgeneral.com/financial-disclosure>.

### CAPITAL, SOLVENCY AND SHAREHOLDERS' FUNDS

During the year, the Company has issued 195,000,000 equity shares of ₹ 10/- each at par on rights basis. The issued, subscribed and paid up share capital as on 31<sup>st</sup> March, 2024 is ₹ 8,750,000,000/-

The solvency ratio of the Company as at 31<sup>st</sup> March, 2024 is 185%.

### DIVIDEND AND RESERVES

Your Directors do not recommend any dividend for the current FY 2023-24. Your Company does not propose to carry any amount to its reserves during the year under review.



## DEPOSITS

Your Company has not accepted any deposits from public under the relevant provisions of the Companies Act, 2013.

## OPERATIONS

Your Company has issued 6,261,354 certificates (including 1,351,576 policies) in FY 2023-24. Automation in policy issuance has also resulted in improved policy issuance Turnaround Time. Your Company would continue to focus on system and technological enhancements to meet the customer expectations.

## PRODUCTS

Your Company has a diversified product mix covering Motor Insurance, Health Insurance, Property Insurance, Engineering Insurance, Liability Insurance and many more. Your Company has strengthened its product suite with various products like Cyber Liability Insurance, Professional Liability Insurance, Property Shield, Griha Raksha Plus etc. Your Company has also launched innovative products like Kotak Smart Personal Protection Policy, add-on under Motor products like Battery Protect and travel insurance for Retail, Corporate and Group segment. Your Company has also introduced Kotak Health Maximiser which is a Health Plus Life Combi product. Your Company will continue to develop new and innovative products to provide enhanced insurance solutions across customer segments.

## DISTRIBUTION NETWORK

During its Ninth Year of Operations, your Company has ramped up Multi Distribution network through various Licensed Intermediaries. Your Company has engaged various Insurance Brokers, Individual Agents as its intermediaries during the financial year. Your company has scaled premium across Channels in financial year 2023-24.

Going forward, your Company continues to focus on digitisation and increased share of digitally end to end process. Your Company also plans to scale up commercial lines portfolio in the coming year.

## MARKETING

Marketing in your company contributes towards building a digital brand for awareness, support customer acquisition and retention, create customer engagement and build distributor mindshare. With these key objectives in mind your company launched multiple initiatives in FY 24. In terms of creating awareness, your company executed an active social media strategy through multiple thematic campaigns such World Health Day, #KhushiyonKaCover, #DriveLikeALady etc. Your company adopted an active multi-channel communications strategy across Email, SMS & WhatsApp channels driving customer engagement, cross-sell and retention using state of art Martech platform resulting in 41% increase in policy renewals. Expanding its digital accessibility, your company created digital product buying journeys for multiple partners and products. In FY24, your company also launched innovative products like Meter in the Retail Liabilities vertical of KMBL and EMI Protect for Home Loan & Loan Against Property (LAP) verticals. Your Company has been recognized with the following industry awards in FY 24 for its marketing initiatives.

- GOLD - Most Effective Customer Engagement – Pitch BFSI Summit (Kotak Meter)
- GOLD - Most Effective Use of Apps – Pitch BFSI Summit (Kotak Meter)
- GOLD – Most Effective Content Marketing Strategy – Pitch BFSI Summit (#DriveLikeALady)
- GOLD - Most Effective Mobile Campaign – Pitch BFSI Summit (Road Safety)
- GOLD – Financial Services – DMAi Asia (#DriveLikeALady)
- SILVER – Financial Services – DMAi Asia (Kotak Meter)
- SILVER – Mobile Category – DMAi Asia (Kotak Meter)

## CUSTOMER SERVICE

Given the current environment of change and unpredictability, it is crucial for customer service to be top-notch. Our customer service volumes have surged by approximately 35% compared to last year across all communication channels. Transforming a person into a satisfied customer and ultimately a brand advocate is not solely based on the quality of the product, but also on the exceptional experience they receive during their interactions with our Company, which we have executed this year by utilizing self-service options and automation on various process.

Our implementation of Voice bot on our IVR has proven to be highly beneficial in providing self-service options to our customers. By offering 24/7 self-service option, such as motor claim registration, policy download, renewal payment, motor claim status check, change in contact details, and cancellation request, we have successfully automated 45% of our doable service requests in FY 23-24. As a result, our strategy involves a combination of humans and chatbot services to deliver the best possible customer experience.

Our GIA Web Bot and WhatsApp Bot is currently operational, offering 9 types of service requests that can be fully managed by the BOT on various platforms, with the support of the Agent Live Chat. We have made notable progress in improving our all self-service options on entire digital avenues to 50% in FY 23-24 from 42% in FY 22-23 of the doable base, this has enhanced customer empowerment, allowing us to achieve our contact center service level and enhance the overall customer experience.

Robotic Process Automation (RPA) has helped us in automating 80% of our BAU reports thereby ensuring speed and accuracy in publishing reports. Automating additional reports are a part of the plan for coming FY. We have upgraded to Talisma Version 12.0, providing our team with advanced features and enabling us to better serve our customers.

In order to enhance our Net Promoter Score (NPS) and ensure we are accurately measuring customer loyalty, surveys were deployed on the popular WhatsApp platform, making it convenient for customers to provide feedback.

To further boost our NPS response rate, we have introduced a multilingual NPS survey in regional languages such as English, Hindi, Tamil, Malayalam, Bengali, and Kannada. This approach allows us to cater to a diverse customer base and gather more comprehensive feedback. By capturing NPS scores from various channels including SMS, Email, WhatsApp, and Voice bot, we are able to gain a holistic understanding of customer satisfaction levels. This data is leveraged to drive continuous improvement in NPS score from 37 in FY22-23 to 48 in FY 23-24 and Response rate from 8% in FY 22-23 to 13% in FY 23-24

Being agile in our services, that is, being able to adapt quickly to ever changing customer expectations and Industry practices, is the need of the hour. Reinventing our current customer experience strategies and providing an exceptional service to our customers at every Moment of Truth will be the Key focus area for the next financial year.

## CLAIMS

Your Company considers customer service as the focal point of all operations especially at the time of settlement of claims. We strongly believe and follow proactive approach of fair, fast and friendly settlement of claims with Empathy as its core value. We have an extensive network of garages, hospitals, surveyors to extend speedy services to our customers. By using the technology platform, your Company has been able to speed up the claims processing for the benefit of its customers. Our Claims Mobile application is equipped to enable internal surveyors to conduct onsite surveys with real time integration with the core insurance system for faster processing of claim.

## REINSURANCE

Your Company's Reinsurance Programme is designed to support business requirements and protection of balance sheet adequately. Reinsurance Programme of the Company is compliant with the regulatory requirements advised by the regulator from time to time. Your Company had a successful reinsurance renewal for FY 2023-24. The Company has a strong reinsurance panel comprising of the National Reinsurer – GIC Re, foreign reinsurers who set up their branches in India (FRBs) and Cross Border Reinsurer, with financial strength rating of S&P A- and above, or equivalent from other rating agency.

## INVESTMENTS

Your Company manages its investments within the overall framework laid down by the Investment Policy and provisions of IRDAI (Investment) Regulations, 2016 and Insurance Act, 1938 as amended from time to time. The investment function works under the overall supervision of Investment Committee of the Board. Your Company's investment objective is to focus on safety and liquidity of the policyholders' funds while generating optimal returns. Investment risk is managed by creating a portfolio of different asset classes and of varied maturities so as to spread risk across a wide category of the investee companies, groups as well as the industries in accordance with the prudential exposure norms and regulation stipulated by the IRDAI. Investment Committee which acts as the policy making body for the investment operations, periodically discusses the investment strategy, portfolio structures, performance of the portfolio and other issues relating to the investment portfolio.

The total Assets under Management of the Company was ₹ 2,295 crore as at 31<sup>st</sup> March, 2024 as against ₹ 1,744 crore as at 31<sup>st</sup> March, 2023 registering a growth of 32% over the previous year. Our exposure to Sovereign/AAA Corporate securities is at 91% of the AUM as on 31<sup>st</sup> March, 2024 as against 93% in the previous year. During the year, the 10 year benchmark government security yield fell from 7.31% as at 31<sup>st</sup> March, 2023 to 7.06% as at 31<sup>st</sup> March, 2024 and has seen a high and low of 7.38% and 6.96% respectively, while the NIFTY 50 index has risen from 17,360 as at 31<sup>st</sup> March, 2023 which is also the lowest level for the year to 22,327 as at 31<sup>st</sup> March, 2024 and with a high of 22,494 during the year.

## DIGITAL INITIATIVES

- Revamped Company Website journey to offer a speedy and better user experience - Home page, Car, TW, Health and Renewal journey are now live on the website. Performance parameters of the website are one of the best amongst GI players.
- Meter 2.0 Launched with Added Features likes Claim Intimation and Bonus Refund.
- Successfully Integrated with Government Initiative's for ABHA, Account Aggregator and NHCX.
- ADATEX Automotive claims and collision repair Estimation Platform Made Live.
- AI Based OCR Implementation made live.
- Channel App 2.0 Launched with Advance Tech Stack and Enhanced UI/UX Interface.
- 40+ process has been automated with Robotic Process Automation.
- AI Voice BOT Launched for enhanced customer interaction and support via Automation.



## RISK ARCHITECTURE

Your Company understands that Risk management and internal control is an integral part of good management practice and endeavors to make them an essential component of the business culture. As part of these efforts it has a Risk Management Policy which defines identification, assessment, mitigation and monitoring of risks. Major risks that are faced by Your Company are underwriting risk, reserve risk, assets risk, and expense risk for which appropriate policies, procedures and standards have been established. Furthermore, complementary controls in the form of independent audits of various functions are conducted and findings of which are placed to the Audit Committee in line with good Corporate Governance. Your Company has a Risk Management Committee for developing and promoting the risk management culture which oversees the Risk Management Framework. The Company has appointed a Chief Risk Officer who is responsible for the implementation and monitoring of the framework. The Company has in place various risk control measures e.g. Risk Control & Loss Mitigation department, Internal Audit function, Concurrent Audit and Statutory audit which support the identification, measurement and control of risks and helps to identify areas where corrective action is required.

## BRANCHES

During the year under review, your Company has opened six (6) branches the total number of Branches as at 31<sup>st</sup> March, 2024 is 30.

## DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has framed a Policy on Prohibition of Sexual Harassment at the workplace (POSH Policy) based on the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) with an objective to promote a safe and secure work environment for all employees and to provide protection against sexual harassment of employees and prevention thereof and redressal of complaints.

In accordance with the provisions relating to the constitution of Internal Complaints Committee under the POSH Act, the Company has constituted an Internal Complaints Committee (ICC). The role of ICC is to monitor complaints and redressal of grievances under the POSH Policy.

During the year under review, the company received two complaints, out of which one (1<sup>st</sup> case received) was concluded during the year after investigation and for second case, enquiry proceeding is ongoing.

## WHISTLE BLOWER POLICY / VIGIL MECHANISM

In compliance with the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has put in place, a Whistle Blower policy where employees can raise concerns internally, about any possible irregularities, governance weakness, financial reporting issues and other matters.

The Company has established a vigil mechanism in the form of Whistle Blowing Committee for the employees to raise concerns internally about possible irregularities, governance weaknesses, financial reporting issues or other such matters of irregularities.

The Audit Committee reviews the cases referred under the Whistle Blower Policy at its quarterly meetings.

The Policy is available on the website of the Company- <https://www.kotakgeneral.com/>

During the FY 2023-24 under review, one complaint was received under Whistle Blower Policy and was resolved after investigation.

## CORPORATE SOCIAL RESPONSIBILITY POLICY

During the year, the Company has formulated the Corporate Social Responsibility Policy pursuant to the requirement under the Companies Act, 2013.

The other provisions of Corporate Social Responsibility Committee in accordance with the Section 135 of the Companies Act, 2013 are not applicable to the Company for the FY 2023-24.

The Policy is available on the website of the Company- <https://www.kotakgeneral.com/>

## RURAL AND SOCIAL RESPONSIBILITY

Your Company fulfilled its rural and social responsibility as prescribed by the Insurance Regulatory and Development Authority of India (IRDAI) for the FY 2023-24.

## SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any Subsidiary, Joint Venture and Associate Companies. Therefore, the financial statements have not been consolidated and no separate report on the performance and financial position of subsidiary, associates and joint venture is applicable for the financial year ended on 31<sup>st</sup> March, 2024.

## CORPORATE GOVERNANCE

Your Company has consciously endeavored to follow the policy of transparency and accountability and holds the interest of its stakeholder's paramount.

The company has complied with the Guidelines on Corporate Governance for Insurance Companies issued in May 2016 by the Insurance Regulatory and Development Authority of India (IRDAI). A detailed report on our compliance for the year ended 31<sup>st</sup> March 2024 is attached as part of this Report as an **"Annexure A"**.

## **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As of 31<sup>st</sup> March, 2024, your Company's Board had seven members comprising of three Non-Executive and Non-Independent Directors, one Executive Director and three Independent Directors including one woman Independent Director. The details of Board and Committees composition, areas of expertise and number of Meetings held during the financial year are available in the Corporate Governance Report, which forms part of this Report.

The appointment and remuneration of Directors of the Company is governed by the provisions of IRDAI Guidelines for Corporate Governance for Insurers in India dated 18<sup>th</sup> May, 2016 issued by the IRDAI and the Companies Act, 2013. Your Directors are not in receipt of any commission.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164(2) of the Act. Further, all the Directors of the Company have confirmed that they fulfill the criteria of 'fit and proper' as laid down under the IRDAI Corporate Governance Guidelines, 2016.

During the FY 2023-24, following changes took place as per Section 152 and Section 161 of the Act read with the applicable rules and regulations and the IRDAI Corporate Governance Guidelines, 2016:

### **APPOINTMENTS**

#### **Ms. Sharda Agarwal, Independent Director**

Ms. Sharda Agarwal (DIN: 00022814) was re-appointed as an Independent Director for a second term of five years w.e.f 20<sup>th</sup> October, 2023. Subsequently, the Shareholders of the Company at the Extraordinary General Meeting of the Company held on 20<sup>th</sup> October, 2023, approved the re-appointment of Ms. Sharda Agarwal as an Independent Director of the Company.

#### **Mr. Noshir Dastur, Independent Director**

Mr. Noshir Dastur (DIN: 00493177) was appointed as an Independent Director for a first term of three years w.e.f 27<sup>th</sup> November, 2023. Subsequently, the Shareholders of the Company at the Extraordinary General Meeting of the Company held on 22<sup>nd</sup> December, 2023, approved the appointment of Mr. Noshir Dastur as an Independent Director of the Company.

#### **Mr. Suresh Agarwal, Managing Director and Chief Executive Officer**

Mr. Suresh Agarwal (DIN: 09126759) was re-appointed as Managing Director and Chief Executive Officer of the Company by the Board of Directors on 19<sup>th</sup> February, 2024 for a period of one year. The IRDAI approved the re-appointment of Suresh Agarwal vide its letter dated 18<sup>th</sup> April, 2024 for a period of one year w.e.f 1<sup>st</sup> May, 2024 to 30<sup>th</sup> April, 2025.

### **CESSATION**

#### **Mr. Arun Agarwal, Independent Director**

Mr. Arun Agarwal (DIN: 07299000) ceased to be a Director on the Board w.e.f 29<sup>th</sup> September, 2023 due to completion of his second term as an Independent Director of the Company.

#### **Mr. Dhananjay Date, Independent Director**

Mr. Dhananjay Date (DIN: 01030900) ceased to be a Director on the Board w.e.f 29<sup>th</sup> September, 2023 due to completion of his second term as an Independent Director of the Company.

The Board placed on record its appreciation for the valuable services rendered by all outgoing Directors.

### **RETIREMENT BY ROTATION**

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Virat Diwanji (DIN: 07021146), Non-Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

### **DECLARATION BY INDEPENDENT DIRECTORS**

All our Independent Directors have given necessary declarations that they meet the criteria of independence as laid down under Section 149(6) and 149 (7) of the Companies Act, 2013.





## CHANGE IN KEY MANAGERIAL PERSONNEL

Mr. Parshant Arora was appointed as Company Secretary (designated as Chief Compliance Officer and Head - Legal & Company Secretary) of the Company w.e.f. 20<sup>th</sup> October, 2023 in place of Mr. Mayur Gupte who resigned as the Company Secretary of the Company from the services of the Company w.e.f. 11<sup>th</sup> September, 2023.

Mr. Jayesh Sansare, Head Distribution (Bancassurance) resigned from the services of the Company w.e.f. 30<sup>th</sup> September, 2023.

## BOARD EVALUATION

The evaluation of the Board and the Board Committees was carried out on the basis of various parameters as approved by Nomination & Remuneration Committee.

As per the provisions of Section 134, Schedule IV and the rules made thereunder of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, the Directors' individual performance and the evaluation of various Committees.

## POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The remuneration policy for Directors, Key Managerial Personnel and other employees of the company is in line with the requirements of the Companies Act, 2013, read with relevant Insurance Regulatory and Development Authority of India (Remuneration of Non-Executive Directors of Insurers) Guidelines, 2023 and Insurance Regulatory and Development Authority of India (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023.

The policy is directed towards a compensation philosophy and structure that will reward and retain talent and provides for a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The policy also does not encourage Key Managerial Persons to take inappropriate or excessive risks for their performance based variable remuneration. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

The Nomination and Remuneration Committee screens and carries out the required due diligence including "fit and proper" criteria of the Directors and Key Managerial Personnel prior to their appointment and recommends the proposal for the consideration of the Board of Directors.

The Managing Director is the only Executive Director on the Board. His terms of remuneration are approved by the Board based on the recommendations of the Nomination and Remuneration Committee and are subject to approval by the shareholders of the company and Insurance Regulatory and Development Authority of India.

All the Non-Executive Independent Directors of your Company are paid only sitting fees for attending the meetings of the Board and Committees. No commission is paid to any of the Directors of the Company.

The Policy is available on the website of the Company- <https://www.kotakgeneral.com/>

## SECRETARIAL STANDARDS

Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, which have mandatory application during the FY 2023-24 under review.

## DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134 (5) of the Act and based on the confirmation provided by the Management, your Directors state that:

- a) that in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2024, the applicable accounting standards, principles and policies have been followed, along with a proper explanation relating to material departures if any.
- b) that the Directors had 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 at the end of the financial year and of the profit/loss of the Company for the year ended 31<sup>st</sup> March 2024.
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 (4 of 1938)/Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that the annual accounts have been prepared on a going concern basis.
- e) that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively.
- f) that proper internal financial controls laid down by the Directors were followed by your Company and such internal financial controls are adequate and were operating effectively.

## ANNUAL RETURN

As required under Section 92 (3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the annual return in E-form MGT-7 is available on the website of the company at <https://www.kotakgeneral.com/>

## AUDITORS

### STATUTORY AUDITORS

M/s V.C. Shah & Co. Chartered Accountants (Firm Registration no. 109818W) and M/s MSKA & Associates Chartered Accountants (Firm Registration no. 105047W) are the Joint Statutory Auditors, hold office upto the conclusion of the 11<sup>th</sup> AGM of the Company.

The Audit Report from the joint statutory auditors does not contain any qualification, reservation or adverse remark or disclaimer.

During the year under review, there was no fraud reported by the joint statutory auditors to the Audit Committee under Section 143(12) of the Act.

### INTERNAL AUDITORS

Your Company has appointed M/s Grant Thornton Bharat, LLP as the internal audit firm to carry out the internal audit of the Company upto 31<sup>st</sup> March, 2025.

The Audit Committee regularly reviews the audit findings and management actions thereon, as well as the adequacy and effectiveness of the internal systems and controls.

### CONCURRENT AUDITORS FOR INVESTMENT

M/s N.S Gokhale, Chartered Accountants, appointed as concurrent auditors carried out the concurrent audit of the investment transactions, investment management systems, processes and transactions of your Company for the financial year 2023-24.

### RELATED PARTY AUDITOR

M/s JHS & Associates LLP, appointed for review of Company's Related Party Transactions accordance with the Standard on Related Services (SRS) 4400 for the financial year 2023-24.

### INVESTMENT RISK MANAGEMENT SYSTEMS AUDITOR

M/s NM Rajji & Co., Chartered Accountants, appointed as the Investment Risk Management Systems Auditor for review of implementation of investment risk management systems and processes by the Company as per Master Circular on IRDAI (Investment) Regulations, 2016 carried out the audit for FY 2022-23 and FY 2023-24.

### SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your company had appointed M/s. Rupal Jhaveri & Company, practicing Company Secretary, to undertake the Secretarial Audit of your company. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Report of the Secretarial Auditors is annexed herewith as "Annexure B".

### INTERNAL FINANCIAL CONTROLS

There is a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies, (b) safeguarding of assets, (c) prevention and detection of frauds/errors, (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

### STATUS ON IMPLEMENTATION OF INDIAN ACCOUNTING STANDARDS (IND AS)

International Accounts Standard Board has notified the amended IFRS 17, "Insurance Contract" with global date of implementation starting from 1<sup>st</sup> January, 2023. IRDAI vide its letter dated 15<sup>th</sup> September 2023, has proposed phase wise IND AS 117 implementations in insurance sector by bucketing companies into 3 categories based on the listing status and size of AUM.

| Phase | Implementation date         |
|-------|-----------------------------|
| 1     | 1 <sup>st</sup> April, 2025 |
| 2     | 1 <sup>st</sup> April, 2026 |
| 3     | 1 <sup>st</sup> April, 2027 |

Based on above category, the company falls under Phase 3. The company's steering committee monitors the progress of implementation of IND AS, at regular intervals. The Company is in the process of receiving and evaluating proposals for selecting suitable partners.



## RELATED PARTY TRANSACTIONS

All transactions entered by your Company with Related Parties were in the ordinary course of business and on an arm's length pricing basis.

During the year under review, there were no material contracts or arrangements or transactions which were not in the ordinary course of business and not on an arm's length basis that needs to be disclosed in Form AOC-2 as required under the Act.

All related party transactions as required under Accounting Standard 18 are reported in Related Party Disclosures under Note 14 of Schedule 16 of Notes to Financial Statements.

## PARTICULARS OF LOAN, GUARANTEES OR INVESTMENTS

The Company has not given any loan or guarantee to any person or body corporate.

The investments of the Company are in line with the norms, guidelines and circulars issued by IRDAI from time to time and the Investment Policy of the company.

## PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of the business of your Company, the provisions of Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to the conservation of energy and technology absorption does not apply to the Company. However, Your Company has used information technology in its operations.

| Particulars            | Year ended<br>31 <sup>st</sup> March, 2024 | Year ended<br>31 <sup>st</sup> March, 2023 |
|------------------------|--|--|
| Foreign Exchange Outgo | 2,310,773                                  | 516,871                                    |

## REPORTING OF FRAUDS BY AUDITORS

During the year under review, no instances of fraud committed in the Company were reported by the Joint Statutory Auditors and Secretarial Auditors under Section 143 (12) of the Companies Act, 2013 to the Audit Committee or Board of Directors of the Company.

## IRDAI REGISTRATION

Your Company has paid the annual fees for FY 2025 to the Insurance Regulatory and Development Authority of India ('IRDAI') as specified by the IRDAI (Registration of Indian Insurance Companies) Regulations, 2022, as amended.

## MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records pursuant to Section 148 of the Act read with rules thereunder.

## MATERIAL CHANGES AND COMMITMENTS

There have been no material changes or commitments affecting the financial position of the Company, which have occurred between the end of financial year of the Company and the date of this report.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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.

## EXPENSES OF MANAGEMENT

The Company has allocated expenses as per the policy approved by the Board of Directors.

For FY 2022-23, the Company had made application dated 13<sup>th</sup> February, 2023 to General Insurance Council (GI Council) seeking an exemption under Section 40C(1) of the Insurance Act 1938 read with IRDAI (Expense of Management of Insurers transacting General Insurance business) Regulations, 2016. GI council has appropriately recommended to IRDAI to grant exemption under Section 40C(1) of the Insurance Act, 1938 on 6<sup>th</sup> April, 2023. Subsequently on 5<sup>th</sup> December, 2023, the Company has made an application to IRDAI along with a detailed business plan seeking EOM forbearance. The application is pending with IRDAI for approval.

For FY 2023-24, the Company has made an application dated 19<sup>th</sup> April, 2024 to General Insurance Council (GI Council) seeking an exemption as per the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2023.

In accordance with the regulation on Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2023 and Insurance Regulatory and Development Authority of India (Payment of Commission) Regulations,

2023, operating expenses in excess of segmental limits of ₹ 1,581,525 thousands (Previous Year: ₹ 1,028,588 thousands) under Revenue Account under separate subline item to Others as "Contribution from Shareholders Funds towards Excess EOM" and reported as allowable expenses under Other Expenses in Profit & Loss account under separate subline item as "Contribution to Policyholders Funds towards Excess EOM".

## OTHER MATTERS

The Company has received a show-cause cum demand notice of ₹ 2,51,294 thousand dated 27<sup>th</sup> March, 2024 on 3<sup>rd</sup> April, 2024 with respect to eligibility of GST input tax credit availed and utilised during the period July 2017 to September 2022 in respect of certain marketing expenses. Based on consultation and discussion with legal expert, the management is of the opinion that it is a good case to defend and thus the show-cause cum demand notice will be contested before higher authority. The Company has voluntarily deposited an amount of ₹ 60,000 thousand under protest during the pro-ceedings in October 2022 and treated the amount paid as deposit under 'Advances and Other Assets' as on 31<sup>st</sup> March, 2024.

## COMPOSITION OF COMMITTEES

These details are provided in the Corporate Governance Report annexed to this report.

## MANAGEMENT REPORT

In accordance with Part IV, Schedule B of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations 2002, the Management Report forms part of the financial statements.

## PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to provisions of Rule 5(2) of the Companies (Appointment and Remuneration) of Managerial Personnel Rules, 2014 are set out in the annexure to the Directors' Report. The Board's Report is being sent to all the Shareholders of your company excluding the said information. The annexure is available for inspection by any Shareholder during business hours on working days up to the date of ensuing Annual General Meeting. Any Shareholder interested in obtaining a copy of the same, may write to the Company Secretary of the Company.

## ACKNOWLEDGEMENT

The Board is grateful to the Insurance Regulatory and Development Authority of India and other Regulatory Authorities for their continued support especially with respect to the developmental efforts of the recent past.

The Board acknowledges the continued patronage of its policyholders' and is thankful to the other stakeholders' such as the channel partners, intermediaries and reinsurers for their continued support, trust and co-operation. The Board takes this opportunity to thank the Promoters for providing their continued guidance, co-operation and support.

We extend our sincere appreciation to the Management and employees of your company for their continued commitment, teamwork and contribution, in steering the company in the right direction and delivering the results in a challenging business environment.

## ANNEXURES:

- Corporate Governance Report - Annexure A
- Secretarial Audit Report - Annexure B

For and on behalf of the Board of Directors

**Gaurang Shah**  
Chairman  
(DIN: 00016660)

**Suresh Agarwal**  
Managing Director and Chief Executive Officer  
(DIN: 09126759)

Place: Mumbai  
Date: 24<sup>th</sup> April, 2024



## ANNEXURE A

## Report on Corporate Governance

In accordance to the provisions of the Corporate Governance Guidelines issued by the Insurance Regulatory & Development Authority of India (IRDAI), the report containing details of the Corporate Governance systems and processes of the Company for the financial year 2023 - 24 is as under:

### BOARD OF DIRECTORS AND COMMITTEES

#### COMPOSITION, MEETING AND ATTENDANCE

The Composition of the Board of Directors of the Company during the financial 2023-24 is as follows:

| Name of the Directors | DIN      | Designation  |
|-----------------------|----------|--|
| Mr. Gaurang Shah      | 00016660 | Chairman, Non-Executive and Non-Independent Director |
| Ms. Sharda Agarwal**  | 00022814 | Non-Executive and Independent Director               |
| Mr. Ravi Venkatraman  | 00307328 | Non-Executive and Independent Director               |
| Mr. Noshir Dastur#    | 00493177 | Non-Executive and Independent Director               |
| Mr. G. Murlidhar      | 03601196 | Non-Executive and Non-Independent Director           |
| Mr. Virat Diwanji     | 07021146 | Non-Executive and Non-Independent Director           |
| Mr. Dhananjay Date*   | 01030900 | Non-Executive and Independent Director               |
| Mr. Arun Agarwal*     | 07299000 | Non-Executive and Independent Director               |
| Mr. Suresh Agarwal    | 09126759 | Managing Director and Chief Executive Officer        |

\*Mr. Arun Agarwal and Mr. Dhananjay Date ceased to be an Independent Directors of the Company on completion of their second term as an Independent Director of the Company w.e.f 29<sup>th</sup> September, 2023.

\*\* Ms. Sharda Agarwal was re-appointed as an Independent Director for a second term of five years w.e.f 21<sup>st</sup> October, 2023 and the same was approved by the shareholders of the Company at the Extraordinary General Meeting held on 20<sup>th</sup> October, 2023.

# Mr. Noshir Dastur was appointed as an Independent Director w.e.f 27<sup>th</sup> November, 2023 and the same was approved by the Shareholders of the Company at the Extraordinary General Meeting held on 22<sup>nd</sup> December, 2023.

The details of the Directors like qualification, specialization, and status of directorship as well as brief profile, as at 31<sup>st</sup> March, 2024, is enclosed with this report.

#### Composition of the Committee positions held by Directors as on 31<sup>st</sup> March, 2024

| Name                 | Position                                      | Audit Committee | Investment Committee | Risk Management Committee | Banking Committee | Policyholders Protection Committee | Nomination and Remuneration Committee |
|----------------------|---|-----------------|----------------------|---------------------------|-------------------|------------------------------------|---------------------------------------|
| Mr. Gaurang Shah     | Non-Executive Director                        | -               | Member               | -                         | -                 | -                                  | Member                                |
| <b>(Note 1)</b>      |   |                 |                      |                           |                   |                                    |                                       |
| Mr. G. Murlidhar     | Non-Executive Director                        | Member          | Chairman             | -                         | Member            | Chairman                           | -                                     |
| Mr. Virat Diwanji    | Non-Executive Director                        | -               | Member               | Chairman                  | Chairman          | -                                  | -                                     |
| Mr. Dhananjay Date   | Independent Director                          | Member          | -                    | -                         | -                 | -                                  | Chairman                              |
| <b>(Note 2)</b>      |   |                 |                      |                           |                   |                                    |                                       |
| Mr. Arun Agarwal     | Independent Director                          | Chairman        | -                    | -                         | -                 | -                                  | Member                                |
| <b>(Note 2)</b>      |   |                 |                      |                           |                   |                                    |                                       |
| Mr. Suresh Agarwal   | Managing Director and Chief Executive Officer | -               | Member               | Member                    | Member            | Member                             | -                                     |
| Ms. Sharda Agarwal   | Independent Director                          | Member          | -                    | -                         | -                 | -                                  | Chairperson                           |
| <b>(Note 3)</b>      |   |                 |                      |                           |                   |                                    |                                       |
| Mr. Ravi Venkatraman | Independent Director                          | Chairman        | -                    | -                         | -                 | -                                  | Member                                |
| <b>(Note 4)</b>      |   |                 |                      |                           |                   |                                    |                                       |
| Mr. Noshir Dastur    | Independent Director                          | -               | -                    | -                         | -                 | -                                  | -                                     |

#### Notes:

1. Inducted as a Member of the Investment Committee in the Board Meeting held on 21<sup>st</sup> April, 2023.
2. Ceased as an Independent Director of the Company w.e.f 29<sup>th</sup> September, 2023.
3. Appointed as a Chairman (Nomination and Remuneration Committee) and Member (Audit Committee) w.e.f 30<sup>th</sup> September, 2023.
4. Appointed as a Chairman (Audit Committee) and Member (Nomination and Remuneration Committee) w.e.f 30<sup>th</sup> September, 2023.

## BOARD MEETINGS

During the financial year 2023-24 Twelve meetings of the Board were held on 21<sup>st</sup> April, 2023, 26<sup>th</sup> June, 2023, 21<sup>st</sup> July, 2023, 29<sup>th</sup> August, 2023, 20<sup>th</sup> October, 2023, 1<sup>st</sup> November, 2023, 27<sup>th</sup> November, 2023, 4<sup>th</sup> December, 2023, 16<sup>th</sup> January, 2024, 19<sup>th</sup> February, 2024, 11<sup>th</sup> March, 2024 and 21<sup>st</sup> March, 2024.

| Name of Directors     | No. of meetings held | No. of meetings attended |
|-----------------------|----------------------|--------------------------|
| Mr. Gaurang Shah      | 12                   | 11                       |
| Ms. Sharda Agarwal ** | 12                   | 12                       |
| Mr. Ravi Venkatraman  | 12                   | 12                       |
| Mr. Noshir Dastur #   | 5                    | 5                        |
| Mr. G. Murlidhar      | 12                   | 11                       |
| Mr. Virat Diwanji     | 12                   | 10                       |
| Mr. Dhananjay Date*   | 4                    | 4                        |
| Mr. Arun Agarwal *    | 4                    | 4                        |
| Mr. Suresh Agarwal    | 12                   | 12                       |

\*Mr. Arun Agarwal and Mr. Dhananjay Date ceased to be an Independent Directors of the Company on completion of their second term as an Independent Director of the Company w.e.f 29<sup>th</sup> September, 2023.

\*\*Ms. Sharda Agarwal was re-appointed as an Independent Director for a second term of five years w.e.f 21<sup>st</sup> October, 2023 and the same was approved by the shareholders of the Company at the Extraordinary General Meeting held on 20<sup>th</sup> October, 2023.

#Mr. Noshir Dastur was appointed as an Independent Director w.e.f 27<sup>th</sup> November, 2023 and the same was approved by the Shareholders of the Company at the Extraordinary General Meeting held on 22<sup>nd</sup> December, 2023.

### AVAILABILITY OF INFORMATION TO THE BOARD:

The Board of Directors of your Company has an unfettered and complete access to all the information within the Company and to the employees of your Company. The Meetings are convened by giving appropriate notice to all the Board of Directors. Detailed agenda, memorandum along with all the relevant documents and explanatory statements are circulated to the members of the Board to facilitate meaningful, informed and focused decisions at the meetings.

The Board is apprised with all the information pertaining to the following:

- Minutes of meetings of the various Committees of the Board of Directors like Audit Committee, Investment Committee, Risk Management Committee, Policyholders Protection Committee, Nomination and Remuneration Committee and Banking Committee.
- General notices of interest received from Directors of the Company
- Quarterly/ Half Yearly/ Annual Financial Statements of the Company
- Information pertaining to the policies of the Company
- State of affairs of the Company vide detailed updates by the Managing Director and Chief Executive Officer

### DIRECTORS' REMUNERATION

(₹'000)

| Name of Director              | Sitting Fee | Commission |
|-------------------------------|-------------|------------|
| Mr. Gaurang Shah (Note 6)     | 450         |            |
| Ms. Sharda Agarwal (Note 2)   | 960         |            |
| Mr. Ravi Venkatraman (Note 3) | 960         |            |
| Mr. Noshir Dastur (Note 4)    | 330         |            |
| Mr. G. Murlidhar (Note 5)     | 810         | NA         |
| Mr. Virat Diwanji             | -           |            |
| Mr. Dhananjay Date (Note 1)   | 390         |            |
| Mr. Arun Agarwal (Note 1)     | 390         |            |
| Mr. Suresh Agarwal            | -           |            |


**Notes:**

1. Ceased as an Independent Director of the Company w.e.f 29<sup>th</sup> September, 2023.
2. Inducted as a Chairman (Nomination and Remuneration Committee) and Member (Audit Committee) w.e.f 30<sup>th</sup> September, 2023.
3. Inducted as a Chairman (Audit Committee) and Member (Nomination and Remuneration Committee) w.e.f 30<sup>th</sup> September, 2023.
4. Appointed as an Independent Director w.e.f 27<sup>th</sup> November, 2023
5. Sitting fees was paid w.e.f 1<sup>st</sup> August, 2023 due to completion of consultancy period with Kotak Mahindra Bank Limited
6. Sitting fees was paid w.e.f 1<sup>st</sup> November, 2023 due to completion of consultancy period with Kotak Mahindra Bank Limited

**COMMITTEES OF THE BOARD OF DIRECTORS**

The Board has constituted several committees and delegated various functions and responsibilities to such Committees, as mandated by the Corporate Governance Guidelines issued by IRDAI. The details of the various Committees are as under:

**1. AUDIT COMMITTEE**

The Audit Committee of the Company comprises of three Non-Executive Directors. The Chairman of the Committee is an Independent Director. The terms of reference of the Audit Committee are as follows:

- Recommend appointment of, remuneration and terms of appointment of auditors of the Company
- Review and monitor the auditor's independence and performance and effectiveness of audit process
- Examination of the financial statements and the auditor's report thereon
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter corporate loans and investments
- Valuation of undertaking or assets of the Company, wherever necessary
- Evaluation of internal financial controls and risk management systems
- Monitoring the end use of funds raised through public offers and related matters
- Oversee financial statements, financial reporting, statement of cash flow and disclosure processes on annual and quarterly basis
- Setting up of procedures and processes to address concerns relating to adequacy of checks and control mechanisms
- Oversee efficient functioning of internal audit and review its reports
- Monitor progress made in rectification of irregularities and changes in processes wherever deficiencies have come to notice
- Oversight on procedures and processes established to attend to issues relating to maintenance of books of account, administration procedures, transactions and other matters having bearing on the financial position of the Company, whether raised by the auditors or any other person
- Discuss with the statutory auditors before audit commences, about the nature and scope of audit

During the financial year 2023 – 24, six meetings of the Committee were held on 21<sup>st</sup> April, 2023, 21<sup>st</sup> July, 2023, 26<sup>th</sup> September, 2023, 20<sup>th</sup> October, 2023, 16<sup>th</sup> January, 2024 and 29<sup>th</sup> March, 2024.

The details of the attendance of the Members at the Committee meetings are as follows:

| Name of Directors                 | No. of meetings held | No. of meetings attended |
|-----------------------------------|----------------------|--------------------------|
| Mr. Ravi Venkatraman <sup>#</sup> | 3                    | 3                        |
| Ms. Sharda Agarwal <sup>†</sup>   | 3                    | 3                        |
| Mr. G Murlidhar                   | 6                    | 6                        |
| Mr. Dhananjay Date <sup>*</sup>   | 3                    | 3                        |
| Mr. Arun Agarwal <sup>*</sup>     | 3                    | 3                        |

<sup>\*</sup>Ceased as an Independent Director of the Company w.e.f 29<sup>th</sup> September, 2023.

<sup>#</sup> Inducted as a Chairman of the Audit Committee w.e.f 30<sup>th</sup> September, 2023.

<sup>†</sup> Inducted as a Member of the Audit Committee w.e.f 30<sup>th</sup> September, 2023.

## 2. INVESTMENT COMMITTEE

The Investment Committee of the Company comprises of three Non-Executive Directors, the Managing Director and Chief Executive Officer, the Chief Investment Officer, the Chief Financial Officer and the Appointed Actuary and the Chief Risk Officer. The terms of reference of the Investment Committee are as follows:

- Lay down an overall investment policy and operational framework for investment operations
- Independently review investment decisions duly supported by due diligence process and not be solely influenced by credit rating agencies
- Put in place effective reporting system to ensure compliance with the policy set apart from internal/ concurrent audit mechanism for a sustained and on – going monitoring of investment operations
- To meet at least once in a quarter and look into various aspects of investment operations and monitor them
- Furnish a report to the Board on the performance of investments at least once in a quarter and provide analysis of the Investment portfolio and future outlook to enable Board to look at possible policy changes and strategies.

During the financial year 2023 – 24, four meetings of the Committee were held on 19<sup>th</sup> April, 2023, 20<sup>th</sup> July, 2023, 16<sup>th</sup> October, 2023, and 15<sup>th</sup> January, 2024.

The details of the attendance of the Members at the Committee meetings are as follows:

| Name of Directors  | No. of meetings held | No. of meetings attended |
|--------------------|----------------------|--------------------------|
| Mr. G. Murlidhar   | 4                    | 4                        |
| Mr. Virat Diwanji  | 4                    | 3                        |
| Mr. Mehul Shah     | 4                    | 4                        |
| Mr. Yash Kotak     | 4                    | 4                        |
| Mr. Archit Shah    | 4                    | 4                        |
| Mr. Suresh Agarwal | 4                    | 3                        |
| Ms. Shweta Agarwal | 4                    | 4                        |
| Mr. Gaurang Shah*  | 3                    | 3                        |

\* Inducted as a Member of the Investment Committee in the Board Meeting held on 21<sup>st</sup> April, 2023.

## 3. RISK MANAGEMENT COMMITTEE

The Risk Management Committee comprises of one Non-Executive Director, the Managing Director and Chief Executive Officer and the Appointed Actuary and Chief Risk Officer. The terms of reference of the Committee include:

- Lay down Company's risk management strategy
- Assist the Board in effective operation of the risk management system by performing specialized analysis and quality reviews
- Maintain group-wide and aggregated view on the risk profile of the Company in addition to solo and individual risk profile
- Report to the Board on risk exposure and action taken to manage the exposures
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy, mergers, acquisitions and related matters
- Establish Risk Management Framework and adopt Risk Management Policy
- Set risk tolerance limits
- Review solvency position of the company
- Monitor regular updates on business continuity
- Formulate Fraud Monitoring Policy & monitor implementation
- Review compliance with Guidelines on Insurance Fraud Monitoring Framework

During the financial year 2023–24, four meetings of the Committee were held on 19<sup>th</sup> April, 2023, 20<sup>th</sup> July, 2023, 17<sup>th</sup> October, 2023, and 15<sup>th</sup> January, 2024.





The details of the attendance of the Members at the Committee meetings are as follows:

| Name of Directors  | No. of meetings held | No. of meetings attended |
|--------------------|----------------------|--------------------------|
| Mr. Virat Diwanji  | 4                    | 4                        |
| Mr. Mehul Shah     | 4                    | 4                        |
| Mr. Suresh Agarwal | 4                    | 3                        |
| Ms. Shweta Agarwal | 4                    | 4                        |

#### 4. POLICYHOLDERS PROTECTION COMMITTEE

The Policyholders Protection Committee comprises of one Non-Executive Director, the Managing Director and Chief Executive Officer, Chief Technology Officer and Head - Business Operations and Chief Technical Officer. Pursuant to the Corporate Governance Guidelines for Insurers, the Committee also includes a representative of customers as an invitee to the meetings. The terms of reference of the Committee include:

- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries
- Ensuring compliance with the statutory requirements as laid down in regulatory framework
- Review of mechanism at periodic intervals
- Ensuring adequacy of disclosure of material information to the policyholders at the point of sale and at periodic intervals
- Review the status of complaints at periodic intervals
- Provide details of grievances at periodic intervals in such format as may be prescribed
- Provide details of insurance ombudsman to the policyholders
- Adopt standard SOP to treat the customer fairly including time frames for policy and claims servicing
- Recommend Policy on customer education to the Board
- Review of awards given by Insurance Ombudsman / Consumer Forums unimplemented for 3 months
- Analyze the root cause of customer complaints, identify market conduct issues and advise the management appropriately about rectifying systemic issues, if any
- Measures to reduce customer complaints and review of the same
- Review of Claims Report, including status of Outstanding claims with ageing of outstanding claims
- Reviewing Repudiated claims with analysis of reasons
- Submit status report to the Board
- Induction of an expert / representative of customers as an Invitee in the Policyholder Protection Committee

During the financial year 2023–24, four meetings of the Committee were held on 19<sup>th</sup> April, 2023, 20<sup>th</sup> July, 2023, 16<sup>th</sup> October, 2023, and 15<sup>th</sup> January, 2024.

The details of the attendance of the Members at the Committee meetings are as follows:

| Name of Directors           | No. of meetings held | No. of meetings attended |
|-----------------------------|----------------------|--------------------------|
| Mr. G. Murlidhar            | 4                    | 4                        |
| Mr. Suresh Agarwal          | 4                    | 3                        |
| Mr. N. Ravichandran         | 4                    | 4                        |
| Mr. Suresh Sankaranarayanan | 4                    | 4                        |
| Mr. Karthi Marshan          | 4                    | 4                        |

## 5. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of three Non-Executive Directors, two of them are Independent Directors. The terms of reference of the Committee include:

- Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal
- Evaluation of every director's performance
- Formulation of 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
- Scrutinize declarations of intending applicants before the appointment / reappointment/election of directors by shareholders at General Meetings
- Make independent and discreet references to verify accuracy of information furnished
- Determine on behalf of the Board and on behalf of shareholders with agreed terms of reference, the Company's policy on specific remuneration packages and any compensation payment, for the CEO and executive directors of the Company
- Ensure Remuneration package of the Key Managerial Persons is as per the Policy

During the financial year 2023–24, six meetings of the Nomination and Remuneration Committee were held on 19<sup>th</sup> April, 2023, 28<sup>th</sup> August, 2023, 5<sup>th</sup> October, 2023, 11<sup>th</sup> November, 2023, 27<sup>th</sup> November, 2023 and 19<sup>th</sup> February, 2024.

The details of the attendance of the Members at the Committee meeting are as follows:

| Name of Directors     | No. of meetings held | No. of meetings attended |
|-----------------------|----------------------|--------------------------|
| Mr. Gaurang Shah      | 6                    | 5                        |
| Mr. Dhananjay Date*   | 2                    | 2                        |
| Mr. Arun Agarwal*     | 2                    | 2                        |
| Mr. Ravi Venkatraman# | 4                    | 4                        |
| Ms. Sharda Agarwal^   | 4                    | 4                        |

\*Ceased as an Independent Director of the Company w.e.f 29<sup>th</sup> September, 2023.

^ Inducted as a Chairperson of Nomination and Remuneration Committee w.e.f 30<sup>th</sup> September, 2023.

# Inducted as a Member of the Nomination and Remuneration Committee w.e.f 30<sup>th</sup> September, 2023.

## 6. BANKING COMMITTEE

The Banking Committee comprises of two Non-Executive Directors and the Managing Director and Chief Executive Officer. The terms of reference of the Committee include:

- To consider the proposals and pass requisite resolutions for opening of bank accounts for the Company with one or more banks
- To authorize the Directors, officers and such other person or persons to operate such Accounts and to decide the manner and monetary limits for operations of such Accounts
- To revise the manner and mode of operations of the bank accounts, to decide to close any bank accounts of the Company
- To avail of any facilities including net banking facilities from one or more banks and authorize Directors, Officers of the Company and such other person or persons to operate these facilities, revise the manner and mode of operation of these facilities as it may deem fit
- Authority to instruct the banks accordingly and to do such other acts, matters and things as the Committee may think necessary

During the financial year 2023-24, one meeting of the Banking Committee was held on 15<sup>th</sup> March, 2024.

The details of the attendance of the Members at the Committee meeting are as follows:

| Name of Directors  | No. of meetings held | No. of meetings attended |
|--------------------|----------------------|--------------------------|
| Mr. G. Murlidhar   | 1                    | 1                        |
| Mr. Virat Diwanji  | 1                    | 0                        |
| Mr. Suresh Agarwal | 1                    | 1                        |

**CERTIFICATION FOR COMPLIANCE OF THE CORPORATE GOVERNANCE GUIDELINES**

I, Parshant Arora, Chief Compliance Officer and Head-Legal & Company Secretary, hereby certify that Kotak Mahindra General Insurance Company Limited has complied with the Corporate Governance Guidelines for Insurance Companies issued by Insurance Regulatory and Development Authority of India (IRDAI), as amended from time to time and nothing has been concealed or suppressed.

For **Kotak Mahindra General Insurance Company Limited**

**Parshant Arora**

Chief Compliance Officer and  
Head-Legal & Company Secretary

Date: 24<sup>th</sup> April, 2024

Place: Mumbai

**DETAILS OF THE DIRECTORS OF THE COMPANY:**

|                                     |   |
|-------------------------------------|---|
| <b>Name</b>                         | <b>Mr. Gaurang Shah</b> , Chairman, Non-Executive Director and Non-Independent<br>(DIN: 00016660)   |
| <b>Qualification</b>                | M.Com, ACA, Grad CWA, Grad CS   |
| <b>Brief Details</b>                | <p>Brief Details: Mr. Gaurang Shah is a Non-Executive Director on the Boards of the Insurance, Asset Management and International subsidiaries of Kotak Mahindra Bank. He is the Chairman of the Board of Kotak Mahindra General Insurance Company Limited.</p> <p>He has more than 40 years of work experience, largely in financial services, of which over 27 years have been with the Kotak Mahindra Group. He was Whole Time Director on the Board of Kotak Mahindra Bank heading the credit risk function for the bank. He also led the Insurance &amp; Asset Management subsidiaries, as well as the Alternate Assets and Asset Reconstruction businesses.</p> <p>He has held several positions of responsibility, including Managing Director of Kotak Life Insurance, Group Head of Retail Assets at Kotak Mahindra Bank and Executive Director of Kotak Mahindra Primus (a joint venture between Kotak Mahindra Group and Ford Credit International).</p> |
| <b>Status of other Directorship</b> | <p>Kotak Mahindra Asset Management Company Limited</p> <p>Kotak Mahindra (UK) Limited</p> <p>Kotak Mahindra Inc</p> <p>Kotak Mahindra Asset Management (Singapore) Pte. Ltd.</p> <p>Kotak Mahindra Life Insurance Company Limited</p> <p>Kotak Investment Advisors Limited</p> <p>Kotak Mahindra General Insurance Company Limited</p>  |
| <b>Name</b>                         | <b>Ms. Sharda Agarwal</b> , Non-Executive Director and Independent Director<br>(DIN: 00022814)  |
| <b>Qualification</b>                | Postgraduate diploma from Indian Institute of Management, Bangalore and a B.Sc. Honors (Economics)  |
| <b>Brief Details</b>                | <p>Ms. Sharda Agarwal holds a postgraduate diploma from Indian Institute of Management, Bangalore and a B.Sc. Honors (Economics) degree from St. Xavier's College, Kolkata. She is a renowned marketing and brand expert, with over two decades of experience in various industries and sectors. She was the co-founder of a strategic marketing firm - MarketGate Consulting. She has served as Director of Marketing at Coca Cola India and was also associated with Johnson &amp; Johnson in India and the US.</p> <p>She is currently the co-founder of an online women's health platform - Sepalika. Her company uses evidence-based natural solutions from the field of functional medicine to help women address &amp; reverse their chronic hormonal health conditions.</p>   |
| <b>Status of other Directorship</b> | <p>Kotak Mahindra General Insurance Company Limited</p> <p>Moonjur Healthcare Private Limited</p> <p>Demeter Advisors LLP</p>   |
| <b>Name</b>                         | <b>Mr. Ravi Venkatraman</b> , Non-Executive Director and Independent Director<br>(DIN: 00307328)  |
| <b>Qualification</b>                | Associate Chartered Accountant (passed in 1983), Institute of Cost and Works Accountants of India (passed in 1984) and B.com Graduate from University of Madras (passed in 1979)  |
| <b>Brief Details</b>                | Mr. Ravi Venkatraman retired in July 2020, as Executive Director & Chief Financial Officer of Mahindra & Mahindra Financial Services Limited (MMFSL). He has about 40 years of varied experience as a senior finance professional, covering many facets of BFSI sector. He was part of a 3-member team involved in setting up and scaling 5 companies of the Mahindra Group.  |
| <b>Status of other Directorship</b> | <p>Kotak Mahindra General Insurance Company Limited</p> <p>Avanse Financial Services Ltd</p> <p>Kotak Mahindra Prime Limited</p> <p>Sarvagram Solutions Private Limited</p> <p>Bajaj Finserv Mutual Fund Trustee Limited</p> <p>ESAF Small finance Bank Limited</p> <p>Aditya Birla ARC Limited</p> <p>Aceware Fintech Services Private Limited</p> <p>SBFC Finance Limited</p>   |



|                                     |  |
|-------------------------------------|--|
| <b>Name</b>                         | <b>Mr. Noshir Dastur</b> , Non-Executive and Independent Director<br>(DIN: 00493177)   |
| <b>Qualification</b>                | Bachelor's degree in Commerce and is a Fellow Chartered Accountant.  |
| <b>Brief Details</b>                | <p>Mr. Noshir Dastur, has been practising as a Chartered Accountant since 1983. Since 1<sup>st</sup> January, 1992, he has been associated with Dubash &amp; Patil, Chartered Accountants, initially as a partner, and from 26<sup>th</sup> May, 2014, as a proprietor. He was also associated with Bhandari Dastur Gupta &amp; Associates, Chartered Accountants, as a partner, from 24<sup>th</sup> November, 1999 until 31<sup>st</sup> March, 2008.</p> <p>During his professional carrier, he has conducted statutory audits, internal audits, management audits of public and private limited companies, and concurrent and statutory audits of branches of public sector banks and companies. He has also assisted private companies in setting up their accounts department, formulating accounting systems and then exercising overall control over the functioning of such accounts departments.</p> |
| <b>Name</b>                         | <b>Mr. G Murlidhar</b> , Non-Executive Director and Non-Independent Director<br>(DIN: 03601196)  |
| <b>Qualification</b>                | ACA, ICWA, ACS   |
| <b>Brief Details</b>                | <p>Mr. G Murlidhar is a founder member of Kotak Mahindra Life Insurance Company Limited, and has served the Company in various capacities of increasing responsibility over the years.</p> <p>Mr. Murlidhar has over 34 years of rich and varied experience in functional areas of Finance, Commercial Projects, Marketing, HR, IT, Consumer distribution besides handling public issues and open offers across BFSI, Services and Manufacturing.</p>  |
| <b>Status of other Directorship</b> | Kotak Mahindra Life Insurance Company Limited<br>Kotak Mahindra General Insurance Company Limited<br>Kotak Mahindra Pension Fund Limited<br>Blue Star Limited  |
| <b>Name</b>                         | <b>Mr. Virat Diwanji</b> , Non-Executive Director and Non-Independent Director<br>(DIN: 07021146)  |
| <b>Qualification</b>                | B.E. (Mechanical), Master of Business Administration   |
| <b>Brief Details</b>                | <p>Mr. Virat Diwanji is Group President – Head Consumer Bank of Kotak Mahindra Bank Ltd. Mr. Diwanji has over 25 years of rich and varied experience in the financial services industry. An experienced business leader in Retail Banking space, Virat is currently spearheading Consumer Bank business cutting across liabilities and Assets.</p>   |
| <b>Status of other Directorship</b> | Kotak Mahindra General Insurance Company Limited   |
| <b>Name</b>                         | <b>Mr. Suresh Agarwal</b> , Managing Director and Chief Executive Officer<br>(DIN: 09126759)   |
| <b>Qualification</b>                | ICSE (passed in 1987), ISC (passed in 1989), B. Com (Hons) (passed in 1992), ICWA (passed in 1992), CS (passed in 1993) and CA (passed in 1994).   |
| <b>Brief Details</b>                | <p>Mr. Suresh Agarwal joined Kotak Mahindra in 1995 as management trainee and has worked through the various businesses across cities. His last assignment was President &amp; Chief Distribution Officer at Kotak Mahindra Life Insurance Co. Ltd. Been with the General Insurance business now for nearly 3 years now.</p>   |
| <b>Status of other Directorship</b> | Kotak Mahindra General Insurance Company Limited   |

## Form No. MR-3 - Secretarial Audit Report

For the Financial Year ended 31<sup>st</sup> March, 2024 [Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,

### KOTAK MAHINDRA GENERAL INSURANCE COMPANY LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KOTAK MAHINDRA GENERAL INSURANCE COMPANY LIMITED** (hereinafter referred to as the "Company").

Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2024 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31<sup>st</sup> March, 2024 according to the provisions of:

1. The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
2. Foreign Exchange Management Act, 1999 ("**FEMA**") and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. (Not applicable to the Company during the audit period);
3. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made there under;
4. The Depositories Act, 1996 and the Regulations and Bye- Laws framed there under;
5. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; to the extent applicable to the Company;
6. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") were not applicable to the Company during the Audit Period as the Company is not a listed entity:
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - 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;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 and
  - i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.
7. Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say
  - a. The Insurance Act, 1938; and amendments thereto;
  - b. Insurance Regulatory And Development Authority Act, 1999; and amendments thereto;
  - c. Insurance Rules, 1939, as amended from time to time;



- d. Guidelines, Regulations, Notification and Circulars issued by the Insurance Regulatory & Development Authority of India (IRDAI) from time to time.
8. Other laws to the extent applicable to the Company as per the representations made by the Company;

I have also examined compliance with the applicable clauses of the following:

- a. Secretarial Standards issued pursuant to section 118(10) of the Act, by The Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the above-mentioned Secretarial Standards issued by The Institute of Company Secretaries of India.

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

#### **I 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. Changes in the composition of the Board of Directors 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 Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the meetings conducted at shorter notice, 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**I 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.

**I further report** that during the audit period:

1. 19,50,00,000 Equity shares of INR 10/- each aggregating to INR 195,00,00,000/- were issued by way of right issue in the several tranches;
2. Mr. Noshir Dastur has been appointed as an Independent Director w.e.f 27<sup>th</sup> November, 2023;
3. Mr. Parshant Arora has been appointed as a Company Secretary of the Company w.e.f. October 20, 2023.

**Place:** Mumbai

**Date:** 23<sup>rd</sup> April, 2024

**Rupal D. Jhaveri**  
**Company Secretary in Practice**  
**Membership No.:** F5441  
**C. P. No.:** 4225  
**UDIN:** F005441F000223659  
**Peer Review No.:** 1139/2021

*This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.*

To,  
The Members,

**KOTAK MAHINDRA GENERAL INSURANCE COMPANY LIMITED**

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on my audit.
2. The audit practices and processes as followed were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**Rupal D. Jhaveri**  
**Company Secretary in Practice**  
**Membership No.:** F5441  
**C. P. No.:** 4225  
**UDIN:** F005441F000223659  
**Peer Review No.:** 1139/2021

**Place:** Mumbai  
**Date:** 23<sup>rd</sup> April, 2024





# Management Report

As per provisions of Part IV of Schedule B of The Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations, 2002 the following Management Report for the year ended 31<sup>st</sup> March, 2024 is submitted:

## 1. CERTIFICATE OF REGISTRATION

The Company obtained and hold certificate of registration from Insurance Regulatory and Development Authority of India on 18<sup>th</sup> November, 2015 to start general insurance business.

## 2. STATUTORY DUES

We hereby certify that all the dues payable to the statutory authorities have been duly paid by the Company except those under dispute or disclosed under contingent liability in the notes to account forming part of financials.

## 3. SHAREHOLDING PATTERN

We hereby confirm that the shareholding pattern and transfer of shares during the year ended 31<sup>st</sup> March 2024 are in accordance with the statutory or regulatory requirements.

## 4. INVESTMENT OF FUNDS

We declare that the management has not directly or indirectly invested outside India the funds of the holders of policies issued in India.

## 5. SOLVENCY MARGIN

We hereby confirm that the required solvency margins have been maintained throughout the year.

## 6. VALUATION OF ASSETS

We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and to the best of our belief the assets set forth in the Balance-sheets are shown in the aggregate at amounts not exceeding their realisable or market value under the several headings – “Loans”, “Investments”, “Agents balances”, “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 Accounts” except debt securities which are valued at cost/amortized cost.

## 7. RISK EXPOSURE AND MITIGATION STRATEGY

The Company is exposed to a variety of risks associated with general insurance business such underwriting risk (quality and price at which risk are underwritten), reserve risk (risk of adverse development), assets risk (credit risk, market risk, liquidity risk, etc.) and expense risk (higher than planned expenses). Some of the risk beyond Company's risk appetite are transferred and managed through an appropriate reinsurance program, thereby ensuring that the risk exposure is kept at a level commensurate with its capacity. The key business risk, as mentioned above, are closely monitored and effective remedial actions are taken whenever deemed necessary.

## 8. OPERATIONS IN OTHER COUNTRIES

We confirm that the Company does not have any operations outside India.

## 9. CLAIMS

- a) Please refer annexure 1 for age wise analysis of claims outstanding (excluding provision of IBNR/IBNER)
- b) Please refer annexure 2 for average claims settlement time
- c) Please refer annexure 3 for details of claims intimated

## 10. VALUATION OF INVESTMENTS

We certify that Investments are recorded at cost and include brokerage, transfer charges, stamps etc, and excludes pre-acquisition interest, if any.

Debt securities & non-convertible preference shares are considered as ‘held to maturity’ and stated at historical cost adjusted for amortization of premium or accretion of discount determined on constant yield to maturity basis over the holding/maturity period.

Mutual fund units are stated at their ‘Net Asset Value’ as at the balance sheet date.

Any unrealized gain or loss in respect of mutual funds and equity if any are recognised in ‘fair value change account’ in balance sheet and not available for distribution for dividend.

Further in case of any net mark to market loss (not permanent in nature) in respect of the above matter the additional provision is created to the extent of the loss in ‘fair value change account’ on the balance sheet date and impact is taken to Revenue/Profit and Loss Account appropriately.

**11. REVIEW OF ASSET QUALITY AND PERFORMANCE OF INVESTMENTS**

The Company has adopted a prudent investment policy aiming optimum return with minimum risk. The Company has invested predominantly in Government Securities and Corporate Securities having highest credit quality rating. The Company has a well-diversified portfolio across issuers and Industry segments in Corporate Securities. The investments are managed within the investment policy laid down by the board from time to time and are within the investment regulations and guidelines of IRDAI. There are no non-performing assets as at the end of the financial year.

**12. WE CONFIRM 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 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 at the end of the financial year and of the operating profit or loss and of the profit or 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 (4 of 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. DETAILS OF PAYMENTS MADE TO INDIVIDUALS, FIRMS, COMPANIES AND ORGANISATIONS IN WHICH DIRECTORS OF THE INSURERS ARE INTERESTED ARE GIVEN BELOW:**

(₹ In Lakh)

| Sr. No | Name of the Directors           | Entity in which Director are interested  | Interested As | Expense during the financial year |
|--------|---------------------------------|--|---------------|-----------------------------------|
| 1      | Mr. Gaurang Shah<br>G Murlidhar | Kotak Mahindra Life Insurance Co. Ltd.   | Director      | 168.47                            |
| 2      | Mr. Gaurang Shah                | Kotak Mahindra Asset Management Co. Ltd.   | Director      | 2.66                              |
| 3      | Mr. Gaurang Shah                | Kotak Alternate Asset Managers Limited (Formerly Known as Kotak Investment Advisors Limited) | Director      | 1.02                              |
| 4      | Mr. Ravi Venkantraman           | Kotak Mahindra Prime Limited   | Director      | 3,831.10                          |
| 5      | Mr. Noshir Dastur               | Kotak Securities Limited   | Director      | 43.89                             |

For and on behalf of the Board of Directors of  
Kotak Mahindra General Insurance Company Limited

**Gaurang Shah**  
Director  
DIN: 00016660

**G. Murlidhar**  
Director  
DIN: 03601196

**Suresh Agarwal**  
Managing Director & CEO  
DIN: 09126759

**Yash Kotak**  
Chief Financial Officer

**Parshant Arora**  
Chief Compliance Officer and Company Secretary

Place: Mumbai  
Date: 24<sup>th</sup> April, 2024


**ANNEXURE – 1**
**AGE WISE ANALYSIS OF CLAIMS OUTSTANDING (EXCLUDING PROVISION OF IBNR/IBNER):**
**a. Year 2023-24**

(Amount in '000)

| Particulars           | 0-30 days    |                | 30 days - 6 months |                  | 6months - 1 year |                | 1 year - 5 years |                  | > 5 years  |                | Total        |                  |
|-----------------------|--------------|----------------|--------------------|------------------|------------------|----------------|------------------|------------------|------------|----------------|--------------|------------------|
|                       | Count        | Amount         | Count              | Amount           | Count            | Amount         | Count            | Amount           | Count      | Amount         | Count        | Amount           |
| Motor TP              | 116          | 90,638         | 495                | 398,449          | 443              | 390,789        | 1,036            | 1,361,923        | 112        | 176,474        | 2,202        | 2,418,274        |
| Motor OD              | 850          | 107,244        | 424                | 176,140          | 76               | 24,813         | 75               | 40,080           | 3          | 5,404          | 1,428        | 353,681          |
| Fire                  | 8            | 35,067         | 32                 | 335,190          | 30               | 87,446         | 31               | 221,026          | 1          | 280            | 102          | 679,010          |
| Engineering           | -            | 11             | 13                 | 3,126            | 3                | 1,226          | -                | -                | -          | -              | 16           | 4,363            |
| Others                | 11           | 3,779          | 23                 | 26,898           | 5                | 384            | 10               | 747              | -          | -              | 49           | 31,808           |
| Worksmen Compensation | 6            | 465            | 15                 | 5,406            | 2                | 117            | -                | -                | -          | -              | 23           | 5,988            |
| Health Insurance      | 2,758        | 133,910        | 1,758              | 115,537          | 113              | 15,618         | 66               | 9,265            | -          | -              | 4,695        | 274,330          |
| Personal Accident     | 44           | 6,783          | 17                 | 17,931           | 2                | 1,264          | 12               | 11,857           | -          | 3,270          | 75           | 41,104           |
| Marine Cargo          | 9            | 2,989          | 17                 | 5,225            | 23               | 2,355          | 116              | 444              | -          | -              | 165          | 11,014           |
| <b>Total</b>          | <b>3,802</b> | <b>380,886</b> | <b>2,794</b>       | <b>1,083,902</b> | <b>697</b>       | <b>524,012</b> | <b>1,346</b>     | <b>1,645,342</b> | <b>116</b> | <b>185,428</b> | <b>8,755</b> | <b>3,819,572</b> |

**b. Year 2022-23**

| Particulars           | 0-30 days    |                | 30 days - 6 months |                | 6months - 1 year |                | 1 year - 5 years |                  | > 5 years |               | Total         |                  |
|-----------------------|--------------|----------------|--------------------|----------------|------------------|----------------|------------------|------------------|-----------|---------------|---------------|------------------|
|                       | Count        | Amount         | Count              | Amount         | Count            | Amount         | Count            | Amount           | Count     | Amount        | Count         | Amount           |
| Motor TP              | 87           | 55,612         | 330                | 249,129        | 293              | 273,054        | 843              | 948,934          | 40        | 45,973        | 1,593         | 1,572,702        |
| Motor OD              | 686          | 71,937         | 455                | 128,776        | 136              | 39,011         | 62               | 45,486           | -         | 2,328         | 1,339         | 287,538          |
| Fire                  | 17           | 29,323         | 24                 | 287,004        | 14               | 17,592         | 20               | 2,620            | 1         | 280           | 76            | 336,819          |
| Engineering           | 4            | 1,711          | 2                  | 759            | -                | -              | -                | -                | -         | -             | 6             | 2,470            |
| Others                | 30           | 4,339          | 42                 | 37,754         | 6                | 102            | 6                | 4,485            | -         | -             | 84            | 46,680           |
| Worksmen Compensation | 1            | 815            | 10                 | 2,180          | -                | -              | -                | -                | -         | -             | 11            | 2,995            |
| Health Insurance      | 4,489        | 203,337        | 1,639              | 107,385        | 119              | 9,399          | 65               | 4,719            | -         | -             | 6,312         | 324,840          |
| Personal Accident     | 45           | 18,590         | 51                 | 40,608         | 22               | 20,135         | 5                | 9,149            | -         | -             | 123           | 88,482           |
| Marine Cargo          | 81           | 920            | 382                | 1,000          | 728              | 1,018          | 4                | 252              | -         | -             | 1,195         | 3,191            |
| <b>Total</b>          | <b>5,440</b> | <b>386,585</b> | <b>2,935</b>       | <b>854,593</b> | <b>1,318</b>     | <b>360,313</b> | <b>1,005</b>     | <b>1,015,644</b> | <b>41</b> | <b>48,581</b> | <b>10,739</b> | <b>2,665,716</b> |

**c. Year 2021-22**

| Particulars          | 0-30 days    |                | 30 days - 6 months |                | 6 months - 1 year |                | 1 year - 5 years |                | > 5 years |              | Total        |                  |
|----------------------|--------------|----------------|--------------------|----------------|-------------------|----------------|------------------|----------------|-----------|--------------|--------------|------------------|
|                      | Count        | Amount         | Count              | Amount         | Count             | Amount         | Count            | Amount         | Count     | Amount       | Count        | Amount           |
| Motor TP             | 77           | 54,116         | 280                | 215,638        | 183               | 131,792        | 697              | 687,426        | 9         | 6,117        | 1,246        | 1,095,089        |
| Motor OD             | 733          | 62,121         | 378                | 131,241        | 96                | 30,998         | 14               | 28,507         | -         | 924          | 1,221        | 253,791          |
| Fire                 | 11           | 11,186         | 22                 | 44,202         | 4                 | 295            | 3                | 8,812          | -         | -            | 40           | 64,495           |
| Engineering          | 2            | 745            | 1                  | 200            | -                 | 19             | -                | -              | -         | -            | 3            | 964              |
| Others               | 10           | 2,503          | 23                 | 9,091          | 3                 | 1,397          | 1                | 1,352          | -         | -            | 37           | 14,343           |
| Workmen Compensation | 3            | 315            | 2                  | 265            | 2                 | 2,114          | -                | -              | -         | -            | 7            | 2,694            |
| Health Insurance     | 1,713        | 82,222         | 835                | 54,037         | 266               | 7,859          | 14               | 119            | -         | -            | 2,828        | 144,237          |
| Personal Accident    | 54           | 13,879         | 38                 | 15,571         | 2                 | 4,517          | -                | 3,890          | -         | -            | 94           | 37,857           |
| Marine Cargo         | 1            | 40             | 5                  | 3,318          | -                 | -              | -                | -              | -         | -            | 6            | 3,358            |
| <b>Total</b>         | <b>2,604</b> | <b>227,127</b> | <b>1,584</b>       | <b>473,563</b> | <b>556</b>        | <b>178,991</b> | <b>729</b>       | <b>730,106</b> | <b>9</b>  | <b>7,041</b> | <b>5,482</b> | <b>1,616,828</b> |

**d. Year 2020-21**

| Particulars       | 0-30 days    |                 | 30 days - 6 months |                | 6 months - 1 year |               | 1 year - 5 years |                | > 5 years |          | Total        |                  |
|-------------------|--------------|-----------------|--------------------|----------------|-------------------|---------------|------------------|----------------|-----------|----------|--------------|------------------|
|                   | Count        | Amount          | Count              | Amount         | Count             | Amount        | Count            | Amount         | Count     | Amount   | Count        | Amount           |
| Motor TP          | 69           | 45,345          | 212                | 136,584        | 75                | 54,604        | 602              | 508,450        | -         | -        | 958          | 744,983          |
| Motor OD          | 491          | 56,177          | 296                | 64,561         | 76                | 12,825        | 94               | 31,624         | -         | -        | 957          | 165,187          |
| Fire              | 9            | 19,914          | 16                 | 47,729         | 16                | 16,197        | 3                | 4,300          | -         | -        | 44           | 88,140           |
| Engineering       | 2            | 320             | 1                  | 120            | 1                 | 1,058         | -                | -              | -         | -        | 4            | 1,498            |
| Others            | 7            | 6,283           | 13                 | 5,795          | 3                 | 1,103         | 1                | 1,300          | -         | -        | 24           | 14,481           |
| Health Insurance  | 1,297        | 58,324          | 618                | 30,389         | 19                | 1,178         | 12               | 275            | -         | -        | 1,946        | 90,166           |
| Personal Accident | 32           | 5,760           | 61                 | 26,757         | 9                 | 784           | 3                | 1,637          | -         | -        | 105          | 34,938           |
| Marine Cargo      | -            | -               | -                  | -              | -                 | -             | -                | -              | -         | -        | -            | -                |
| <b>Total</b>      | <b>1,907</b> | <b>1,92,123</b> | <b>1,217</b>       | <b>311,935</b> | <b>199</b>        | <b>87,749</b> | <b>715</b>       | <b>547,586</b> | <b>-</b>  | <b>-</b> | <b>4,038</b> | <b>1,139,393</b> |

**e. Year 2019-20**

| Particulars       | 0-30 days    |                | 30 days - 6 months |                | 6 months - 1 year |                | 1 year - 5 years |                | > 5 years |          | Total        |                |
|-------------------|--------------|----------------|--------------------|----------------|-------------------|----------------|------------------|----------------|-----------|----------|--------------|----------------|
|                   | Count        | Amount         | Count              | Amount         | Count             | Amount         | Count            | Amount         | Count     | Amount   | Count        | Amount         |
| Motor TP          | 29           | 17,636         | 201                | 123,179        | 203               | 129,115        | 286              | 193,933        | -         | -        | 719          | 463,863        |
| Motor OD          | 543          | 46,324         | 282                | 70,592         | 60                | 20,489         | 21               | 10,312         | -         | -        | 906          | 147,717        |
| Fire              | 3            | 4,645          | 30                 | 141,173        | 8                 | 16,144         | -                | -              | -         | -        | 41           | 161,962        |
| Engineering       | -            | -              | 2                  | 490            | 1                 | 320            | -                | -              | -         | -        | 3            | 810            |
| Others            | 9            | 824            | 20                 | 3,753          | 3                 | 805            | -                | -              | -         | -        | 32           | 5,382          |
| Health Insurance  | 697          | 22,603         | 524                | 27,432         | -                 | 136            | -                | 1,649          | -         | -        | 1,221        | 51,820         |
| Personal Accident | 65           | 13,403         | 42                 | 39,286         | -                 | -              | -                | -              | -         | -        | 107          | 52,689         |
| <b>Total</b>      | <b>1,346</b> | <b>105,435</b> | <b>1,101</b>       | <b>405,905</b> | <b>275</b>        | <b>167,009</b> | <b>307</b>       | <b>205,894</b> | <b>-</b>  | <b>-</b> | <b>3,029</b> | <b>884,243</b> |


**ANNEXURE – 2**
**AVERAGE CLAIMS SETTLEMENT TIME:**

| Type                 | 2023-24 |       | 2022-23 |      | 2021-22 |      | 2020-21 |      | 2019-20 |      |
|----------------------|---------|-------|---------|------|---------|------|---------|------|---------|------|
|                      | Count   | Days  | Count   | Days | Count   | Days | Count   | Days | Count   | Days |
| Fire                 | 304     | 91    | 206     | 68   | 263     | 88   | 243     | 110  | 165     | 216  |
| Motor OD             | 75049   | 13    | 80,720  | 14   | 44,441  | 14   | 30,850  | 16   | 23,880  | 15   |
| Motor TP             | 754     | 498.4 | 571     | 539  | 327     | 552  | 144     | 551  | 63      | 460  |
| Personal Accident    | 685     | 12    | 505     | 12   | 498     | 11   | 441     | 10   | 451     | 12   |
| Health Insurance     | 119,897 | 10    | 64,823  | 10   | 37,946  | 13   | 23,461  | 12   | 19,510  | 10   |
| Others               | 434     | 66    | 547     | 51   | 276     | 38   | 182     | 51   | 101     | 87   |
| Engineering          | 350     | 25    | 259     | 17   | 17      | 79   | 3       | 291  | 1       | 33   |
| Workmen Compensation | 65      | 139   | 36      | 126  | 31      | 201  | 16      | 228  | 1       | 228  |
| Marine Cargo         | 871     | 26    | 862     | 31   | 40      | 11   | Nil     | Nil  | NA      | NA   |

**ANNEXURE – 3**
**DETAILS OF CLAIMS INTIMATED\*:**

(Amount in '000)

| Particulars           | Eastern       |                | Northern      |                  | Southern      |                  | Western       |                  |
|-----------------------|---------------|----------------|---------------|------------------|---------------|------------------|---------------|------------------|
|                       | No of Claims  | Amount         | No of Claims  | Amount           | No of Claims  | Amount           | No of Claims  | Amount           |
| Fire                  | 31            | 121,320        | 73            | 162,881          | 89            | 157,639          | 148           | 158,465          |
| Engineering           | -             | -              | 282           | 19,612           | 34            | 3,948            | 39            | 11,632           |
| Motor OD              | 9,770         | 304,519        | 32,001        | 1,156,318        | 17,695        | 508,351          | 23,658        | 736,288          |
| Motor TP              | 145           | 162,409        | 416           | 532,430          | 411           | 369,253          | 391           | 300,734          |
| Worksmen Compensation | -             | -              | 7             | 4,068            | 14            | 937              | 59            | 13,068           |
| Personal Accident     | 32            | 9,269          | 156           | 44,565           | 206           | 65,232           | 243           | 53,864           |
| Health Insurance      | 18,629        | 226,950        | 19,553        | 805,317          | 42,859        | 1,912,393        | 39,150        | 1302,971         |
| Other                 | 22            | 5,393          | 120           | 12,359           | 69            | 27,344           | 253           | 105,208          |
| Marine                | 69            | 3,682          | 335           | 25,979           | 160           | 11,464           | 476           | 33,978           |
| <b>TOTAL</b>          | <b>28,698</b> | <b>833,542</b> | <b>52,943</b> | <b>2,763,529</b> | <b>61,537</b> | <b>3,056,561</b> | <b>64,417</b> | <b>2,716,208</b> |

\* Including both:

1) actual reserve created on claim intimation plus

2) changes in reserves (increase/decrease) after claims are settled and paid off or any subsequent revision in claim reserve amount

# Independent Auditors' Report

**On the Financial Statements for the year ended March 31, 2024 of Kotak Mahindra General Insurance Company Limited**

**To the members of Kotak Mahindra General Insurance Company Limited**

**Report on Audit of the Financial Statements**

## OPINION

We have audited the accompanying financial statements of **Kotak Mahindra General Insurance Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account for the year then ended, the schedules annexed there and notes to the financial statements, including a summary of the significant accounting policies and other explanatory notes (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by provisions of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act") read with Insurance Regulatory and Development Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), order/ directions, circulars, guidelines issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Companies Act, 2013, as amended, (the Act) to the extent applicable and in the manner so required, and give true and fair view in conformity with the accounting principles generally accepted in India, as applicable to insurance companies:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2024;
- ii. in the case of the Revenue Accounts, of the operating loss in so far as it relates to the Marine Revenue Account, and operating profit for Fire Revenue Account and Miscellaneous Revenue Account for the year ended on that date;
- iii. in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- iv. in the case of the Receipts and Payments Account, of the receipts and payments for the year ended on that date.

## BASIS FOR OPINION

We conducted our audit of the financial statement 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 on the financial statement.

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is Director's 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 in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITY OF 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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the requirements of the Insurance Act, the IRDA Act, the IRDA Financial Statements Regulations, the Act and in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 are 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 of assurance but 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, they 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 control 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 with reference to Financial Statements 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 Company's ability 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, including any significant deficiencies in internal control that we identify during our audit.

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 MATTER

Pursuant to IRDAI (Appointed Actuary) Regulations 2017, the actuarial valuation of liabilities in respect of claims Incurred But Not Reported ("IBNR"), claims Incurred But Not Enough Reported ("IBNER") and Premium Deficiency Reserve ("PDR") as at March 31, 2024, has been duly certified by the Appointed Actuary. They have also certified that assumptions used for such valuation are appropriate and in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Accordingly, we have relied upon the aforesaid certificate from the Appointed Actuary while forming our opinion on the financial statements of the Company.

Our opinion is not modified in respect of above matter.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated April 24, 2024 certifying the matters specified in paragraphs 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
2. This Report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.

3. As required by IRDA Financial Statements Regulations, read with Section 143 (3) of the Act, 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. In our opinion, 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 except for the matters stated in the paragraph k(vii) below on reporting under Rule 11(g);
  - c. As the Company's financial accounting system is centralized at Head Office, no returns for the purposes of our audit are prepared at the branches of the Company;
  - 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. In our opinion and to the best of our information and according to the explanations given to us, investments have been valued in accordance with the provisions of the Insurance Act the IRDA Financial Statements Regulations and / or orders / directions/circulars/guidelines issued by the IRDAI in this behalf;
  - f. In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet, the Revenue Accounts, the Profit and Loss Account and the Receipts and Payments Account dealt with by this report comply with the Accounting Standards specified under Section 133 of the Act to the extent they are not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders/directions issued by IRDAI in this regard;
  - g. In our opinion and to the best of our information and according to the explanations given to us, the accounting policies selected by the Company are appropriate and are in compliance with the Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the accounting principles prescribed in the IRDA Financial Statements Regulations and orders / directions issued by the IRDAI in this behalf;
  - h. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;
  - i. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information and explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is within the limits prescribed under section 197 of the Act read with Section 34A of the Insurance Act, 1938;
  - j. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**";
  - k. 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:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 3 of Schedule 16 to the financial statements;
    - ii. Liability for insurance contracts, is determined by the Company's Actuary referred to in Other Matter paragraph above, on which we have placed reliance; and the Company did not have any other long-term contracts including derivative contracts for which there were any material foreseeable losses - Refer Note 33 of schedule 16 to the financial statements;
    - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for financial statements.
    - iv. With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 11(b) above on reporting under Section 143(3)(b) and paragraph k(vii) below on reporting under Rule 11(g) of the Rules.
    - v.
      - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;





- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- vi. The Company has not declared and paid any dividend during the year and accordingly no compliance with respect to section 123 of the Act is required to be followed.
- vii. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account which have a feature of recording audit trail (edit log) facility. The audit trail feature has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our examination, we did not come across any instance of audit trail features being tempered with, post enablement of the audit trail facility.

However, with respect to one cloud-based accounting software used for maintaining its books of account due to absence of service organization controls report for the period April 01, 2023 to March 31, 2024, we are unable to comment whether the audit trail feature of the aforesaid software at the database level was enabled and operated throughout the year for direct data changes including any instance of tampering if any. (Refer Note 38 of Schedule 16 forming part of the Financial Statements)

**For V. C. Shah & Co.**

Chartered Accountants  
Firm Registration No. 109818W

**Viral J. Shah**

Partner  
Membership No. 110120  
UDIN: 24110120BKFQNY5144  
Place: Mumbai  
Date: April 24, 2024

**For M S K A & Associates**

Chartered Accountants  
Firm Registration No. 105047W

**Swapnil Kale**

Partner  
Membership No. 117812  
UDIN: 24117812BKFIDY9872  
Place: Mumbai  
Date: April 24, 2024

## Annexure "A"

### To the Independent Auditors' Report of even date on the Financial Statements of Kotak Mahindra General Insurance Company Limited

(Referred to in paragraph 3(j) under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report of even date to the members of Kotak Mahindra General Insurance Company Limited on the financial statements for the year ended March 31, 2024)

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

#### OPINION

1. We have audited the internal financial controls with reference to financial statements of **Kotak Mahindra General Insurance Company Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March, 31, 2024, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (ICAI) (the "Guidance Note"). 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 Act including the provisions of the Insurance Act, 1938 as 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") in this regard.

#### AUDITORS' RESPONSIBILITY

3. 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 issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 with reference to financial statements.

#### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

6. A company's internal financial control with reference to financial statements 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 statements 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 WITH REFERENCE TO FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls with reference to financial statements, 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OTHER MATTERS

8. Pursuant to IRDAI (Appointed Actuary) Regulations 2017, the actuarial valuation of liabilities in respect of claims Incurred But Not Reported ("IBNR"), claims Incurred But Not Enough Reported ("IBNER") and Premium Deficiency Reserve ("PDR") as at March 31, 2024, has been duly certified by the Appointed Actuary. They have also certified that assumptions used for such valuation are appropriate and 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 aforesaid certificate while forming our opinion on the financial statements of the Company as mentioned in Other Matter paragraph in our Audit Report on the financial statements for the year ended March 31, 2024. Accordingly, our opinion on the internal financial controls with reference to financial statements does not include reporting on the adequacy and operating effectiveness of the internal controls over the valuation and accuracy of the aforesaid actuarial liabilities.

Our opinion is not modified in respect of the above matter.

### For V. C. Shah & Co.

Chartered Accountants  
Firm Registration No. 109818W

### For M S K A & Associates

Chartered Accountants  
Firm Registration No. 105047W

### Viral J. Shah

Partner  
Membership No. 110120  
UDIN: 24110120BKFQNY5144  
Place: Mumbai  
Date: April 24, 2024

### Swapnil Kale

Partner  
Membership No. 117812  
UDIN: 24117812BKFIDY9872  
Place: Mumbai  
Date: April 24, 2024

# Independent Auditors' Certificate

## To the Board of Directors of Kotak Mahindra General Insurance Company Limited (The "Company")

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated April 24, 2024)

We have been requested by the Company having registered office at 27BKC, C27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051, to issue a certificate in accordance with the terms of engagement letters dated September 04, 2023.

This certificate is issued to comply 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 IRDA Financial Statements Regulations") read with Regulation 3 of the IRDA Financial Statements Regulations.

### MANAGEMENT'S RESPONSIBILITY

The Management is responsible for ensuring that the Company complies with the requirements of The Insurance Act, 1938 as amended by 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"). The responsibility includes collecting, collating, validating data, designing, implementing and monitoring of internal controls relevant for ensuring compliance with the Provisions of Paragraph 3 & 4 of Schedule C of the IRDA Financial Statements Regulations and provide all relevant information to IRDAI and making estimates that are reasonable in the circumstances.

### AUDITOR'S RESPONSIBILITY

Pursuant to the requirements of the Regulations, our responsibility, for the purpose of this certificate, is to provide reasonable assurance on matters contained in paragraphs 3 and 4 of Schedule C of the IRDA Financial Statements Regulations.

The following documents have been furnished by the Company:

- a) Management Report for the year ended March 31, 2024
- b) Compliance certificate submitted to the Board of Directors by the officers of the Company.
- c) Cash in Hand and Cheques in Hand certificate as on March 31, 2024
- d) Holding Statement as at March 31, 2024 issued by the Company's custodian for Investments; and
- e) Management Representation.

We have performed the following procedures: -

- a) Reviewed the management report attached to the financial statements for the year ended March 31, 2024;
- b) Considering the COVID-19 pandemic situation in India, we have obtained the management certificate with respect to cash/cheques in hands as on March 31, 2024 at all the branches. For securities relating to Company's loans and investments as at March 31, 2024, we have verified certificates/ confirmations received from the third parties/Custodians and/Depository Participants appointed by the Company, as the case may be;
- c) Read the compliance certificate submitted to the Board of Directors; and
- d) Relied on Management representation.

We have audited the financial statements of the Company as of and for the financial year ended March 31, 2024, on which we issued an unmodified audit opinion vide our reports dated April 24, 2024. Our audits of these financial statements were conducted in accordance with the Standards on Auditing as prescribed under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. 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 audits were 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) issued by the Institute of Chartered Accountants of India (ICAI). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have not performed an audit, the objective of which would be the expression of an opinion on the financial statements, specified elements, accounts or items thereof, for the purpose of this Certificate.



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 issued by ICAI.

## OPINION

Based on our examination, as above, the information and explanations and representation given to us, we report that:

1. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2024, and on the basis of our review, there is no apparent mistake or material inconsistency with the financial statements;
2. The Company has complied with the terms and conditions of registration as per sub section 4 of section 3 of the Insurance Act, 1938;
3. We have reviewed the cash balances and cheques on hand from the certificate and confirmations provided by the management and securities relating to Company's loans and investments as at March 31, 2024, by actual inspection and on the basis of certificates/confirmations received from the third parties/Custodians and/Depository Participants appointed by the Company, as the case may be;
4. The Company is not a trustee of any trust; and
5. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, 1938 relating to the application and investments of the Policyholders' Funds.

## RESTRICTION ON USE

This certificate is issued at the request of the Company solely for use of the Company for inclusion in the annual accounts in order to comply with the provisions of paragraph 3 and 4 of Schedule C of the IRDA Financial Statements Regulations read with Regulation 3 of the IRDA Regulations and is not intended to be and should not be used for any other purpose without our prior consent. Auditors' shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. 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 Certificate is shown or into whose hands it may come without our prior consent in writing.

### For V. C. Shah & Co.

Chartered Accountants  
Firm Registration No. 109818W

### For M S K A & Associates

Chartered Accountants  
Firm Registration No. 105047W

### Viral J. Shah

Partner  
Membership No. 110120  
UDIN: 24110120BKFNQY5144  
Place: Mumbai  
Date: April 24, 2024

### Swapnil Kale

Partner  
Membership No. 117812  
UDIN: 24117812BKFDY9872  
Place: Mumbai  
Date: April 24, 2024

# Audited Balance Sheet

 as at 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

| Particulars  | Schedule | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--|----------|---------------------------------------|---------------------------------------|
| <b>Sources of Funds</b>  |          |                                       |                                       |
| Share Capital  | 5        | 8,750,000                             | 6,800,000                             |
| Share Application Money Pending Allotment  |          | -                                     | -                                     |
| Reserves And Surplus   | 6        | -                                     | -                                     |
| Fair Value Change Account - Shareholder's fund   |          | -                                     | -                                     |
| Fair Value Change Account - Policyholder's fund  |          | -                                     | -                                     |
| Borrowings   | 7        | -                                     | -                                     |
| <b>TOTAL</b>   |          | <b>8,750,000</b>                      | <b>6,800,000</b>                      |
| <b>Application of Funds</b>  |          |                                       |                                       |
| Investments-Shareholders   | 8        | 4,531,748                             | 3,495,584                             |
| Investments-Policyholders  | 8A       | 18,421,833                            | 13,942,420                            |
| Loans  | 9        | -                                     | -                                     |
| Fixed Assets   | 10       | 146,366                               | 162,575                               |
| Deferred Tax Asset (Refer Note 26 of Schedule 16)  |          | -                                     | -                                     |
| Current Assets   |          |                                       |                                       |
| Cash and Bank Balances   | 11       | 397,771                               | 249,411                               |
| Advances and Other Assets  | 12       | 1,919,901                             | 1,315,894                             |
| <b>Sub-Total (A)</b>   |          | <b>2,317,672</b>                      | <b>1,565,305</b>                      |
| Current Liabilities  | 13       | 12,916,576                            | 10,033,566                            |
| Provisions   | 14       | 8,029,801                             | 5,721,573                             |
| <b>Sub-Total (B)</b>   |          | <b>20,946,377</b>                     | <b>15,755,139</b>                     |
| <b>Net Current Assets (C) = (A - B)</b>  |          | <b>(18,628,705)</b>                   | <b>(14,189,834)</b>                   |
| Miscellaneous Expenditure (to the extent not written off or adjusted)                    | 15       | -                                     | -                                     |
| Debit Balance in Profit and Loss Account   |          | 4,278,758                             | 3,389,255                             |
| <b>TOTAL</b>   |          | <b>8,750,000</b>                      | <b>6,800,000</b>                      |
| <b>Significant Accounting Policies &amp; Notes to Accounts - Schedule 16</b>             |          |                                       |                                       |
| <b>The schedules referred to above form an integral part of the Financial Statements</b> |          |                                       |                                       |

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

**For V. C. Shah & Co.**  
Chartered Accountants  
ICAI FRN : 109818W

**For MSKA & Associates**  
Chartered Accountants  
ICAI FRN : 105047W

**Viral J. Shah**  
Partner  
M. No : 110120

**Swapnil Kale**  
Partner  
M. No : 117812

**For and on behalf of the Board of Directors**

of Kotak Mahindra General Insurance Company Limited

**Gaurang Shah**  
Chairman  
DIN: 00016660

**G.Murlidhar**  
Director  
DIN: 03601196

**Suresh Agarwal**  
Managing Director & CEO  
DIN: 09126759

**Yash Kotak**  
Chief Financial Officer

Place: Mumbai  
Date: 24<sup>th</sup> April, 2024

**Parshant Arora**  
Chief Compliance Officer and Company Secretary

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

FORM B-PL

# Audited Profit and Loss Account

for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

| Particulars  | For the Year Ended<br>31 <sup>st</sup> March, 2024 | For the Year Ended<br>31 <sup>st</sup> March, 2023 |
|--|--|--|
| Operating Profit/(Loss)  |  |  |
| (a) Fire Insurance   | 111,839  | 73,267   |
| (b) Marine Insurance   | (23,139)   | (37,650)   |
| (c) Miscellaneous Insurance  | 337,502  | (343,495)  |
| Income from Investments  |  |  |
| (a) Interest, Dividend & Rent – Gross  | 275,637  | 183,794  |
| (b) Profit on sale/redemption of Investments   | 7,892  | 5,479  |
| Less: Loss on sale of investments  | (19,014)   | (7,615)  |
| Other Income   | 2,070  | 1,194  |
| Profit/ (Loss) on Sale of Fixed Assets   | 2,867  | 1,923  |
| <b>TOTAL (A)</b>   | <b>695,654</b>                                     | <b>(123,103)</b>                                   |
| Provisions (Other than taxation)   |  |  |
| (a) For diminution in the value of Investments   | -  | -  |
| (b) For doubtful debts   | -  | -  |
| (c) Others   | -  | -  |
| Other Expenses   |  |  |
| Expenses other than those related to Insurance Business:                                 |  |  |
| (a) Employees' related remuneration and welfare benefits                                 | -  | 21,105   |
| (b) Bad debts/ advances written off  | 3,632  | -  |
| (c) Contribution to Policyholders Fund towards excess EOM (Refer Note 31 of Schedule 16) | 1,581,525  | 1,028,588  |
| (d) Others   | -  | -  |
| <b>TOTAL (B)</b>   | <b>1,585,157</b>                                   | <b>1,049,693</b>                                   |
| Profit / (Loss) Before Tax   | (889,503)  | (1,172,796)  |
| Provision for Taxation   |  |  |
| Current Tax  | -  | -  |
| Deferred Tax (Refer Note 26 of Schedule 16)  | -  | -  |
| Profit / (Loss) After Tax  | (889,503)  | (1,172,796)  |
| Profit available for appropriation   | (889,503)  | (1,172,796)  |
| <b>Appropriations :-</b>   |  |  |
| (a) Interim dividends paid during the year   | -  | -  |
| (b) Final dividend   | -  | -  |
| (c) Dividend distribution tax  | -  | -  |
| (d) Transfer to any Reserves or Other Accounts   | -  | -  |
| Balance of profit/ (loss) brought forward from previous year                             | (3,389,255)  | (2,216,459)  |
| <b>Balance carried forward to Balance Sheet</b>  | <b>(4,278,758)</b>                                 | <b>(3,389,255)</b>                                 |
| <b>Earning Per Share (Basic &amp; Diluted) (Refer Note 17 of Schedule 16)</b>            | <b>(1.20)</b>                                      | <b>(1.96)</b>                                      |
| <b>Significant Accounting Policies &amp; Notes to Accounts - Schedule 16</b>             |  |  |
| <b>The schedules referred to above form an integral part of the Financial Statements</b> |  |  |

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

**For V. C. Shah & Co.**  
Chartered Accountants  
ICAI FRN : 109818W

**Viral J. Shah**  
Partner  
M. No : 110120

**For MSKA & Associates**  
Chartered Accountants  
ICAI FRN : 105047W

**Swapnil Kale**  
Partner  
M. No : 117812

**For and on behalf of the Board of Directors**

of Kotak Mahindra General Insurance Company Limited

**Gaurang Shah**  
Chairman  
DIN: 00016660

**Suresh Agarwal**  
Managing Director & CEO  
DIN: 09126759

**Parshant Arora**

Chief Compliance Officer and Company Secretary

**G.Murlidhar**  
Director  
DIN: 03601196

**Yash Kotak**  
Chief Financial Officer

Place: Mumbai  
Date: 24<sup>th</sup> April, 2024

# Audited Revenue Account

 for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

| Particulars   | Schedule | For the Year Ended 31 <sup>st</sup> March, 2024 |                 |                   |                   | For the Year Ended 31 <sup>st</sup> March, 2023 |                 |                  |                  |
|---|----------|---|-----------------|-------------------|-------------------|---|-----------------|------------------|------------------|
|   |          | Fire  | Marine          | Miscellaneous     | Total             | Fire  | Marine          | Miscellaneous    | Total            |
| Premiums earned (Net)   | 1        | 199,675   | 5,735           | 8,579,185         | 8,784,595         | 186,240   | 27,290          | 6,604,340        | 6,817,870        |
| Profit / (Loss) on sale/redemption of Investments                                       |          | (1,917)   | (46)            | (42,881)          | (44,844)          | (425)   | (8)             | (8,415)          | (8,848)          |
| Interest, Dividend & Rent – Gross   |          | 67,990  | 1,127           | 1,063,950         | 1,133,067         | 47,652  | 669             | 724,906          | 773,227          |
| Others - Miscellaneous Income   |          | 172   | 4               | 3,841             | 4,017             | 245   | 4               | 4,855            | 5,104            |
| - Contribution form Shareholders fund towards excess EOM (Refer Note 31 of Schedule 16) |          | -   | -               | 1,581,525         | 1,581,525         | -   | -               | 1,028,588        | 1,028,588        |
| <b>TOTAL (A)</b>  |          | <b>265,920</b>                                  | <b>6,820</b>    | <b>11,185,620</b> | <b>11,458,360</b> | <b>233,712</b>                                  | <b>27,955</b>   | <b>8,354,274</b> | <b>8,615,941</b> |
| Claims Incurred (Net)   | 2        | 62,492  | 17,833          | 5,678,714         | 5,759,039         | 94,397  | 37,791          | 4,605,979        | 4,738,167        |
| Commission  | 3        | (6,474)   | 4,944           | 2,183,122         | 2,181,592         | (53,027)  | 6,468           | 237,303          | 190,744          |
| Contribution to Solatium Fund   |          | -   | -               | 3,318             | 3,318             | -   | -               | 2,581            | 2,581            |
| Change in Premium Deficiency  |          | -   | (900)           | -                 | (900)             | -   | 900             | -                | 900              |
| Operating Expenses related to Insurance Business  | 4        | 98,063  | 8,082           | 2,982,964         | 3,089,109         | 119,075   | 20,446          | 3,851,906        | 3,991,427        |
| <b>TOTAL (B)</b>  |          | <b>154,081</b>                                  | <b>29,959</b>   | <b>10,848,118</b> | <b>11,032,158</b> | <b>160,445</b>                                  | <b>65,605</b>   | <b>8,697,769</b> | <b>8,923,819</b> |
| <b>Operating Profit/(Loss) from Fire/ Marine/Miscellaneous Business</b>                 |          | <b>111,839</b>                                  | <b>(23,139)</b> | <b>337,502</b>    | <b>426,202</b>    | <b>73,267</b>                                   | <b>(37,650)</b> | <b>(343,495)</b> | <b>(307,878)</b> |
| <b>C= (A - B)</b>   |          |   |                 |                   |                   |   |                 |                  |                  |
| <b>APPROPRIATIONS</b>   |          |   |                 |                   |                   |   |                 |                  |                  |
| Transfer to Shareholders' Account   |          | 111,839   | (23,139)        | 337,502           | 426,202           | 73,267  | (37,650)        | (343,495)        | (307,878)        |
| Transfer to Catastrophe Reserve   |          | -   | -               | -                 | -                 | -   | -               | -                | -                |
| Other Reserve   |          | -   | -               | -                 | -                 | -   | -               | -                | -                |
| <b>TOTAL (C)</b>  |          | <b>111,839</b>                                  | <b>(23,139)</b> | <b>337,502</b>    | <b>426,202</b>    | <b>73,267</b>                                   | <b>(37,650)</b> | <b>(343,495)</b> | <b>(307,878)</b> |

**Significant Accounting Policies & Notes to Accounts - Schedule 16**

The schedules referred to above form an integral part of the Financial Statements

**As per our report of even date attached**
**For V. C. Shah & Co.**  
 Chartered Accountants  
 ICAI FRN : 109818W

**For MSKA & Associates**  
 Chartered Accountants  
 ICAI FRN : 105047W

**Viral J. Shah**  
 Partner  
 M. No : 110120

**Swapnil Kale**  
 Partner  
 M. No :117812

**For and on behalf of the Board of Directors**  
 of Kotak Mahindra General Insurance Company Limited

**Gaurang Shah**  
 Chairman  
 DIN: 00016660

**G.Murlidhar**  
 Director  
 DIN: 03601196

**Suresh Agarwal**  
 Managing Director & CEO  
 DIN: 09126759

**Yash Kotak**  
 Chief Financial Officer

 Place: Mumbai  
 Date: 24<sup>th</sup> April, 2024

**Parshant Arora**  
 Chief Compliance Officer and Company Secretary



IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

# Receipts & Payments Account

 for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

| Particulars   | For the Year Ended<br>31 <sup>st</sup> March, 2024 | For the Year Ended<br>31 <sup>st</sup> March, 2023 |
|---|--|--|
| <b>Cash Flows from the operating activities:</b>                                |  |  |
| Premium received from policyholders, including advance receipts                 | 18,803,394   | 13,762,516   |
| Payments to the re-insurers, net of commissions and claims                      | (1,465,421)  | (1,172,595)  |
| Payments of claims  | (6,690,720)  | (4,983,695)  |
| Payments of commission and brokerage  | (2,842,328)  | (942,942)  |
| Payments of other operating expenses  | (3,817,766)  | (3,776,780)  |
| Deposits, advances and staff loans  | (177,178)  | (183,897)  |
| Income taxes paid (Net)   | (8,414)  | (6,462)  |
| GST paid  | (1,090,636)  | (794,932)  |
| Other payments  | (55)   | -  |
| Cash flows before extraordinary items   | 2,710,876  | 1,901,213  |
| Cash flow from extraordinary operations   | -  | -  |
| <b>Net cash flow from operating activities (A)</b>                              | <b>2,710,876</b>                                   | <b>1,901,213</b>                                   |
| <b>Cash flows from investing activities:</b>                                    |  |  |
| Purchase of fixed assets  | (97,591)   | (113,740)  |
| Proceeds from sale of fixed assets  | 3,006  | 4,016  |
| Purchases of investments  | (86,402,450)                                       | (89,784,211)                                       |
| Sales of investments  | 77,936,103   | 81,908,953   |
| Repayments received   | 2,998,000  | 2,864,500  |
| Rents/Interests/ Dividends received   | 1,050,436  | 1,060,012  |
| Investments in money market instruments and in liquid mutual funds (Net)        | -  | 270  |
| Expenses related to investments   | (20)   | (446)  |
| <b>Net cash flow from investing activities (B)</b>                              | <b>(4,512,516)</b>                                 | <b>(4,060,646)</b>                                 |
| <b>Cash flows from financing activities:</b>                                    |  |  |
| Proceeds from issuance of share capital   | 1,950,000  | 2,250,000  |
| Proceeds from borrowing   | -  | -  |
| Repayments of borrowing   | -  | -  |
| Interest/dividends paid   | -  | -  |
| <b>Net cash flow from financing activities (C)</b>                              | <b>1,950,000</b>                                   | <b>2,250,000</b>                                   |
| <b>Effect of foreign exchange rates on cash and cash equivalents, (Net) (D)</b> | <b>-</b>   | <b>-</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents: (A+B+C+D)</b>          | <b>148,360</b>                                     | <b>90,567</b>                                      |
| Cash and cash equivalents at the beginning of the year                          | 249,411  | 158,844  |
| Cash and cash equivalents at the end of the year                                | 397,771  | 249,411  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                     | <b>148,360</b>                                     | <b>90,567</b>                                      |
| <b>Notes To Accounts</b>  |  |  |
| <b>Refer Schedule 11 for components of Cash and Bank Balances</b>               |  |  |

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

**For V. C. Shah & Co.**  
Chartered Accountants  
ICAI FRN : 109818W

**For MSKA & Associates**  
Chartered Accountants  
ICAI FRN : 105047W

**Viral J. Shah**  
Partner  
M. No : 110120

**Swapnil Kale**  
Partner  
M. No : 117812

**For and on behalf of the Board of Directors**  
of Kotak Mahindra General Insurance Company Limited

**Gaurang Shah**  
Chairman  
DIN: 00016660

**G.Murlidhar**  
Director  
DIN: 03601196

**Suresh Agarwal**  
Managing Director & CEO  
DIN: 09126759

**Yash Kotak**  
Chief Financial Officer

Place: Mumbai  
Date: 24<sup>th</sup> April, 2024

**Parshant Arora**  
Chief Compliance Officer and Company Secretary

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 1 - PREMIUM EARNED (NET)

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2024 |              |          |                   |                   | For the Year Ended 31 <sup>st</sup> March, 2023 |               |          |                  |                  |
|--|---|--------------|----------|-------------------|-------------------|---|---------------|----------|------------------|------------------|
|  | Fire  | Marine       |          | Miscellaneous*    | Total             | Fire  | Marine        |          | Miscellaneous*   | Total            |
|  |   | Cargo        | Others   |                   |                   |   | Cargo         | Others   |                  |                  |
| <b>Premium from direct business written:</b>                 | 789,782   | 90,595       | -        | 14,990,702        | 15,871,079        | 704,153   | 175,883       | -        | 10,460,872       | 11,340,908       |
| Add : Premium on reinsurance accepted                        | 102,862   | 638          | -        | 9,054             | 112,554           | 129,297   | 477           | -        | 12,316           | 142,090          |
| Less : Premium on reinsurance ceded                          | 637,512   | 83,841       | -        | 4,201,476         | 4,922,829         | 596,073   | 148,813       | -        | 2,656,933        | 3,401,819        |
| <b>Net Premium</b>   | <b>255,132</b>                                  | <b>7,392</b> | <b>-</b> | <b>10,798,280</b> | <b>11,060,804</b> | <b>237,377</b>                                  | <b>27,547</b> | <b>-</b> | <b>7,816,255</b> | <b>8,081,179</b> |
| <b>Adjustment for change in reserve for unexpired risks:</b> |   |              |          |                   |                   |   |               |          |                  |                  |
| Change in the unexpired risk reserve                         | 55,457  | 1,657        | -        | 2,219,095         | 2,276,209         | 51,137  | 257           | -        | 1,211,915        | 1,263,309        |
| <b>Total Premium Earned (Net)</b>                            | <b>199,675</b>                                  | <b>5,735</b> | <b>-</b> | <b>8,579,185</b>  | <b>8,784,595</b>  | <b>186,240</b>                                  | <b>27,290</b> | <b>-</b> | <b>6,604,340</b> | <b>6,817,870</b> |
| <b>Premium Income from business effected:</b>                |   |              |          |                   |                   |   |               |          |                  |                  |
| In India   | 199,675   | 5,735        | -        | 8,579,185         | 8,784,595         | 186,240   | 27,290        | -        | 6,604,340        | 6,817,870        |
| Outside India  | -   | -            | -        | -                 | -                 | -   | -             | -        | -                | -                |
| <b>Total Premium Earned (Net)</b>                            | <b>199,675</b>                                  | <b>5,735</b> | <b>-</b> | <b>8,579,185</b>  | <b>8,784,595</b>  | <b>186,240</b>                                  | <b>27,290</b> | <b>-</b> | <b>6,604,340</b> | <b>6,817,870</b> |

\*Refer Schedule 1A

## SCHEDULE 1A - PREMIUM EARNED (NET)

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2024 |                  |                  |                        |            |               |          |                   |                  |              |                |                   |
|--|---|------------------|------------------|------------------------|------------|---------------|----------|-------------------|------------------|--------------|----------------|-------------------|
|  | Motor OD  | Motor TP         | Motor Total      | Workmen's Compensation | Liability  | Engineering   | Aviation | Personal Accident | Health Insurance | Trade Credit | Others         | Total             |
| Premium from direct business written:                        | 4,247,450                                       | 3,237,364        | 7,484,814        | 16,644                 | 3,215      | 110,342       | -        | 691,456           | 6,205,527        | -            | 478,704        | 14,990,702        |
| Add : Premium on reinsurance accepted                        | -   | -                | -                | -                      | -          | 8,152         | -        | -                 | -                | -            | 902            | 9,054             |
| Less : Premium on reinsurance ceded                          | 1,745,586                                       | 171,596          | 1,917,182        | 806                    | 2,938      | 98,523        | -        | 192,517           | 1,742,057        | -            | 247,453        | 4,201,476         |
| <b>Net Premium</b>   | <b>2,501,864</b>                                | <b>3,065,768</b> | <b>5,567,632</b> | <b>15,838</b>          | <b>277</b> | <b>19,971</b> | <b>-</b> | <b>498,939</b>    | <b>4,463,470</b> | <b>-</b>     | <b>232,153</b> | <b>10,798,280</b> |
| <b>Adjustment for change in reserve for unexpired risks:</b> |   |                  |                  |                        |            |               |          |                   |                  |              |                |                   |
| Change in the unexpired risk reserve                         | 568,962   | 428,418          | 997,380          | 3,174                  | 73         | 1,647         | -        | 124,831           | 943,607          | -            | 148,383        | 2,219,095         |
| <b>Total Premium Earned (Net)</b>                            | <b>1,932,902</b>                                | <b>2,637,350</b> | <b>4,570,252</b> | <b>12,664</b>          | <b>204</b> | <b>18,324</b> | <b>-</b> | <b>374,108</b>    | <b>3,519,863</b> | <b>-</b>     | <b>83,770</b>  | <b>8,579,185</b>  |
| Premium Income from business effected:                       |   |                  |                  |                        |            |               |          |                   |                  |              |                |                   |
| In India   | 1,932,902                                       | 2,637,350        | 4,570,252        | 12,664                 | 204        | 18,324        | -        | 374,108           | 3,519,863        | -            | 83,770         | 8,579,185         |
| Outside India  | -   | -                | -                | -                      | -          | -             | -        | -                 | -                | -            | -              | -                 |
| <b>Total Premium Earned (Net)</b>                            | <b>1,932,902</b>                                | <b>2,637,350</b> | <b>4,570,252</b> | <b>12,664</b>          | <b>204</b> | <b>18,324</b> | <b>-</b> | <b>374,108</b>    | <b>3,519,863</b> | <b>-</b>     | <b>83,770</b>  | <b>8,579,185</b>  |

## SCHEDULE 1A - PREMIUM EARNED (NET)

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2023 |                  |                  |                        |            |               |          |                   |                  |              |                |                  |
|--|---|------------------|------------------|------------------------|------------|---------------|----------|-------------------|------------------|--------------|----------------|------------------|
|  | Motor OD  | Motor TP         | Motor Total      | Workmen's Compensation | Liability  | Engineering   | Aviation | Personal Accident | Health Insurance | Trade Credit | Others         | Total            |
| Premium from direct business written:                        | 2,641,256                                       | 2,517,617        | 5,158,873        | 10,918                 | 1,680      | 87,700        | -        | 593,765           | 4,239,950        | -            | 367,986        | 10,460,872       |
| Add : Premium on reinsurance accepted                        | -   | -                | -                | -                      | -          | 8,314         | -        | -                 | -                | -            | 4,002          | 12,316           |
| Less : Premium on reinsurance ceded                          | 959,328   | 123,834          | 1,083,162        | 512                    | 1,512      | 76,457        | -        | 149,963           | 1,142,350        | -            | 202,977        | 2,656,933        |
| <b>Net Premium</b>   | <b>1,681,928</b>                                | <b>2,393,783</b> | <b>4,075,711</b> | <b>10,406</b>          | <b>168</b> | <b>19,557</b> | <b>-</b> | <b>443,802</b>    | <b>3,097,600</b> | <b>-</b>     | <b>169,011</b> | <b>7,816,255</b> |
| <b>Adjustment for change in reserve for unexpired risks:</b> |   |                  |                  |                        |            |               |          |                   |                  |              |                |                  |
| Change in the unexpired risk reserve                         | (188,237)                                       | 490,654          | 302,417          | 2,336                  | 94         | 4,482         | -        | 119,257           | 680,641          | -            | 102,688        | 1,211,915        |
| <b>Total Premium Earned (Net)</b>                            | <b>1,870,165</b>                                | <b>1,903,129</b> | <b>3,773,294</b> | <b>8,070</b>           | <b>74</b>  | <b>15,075</b> | <b>-</b> | <b>324,545</b>    | <b>2,416,959</b> | <b>-</b>     | <b>66,323</b>  | <b>6,604,340</b> |
| Premium Income from business effected:                       |   |                  |                  |                        |            |               |          |                   |                  |              |                |                  |
| In India   | 1,870,165                                       | 1,903,129        | 3,773,294        | 8,070                  | 74         | 15,075        | -        | 324,545           | 2,416,959        | -            | 66,323         | 6,604,340        |
| Outside India  | -   | -                | -                | -                      | -          | -             | -        | -                 | -                | -            | -              | -                |
| <b>Total Premium Earned (Net)</b>                            | <b>1,870,165</b>                                | <b>1,903,129</b> | <b>3,773,294</b> | <b>8,070</b>           | <b>74</b>  | <b>15,075</b> | <b>-</b> | <b>324,545</b>    | <b>2,416,959</b> | <b>-</b>     | <b>66,323</b>  | <b>6,604,340</b> |

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 2 - CLAIMS INCURRED (NET)

| Particulars   | For the Year Ended 31 <sup>st</sup> March, 2024 |               |          |                  |                  | For the Year Ended 31 <sup>st</sup> March, 2023 |               |          |                  |                  |
|---|---|---------------|----------|------------------|------------------|---|---------------|----------|------------------|------------------|
|   | Fire  | Marine        |          | Miscellaneous*   | Total            | Fire  | Marine        |          | Miscellaneous*   | Total            |
|   |   | Cargo         | Others   |                  |                  |   | Cargo         | Others   |                  |                  |
| Claims paid :-  |   |               |          |                  |                  |   |               |          |                  |                  |
| Direct claims   | 200,390   | 64,812        | -        | 6,364,522        | 6,629,724        | 142,679   | 183,589       | -        | 4,609,514        | 4,935,782        |
| Add : Re-insurance accepted to direct claims                                  | 100,420   | 1,502         | -        | 931              | 102,853          | 14,336  | 28            | -        | 913              | 15,277           |
| Less : Re-insurance Ceded to claims   | 245,405   | 53,064        | -        | 2,167,208        | 2,465,677        | 110,645   | 148,458       | -        | 1,243,688        | 1,502,791        |
| <b>Net Claims Paid</b>  | <b>55,405</b>                                   | <b>13,250</b> | <b>-</b> | <b>4,198,245</b> | <b>4,266,900</b> | <b>46,370</b>                                   | <b>35,159</b> | <b>-</b> | <b>3,366,739</b> | <b>3,448,268</b> |
| Claims Outstanding (Including IBNR and IBNER)                                 |   |               |          |                  |                  |   |               |          |                  |                  |
| Add : Claims Outstanding at the end of the period (Net of Reinsurance)        | 154,471   | 8,566         | -        | 7,453,732        | 7,616,769        | 147,384   | 3,983         | -        | 5,973,263        | 6,124,630        |
| Less : Claims Outstanding at the beginning of the period (Net of Reinsurance) | 147,384   | 3,983         | -        | 5,973,263        | 6,124,630        | 99,357  | 1,351         | -        | 4,734,023        | 4,834,731        |
| <b>Total Claims Incurred (Net)</b>  | <b>62,492</b>                                   | <b>17,833</b> | <b>-</b> | <b>5,678,714</b> | <b>5,759,039</b> | <b>94,397</b>                                   | <b>37,791</b> | <b>-</b> | <b>4,605,979</b> | <b>4,738,167</b> |
| Claims paid to claimants:   |   |               |          |                  |                  |   |               |          |                  |                  |
| In India  | 62,492  | 17,833        | -        | 5,678,714        | 5,759,039        | 94,397  | 37,791        | -        | 4,605,979        | 4,738,167        |
| Outside India   | -   | -             | -        | -                | -                | -   | -             | -        | -                | -                |
| <b>Total Claims Incurred</b>  | <b>62,492</b>                                   | <b>17,833</b> | <b>-</b> | <b>5,678,714</b> | <b>5,759,039</b> | <b>94,397</b>                                   | <b>37,791</b> | <b>-</b> | <b>4,605,979</b> | <b>4,738,167</b> |

\*Refer Schedule 2A

## SCHEDULE 2A - CLAIMS INCURRED (NET)

| Particulars   | For the Year Ended 31 <sup>st</sup> March, 2024 |                  |                  |                        |            |              |          |                   |                  |              |               |                  |
|---|---|------------------|------------------|------------------------|------------|--------------|----------|-------------------|------------------|--------------|---------------|------------------|
|   | Motor OD  | Motor TP         | Motor Total      | Workmen's Compensation | Liability  | Engineering  | Aviation | Personal Accident | Health Insurance | Trade Credit | Others        | Total            |
| Claims paid :-  |   |                  |                  |                        |            |              |          |                   |                  |              |               |                  |
| Direct claims   | 2,328,820                                       | 405,634          | 2,734,454        | 6,490                  | -          | 31,935       | -        | 126,933           | 3,308,508        | -            | 156,202       | 6,364,522        |
| Add : Re-insurance accepted to direct claims                                  | -   | -                | -                | -                      | -          | 130          | -        | -                 | -                | -            | 801           | 931              |
| Less : Re-insurance Ceded to claims   | 848,833   | 21,154           | 869,987          | 260                    | -          | 22,895       | -        | 43,996            | 1,100,076        | -            | 129,994       | 2,167,208        |
| <b>Net Claims Paid</b>  | <b>1,479,987</b>                                | <b>384,480</b>   | <b>1,864,467</b> | <b>6,230</b>           | <b>-</b>   | <b>9,170</b> | <b>-</b> | <b>82,937</b>     | <b>2,208,432</b> | <b>-</b>     | <b>27,009</b> | <b>4,198,245</b> |
| Claims Outstanding (Including IBNR and IBNER)                                 |   |                  |                  |                        |            |              |          |                   |                  |              |               |                  |
| Add : Claims Outstanding at the end of the period (Net of Reinsurance)        | 302,674   | 6,570,636        | 6,873,310        | 7,821                  | 150        | 6,347        | -        | 66,295            | 471,842          | -            | 27,967        | 7,453,732        |
| Less : Claims Outstanding at the beginning of the period (Net of Reinsurance) | 302,261   | 5,087,665        | 5,389,926        | 10,850                 | 44         | 6,528        | -        | 98,916            | 430,726          | -            | 36,273        | 5,973,263        |
| <b>Total Claims Incurred (Net)</b>  | <b>1,480,400</b>                                | <b>1,867,451</b> | <b>3,347,851</b> | <b>3,201</b>           | <b>106</b> | <b>8,989</b> | <b>-</b> | <b>50,316</b>     | <b>2,249,548</b> | <b>-</b>     | <b>18,703</b> | <b>5,678,714</b> |
| Claims paid to claimants:   |   |                  |                  |                        |            |              |          |                   |                  |              |               |                  |
| In India  | 1,480,400                                       | 1,867,451        | 3,347,851        | 3,201                  | 106        | 8,989        | -        | 50,316            | 2,249,548        | -            | 18,703        | 5,678,714        |
| Outside India   | -   | -                | -                | -                      | -          | -            | -        | -                 | -                | -            | -             | -                |
| <b>Total Claims Incurred</b>  | <b>1,480,400</b>                                | <b>1,867,451</b> | <b>3,347,851</b> | <b>3,201</b>           | <b>106</b> | <b>8,989</b> | <b>-</b> | <b>50,316</b>     | <b>2,249,548</b> | <b>-</b>     | <b>18,703</b> | <b>5,678,714</b> |

## SCHEDULE 2A - CLAIMS INCURRED (NET)

| Particulars   | For the Year Ended 31 <sup>st</sup> March, 2023 |                  |                  |                        |           |              |          |                   |                  |              |               |                  |
|---|---|------------------|------------------|------------------------|-----------|--------------|----------|-------------------|------------------|--------------|---------------|------------------|
|   | Motor OD  | Motor TP         | Motor Total      | Workmen's Compensation | Liability | Engineering  | Aviation | Personal Accident | Health Insurance | Trade Credit | Others        | Total            |
| Claims paid :-  |   |                  |                  |                        |           |              |          |                   |                  |              |               |                  |
| Direct claims   | 2,240,838                                       | 315,449          | 2,556,287        | 1,634                  | -         | 12,931       | -        | 58,986            | 1,957,861        | -            | 21,815        | 4,609,514        |
| Add : Re-insurance accepted to direct claims                                  | -   | -                | -                | -                      | -         | 97           | -        | -                 | -                | -            | 816           | 913              |
| Less : Re-insurance Ceded to claims   | 631,830   | 14,035           | 645,865          | 81                     | -         | 8,865        | -        | 24,478            | 548,093          | -            | 16,306        | 1,243,688        |
| <b>Net Claims Paid</b>  | <b>1,609,008</b>                                | <b>301,414</b>   | <b>1,910,422</b> | <b>1,553</b>           | <b>-</b>  | <b>4,163</b> | <b>-</b> | <b>34,508</b>     | <b>1,409,768</b> | <b>-</b>     | <b>6,325</b>  | <b>3,366,739</b> |
| Claims Outstanding (Including IBNR and IBNER)                                 |   |                  |                  |                        |           |              |          |                   |                  |              |               |                  |
| Add : Claims Outstanding at the end of the period (Net of Reinsurance)        | 302,261   | 5,087,665        | 5,389,926        | 10,850                 | 44        | 6,528        | -        | 98,916            | 430,726          | -            | 36,273        | 5,973,263        |
| Less : Claims Outstanding at the beginning of the period (Net of Reinsurance) | 309,922   | 3,951,829        | 4,261,751        | 8,738                  | -         | 2,706        | -        | 58,222            | 380,155          | -            | 22,451        | 4,734,023        |
| <b>Total Claims Incurred (Net)</b>  | <b>1,601,347</b>                                | <b>1,437,250</b> | <b>3,038,597</b> | <b>3,665</b>           | <b>44</b> | <b>7,985</b> | <b>-</b> | <b>75,202</b>     | <b>1,460,339</b> | <b>-</b>     | <b>20,147</b> | <b>4,605,979</b> |
| Claims paid to claimants:   |   |                  |                  |                        |           |              |          |                   |                  |              |               |                  |
| In India  | 1,601,347                                       | 1,437,250        | 3,038,597        | 3,665                  | 44        | 7,985        | -        | 75,202            | 1,460,339        | -            | 20,147        | 4,605,979        |
| Outside India   | -   | -                | -                | -                      | -         | -            | -        | -                 | -                | -            | -             | -                |
| <b>Total Claims Incurred</b>  | <b>1,601,347</b>                                | <b>1,437,250</b> | <b>3,038,597</b> | <b>3,665</b>           | <b>44</b> | <b>7,985</b> | <b>-</b> | <b>75,202</b>     | <b>1,460,339</b> | <b>-</b>     | <b>20,147</b> | <b>4,605,979</b> |

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 3 - COMMISSION

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2024 |                 |          |                  |                  | For the Year Ended 31 <sup>st</sup> March, 2023 |                 |          |                |                |
|--|---|-----------------|----------|------------------|------------------|---|-----------------|----------|----------------|----------------|
|  | Fire  | Marine<br>Cargo | Others   | Miscellaneous*   | Total            | Fire  | Marine<br>Cargo | Others   | Miscellaneous* | Total          |
| <b>Commission paid :-</b>  |   |                 |          |                  |                  |   |                 |          |                |                |
| Commission Paid Direct   | 89,993  | 15,387          | -        | 3,182,383        | 3,287,763        | 54,776  | 27,776          | -        | 881,248        | 963,800        |
| Add : Re-insurance Accepted  | 5,841   | -               | -        | 2,422            | 8,263            | 8,496   | 43              | -        | 1,082          | 9,621          |
| Less : Commission on Re-insurance Ceded  | 102,308   | 10,443          | -        | 1,001,683        | 1,114,434        | 116,299   | 21,351          | -        | 645,027        | 782,677        |
| <b>Net Commission</b>  | <b>(6,474)</b>                                  | <b>4,944</b>    | <b>-</b> | <b>2,183,122</b> | <b>2,181,592</b> | <b>(53,027)</b>                                 | <b>6,468</b>    | <b>-</b> | <b>237,303</b> | <b>190,744</b> |
| <b>Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:</b> |   |                 |          |                  |                  |   |                 |          |                |                |
| Agents   | 9,385   | 1,813           | -        | 83,594           | 94,792           | 344   | 626             | -        | 22,490         | 23,460         |
| Brokers  | 48,007  | 13,424          | -        | 1,366,780        | 1,428,211        | 35,414  | 27,075          | -        | 360,414        | 422,903        |
| Corporate Agency   | 32,581  | 150             | -        | 1,323,416        | 1,356,147        | 19,004  | 75              | -        | 448,500        | 467,579        |
| Motor Insurance Service Providers  | -   | -               | -        | 675              | 675              | -   | -               | -        | -              | -              |
| Others   | 20  | -               | -        | 407,918          | 407,938          | 14  | -               | -        | 49,844         | 49,858         |
| <b>TOTAL</b>   | <b>89,993</b>                                   | <b>15,387</b>   | <b>-</b> | <b>3,182,383</b> | <b>3,287,763</b> | <b>54,776</b>                                   | <b>27,776</b>   | <b>-</b> | <b>881,248</b> | <b>963,800</b> |
| Commission Paid  |   |                 |          |                  |                  |   |                 |          |                |                |
| In India   | 89,993  | 15,387          | -        | 3,182,383        | 3,287,763        | 54,776  | 27,776          | -        | 881,248        | 963,800        |
| Outside India  | -   | -               | -        | -                | -                | -   | -               | -        | -              | -              |
| <b>Total Commission</b>  | <b>89,993</b>                                   | <b>15,387</b>   | <b>-</b> | <b>3,182,383</b> | <b>3,287,763</b> | <b>54,776</b>                                   | <b>27,776</b>   | <b>-</b> | <b>881,248</b> | <b>963,800</b> |

\*Refer Schedule 3A

## SCHEDULE 3 (A) - COMMISSION

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2024 |                |                  |                        |            |               |          |                   |                  |              |                |                  |
|--|---|----------------|------------------|------------------------|------------|---------------|----------|-------------------|------------------|--------------|----------------|------------------|
|  | Motor OD  | Motor TP       | Motor Total      | Workmen's Compensation | Liability  | Engineering   | Aviation | Personal Accident | Health Insurance | Trade Credit | Others         | Total            |
| <b>Commission paid :-</b>  |   |                |                  |                        |            |               |          |                   |                  |              |                |                  |
| Commission Paid Direct   | 1,306,059                                       | 512,107        | 1,818,166        | 3,058                  | 581        | 22,617        | -        | 182,915           | 1,051,502        | -            | 103,544        | 3,182,383        |
| Add : Re-insurance Accepted  | -   | -              | -                | -                      | -          | 596           | -        | -                 | -                | -            | 1,826          | 2,422            |
| Less : Commission on Re-insurance Ceded  | 399,368   | 15,283         | 414,651          | 150                    | 569        | 16,501        | -        | 102,439           | 426,586          | -            | 40,787         | 1,001,683        |
| <b>Net Commission</b>  | <b>906,691</b>                                  | <b>496,824</b> | <b>1,403,515</b> | <b>2,908</b>           | <b>12</b>  | <b>6,712</b>  | <b>-</b> | <b>80,476</b>     | <b>624,916</b>   | <b>-</b>     | <b>64,583</b>  | <b>2,183,122</b> |
| <b>Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:</b> |   |                |                  |                        |            |               |          |                   |                  |              |                |                  |
| Agents   | 50,920  | 7,946          | 58,866           | 678                    | 130        | 1,093         | -        | 848               | 17,246           | -            | 4,733          | 83,594           |
| Brokers  | 891,118   | 375,805        | 1,266,923        | 1,511                  | 429        | 21,463        | -        | 684               | 56,413           | -            | 19,357         | 1,366,780        |
| Corporate Agency   | 96,532  | 6,566          | 103,098          | 867                    | 18         | 61            | -        | 180,950           | 959,397          | -            | 79,025         | 1,323,416        |
| Motor Insurance Service Providers  | 675   | -              | 675              | -                      | -          | -             | -        | -                 | -                | -            | -              | 675              |
| Others   | 266,814   | 121,790        | 388,604          | 2                      | 4          | -             | -        | 433               | 18,446           | -            | 429            | 407,918          |
| <b>TOTAL</b>   | <b>1,306,059</b>                                | <b>512,107</b> | <b>1,818,166</b> | <b>3,058</b>           | <b>581</b> | <b>22,617</b> | <b>-</b> | <b>182,915</b>    | <b>1,051,502</b> | <b>-</b>     | <b>103,544</b> | <b>3,182,383</b> |
| Commission Paid  |   |                |                  |                        |            |               |          |                   |                  |              |                |                  |
| In India   | 1,306,059                                       | 512,107        | 1,818,166        | 3,058                  | 581        | 22,617        | -        | 182,915           | 1,051,502        | -            | 103,544        | 3,182,383        |
| Outside India  | -   | -              | -                | -                      | -          | -             | -        | -                 | -                | -            | -              | -                |
| <b>Total Commission</b>  | <b>1,306,059</b>                                | <b>512,107</b> | <b>1,818,166</b> | <b>3,058</b>           | <b>581</b> | <b>22,617</b> | <b>-</b> | <b>182,915</b>    | <b>1,051,502</b> | <b>-</b>     | <b>103,544</b> | <b>3,182,383</b> |

## SCHEDULE 3 (A) - COMMISSION

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2023 |               |                |                        |             |                |          |                   |                  |              |                |                |
|--|---|---------------|----------------|------------------------|-------------|----------------|----------|-------------------|------------------|--------------|----------------|----------------|
|  | Motor OD  | Motor TP      | Motor Total    | Workmen's Compensation | Liability   | Engineering    | Aviation | Personal Accident | Health Insurance | Trade Credit | Others         | Total          |
| <b>Commission paid :-</b>  |   |               |                |                        |             |                |          |                   |                  |              |                |                |
| Commission Paid Direct   | 383,280   | 22,211        | 405,491        | 1,012                  | 192         | 10,455         | -        | 65,951            | 362,429          | -            | 35,718         | 881,248        |
| Add : Re-insurance Accepted  | -   | -             | -              | -                      | -           | 662            | -        | -                 | -                | -            | 420            | 1,082          |
| Less : Commission on Re-insurance Ceded  | 203,107   | 13,500        | 216,607        | 93                     | 281         | 14,153         | -        | 68,704            | 302,628          | -            | 42,561         | 645,027        |
| <b>Net Commission</b>  | <b>180,173</b>                                  | <b>8,711</b>  | <b>188,884</b> | <b>919</b>             | <b>(89)</b> | <b>(3,036)</b> | <b>-</b> | <b>(2,753)</b>    | <b>59,801</b>    | <b>-</b>     | <b>(6,423)</b> | <b>237,303</b> |
| <b>Break-up of the expenses (Gross) incurred to procure business to be furnished as per details indicated below:</b> |   |               |                |                        |             |                |          |                   |                  |              |                |                |
| Agents   | 10,432  | 39            | 10,471         | 125                    | -           | 386            | -        | 240               | 11,015           | -            | 253            | 22,490         |
| Brokers  | 291,655   | 21,997        | 313,652        | 415                    | 192         | 10,048         | -        | 706               | 22,598           | -            | 12,803         | 360,414        |
| Corporate Agency   | 44,131  | 262           | 44,393         | 472                    | -           | 21             | -        | 64,985            | 315,968          | -            | 22,661         | 448,500        |
| Motor Insurance Service Providers  | -   | -             | -              | -                      | -           | -              | -        | -                 | -                | -            | -              | -              |
| Others   | 37,062  | (87)          | 36,975         | -                      | -           | -              | -        | 20                | 12,848           | -            | 1              | 49,844         |
| <b>TOTAL</b>   | <b>383,280</b>                                  | <b>22,211</b> | <b>405,491</b> | <b>1,012</b>           | <b>192</b>  | <b>10,455</b>  | <b>-</b> | <b>65,951</b>     | <b>362,429</b>   | <b>-</b>     | <b>35,718</b>  | <b>881,248</b> |
| Commission Paid  |   |               |                |                        |             |                |          |                   |                  |              |                |                |
| In India   | 383,280   | 22,211        | 405,491        | 1,012                  | 192         | 10,455         | -        | 65,951            | 362,429          | -            | 35,718         | 881,248        |
| Outside India  | -   | -             | -              | -                      | -           | -              | -        | -                 | -                | -            | -              | -              |
| <b>Total Commission</b>  | <b>383,280</b>                                  | <b>22,211</b> | <b>405,491</b> | <b>1,012</b>           | <b>192</b>  | <b>10,455</b>  | <b>-</b> | <b>65,951</b>     | <b>362,429</b>   | <b>-</b>     | <b>35,718</b>  | <b>881,248</b> |

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 4 - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2024 |                 |          |                  |                  | For the Year Ended 31 <sup>st</sup> March, 2023 |                 |          |                  |                  |
|--|---|-----------------|----------|------------------|------------------|---|-----------------|----------|------------------|------------------|
|  | Fire  | Marine<br>Cargo | Others   | Miscellaneous*   | Total            | Fire  | Marine<br>Cargo | Others   | Miscellaneous*   | Total            |
| Employees' remuneration & welfare benefits             | 59,514  | 5,316           | -        | 1,709,462        | 1,774,292        | 49,767  | 8,982           | -        | 1,367,429        | 1,426,178        |
| Travel, conveyance and vehicle running expenses        | 1,235   | 110             | -        | 62,015           | 63,360           | 1,280   | 231             | -        | 58,737           | 60,248           |
| Training expenses                                      | 465   | 42              | -        | 21,581           | 22,088           | 40  | 7               | -        | 1,670            | 1,717            |
| Rents, rates & taxes                                   | 1,961   | 173             | -        | 96,377           | 98,511           | 1,735   | 316             | -        | 120,230          | 122,281          |
| Repairs and maintenance                                | 521   | 47              | -        | 24,158           | 24,726           | 461   | 83              | -        | 19,366           | 19,910           |
| Printing & stationery                                  | 266   | 24              | -        | 13,580           | 13,870           | 396   | 71              | -        | 17,492           | 17,959           |
| Communication  | 291   | 26              | -        | 13,908           | 14,225           | 451   | 81              | -        | 19,428           | 19,960           |
| Legal & professional charges                           | 2,954   | 218             | -        | 144,157          | 147,329          | 2,056   | 371             | -        | 95,447           | 97,874           |
| Auditors' fees, expenses etc :-                        |   |                 |          |                  |                  |   |                 |          |                  |                  |
| (a) as auditor   | 86  | 8               | -        | 4,006            | 4,100            | 88  | 16              | -        | 3,696            | 3,800            |
| (b) as adviser or in any other capacity, in respect of |   |                 |          |                  |                  |   |                 |          |                  |                  |
| (i) Taxation matters                                   | -   | -               | -        | -                | -                | -   | -               | -        | -                | -                |
| (ii) Insurance matters                                 | -   | -               | -        | -                | -                | -   | -               | -        | -                | -                |
| (iii) Management services; and                         | -   | -               | -        | -                | -                | -   | -               | -        | -                | -                |
| (c) in any other capacity                              | 11  | 1               | -        | 526              | 538              | 7   | 1               | -        | 293              | 301              |
| (d) out of pocket expenses                             | 4   | -               | -        | 167              | 171              | 2   | -               | -        | 66               | 68               |
| Advertisement and publicity                            | 2,629   | 235             | -        | 121,861          | 124,725          | 34,610  | 6,247           | -        | 1,455,232        | 1,496,089        |
| Interest & Bank Charges                                | 1,091   | 97              | -        | 50,552           | 51,740           | 888   | 160             | -        | 37,344           | 38,392           |
| <b>Others :-</b>                                       |   |                 |          |                  |                  |   |                 |          |                  |                  |
| Membership and Subscription Fees                       | 172   | 15              | -        | 15,027           | 15,214           | 87  | 16              | -        | 6,357            | 6,460            |
| Information Technology Related Expenses                | 12,592  | 1,125           | -        | 583,705          | 597,422          | 11,354  | 2,049           | -        | 477,385          | 490,788          |
| Electricity Expenses                                   | 205   | 18              | -        | 9,514            | 9,737            | 169   | 30              | -        | 7,100            | 7,299            |
| Directors Sitting Fees                                 | 86  | 8               | -        | 3,996            | 4,090            | 40  | 7               | -        | 1,681            | 1,728            |
| Miscellaneous Expenses                                 | 11,990  | 441             | -        | 16,129           | 28,560           | 13,732  | 1,433           | -        | 82,550           | 97,715           |
| Depreciation   | 1,990   | 178             | -        | 92,243           | 94,411           | 1,912   | 345             | -        | 80,403           | 82,660           |
| <b>TOTAL</b>   | <b>98,063</b>                                   | <b>8,082</b>    | <b>-</b> | <b>2,982,964</b> | <b>3,089,109</b> | <b>119,075</b>                                  | <b>20,446</b>   | <b>-</b> | <b>3,851,906</b> | <b>3,991,427</b> |

\*Refer Schedule 4A

## SCHEDULE 4 (A) - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2024 |                |                  |                        |            |              |          |                   |                  |              |               |                  |
|--|---|----------------|------------------|------------------------|------------|--------------|----------|-------------------|------------------|--------------|---------------|------------------|
|  | Motor OD  | Motor TP       | Motor Total      | Workmen's Compensation | Liability  | Engineering  | Aviation | Personal Accident | Health Insurance | Trade Credit | Others        | Total            |
| Employees' remuneration & welfare benefits             | 424,004   | 468,358        | 892,362          | 4,039                  | 70         | 4,863        | -        | 75,406            | 665,762          | -            | 66,960        | 1,709,462        |
| Travel, conveyance and vehicle running expenses        | 15,401  | 18,834         | 34,235           | 84                     | 1          | 101          | -        | 2,652             | 23,552           | -            | 1,390         | 62,015           |
| Training expenses                                      | 5,022   | 6,142          | 11,164           | 32                     | 1          | 38           | -        | 999               | 8,823            | -            | 524           | 21,581           |
| Rents, rates & taxes                                   | 21,255  | 25,994         | 47,249           | 132                    | 2          | 159          | -        | 4,326             | 42,251           | -            | 2,258         | 96,377           |
| Repairs and maintenance                                | 5,625   | 6,879          | 12,504           | 35                     | 1          | 43           | -        | 1,118             | 9,871            | -            | 586           | 24,158           |
| Printing & stationery                                  | 3,206   | 3,920          | 7,126            | 18                     | -          | 22           | -        | 571               | 5,544            | -            | 299           | 13,580           |
| Communication  | 3,293   | 4,028          | 7,321            | 20                     | -          | 24           | -        | 625               | 5,591            | -            | 327           | 13,908           |
| Legal & professional charges                           | 39,488  | 48,292         | 87,780           | 166                    | 228        | 200          | -        | 5,246             | 47,788           | -            | 2,749         | 144,157          |
| Auditors' fees, expenses etc:-                         |   |                |                  |                        |            |              |          |                   |                  |              |               |                  |
| (a) as auditor   | 932   | 1,140          | 2,072            | 6                      | -          | 7            | -        | 186               | 1,638            | -            | 97            | 4,006            |
| (b) as adviser or in any other capacity, in respect of |   |                |                  |                        |            |              |          |                   |                  |              |               |                  |
| (i) Taxation matters                                   | -   | -              | -                | -                      | -          | -            | -        | -                 | -                | -            | -             | -                |
| (ii) Insurance matters                                 | -   | -              | -                | -                      | -          | -            | -        | -                 | -                | -            | -             | -                |
| (iii) Management services; and                         | -   | -              | -                | -                      | -          | -            | -        | -                 | -                | -            | -             | -                |
| (c) in any other capacity                              | 122   | 150            | 272              | 1                      | -          | 1            | -        | 24                | 215              | -            | 13            | 526              |
| (d) out of pocket expenses                             | 39  | 48             | 87               | -                      | -          | -            | -        | 8                 | 68               | -            | 4             | 167              |
| Advertisement and publicity                            | 28,355  | 34,677         | 63,032           | 178                    | 3          | 215          | -        | 5,644             | 49,831           | -            | 2,958         | 121,861          |
| Interest & Bank Charges                                | 11,763  | 14,385         | 26,148           | 74                     | 1          | 89           | -        | 2,341             | 20,672           | -            | 1,227         | 50,552           |
| <b>Others :-</b>                                       |   |                |                  |                        |            |              |          |                   |                  |              |               |                  |
| Membership and Subscription Fees                       | 5,024   | 6,144          | 11,168           | 12                     | -          | 14           | -        | 370               | 3,269            | -            | 194           | 15,027           |
| Information Technology Related Expenses                | 135,815   | 166,094        | 301,909          | 854                    | 15         | 1,029        | -        | 27,036            | 238,695          | -            | 14,167        | 583,705          |
| Electricity Expenses                                   | 2,214   | 2,707          | 4,921            | 14                     | -          | 17           | -        | 441               | 3,890            | -            | 231           | 9,514            |
| Directors Sitting Fees                                 | 930   | 1,137          | 2,067            | 6                      | -          | 7            | -        | 185               | 1,634            | -            | 97            | 3,996            |
| Miscellaneous Expenses                                 | 3,017   | 3,690          | 6,707            | 18                     | -          | 1826         | -        | 591               | 5,893            | -            | 1,094         | 16,129           |
| Depreciation   | 21,464  | 26,249         | 47,713           | 135                    | 2          | 163          | -        | 4,272             | 37,720           | -            | 2,238         | 92,243           |
| <b>TOTAL</b>   | <b>726,969</b>                                  | <b>838,868</b> | <b>1,565,837</b> | <b>5,824</b>           | <b>324</b> | <b>8,818</b> | <b>-</b> | <b>132,041</b>    | <b>1,172,707</b> | <b>-</b>     | <b>97,413</b> | <b>2,982,964</b> |

# Schedules

 forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 4 (A) - OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

| Particulars  | For the Year Ended 31 <sup>st</sup> March, 2023 |                  |                  |                        |            |              |          |                   |                  |              |                |                  |
|--|---|------------------|------------------|------------------------|------------|--------------|----------|-------------------|------------------|--------------|----------------|------------------|
|  | Motor OD  | Motor TP         | Motor Total      | Workmen's Compensation | Liability  | Engineering  | Aviation | Personal Accident | Health Insurance | Trade Credit | Others         | Total            |
| Employees' remuneration & welfare benefits             | 319,803   | 403,348          | 723,151          | 2,787                  | 45         | 4,044        | -        | 74,536            | 512,907          | -            | 49,959         | 1,367,429        |
| Travel, conveyance and vehicle running expenses        | 13,546  | 19,310           | 32,856           | 72                     | 1          | 104          | -        | 3,078             | 21,341           | -            | 1,285          | 58,737           |
| Training expenses                                      | 360   | 513              | 873              | 2                      | -          | 3            | -        | 95                | 657              | -            | 40             | 1,670            |
| Rents, rates & taxes                                   | 15,629  | 22,233           | 37,862           | 95                     | 2          | 141          | -        | 23,876            | 56,526           | -            | 1,728          | 120,230          |
| Repairs and maintenance                                | 4,168   | 5,942            | 10,110           | 26                     | -          | 37           | -        | 1,108             | 7,623            | -            | 462            | 19,366           |
| Printing & stationery                                  | 3,779   | 5,387            | 9,166            | 22                     | -          | 32           | -        | 952               | 6,923            | -            | 397            | 17,492           |
| Communication  | 4,244   | 6,049            | 10,293           | 25                     | -          | 37           | -        | 1,086             | 7,534            | -            | 453            | 19,428           |
| Legal & professional charges                           | 21,247  | 30,289           | 51,536           | 115                    | 227        | 167          | -        | 4,946             | 36,392           | -            | 2,064          | 95,447           |
| Auditors' fees, expenses etc:-                         |   |                  |                  |                        |            |              |          |                   |                  |              |                |                  |
| (a) as auditor   | 795   | 1,134            | 1,929            | 5                      | -          | 7            | -        | 211               | 1,455            | -            | 89             | 3,696            |
| (b) as adviser or in any other capacity, in respect of |   |                  |                  |                        |            |              |          |                   |                  |              |                |                  |
| (i) Taxation matters                                   | -   | -                | -                | -                      | -          | -            | -        | -                 | -                | -            | -              | -                |
| (ii) Insurance matters                                 | -   | -                | -                | -                      | -          | -            | -        | -                 | -                | -            | -              | -                |
| (iii) Management services; and                         | -   | -                | -                | -                      | -          | -            | -        | -                 | -                | -            | -              | -                |
| (c) in any other capacity                              | 63  | 90               | 153              | -                      | -          | 1            | -        | 17                | 115              | -            | 7              | 293              |
| (d) out of pocket expenses                             | 14  | 20               | 34               | -                      | -          | -            | -        | 4                 | 26               | -            | 2              | 66               |
| Advertisement and publicity                            | 313,192   | 446,466          | 759,658          | 1,938                  | 31         | 2,812        | -        | 83,241            | 572,808          | -            | 34,744         | 1,455,232        |
| Interest & Bank Charges                                | 8,037   | 11,457           | 19,494           | 50                     | 1          | 72           | -        | 2,136             | 14,699           | -            | 892            | 37,344           |
| <b>Others :-</b>                                       |   |                  |                  |                        |            |              |          |                   |                  |              |                |                  |
| Membership and Subscription Fees                       | 1,902   | 2,710            | 4,612            | 5                      | -          | 7            | -        | 209               | 1,437            | -            | 87             | 6,357            |
| Information Technology Related Expenses                | 102,741   | 146,462          | 249,203          | 636                    | 10         | 923          | -        | 27,307            | 187,908          | -            | 11,398         | 477,385          |
| Electricity Expenses                                   | 1,528   | 2,178            | 3,706            | 9                      | -          | 14           | -        | 406               | 2,795            | -            | 170            | 7,100            |
| Directors Sitting Fees                                 | 362   | 516              | 878              | 2                      | -          | 3            | -        | 96                | 662              | -            | 40             | 1,681            |
| Miscellaneous Expenses                                 | 17,164  | 24,468           | 41,632           | 113                    | 55         | 1,147        | -        | 4,544             | 31,848           | -            | 3,211          | 82,550           |
| Depreciation   | 17,304  | 24,668           | 41,972           | 107                    | 2          | 155          | -        | 4,599             | 31,649           | -            | 1,919          | 80,403           |
| <b>TOTAL</b>   | <b>845,878</b>                                  | <b>1,153,240</b> | <b>1,999,118</b> | <b>6,009</b>           | <b>374</b> | <b>9,706</b> | <b>-</b> | <b>232,447</b>    | <b>1,495,305</b> | <b>-</b>     | <b>108,947</b> | <b>3,851,906</b> |

## SCHEDULE 5 - SHARE CAPITAL

| Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
| Authorised Capital  |                                       |                                       |
| 1,000,000,000 (Previous Year: 1,000,000,000) Equity Shares of ₹ 10 each                     | 10,000,000                            | 10,000,000                            |
| Issued Capital  |                                       |                                       |
| 875,000,000 (Previous Year: 680,000,000) Equity Shares of ₹ 10 each                         | 8,750,000                             | 6,800,000                             |
| Subscribed Capital  |                                       |                                       |
| 875,000,000 (Previous Year: 680,000,000) Equity Shares of ₹ 10 each                         | 8,750,000                             | 6,800,000                             |
| Called-up Capital   |                                       |                                       |
| 875,000,000 (Previous Year: 680,000,000) Equity Shares of ₹ 10 each                         | 8,750,000                             | 6,800,000                             |
| Less : Calls unpaid   | -                                     | -                                     |
| Add : Equity Shares forfeited (amount originally paid up)                                   | -                                     | -                                     |
| Less : Par Value of Equity Shares bought back   | -                                     | -                                     |
| Less : Preliminary Expenses   | -                                     | -                                     |
| Less : Expenses including commission or brokerage on underwriting or subscription of shares | -                                     | -                                     |
| <b>TOTAL</b>  | <b>8,750,000</b>                      | <b>6,800,000</b>                      |

Entire 875,000,000 (Previous Period 680,000,000) equity shares of ₹ 10 each fully paid up are held by Kotak Mahindra Bank Ltd the holding company and its nominees.

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 5A - PATTERN OF SHAREHOLDING

### AS CERTIFIED BY MANAGEMENT

| Particulars  | As at 31 <sup>st</sup> March, 2024 |              | As at 31 <sup>st</sup> March, 2023 |              |
|--------------|------------------------------------|--------------|------------------------------------|--------------|
|              | Number of Shares                   | % of Holding | Number of Shares                   | % of Holding |
| Promoters    |                                    |              |                                    |              |
| - Indian     | 875,000,000                        | 100%         | 680,000,000                        | 100%         |
| - Foreign    | -                                  | -            | -                                  | -            |
| Others       | -                                  | -            | -                                  | -            |
| <b>TOTAL</b> | <b>875,000,000</b>                 | <b>100%</b>  | <b>680,000,000</b>                 | <b>100%</b>  |

## SCHEDULE 6 - RESERVES AND SURPLUS

| Particulars                                    | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|--|------------------------------------|------------------------------------|
| Capital Reserve                                | -                                  | -                                  |
| Capital Redemption Reserve                     | -                                  | -                                  |
| Share Premium                                  | -                                  | -                                  |
| General Reserves                               | -                                  | -                                  |
| Less: Debit balance in Profit and Loss Account | -                                  | -                                  |
| Less: Amount utilized for Buy-back             | -                                  | -                                  |
| Catastrophe Reserve                            | -                                  | -                                  |
| Other Reserves                                 | -                                  | -                                  |
| Balance in Profit & Loss Account               | -                                  | -                                  |
| <b>TOTAL</b>                                   | <b>-</b>                           | <b>-</b>                           |

## SCHEDULE 7 - BORROWINGS

| Particulars            | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|------------------------|------------------------------------|------------------------------------|
| Debentures/ Bonds      | -                                  | -                                  |
| Banks                  | -                                  | -                                  |
| Financial Institutions | -                                  | -                                  |
| Others                 | -                                  | -                                  |
| <b>TOTAL</b>           | <b>-</b>                           | <b>-</b>                           |

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 8 - INVESTMENTS-SHAREHOLDERS

| Particulars  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--|---------------------------------------|---------------------------------------|
| <b>LONG TERM INVESTMENTS</b>   |                                       |                                       |
| Government securities and Government guaranteed bonds including Treasury Bills | 2,359,539                             | 2,119,817                             |
| Other Approved Securities  | -                                     | -                                     |
| Other Investments :-   |                                       |                                       |
| (a) Shares   | -                                     | -                                     |
| (aa) Equity  | -                                     | -                                     |
| (bb) Preference  | -                                     | -                                     |
| (b) Mutual Funds   | -                                     | -                                     |
| (c) Derivative Instruments   | -                                     | -                                     |
| (d) Debentures / Bonds   | 972,717                               | 499,706                               |
| (e) Other Securities   | -                                     | -                                     |
| (f) Subsidiaries   | -                                     | -                                     |
| (g) Investment Properties-Real Estate  | -                                     | -                                     |
| Investments in Infrastructure and Social Sector                                | 1,107,534                             | 629,887                               |
| Other than Approved Investments  | 29,615                                | -                                     |
| <b>SHORT TERM INVESTMENTS</b>  |                                       |                                       |
| Government securities and Government guaranteed bonds including Treasury Bills | 8,750                                 | 10,083                                |
| Other Approved Securities  | -                                     | -                                     |
| Other Investments :-   |                                       |                                       |
| (a) Shares   | -                                     | -                                     |
| (aa) Equity  | -                                     | -                                     |
| (bb) Preference  | -                                     | -                                     |
| (b) Mutual Funds   | -                                     | -                                     |
| (c) Derivative Instruments   | -                                     | -                                     |
| (d) Debentures/ Bonds  | -                                     | 50,103                                |
| (e) Other Securities - including Fixed Deposits & CDs                          | 53,593                                | 86,566                                |
| (f) Subsidiaries   | -                                     | -                                     |
| (g) Investment Properties-Real Estate  | -                                     | -                                     |
| Investments in Infrastructure and Social Sector                                | -                                     | 99,422                                |
| Other than Approved Investments  | -                                     | -                                     |
| <b>TOTAL</b>   | <b>4,531,748</b>                      | <b>3,495,584</b>                      |

**Notes:**

- 1) All the Investments are free of any encumbrances.
- 2) All the above Investments are performing assets.
- 3) Investment maturing within twelve months from balance sheet date and investments made with the specific intention to dispose of within twelve month from balance sheet date are categorised as Short Term Investments.
- 4) Segregation between Policyholders & Shareholders investments is with reference to IRDAI Circular no IRDA/F&A/CIR/CPM/056/03/2016 dated April 04, 2016 and Circular No. IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017



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# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Amounts in thousands of Indian Rupees)

## SCHEDULE 8A - INVESTMENTS-POLICYHOLDERS

| Particulars  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--|---------------------------------------|---------------------------------------|
| <b>LONG TERM INVESTMENTS</b>   |                                       |                                       |
| Government securities and Government guaranteed bonds including Treasury Bills | 9,591,671                             | 8,455,060                             |
| Other Approved Securities  | -                                     | -                                     |
| Other Investments :-   |                                       |                                       |
| (a) Shares   | -                                     | -                                     |
| (aa) Equity  | -                                     | -                                     |
| (bb) Preference  | -                                     | -                                     |
| (b) Mutual Funds   | -                                     | -                                     |
| (c) Derivative Instruments   | -                                     | -                                     |
| (d) Debentures / Bonds   | 3,954,156                             | 1,993,120                             |
| (e) Other Securities   | -                                     | -                                     |
| (f) Subsidiaries   | -                                     | -                                     |
| (g) Investment Properties-Real Estate  | -                                     | -                                     |
| Investments in Infrastructure and Social Sector                                | 4,502,195                             | 2,512,354                             |
| Other than Approved Investments  | 120,385                               | -                                     |
| <b>SHORT TERM INVESTMENTS</b>  |                                       |                                       |
| Government securities and Government guaranteed bonds including Treasury Bills | 35,569                                | 40,218                                |
| Other Approved Securities  | -                                     | -                                     |
| Other Investments :-   |                                       |                                       |
| (a) Shares   | -                                     | -                                     |
| (aa) Equity  | -                                     | -                                     |
| (bb) Preference  | -                                     | -                                     |
| (b) Mutual Funds   | -                                     | -                                     |
| (c) Derivative Instruments   | -                                     | -                                     |
| (d) Debentures/ Bonds  | -                                     | 199,838                               |
| (e) Other Securities - including Fixed Deposits & CDs                          | 217,857                               | 345,275                               |
| (f) Subsidiaries   | -                                     | -                                     |
| (g) Investment Properties-Real Estate  | -                                     | -                                     |
| Investments in Infrastructure and Social Sector                                | -                                     | 396,555                               |
| Other than Approved Investments  | -                                     | -                                     |
| <b>TOTAL</b>   | <b>18,421,833</b>                     | <b>13,942,420</b>                     |

### Notes:

- All the Investments are free of any encumbrances.
- All the above Investments are performing assets.
- During the Period under review, there have been Nil investments in Subsidiary, Joint Ventures & Fellow Subsidiaries.
- Aggregate amount of investments other than listed equity securities and derivative instruments- ₹22,953,581 (PY ₹17,438,004) (figures in '000) Market Value: ₹22,909,374 (PY ₹17,132,734) (figures in '000).
- Investment maturing within twelve months from balance sheet date and investments made with the specific intention to dispose of within twelve month from balance sheet date are categorised as Short Term Investments.
- Value of contracts in relation to investments for Purchases where deliveries are pending ₹51,116 (PY ₹102,233) (figures in '000), and in respect of sales where payments are overdue ₹NIL (PY ₹53,187).
- Segregation between Policyholders & Shareholders investments is with reference to IRDAI Circular no IRDA/F&A/CIR/CPM/056/03/2016 dated April 04, 2016 and Circular No. IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017

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(Amounts in thousands of Indian Rupees)

## SCHEDULE 9 - LOANS

| Particulars                              | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--|---------------------------------------|---------------------------------------|
| <b>SECURITY-WISE CLASSIFICATION</b>      |                                       |                                       |
| Secured                                  | -                                     | -                                     |
| (a) On mortgage of property              | -                                     | -                                     |
| (aa) In India                            | -                                     | -                                     |
| (bb) Outside India                       | -                                     | -                                     |
| (b) On Shares, Bonds, Govt. Securities   | -                                     | -                                     |
| (c) Others                               | -                                     | -                                     |
| Unsecured                                | -                                     | -                                     |
| <b>TOTAL</b>                             | <b>-</b>                              | <b>-</b>                              |
| <b>BORROWER-WISE CLASSIFICATION</b>      |                                       |                                       |
| (a) Central and State Governments        | -                                     | -                                     |
| (b) Banks and Financial Institutions     | -                                     | -                                     |
| (c) Subsidiaries                         | -                                     | -                                     |
| (d) Industrial Undertakings              | -                                     | -                                     |
| (e) Others                               | -                                     | -                                     |
| <b>TOTAL</b>                             | <b>-</b>                              | <b>-</b>                              |
| <b>PERFORMANCE-WISE CLASSIFICATION</b>   |                                       |                                       |
| (a) Loans classified as standard         | -                                     | -                                     |
| (aa) In India                            | -                                     | -                                     |
| (bb) Outside India                       | -                                     | -                                     |
| (b) Non-performing loans less provisions | -                                     | -                                     |
| (aa) In India                            | -                                     | -                                     |
| (bb) Outside India                       | -                                     | -                                     |
| <b>TOTAL</b>                             | <b>-</b>                              | <b>-</b>                              |
| <b>MATURITY-WISE CLASSIFICATION</b>      |                                       |                                       |
| (a) Short Term                           | -                                     | -                                     |
| (b) Long Term                            | -                                     | -                                     |
| <b>TOTAL</b>                             | <b>-</b>                              | <b>-</b>                              |

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

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(Amounts in thousands of Indian Rupees)

## SCHEDULE 10 - FIXED ASSETS

| Particulars              | Cost/ Gross Block                 |                           |   |                                    | Depreciation                      |   |                       | Net Block                          |                                    |                                    |
|--------------------------|-----------------------------------|---------------------------|---|------------------------------------|-----------------------------------|---|-----------------------|------------------------------------|------------------------------------|------------------------------------|
|                          | As at 1 <sup>st</sup> April, 2023 | Additions during the year | Deductions/ adjustments during the year | As at 31 <sup>st</sup> March, 2024 | As at 1 <sup>st</sup> April, 2023 | For the Year Ended 31 <sup>st</sup> March, 2024 | On Sales/ Adjustments | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
| Goodwill                 | -                                 | -                         | -                                       | -                                  | -                                 | -   | -                     | -                                  | -                                  | -                                  |
| Intangibles - Software   | 331,764                           | 27,372                    | -                                       | 359,136                            | 265,476                           | 38,116  | -                     | 303,592                            | 55,544                             | 66,288                             |
| Land-Freehold            | -                                 | -                         | -                                       | -                                  | -                                 | -   | -                     | -                                  | -                                  | -                                  |
| Leasehold Improvements   | 1,959                             | 2,403                     | -                                       | 4,362                              | 1,580                             | 369   | -                     | 1,949                              | 2,413                              | 379                                |
| Buildings                | -                                 | -                         | -                                       | -                                  | -                                 | -   | -                     | -                                  | -                                  | -                                  |
| Furniture & Fittings     | 1,849                             | 1,537                     | -                                       | 3,386                              | 1,091                             | 1,172   | -                     | 2,263                              | 1,123                              | 758                                |
| IT Equipments            | 220,179                           | 34,533                    | 7,104                                   | 247,608                            | 141,285                           | 47,811  | 7,002                 | 182,094                            | 65,514                             | 78,894                             |
| Vehicles                 | 36,339                            | 10,813                    | 9,253                                   | 37,899                             | 24,144                            | 6,059   | 9,218                 | 20,985                             | 16,914                             | 12,195                             |
| Office Equipment         | 3,473                             | 4,329                     | 21                                      | 7,781                              | 2,065                             | 884   | 19                    | 2,930                              | 4,851                              | 1,408                              |
| Others                   | -                                 | -                         | -                                       | -                                  | -                                 | -   | -                     | -                                  | -                                  | -                                  |
| <b>TOTAL</b>             | <b>595,563</b>                    | <b>80,987</b>             | <b>16,378</b>                           | <b>660,172</b>                     | <b>435,641</b>                    | <b>94,411</b>                                   | <b>16,239</b>         | <b>513,813</b>                     | <b>146,359</b>                     | <b>159,922</b>                     |
| Capital Work in progress | 2,653                             | 7                         | 2,653                                   | 7                                  | -                                 | -   | -                     | -                                  | 7                                  | 2,653                              |
| <b>Grand Total</b>       | <b>598,216</b>                    | <b>80,994</b>             | <b>19,031</b>                           | <b>660,179</b>                     | <b>435,641</b>                    | <b>94,411</b>                                   | <b>16,239</b>         | <b>513,813</b>                     | <b>146,366</b>                     | <b>162,575</b>                     |
| <b>Previous Year</b>     | <b>478,810</b>                    | <b>145,848</b>            | <b>26,442</b>                           | <b>598,216</b>                     | <b>377,330</b>                    | <b>82,660</b>                                   | <b>24,349</b>         | <b>435,641</b>                     | <b>162,575</b>                     |                                    |

## SCHEDULE 11 - CASH AND BANK BALANCE

| Particulars   | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|---|------------------------------------|------------------------------------|
| Cash (including cheques, drafts and stamps)           | 85,175                             | 70,029                             |
| Bank Balances   |                                    |                                    |
| (a) Deposit Accounts                                  |                                    |                                    |
| (aa) Short-term (due within 12 months)                | -                                  | -                                  |
| (bb) Others   | -                                  | -                                  |
| (b) Current Accounts                                  | 312,596                            | 179,382                            |
| (c) Others  | -                                  | -                                  |
| Money at Call and Short Notice                        |                                    |                                    |
| (a) With Banks  | -                                  | -                                  |
| (b) With other Institutions                           | -                                  | -                                  |
| Others  | -                                  | -                                  |
| <b>TOTAL</b>  | <b>397,771</b>                     | <b>249,411</b>                     |
| Balances with non-scheduled banks included in 2 above |                                    |                                    |
| Cash and Bank Balances                                |                                    |                                    |
| In India  | 397,771                            | 249,411                            |
| Outside India   | -                                  | -                                  |
| <b>TOTAL</b>  | <b>397,771</b>                     | <b>249,411</b>                     |

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(Amounts in thousands of Indian Rupees)

## SCHEDULE 12 - ADVANCES AND OTHER ASSETS

| Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
| <b>ADVANCES</b>   |                                       |                                       |
| Reserve deposits with ceding companies  | -                                     | -                                     |
| Application money for investments   | -                                     | -                                     |
| Prepayments   | 108,102                               | 70,348                                |
| Advances to Directors/Officers  | -                                     | -                                     |
| Advance tax paid and taxes deducted at source (Net of provision for taxation) | 37,821                                | 29,407                                |
| Others :-   |                                       |                                       |
| Advances to employees   | 12,820                                | 12,056                                |
| Advances to vendors   | 17,022                                | 8,329                                 |
| Advance against share issue expenses (Refer Note 37 of Schedule 16)           | 22,655                                | -                                     |
| <b>TOTAL (A)</b>  | <b>198,420</b>                        | <b>120,140</b>                        |
| <b>OTHER ASSETS</b>   |                                       |                                       |
| Income accrued on investments   | 558,525                               | 324,788                               |
| Outstanding Premiums  | -                                     | -                                     |
| Agents' Balances  | -                                     | -                                     |
| Foreign Agencies Balances   | -                                     | -                                     |
| Due from other entities carrying on insurance business (including reinsurers) | 246,766                               | 106,194                               |
| Due from subsidiaries/ holding company  | 100                                   | -                                     |
| Deposit with Reserve Bank of India  | -                                     | -                                     |
| Others :-   |                                       |                                       |
| Investment of Unclaimed Amount  | 4,732                                 | 2,469                                 |
| Security and other deposits   | 89,969                                | 79,226                                |
| Sundry Debtors  | 29,770                                | 5,358                                 |
| Terrorism Pool /MCET Pool Receivables   | 349,336                               | 262,637                               |
| Unsettled investment contract receivable                                      | -                                     | 53,187                                |
| GST Unutilised Credit   | 442,283                               | 361,895                               |
| <b>TOTAL (B)</b>  | <b>1,721,481</b>                      | <b>1,195,754</b>                      |
| <b>TOTAL (A+B)</b>  | <b>1,919,901</b>                      | <b>1,315,894</b>                      |

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## SCHEDULE 13 - CURRENT LIABILITIES

| Particulars  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--|---------------------------------------|---------------------------------------|
| Agents' Balances   | 593,900                               | 151,438                               |
| Balances due to other insurance companies                        | 421,993                               | 297,814                               |
| Deposits held on re-insurance ceded                              | 1,179,680                             | 625,773                               |
| Premiums received in advance                                     | 1,365,968                             | 991,159                               |
| Unallocated Premium  | 268,364                               | 282,962                               |
| Unclaimed Amount of Policyholders (Refer Note 25 of Schedule 16) | 2,227                                 | 1,919                                 |
| Interest Accrued on Unclaimed Amount                             | 365                                   | 225                                   |
| Sundry creditors   | 5,710                                 | 73,713                                |
| Due to subsidiaries/ holding company                             | 225,757                               | 59,472                                |
| Claims Outstanding   | 7,616,769                             | 6,124,630                             |
| Due to Officers/ Directors                                       | -                                     | -                                     |
| <b>Others :-</b>   |                                       |                                       |
| Statutory Dues   | 456,611                               | 389,824                               |
| Refund Payable - Premium   | 4,317                                 | 6,711                                 |
| Provision for expenses   | 703,465                               | 901,374                               |
| Solatium Fund  | 11,770                                | 8,451                                 |
| Unsettled investment contract Payable                            | 51,116                                | 102,233                               |
| Payable to Employees   | 8,296                                 | 10,915                                |
| Claims Payable   | 268                                   | 4,953                                 |
| <b>TOTAL</b>   | <b>12,916,576</b>                     | <b>10,033,566</b>                     |

## SCHEDULE 14 - PROVISIONS

| Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
| Reserve for Unexpired Risk  | 7,912,025                             | 5,635,816                             |
| For taxation (less advance tax paid and taxes deducted at source) | -                                     | -                                     |
| Reserve for Premium Deficiency                                    | -                                     | 900                                   |
| <b>Others :-</b>  |                                       |                                       |
| Gratuity  | 98,112                                | 74,813                                |
| Leave Encashment  | 19,664                                | 10,044                                |
| <b>TOTAL</b>  | <b>8,029,801</b>                      | <b>5,721,573</b>                      |

## SCHEDULE 15 - MISCELLANEOUS EXPENDITURE

(TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

| Particulars                                     | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
| Discount Allowed in issue of shares/ debentures | -                                     | -                                     |
| Others  | -                                     | -                                     |
| <b>Total</b>                                    | <b>-</b>                              | <b>-</b>                              |

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## SCHEDULE 16: NOTES TO THE FINANCIAL STATEMENTS

### 1. BACKGROUND

Kotak Mahindra General Insurance Company Limited ("The Company") was incorporated on 20<sup>th</sup> December, 2014 under Companies Act, 2013 as a 100% subsidiary of Kotak Mahindra Bank Limited. The Company received certificate of registration from Insurance Regulatory and Development Authority (IRDAI) on 18<sup>th</sup> November, 2015 with registration no. 152 and subsequently commenced operations on 17<sup>th</sup> December, 2015. The Company is in the business of underwriting general insurance policies relating to Fire, Marine and Miscellaneous lines of business.

On 2<sup>nd</sup> November, 2023, Kotak Mahindra Bank, the Company entered into a definitive agreement with Zurich Insurance Company to acquire 51% stake in The Company through a combination of fresh growth capital and share purchase and to acquire an additional stake of 19% within a period of three years from the initial transaction. Subsequently on 23<sup>rd</sup> February, 2024, the parties to the aforesaid transaction mutually agreed that Zurich will acquire 70% stake in the Company by way of a combination of primary and secondary acquisitions in a single tranche, for a total consideration of approximately INR 5,560 Crore ("Transaction"). The other terms of the transactions remain unchanged. The proposed 70% acquisition would be subject to fulfilment of customary conditions precedent, including the receipt of regulatory approvals from the Reserve Bank of India and the Insurance Regulatory and Development Authority of India. Upon completion of the Transaction (subsequent to receipt of all requisite approvals), KGI will cease to be a Wholly Owned Subsidiary of the Bank.

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### A. Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with the generally accepted accounting principles in India to comply with the accounting standards specified under section 133 and the relevant provision of the Companies Act, 2013, as applicable, and in accordance with the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 read with Insurance Regulatory and Development Authority of India circular IRDAI /F&A/CIR/FA/059/03/2015 dated March 31, 2015 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 the ("IRDAI Act"), and the regulations framed there under (also refer IRDAI) the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDAI Financial Statements Regulations"), circulars/notifications issued by IRDAI from time to time (including circular no. IRDAI/F&A/CIR/CPM/056/03/2016 dated 04<sup>th</sup> April, 2016 and IRDAI/F&A/CIR/CPM/010/01/2017 dated 12<sup>th</sup> January, 2017) and IRDA/F&A/CIR/MISC/081/05/2019 dated 20<sup>th</sup> May, 2019). Accounting policies applied are followed consistently unless otherwise stated.

#### B. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the Management to make judgments, 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 reporting period. Although these estimates are based on Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. 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 net of goods and services tax (GST) including reinsurance accepted, is recognised on commencement of the risk and for installment policies it is recognised on installment due and received dates. Premium earnings are recognised over the period of the policy or period of risk. Any revisions in premium amount are recognised in the year in which they occur & over the remaining period of the policy. Any subsequent cancellations of policies are recognised in the period in which they occur.

##### Commission on reinsurance ceded:

Commission on reinsurance ceded is recognised as income on ceding of reinsurance premium. Profit commission under reinsurance treaties, wherever applicable, is recognised in the year of final determination of the profits and as intimated by the Reinsurer.

##### Income earned on investments:

Interest income is recognised on accrual basis.

Dividend income is recognised when right to receive is established.



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Accretion of discount and amortization of premium relating to debt securities is recognised over the holding or maturity period of such securities on constant yield to maturity basis.

The Net gain/ loss on transfer / sale of debt securities is the difference between the transfer/sale price and the net amortized cost / book value which is computed on a Weighted average basis as on the date of transfer/sale. Sale consideration for the purpose of realized gain/loss is net of brokerage and taxes, if any and excludes the interest received on sale.

The realized gain or loss on mutual funds 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 in fair value taken in fair value change account earlier.

## D. Premium Received in Advance

Premium received in advance represents the premium received prior to the commencement of the risk assumed on any policy. On balance sheet date such premium received in advance is shown separately under the head "Current liabilities" in the financial statements and is recorded as income on the date of commencement of risk.

## E. Reserve for Unexpired Risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable and to be allocated to succeeding accounting periods for risks to be borne by the Company under contractual obligations over a contract period or period of risk, whichever is applicable. As per circular vide IRDAI/F&A/CIR/CPM/056/03/2016 dated April 4, 2016 such reserves are calculated on a pro-rata basis under 1/365 basis subject to 100% for marine hull business, on all unexpired policies at Balance Sheet Date.

## F. Reinsurance Premium Ceded and Reinsurance Accepted

Proportional Re-insurance premium ceded is accounted on due basis at the time when related premium income is accounted for. Non-proportional reinsurance cost is accounted as per terms of the reinsurance arrangements. Any revisions in reinsurance premium ceded are recognised in the period in which it occur. On cancellation of policies, related reinsurance premium ceded are recognised in the same period in which it occur.

Reinsurance inward acceptances are accounted for on the basis of reinsurance slips, accepted from the reinsurer.

## G. Premium Deficiency Reserve

Premium deficiency is recognised when sum of expected claim cost, related expenses & maintenance cost (related to claims handling) exceed related reserve for unexpired risk. It is recognised on an annual basis and at segmental revenue account level viz., Fire, Marine & Miscellaneous. Premium Deficiency Reserve is estimated and certified by the Appointed Actuary.

## H. Claims

Claims incurred includes claims paid net of reinsurance recovery and salvage value retained by the insured, change in loss reserve during the period, change in claims incurred but not reported (IBNR) & change in claims incurred but not enough reported (IBNER). Claims incurred also include survey fees/legal fees & other expenses directly attributable to claim cost. Claims will be recognised as and when intimation of it is received and provision will be determined (net of reinsurance recovery including salvage to the extent there is certainty of realization) by the management on the best estimate of claims likely to be paid based on survey reports, based on information received from various sources and from past experience.

Any subsequent information may result in revision of likely amount of final claim payment and accordingly there will be change in provision for outstanding claims.

IBNR is claim reserves provided for those claims which are incurred but not yet reported and IBNER is claim reserves provided for those claims which are incurred but not enough reported. Estimated liability for IBNR and IBNER has been estimated by the Appointed Actuary in compliance with the relevant regulations and guidelines issued by IRDAI and the same is duly certified by the Appointed Actuary of the Company.

## I. Acquisition Cost

Acquisition costs are those 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. The Company has board approved policy on Commission Payment as per notification of IRDAI No. IRDAI/Reg/2/190/2023 dated 26<sup>th</sup> March 2023 and IRDAI/INT/CIR/MISC/82/3/2023 dated 31<sup>st</sup> March 2023.

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### J. Segment Reporting

In case of General insurance business, based on the primary segments identified under Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 read with AS 17 on "Segment Reporting" as specified under sec 133 of the Act, read with rule 7 of The Companies (Accounts) Rules 2014 the Company has classified and disclosed segment information for Fire, Marine and Miscellaneous lines of business.

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

### K. Allocation of Investment income

In accordance with Circular No. IRDAI/F&A/CIR/CPM/010/01/2017 dated 12<sup>th</sup> January, 2017 issued by IRDAI on Segregation of Policyholder's fund and Shareholder funds, investment income for the period has been allocated to Revenue Account and Profit and Loss Account on basis of the ratio of average balance of policyholder's funds to average balance of shareholder's funds as at the close of each reporting period. Within the Revenue Account, the investment income shall be further allocated among the lines of business in proportion to average policy holder funds (comprising of reserves for unexpired risks, IBNR, IBNER and outstanding claims) to average shareholders' fund.

### L. Allocation of Expenses

The Company has Board approved policy on allocation and apportionment of expenses of management as per latest notification of IRDAI No. IRDAI/Reg/4/192/2023 dated 26<sup>th</sup> March, 2023. The policy covers basis of allocation, expenses which shall be allocated, basis of apportionment and expenses which shall be apportioned.

Expenses of Management related to insurance business are allocated to various segments on the following basis:

- Expenses which are directly identifiable are allocated to respective business segments on actuals
- Expenses which are not directly identifiable, are apportioned to the business segments on the basis of net written premium (before XOL and any other committed reinsurance cost).

Further, if expense of management exceeds the limit, the excess of such expenses shall be charged to the Profit and Loss account.

### M. Property, Plant and Equipment

Property, plant and Equipment are stated at acquisition cost inclusive of incidental expenses, net of accumulated depreciation and accumulated impairment losses, if any.

#### Intangible Assets

Intangible assets comprising software are stated at cost less amortization. Significant expenditure on improvements 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.

#### Depreciation / Amortisation:

Depreciation is provided on a pro-rata basis on a Straight-Line Method over the estimated useful life of the assets at rates which are equal to or higher than the rates prescribed under Schedule II of the Companies Act, 2013 in order to reflect the actual usage of the assets. The estimated useful lives of assets based on technical evaluation by management are as follows:

| Asset Type  | Useful life in years                                     |
|---|--|
| Improvement to leasehold premises                                 | Over the period of lease subject to a maximum of 6 years |
| Office equipment  | 5  |
| Furniture and Fixtures  | 6  |
| Motor Vehicles  | 4  |
| Intangible (Computer Software -including development expenditure) | 3  |
| Information Technology Equipment (Including computers)            | 3  |

Used assets purchased are depreciated over the residual useful life from the date of purchase.





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In respect of assets purchased and sold during a financial year, depreciation is provided on pro rata basis from / upto the date in which the asset is put to use/disposed off respectively.

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase.

Capital work in progress includes assets which are not yet ready for its intended use and are carried at cost.

### Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. Impairment occurs where 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 amount of the asset over its remaining useful life. If at the Balance Sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that extent.

## N. Employee Benefits

### a. Short Term Benefits

All employee benefits payable within 12 months of rendering the services are classified as short term employee benefits. Benefits such as salaries, bonuses, short term compensated absences and non-monetary benefits etc. are recognised in the period in which the employees render the related service. All the short term benefit are accounted on undiscounted basis.

### b. Long term Benefits

#### i. Provident Fund – Defined Contribution Plan:

Contribution as required by the Statute made to the Government Provident Fund is debited to the Profit and Loss Account or Revenue, as the case may be when incurred. The company has no further obligations.

#### ii. New Pension Scheme - Defined Contribution Plan:

The Company contributes up to 10% of employees' salary per annum, for employees who have opted to the New Pension Fund administered by a PFRDA appointed pension fund manager. The Company recognises such contributions as an expense in the year they are incurred.

#### iii. Gratuity – Long Term Benefit Plan:

The Company provides for Gratuity, a defined benefit plan covering employees in accordance with the Payment of Gratuity Act, 1972. The Company's liability is actuarially determined (using Projected Unit Credit Method) at the Balance Sheet date.

Actuarial gains / losses are recognised immediately in the Profit and Loss Account or Revenue as the case may be, in the year they are incurred.

#### iv. Compensated Absences - Other Long-Term Employee Benefits:

The Company accrues the liability for compensated absences based on the actuarial valuation as at the Balance Sheet date conducted by an independent actuary which includes assumptions about demographics, early retirement, salary increases, interest rates and leave utilisation. The net present value of the Company obligation is determined based on the Projected Unit Credit Method as at the Balance Sheet date. Actuarial Gains / Losses are recognised immediately in the Profit and Loss Account or Revenue as the case may be, in the year in which they arise.

## O. Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938 as amended by Insurance Laws (Amendment) Act, 2015, The IRDAI (Investment) Regulations, 2016 as amended and various other relevant circulars/ notification issued by IRDAI from time to time.

Acquisition cost : Investments are recorded at cost and includes incidental expenses like brokerage, transfer charges, stamp duty etc, and excludes pre acquisition interest, if any.

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Classification and valuation : Investments maturing within twelve months from balance sheet date and investments made with specific intention to dispose off within twelve months from balance sheet date are classified as 'short term investments'

Investments other than 'short term investment' are classified as 'long term investment'.

Debt securities & non-convertible preference shares are considered as 'held to maturity' and stated at historical cost adjusted for amortization of premium or accretion of discount determined on constant yield to maturity basis over the holding/maturity period.

Mutual fund units are stated at their 'Net Asset Value' as at the balance sheet date.

Any unrealized gain or loss in respect of mutual funds and equity if any are recognised in 'fair value change account' in balance sheet and not available for distribution for dividend.

Further in case of any net mark to market loss (not permanent in nature) in respect of the above matter the additional provision is created to the extent of the loss in 'fair value change account' on the balance sheet date and impact is taken to Revenue/Profit and Loss Account appropriately

## Impairment of Investments

The Company assesses at each Balance Sheet date whether there is any indication of impairment of investments or reversal of impairment loss earlier recognised. In case of impairment in the value of investment as at the balance sheet date which is other than temporary, the amount of loss is recognised as an expense in the Revenue / Profit and Loss Account to the extent of difference between the re-measured fair value of the investment and its acquisition cost as reduced by any previous impairment loss recognised as expense in Revenue/Profit and Loss Account. Any reversal of impairment loss, earlier recognised in Revenue/ Profit and Loss Account, is recognised in the Revenue/ Profit and Loss Account.

In accordance with Circular No. IRDAI/F&A/CIR/CPM/056/03/2016 dated 4<sup>th</sup> April, 2016 and Circular No. IRDAI/F&A/CIR/CPM/010/01/2017 dated 12<sup>th</sup> January, 2017, in respect of Preparation of Financial Statements and Auditors' Report of Insurance Companies, the company has segregated investments between Policyholders and Shareholder.

Investments of Policy Holders and Shareholders: The Company has prepared Schedule 8 and Schedule 8A for Investments indicating bifurcation between Shareholders and Policyholders, respectively.

## P. Foreign Currency Transactions

Transactions denominated in foreign currency are recorded at the rate prevailing on the date of transactions. Foreign currency assets and liabilities are stated at the rate prevailing on the balance sheet date. Any gain or loss on settlement or restatement are accounted for in revenue account and profit & loss account.

## Q. Operating Leases

Where all the risks and benefits of ownership are retained by the lessor those are classified as operating lease. Payment on account of operating leases are accounted for under revenue account on straight line basis over the lease period.

## R. 1) Contribution to the Indian Market Terrorism Risk Insurance Pool

In accordance with the requirements of IRDAI, the Company, together with other insurance companies, participated in the Terrorism Pool. This pool is managed by General Insurance Corporation of India (GIC). In accordance with the terms of the agreement, GIC retro cedes, to the Company, terrorism premium to the extent of shares agreed to be borne by the Company in the risk which is recorded as reinsurance accepted. Such Insurance accepted is recorded based on quarterly confirmation received from GIC. Accordingly, reinsurance accepted on account of Terrorism Pool has been recorded in accordance with the latest statement received from GIC as on 31<sup>st</sup> December, 2023.

The entire amount of reinsurance accepted for the current year on this account has been carried forward to the subsequent accounting period as Changes in unearned premium under Insurance Contract Liabilities for subsequent risks, if any, to be borne by the Company.



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## 2) Contribution to Marine Cargo Pool for Excluded Territories (MCET Pool)

With the need for covering loss against shipment of fertilizers and other commodities, while under transit in marine cargo against Russia, Ukraine, Belarus (referred as 'excluded territories'), the Company together with other insurance company, participated in Marine Cargo Pool for Excluded Territories (referred as MCET Pool) which is managed by General Insurance Corporation of India (GIC Re). In accordance with the terms of the agreement, the Company accepts retrocession risk as per shares specified in the Schedule of agreement, which is recorded as reinsurance accepted. Such Insurance accepted is recorded based on quarterly confirmation received from GIC Re. Accordingly, reinsurance accepted on account of MCET Pool has been recorded in accordance with the latest statement received from GIC Re as on 31<sup>st</sup> March, 2023.

The entire amount of reinsurance accepted for the current year on this account has been carried forward to the subsequent accounting period as Changes in unearned premium under Insurance Contract Liabilities for subsequent risks, if any, to be borne by the company.

## S. Contribution to Solatium Fund

As per the requirements of IRDAI, the company provides for contribution to Solatium Fund @ 0.10 % on the gross direct premium of motor third party policies.

## T. Income Tax

The company provides for current tax on taxable income for the current accounting period as per the provision of the Income Tax Act, 1961.

Deferred tax charge or credit and corresponding deferred tax liabilities or assets are recognised for future tax consequences attributable to timing differences between accounting income and taxable income for the year.

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

Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount virtually certain to be realized.

## U. Goods and Services Tax (GST)

GST liability on premium are set-off against available GST credits. Unutilized credits, if any, are carried forward under "Advances and Other Assets" for set-off in subsequent periods. Any ineligible GST credit is expensed out on such determination.

GST on capital assets is included in the acquisition cost of such assets.

## V. Share Issue Expenses

Share Issue expenses in relation to increase in share capital are adjusted and reduced from Securities Premium reserve, when incurred.

## W. Earnings per share

Basic earnings per share is calculated by dividing net profit after tax by the weighted average number of equity shares outstanding during the reporting period.

Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for basic earnings per share and also weighted average number of equity shares which would have been issued on conversion of all dilutive potential shares. In computing diluted earnings per share only potential equity shares that are dilutive are considered.

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## X. Provisions & Contingencies

A provision is recognised when an enterprise has a present 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 a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the 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, but probably will not require an outflow of resources.

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 assets are not recognised in the financial statements as this may result in the recognition of income that may never be realised.

## Y. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Receipts and Payments Account include cash and cheques in hand, advance paid towards stamp duty, bank balances, other investments with original maturity of three months or less which are subject to insignificant risk of changes in value.

## Z. Employee stock option scheme

### Cash settled scheme:

The cost of cash-settled transactions, stock appreciation rights (SARs), having grant date on or before 31<sup>st</sup> March, 2021 is measured initially using intrinsic value method at the grant date taking in to account the terms and conditions upon which the instruments were granted. The Company has changed its accounting policy from intrinsic value method to fair value method for all share-linked instruments granted after 31<sup>st</sup> March, 2021. The fair value is estimated using Black-Scholes model.

The intrinsic / fair value is amortised on a straight-line basis over the vesting period with a recognition of corresponding liability. This liability is remeasured at each balance sheet date up to and including the vesting date with changes in intrinsic / fair value recognised in the Revenue/ Profit and loss account in 'Employees' remuneration & welfare benefits'.

The SARs that do not vest because of failure to satisfy vesting conditions are reversed by a credit to employee compensation expense, equal to the amortised cost in respect of the lapsed portion.

## AA. Receipts and Payments Account

Receipts and Payments Account is prepared and reported using the Direct Method, in conformity with para 2.2 of the Master Circular on Preparation of Financial Statements -General Insurance Business dated 5<sup>th</sup> October, 2012, issued by the IRDAI.

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## 3. CONTINGENT LIABILITIES: -

| Sr. No. | Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---------|---|---------------------------------------|---------------------------------------|
| 1       | Partly paid up investments  | Nil                                   | Nil                                   |
| 2       | Underwriting commitments outstanding  | 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 [Refer Note (a) below] | 692                                   | 692                                   |
| 6       | Reinsurance obligations to the extent not provided for in accounts                | Nil                                   | Nil                                   |
| 7       | Others  | Nil                                   | Nil                                   |

**Note:**

a) Income tax matters in respect of which appeal is pending - ₹ 692 (Previous Year ₹692). The company has preferred an appeal against the same since the same amount is disputed.

## 4. ENCUMBRANCES ON ASSETS

The assets of the Company are free from any encumbrances.

## 5. CAPITAL COMMITMENTS

| Sr No. | Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--------|---|---------------------------------------|---------------------------------------|
| 1      | Estimated amount of commitment pertaining to contracts remaining to be executed in respect of Fixed Asset (Net of Advances) | 12,867                                | 19,649                                |
| 2      | Commitment in respect of loans  | NIL                                   | NIL                                   |
| 3      | Commitment in respect of investments  | NIL                                   | NIL                                   |

## 6. CLAIMS

Claims, less reinsurance paid to claimants in/outside India are as under:

| Sr No. | Particulars   | For the year ended<br>31 <sup>st</sup> March, 2024 | For the year ended<br>31 <sup>st</sup> March, 2023 |
|--------|---------------|--|--|
| 1      | In India      | 4,266,900  | 3,448,268  |
| 2      | Outside India | Nil  | Nil  |

There are claims that have been settled and remaining outstanding for more than 6 months as at the end of year ₹ 256 (Previous Year Nil).

Claims made in respect of contracts exceeding four years is ₹ Nil (Previous year Nil)

Ageing of gross claims outstanding is as under:

| Sr No. | Particulars        | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--------|--------------------|---------------------------------------|---------------------------------------|
| 1      | More than 6 months | 2,354,783                             | 1,424,538                             |
| 2      | Other Claims       | 1,464,789                             | 1,241,178                             |

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## 7. PREMIUM

(a) Premiums, less reinsurance, written from business in/outside India:

| Sr No. | Particulars   | For the year ended 31 <sup>st</sup> March, 2024 | For the year ended 31 <sup>st</sup> March, 2023 |
|--------|---------------|---|---|
| 1      | In India      | 110,60,804                                      | 8,081,179                                       |
| 2      | Outside India | Nil   | Nil   |

(b) Premium income recognised, based on Varying Risk Pattern is Rupees Nil (Previous Year Nil).

## 8. EXTENT OF RISKS RETAINED AND REINSURED

Extent of risk retained and reinsured based on Gross written premium (excluding excess of loss and catastrophe reinsurance):

### For the year ended 31<sup>st</sup> March, 2024

| Product                | Gross Premium | Premium Ceded | Retention | Ceded % | Retention% |
|------------------------|---------------|---------------|-----------|---------|------------|
| Motor                  | 7,484,814     | 1,838,940     | 5,645,874 | 25%     | 75%        |
| Health                 | 6,205,527     | 1,742,057     | 4,463,470 | 28%     | 72%        |
| Personal Accident      | 691,456       | 185,909       | 505,547   | 27%     | 73%        |
| Fire                   | 892,644       | 579,102       | 313,542   | 65%     | 35%        |
| Engineering            | 118,494       | 93,388        | 25,106    | 79%     | 21%        |
| Others                 | 479,608       | 214,685       | 264,923   | 45%     | 55%        |
| Workmen's Compensation | 16,644        | 666           | 15,978    | 4%      | 96%        |
| Marine                 | 91,232        | 69,565        | 21,667    | 76%     | 24%        |
| Public Liability       | 3,215         | 2,938         | 277       | 91%     | 9%         |

### For the year ended 31<sup>st</sup> March, 2023

| Product                | Gross Premium | Premium Ceded | Retention | Ceded % | Retention % |
|------------------------|---------------|---------------|-----------|---------|-------------|
| Motor                  | 5,158,873     | 1,050,836     | 4,108,037 | 20%     | 80%         |
| Health                 | 4,239,950     | 1,142,350     | 3,097,600 | 27%     | 73%         |
| Personal Accident      | 593,765       | 143,620       | 450,145   | 24%     | 76%         |
| Fire                   | 833,450       | 560,066       | 273,384   | 67%     | 33%         |
| Engineering            | 96,014        | 73,305        | 22,709    | 76%     | 24%         |
| Others                 | 371,988       | 184,146       | 187,842   | 50%     | 50%         |
| Workmen's Compensation | 10,918        | 437           | 10,481    | 4%      | 96%         |
| Marine                 | 176,360       | 142,339       | 34,021    | 81%     | 19%         |
| Public Liability       | 1,680         | 1,512         | 168       | 90%     | 10%         |

## 9. INVESTMENTS:

Value of contracts in relation to investments for:

| Particulars                            | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|--|------------------------------------|------------------------------------|
| Purchases where deliveries are pending | 51,116                             | 102,233                            |
| Sales where payments are overdue       | Nil                                | 53,187                             |

Historical cost of value of Investments which are valued on fair value basis ₹ NIL (Previous Year ₹ NIL).



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Investments made are in accordance with the Insurance Act, 1938, as amended by Insurance Laws (Amendment) Act, 2015 and Insurance Regulatory and Development Authority (Investment) Regulations, 2016 as amended and are performing investments.

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

| Repo and Reverse Repo Transaction: Particulars | For the year ended March 31, 2024   |                                     |   |   |
|--|-------------------------------------|-------------------------------------|---|---|
|  | Minimum outstanding during the year | Maximum outstanding during the year | Daily average outstanding during the year | Outstanding at 31 <sup>st</sup> March, 2024 |
| Securities sold under repo                     |                                     |                                     |   |   |
| Government Securities                          | NIL                                 | NIL                                 | NIL                                       | NIL   |
| Corporate Debt Securities                      | NIL                                 | NIL                                 | NIL                                       | NIL   |
| Securities purchased under reverse repo        |                                     |                                     |   |   |
| Government Securities                          | NIL                                 | NIL                                 | NIL                                       | NIL   |
| Corporate Debt Securities                      | NIL                                 | NIL                                 | NIL                                       | NIL   |

### 10. I) MANAGERIAL REMUNERATION

| Sr No | Particulars                             | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|-------|---|-------------------------------|-------------------------------|
| 1     | Salary & Perquisites                    | 31,228                        | 34,204                        |
| 2     | Contribution to Provident & Other Funds | 2,079                         | 1,901                         |

- The managerial remuneration is in accordance with the requirements of section 34A of the Insurance Act, 1938. As per approval dated 25<sup>th</sup> March, 2022 vide reference no. IRDA/Non-Life/2016-2017/359, the Company has not borne cost of outstanding variable remuneration of current MD & CEO, Mr. Suresh Agarwal for his past services in Kotak Mahindra Life Insurance Company Limited. Similarly, the Company has borne the cost of outstanding variable remuneration of the erstwhile MD & CEO of Mr. Mahesh Balasubramanian for his past services in Kotak Mahindra General Insurance Company Limited.
- As per Insurance Regulatory and Development Authority of India (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023, since annual managerial remuneration does not exceed 4 crore, no part of managerial remuneration is transferred to Profit and Loss account.
- The managerial remuneration does not include provision for gratuity and compensated absence, as provision for gratuity & compensated absence liability is determined actuarially for the Company as a whole and accordingly have not been considered in the above information.

### II) IRDAI (Remuneration of Non-Executive Directors of Insurers) Guidelines, 2023

The company, have not paid any remuneration to Non-executive / independent directors, apart from payment of sitting fees.

### III) IRDAI (Remuneration of Key Managerial Person of Insurers) Guidelines, 2023

#### a. Composition and mandate of Nomination and Remuneration Committee –

Composition - As on 31<sup>st</sup> March, 2024

| Sr. No. | Members                         | Designation              |
|---------|---------------------------------|--------------------------|
| 1.      | Ms. Sharda Agarwal, Chairperson | Independent Director     |
| 2.      | Mr. Ravi Venkatraman, Member    | Independent Director     |
| 3.      | Mr. Gaurang Shah, Member        | Non-Independent Director |

**Note:** Mr. Arun Agarwal and Mr. Dhananjay Date ceased to be the member of Nomination & Remuneration Committee w.e.f 29<sup>th</sup> September, 2023.

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### Terms of reference

The terms of reference of the Committee include:

- Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal.
  - Evaluation of every director's performance.
  - Formulation of 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.
  - Scrutinize declarations of intending applicants before the appointment / reappointment/election of directors by shareholders at General Meetings.
  - Make independent and discreet references to verify accuracy of information furnished.
  - Determine on behalf of the Board and on behalf of shareholders with agreed terms of reference, the Company's policy on specific remuneration packages and any compensation payment, for the CEO and executive directors of the Company.
  - Ensure Remuneration package of the Key Managerial Persons is as per the Policy
- b. The Company have framed Remuneration Policy in accordance with the norms prescribed in the IRDAI (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023, as amended from time to time, and same can be accessed at <https://www.kotakgeneral.com/docs/default-source/footer-docs/remuneration-policy>
- c. Details of remuneration awarded to MD & CEO for the financial year 2023-24 is disclosed in Annexure I.
- d. Details of Outstanding deferred remuneration of MD & CEO at end of financial year 2023-24 is disclosed in Annexure II.

### 11. SECTOR WISE BUSINESS BASED ON GROSS DIRECT PREMIUM INCOME (GDPI):

| Business Sector | For the year ended 31 <sup>st</sup> March, 2024 |             | For the year ended 31 <sup>st</sup> March, 2023 |             |
|-----------------|---|-------------|---|-------------|
|                 | GDPI  | % of GDPI   | GDPI  | % of GDPI   |
| Rural           | 1,444,995                                       | 9%          | 1,302,432                                       | 11%         |
| Urban           | 14,426,084                                      | 91%         | 10,038,476                                      | 89%         |
| <b>Total</b>    | <b>15,871,079</b>                               | <b>100%</b> | <b>11,340,908</b>                               | <b>100%</b> |

| Social Sector                     | For the year ended 31 <sup>st</sup> March, 2024 | For the year ended 31 <sup>st</sup> March, 2023 |
|-----------------------------------|---|---|
| Absolute Number of Lives (in Nos) | 436,079   | 295,683   |
| GDPI (in ₹)                       | 217,601   | 158,315   |

### 12. PREMIUM DEFICIENCY RESERVE:

In accordance with Master Circular and Corrigendum on Master Circular on preparation of financial statement issued by IRDAI vide circular number IRDAI/F&I/CIR/F&A/231/10/2012 dated 5<sup>th</sup> October, 2012 and circular number IRDAI/F&A/CIR/FA/126/07/2013 dated 3<sup>rd</sup> July, 2013 respectively, in respect of calculation and recognition of Premium deficiency, the company does not require to make any provision for Premium Deficiency Reserve during the current year. (Previous Year ₹ 900 in Marine Segment).

### 13. OPERATING LEASES:

In respect of commercial premises taken on operating leases, rental payments are recognised in statement of profit & loss account on straight line basis over the period of lease term.

The aggregate operating lease rent amounting to ₹ 51,548 (Previous Year 36,302) has been charged to the Revenue Accounts in the current year.

The Company has entered into only cancellable lease agreements with lessor and there are no transactions in the nature of sublease.



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## 14. RELATED PARTY:

The disclosures related to related parties as required by Accounting Standard 18 on Related Parties Disclosures as specified under Section 133, and the relevant provisions of the Companies Act, 2013.

| Particulars  | Nature of Relationship  | Name of the party   |
|--|-------------------------|---|
| Parties where control exists   | Holding Company         | Kotak Mahindra Bank Limited (KMBL)  |
|  |                         | Mr. Uday S. Kotak, Promoter along with his relatives / the persons / entities forming part of the Promoter Group, holds 25.90% of the paid-up share capital of Kotak Mahindra Bank Limited as on 31 <sup>st</sup> March, 2024.<br>(P.Y. holds 25.95% of equity share capital and 17.26% of the paid-up share capital) |
| Other Related Parties  | Fellow Subsidiaries     | Kotak Mahindra Prime Limited  |
|  |                         | Kotak Securities Limited  |
|  |                         | Kotak Mahindra Investments Limited  |
|  |                         | Kotak Mahindra Capital Company Limited  |
|  |                         | Kotak Mahindra Asset Management Company Limited   |
|  |                         | Kotak Mahindra Life Insurance Company Limited   |
|  |                         | Kotak Mahindra Trustee Company Limited  |
|  |                         | Kotak Alternate Asset Managers Limited (formerly known as Kotak Investment Advisors Limited)  |
|  |                         | Kotak Mahindra Trusteeship Services Limited   |
|  |                         | Kotak Infrastructure Debt Fund Limited (formerly known as Kotak Forex Brokerage Limited)  |
|  |                         | IVY Product Intermediaries Limited (Formerly known as ING Vysya Financial Services Limited)   |
|  |                         | BSS Microfinance Limited  |
|  |                         | Kotak Mahindra (International) Limited  |
|  |                         | Kotak Mahindra (UK) Limited   |
|  |                         | Kotak Mahindra, Inc.  |
| Key Management Personnel (KMP) and its relatives                                       | Managing Director & CEO | Mahesh Balasubramanian (Up to 30 <sup>th</sup> April, 2021)<br>Suresh Agarwal (From 01 <sup>st</sup> May, 2021)   |
|  | Relative of KMP         | Akashka Agarwal (Daughter of Suresh Agarwal)  |
| Enterprises over which individual or their relatives have their significant influence. |                         | Kotak Commodity Services Private Limited  |
|  |                         | Infina Finance Private Limited  |
|  |                         | Phoenix ARC Private Limited   |
|  |                         | Business Standard Private Limited   |
|  |                         | Komaf Financial Services Private Limited  |
|  |                         | Insurekot Sports Private Limited  |
|  |                         | Kotak Ginning and Pressing India Private Limited  |

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The following are transactions and closing balances of related parties in the ordinary course of business:

| Sr No.   | Party Name                                    | FY 23-24        |                     |                   |   | FY 22-23                                |                 |                     |                   |   |
|--|---|-----------------|---------------------|-------------------|---|---|-----------------|---------------------|-------------------|---|
|  |   | Holding Company | Fellow Subsidiaries | KMP/ and Relative | Enterprises over which Individual Significant influence | Individual having Significant influence | Holding Company | Fellow Subsidiaries | KMP/ and Relative | Enterprises over which Individual Significant influence |
| <b>Asset</b>   |   |                 |                     |                   |   |   |                 |                     |                   |   |
| Advance Commission                                   | Kotak Mahindra Bank Limited                   | 14212           | -                   | -                 | -   | -                                       | 3661            | -                   | -                 | -   |
|  | Kotak Securities Limited                      | -               | 26                  | -                 | -   | -                                       | -               | 6                   | -                 | -   |
|  | Kotak Mahindra Prime Limited                  | -               | 57                  | -                 | -   | -                                       | -               | 16                  | -                 | -   |
| Bank Balance   | Kotak Mahindra Bank Limited                   | 292913          | -                   | -                 | -   | 160183                                  | -               | -                   | -                 | -   |
| Prepaid Expenses                                     | Kotak Mahindra Bank Limited                   | 180             | -                   | -                 | -   | 168                                     | -               | -                   | -                 | -   |
|  | Kotak Mahindra Life Insurance Company Limited | -               | 2575                | -                 | -   | -                                       | -               | 2794                | -                 | -   |
| Receivable from Group Company (Employee Transfer)    | Kotak Mahindra Life Insurance Company Limited | -               | 64                  | -                 | -   | -                                       | -               | -                   | -                 | -   |
| Advance Againsts Share Issued Expense                | Kotak Mahindra Bank Limited                   | 6469            | -                   | -                 | -   | -                                       | -               | -                   | -                 | -   |
| Purchase of Bonds/ Debenture/Fixed Deposit           | Kotak Mahindra Bank Limited                   | 1572            | -                   | -                 | -   | -                                       | -               | -                   | -                 | -   |
| Outstanding Receivables                              | Kotak Mahindra Bank Limited                   | 36              | -                   | -                 | -   | -                                       | -               | -                   | -                 | -   |
| Reimbursement to Group for Employee Transfer Expense | Kotak Mahindra Bank Limited                   | -               | -                   | -                 | -   | 1397                                    | -               | -                   | -                 | -   |
| <b>Liability</b>                                     |   |                 |                     |                   |   |   |                 |                     |                   |   |
| Commission Payable                                   | Kotak Mahindra Bank Limited                   | 108624          | -                   | -                 | -   | -                                       | 38360           | -                   | -                 | -   |
|  | Kotak Securities Limited                      | -               | 319                 | -                 | -   | -                                       | -               | 307                 | -                 | -   |
|  | Kotak Mahindra Prime Limited                  | -               | 85298               | -                 | -   | -                                       | -               | 12670               | -                 | -   |
| Outstanding Payables                                 | BSS Microfinance Limited                      | -               | 3937                | -                 | -   | -                                       | -               | 1057                | -                 | -   |
|  | Kotak Mahindra Bank Limited                   | 26115           | -                   | -                 | -   | 6698                                    | -               | -                   | -                 | -   |
|  | Kotak Mahindra Life Insurance Company Limited | -               | 1330                | -                 | -   | -                                       | -               | 393                 | -                 | -   |
|  | Kotak Mahindra Prime Limited                  | -               | 133                 | -                 | -   | -                                       | -               | -13                 | -                 | -   |

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Currency: In thousands of Indian Rupees unless otherwise stated)

| Sr No.  | Party Name                                      | FY 23-24        |                     |                   |  | FY 22-23                                |                 |                     |                   |  |
|---|---|-----------------|---------------------|-------------------|--|---|-----------------|---------------------|-------------------|--|
|   |   | Holding Company | Fellow Subsidiaries | KMP/ and Relative | Enterprises over which Individual having Significant influence | Individual having Significant influence | Holding Company | Fellow Subsidiaries | KMP/ and Relative | Enterprises over which Individual having Significant influence |
| Premium Deposits                                | Kotak Mahindra Bank Limited                     | 16738           | -                   | -                 | -  | -                                       | 15876           | -                   | -                 | -  |
|   | Kotak Mahindra Capital Company Limited          | -               | 1                   | -                 | -  | -                                       | -               | -                   | -                 | -  |
|   | Kotak Mahindra Life Insurance Company Limited   | -               | 79                  | -                 | -  | -                                       | 106             | -                   | -                 | -  |
|   | Kotak Mahindra Pension Fund Limited             | -               | 6                   | -                 | -  | -                                       | 5               | -                   | -                 | -  |
|   | Kotak Securities Limited                        | -               | 245                 | -                 | -  | -                                       | 207             | -                   | -                 | -  |
|   | Kotak Mahindra Asset Management Company Limited | -               | 128                 | -                 | -  | -                                       | 5               | -                   | -                 | -  |
|   | Kotak Mahindra Prime Limited                    | -               | 5354                | -                 | -  | -                                       | 11592           | -                   | -                 | -  |
|   | BSS Microfinance Limited                        | -               | 26904               | -                 | -  | -                                       | 53960           | -                   | -                 | -  |
|   | Kotak Mahindra Bank Limited                     | 1972            | -                   | -                 | -  | -                                       | 2242            | -                   | -                 | -  |
|   | Infina Finance Private Limited                  | -               | -                   | -                 | 8  | -                                       | -               | -                   | -                 | 17   |
|   | Kotak Mahindra Capital Company Limited          | -               | 31                  | -                 | -  | -                                       | -               | -                   | -                 | -  |
|   | Kotak Mahindra Life Insurance Company Limited   | -               | 418                 | -                 | -  | -                                       | 102             | -                   | -                 | -  |
|   | Kotak Mahindra Trusteeship Services Limited     | -               | 7                   | -                 | -  | -                                       | 18              | -                   | -                 | -  |
|   | Kotak Securities Limited                        | -               | 383                 | -                 | -  | -                                       | 278             | -                   | -                 | -  |
|   | Phoenix ARC Private Limited                     | -               | -                   | -                 | 7  | -                                       | -               | -                   | -                 | 7  |
|   | Kotak Alternate Asset Managers Limited          | -               | 67                  | -                 | -  | -                                       | 107             | -                   | -                 | -  |
| Kotak Mahindra Asset Management Company Limited | -   | 179             | -                   | -                 | -  | 47                                      | -               | -                   | -                 |  |
| Kotak Mahindra Investment Limited               | -   | 51              | -                   | -                 | -  | 7                                       | -               | -                   | -                 |  |
| Kotak Mahindra Prime Limited                    | -   | 129             | -                   | -                 | -  | 88                                      | -               | -                   | -                 |  |
| Kotak Commodity Services Private Limited        | -   | -               | -                   | 17                | -  | -                                       | -               | -                   | 9                 |  |
| Premium Received in Advance                     |   |                 |                     |                   |  |   |                 |                     |                   |  |

# Schedules

forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Currency: In thousands of Indian Rupees unless otherwise stated)

| Sr No. | Party Name                                      | FY 23-24        |                     |                  |   | FY 22-23                                |                 |                     |                  |   |
|--------|---|-----------------|---------------------|------------------|---|---|-----------------|---------------------|------------------|---|
|        |   | Holding Company | Fellow Subsidiaries | KMP/and Relative | Enterprises over which Individual Significant influence | Individual having Significant influence | Holding Company | Fellow Subsidiaries | KMP/and Relative | Enterprises over which Individual Significant influence |
|        | Suresh Agarwal & Relatives                      | -               | -                   | 1                | -   | -                                       | -               | -                   | -                | -   |
|        | Uday S Kotak Along with relatives               | -               | -                   | -                | -   | 35                                      | -               | -                   | -                | -   |
|        | Kotak Mahindra Bank Limited                     | 717             | -                   | -                | -   | -                                       | 877             | -                   | -                | -   |
|        | Kotak Mahindra Life Insurance Company Limited   | -               | 5011                | -                | -   | -                                       | -               | 3996                | -                | -   |
|        | Kotak Mahindra Bank Limited                     | 229             | -                   | -                | -   | -                                       | 1612            | -                   | -                | -   |
|        | Kotak Alternate Asset Managers Limited          | -               | 84                  | -                | -   | -                                       | -               | -                   | -                | -   |
|        | Kotak Mahindra Life Insurance Company Limited   | -               | 9141                | -                | -   | -                                       | -               | 9205                | -                | -   |
|        | Kotak Mahindra Bank Limited                     | 5695            | -                   | -                | -   | -                                       | 4733            | -                   | -                | -   |
|        | Kotak Mahindra Bank Limited                     | 14050           | -                   | -                | -   | -                                       | 16793           | -                   | -                | -   |
|        | Infina Finance Private Limited                  | -               | -                   | -                | 12  | -                                       | -               | -                   | -                | -   |
|        | Kotak Mahindra Capital Company Limited          | -               | 204                 | -                | -   | -                                       | -               | 19                  | -                | -   |
|        | Kotak Mahindra Life Insurance Company Limited   | -               | 5583                | -                | -   | -                                       | -               | 3281                | -                | -   |
|        | Kotak Securities Limited                        | -               | 863                 | -                | -   | -                                       | -               | 1127                | -                | -   |
|        | Kotak Alternate Asset Managers Limited          | -               | 102                 | -                | -   | -                                       | -               | 16                  | -                | -   |
|        | Kotak Mahindra Asset Management Company Limited | -               | 266                 | -                | -   | -                                       | -               | 498                 | -                | -   |
|        | Kotak Mahindra Investment Limited               | -               | 80                  | -                | -   | -                                       | -               | 182                 | -                | -   |
|        | Kotak Mahindra Prime Limited                    | -               | 167                 | -                | -   | -                                       | -               | 25                  | -                | -   |
|        | BSS Microfinance Limited                        | -               | 35384               | -                | -   | -                                       | -               | 10290               | -                | -   |
|        | Kotak Commodity Services Private Limited        | -               | -                   | -                | -   | -                                       | -               | -                   | -                | 5   |

## Transactions during the year

Bank Charges

Claims Paid

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

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forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Currency: In thousands of Indian Rupees unless otherwise stated)

| Sr No.                                   | Party Name                                    | FY 23-24        |                     |                   |  | FY 22-23                                |                 |                     |                   |  |
|--|---|-----------------|---------------------|-------------------|--|---|-----------------|---------------------|-------------------|--|
|  |   | Holding Company | Fellow Subsidiaries | KMP/ and Relative | Enterprises over which Individual having Significant influence | Individual having Significant influence | Holding Company | Fellow Subsidiaries | KMP/ and Relative | Enterprises over which Individual having Significant influence |
| Commission Paid                          | Kotak Mahindra Bank Limited                   | 779892          | -                   | -                 | -  | -                                       | 320428          | -                   | -                 | -  |
|  | Kotak Securities Limited                      | -               | 3526                | -                 | -  | -                                       | -               | 2421                | -                 | -  |
| Employee Insurance Premium               | Kotak Mahindra Prime Limited                  | -               | 382808              | -                 | -  | -                                       | -               | 74520               | -                 | -  |
|  | BSS Microfinance Limited                      | -               | 22305               | -                 | -  | -                                       | -               | 10526               | -                 | -  |
|  | Kotak Mahindra Life Insurance Company Limited | -               | 2992                | -                 | -  | -                                       | -               | 3859                | -                 | -  |
|  | Kotak Mahindra Bank Limited                   | 48126           | -                   | -                 | -  | -                                       | 43588           | -                   | -                 | -  |
| Reimbursement to Group Companies         | Kotak Mahindra Life Insurance Company Limited | -               | 8071                | -                 | -  | -                                       | -               | 207                 | -                 | -  |
|  | Kotak Mahindra Prime Limited                  | -               | 84                  | -                 | -  | -                                       | -               | 366                 | -                 | -  |
| Rent Premises                            | Kotak Mahindra Bank Limited                   | 30110           | -                   | -                 | -  | -                                       | 28215           | -                   | -                 | -  |
|  | Kotak Mahindra Life Insurance Company Limited | -               | 200                 | -                 | -  | -                                       | -               | 200                 | -                 | -  |
| Remuneration of Key Management Personnel | Kotak Mahindra Prime Limited                  | -               | 51                  | -                 | -  | -                                       | -               | 282                 | -                 | -  |
|  | Maresh Balasubramanian                        | -               | -                   | 4577              | -  | -                                       | -               | 11703               | -                 | -  |
| Forex Transactions during the period     | Suresh Agarwal                                | -               | -                   | 28729             | -  | -                                       | -               | 24402               | -                 | -  |
|  | Kotak Mahindra Bank Limited                   | 1937            | -                   | -                 | -  | -                                       | -               | -                   | -                 | -  |
| Royalty Paid                             | Kotak Mahindra Bank Limited                   | 1000            | -                   | -                 | -  | -                                       | 1000            | -                   | -                 | -  |
| Premium Income                           | Kotak Mahindra Bank Limited                   | 73813           | -                   | -                 | -  | -                                       | 15621           | -                   | -                 | -  |
|  | Infina Finance Private Limited                | -               | -                   | -                 | 66   | -                                       | -               | -                   | 64                | -  |
| Royalty Paid                             | Kotak Mahindra Capital Company Limited        | -               | 517                 | -                 | -  | -                                       | -               | 189                 | -                 | -  |
|  | Kotak Mahindra Life Insurance Company Limited | -               | 4735                | -                 | -  | -                                       | -               | 3378                | -                 | -  |

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forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Currency: In thousands of Indian Rupees unless otherwise stated)

| Sr No. | Party Name                                      | FY 23-24        |                     |                  |  | FY 22-23                                |                 |                     |                  |  |   |     |     |
|--------|---|-----------------|---------------------|------------------|--|---|-----------------|---------------------|------------------|--|---|-----|-----|
|        |   | Holding Company | Fellow Subsidiaries | KMP/and Relative | Enterprises over which Individual having Significant influence | Individual having Significant influence | Holding Company | Fellow Subsidiaries | KMP/and Relative | Enterprises over which Individual having Significant influence | Individual having Significant influence |     |     |
|        | Kotak Mahindra Pension Fund Limited             | -               | 23                  | -                | -  | -                                       | -               | -                   | -                | -  | 18                                      | -   | -   |
|        | Kotak Mahindra Trusteeship Services Limited     | -               | 25                  | -                | -  | -                                       | -               | -                   | -                | -  | 88                                      | -   | -   |
|        | Kotak Securities Limited                        | -               | 4042                | -                | -  | -                                       | -               | -                   | -                | -  | 3604                                    | -   | -   |
|        | Phoenix ARC Private Limited                     | -               | -                   | -                | 83   | -                                       | -               | -                   | -                | -  | -                                       | 19  | -   |
|        | Kotak Alternate Asset Managers Limited          | -               | 310                 | -                | -  | -                                       | -               | -                   | -                | -  | 594                                     | -   | -   |
|        | Kotak Mahindra Asset Management Company Limited | -               | 519                 | -                | -  | -                                       | -               | -                   | -                | -  | 848                                     | -   | -   |
|        | Kotak Mahindra Investment Limited               | -               | 243                 | -                | -  | -                                       | -               | -                   | -                | -  | 217                                     | -   | -   |
|        | Kotak Mahindra Prime Limited                    | -               | 2510                | -                | -  | -                                       | -               | -                   | -                | -  | 1933                                    | -   | -   |
|        | BSS Microfinance Limited                        | -               | 28683               | -                | -  | -                                       | -               | -                   | -                | -  | 20263                                   | -   | -   |
|        | Business Standard Private Limited               | -               | -                   | -                | -  | -                                       | -               | -                   | -                | -  | -                                       | 8   | -   |
|        | Kotak Commodity Services Private Limited        | -               | -                   | -                | 186  | -                                       | -               | -                   | -                | -  | -                                       | 173 | -   |
|        | Komaf Financial Services Private Limited        | -               | -                   | -                | 16   | -                                       | -               | -                   | -                | -  | -                                       | 16  | -   |
|        | Insurekot Sports Private Limited                | -               | -                   | -                | 69   | -                                       | -               | -                   | -                | -  | -                                       | -   | -   |
|        | Uday S Kotak Along with relatives               | -               | -                   | -                | -  | -                                       | -               | -                   | -                | -  | -                                       | -   | 509 |
|        | Kotak Ginning And Pressing Ind Pvt Ltd          | -               | -                   | -                | 26   | -                                       | -               | -                   | -                | -  | -                                       | -   | -   |
|        | Suresh Agarwal & Relatives                      | -               | -                   | 21               | -  | -                                       | -               | -                   | -                | -  | -                                       | 118 | -   |
|        | Kotak Mahindra Bank Limited                     | 36              | -                   | -                | -  | -                                       | -               | -                   | -                | -  | -                                       | -   | -   |
|        | Kotak Mahindra Bank Limited                     | 1950000         | -                   | -                | -  | -                                       | -               | -                   | -                | -  | 2250000                                 | -   | -   |
|        | Interest Income                                 |                 |                     |                  |  |   |                 |                     |                  |  |   |     |     |
|        | Investment in Equity Capital                    |                 |                     |                  |  |   |                 |                     |                  |  |   |     |     |

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

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(Currency: In thousands of Indian Rupees unless otherwise stated)

## 15. EMPLOYEE BENEFIT PLANS:

### Defined Contribution Plan:

| Sl. No. | Particulars             | For the year ended 31 <sup>st</sup> March, 2024 | For the year ended 31 <sup>st</sup> March, 2023 |
|---------|-------------------------|---|---|
| 1       | Provident Fund          | 73,781  | 62,011  |
| 2       | National Pension Scheme | 5,615   | 4,275   |

### Defined Benefit Plan:

#### Gratuity

The Company has a defined gratuity plan payable to every employee on separation from the Company. The gratuity plan provides a lumpsum payment to vested employees at retirement or on termination of employment based on respective employee's salary and years of employment with the Group subject to a maximum of ₹2,000 (Previous year: ₹ 2,000)

Disclosures as required under accounting standard AS-15 on Employee Benefits are given below:

Amount to be Recognised in Balance Sheet:-

| Particulars   | As at 31 <sup>st</sup> March, 2024 | As at 31 <sup>st</sup> March, 2023 |
|---|------------------------------------|------------------------------------|
| <b>Amount to be Recognised in Balance Sheet</b>             |                                    |                                    |
| Present Value of Funded Obligations                         | Nil                                | Nil                                |
| Fair Value of Plan Assets                                   | Nil                                | Nil                                |
| Present Value of Unfunded Obligations                       | 98,112                             | 74,813                             |
| Unrecognised Past Service Cost                              | Nil                                | Nil                                |
| Amount not Recognised as an Asset (limit in Para 59(b))     | Nil                                | Nil                                |
| <b>Net Liability</b>  | <b>98,112</b>                      | <b>74,813</b>                      |
| <b>Amounts in Balance Sheet</b>                             |                                    |                                    |
| Liability   | 98,112                             | 74,813                             |
| Assets  | Nil                                | Nil                                |
| <b>Net Liability is bifurcated as follows:</b>              |                                    |                                    |
| Current   | 20,433                             | 16,642                             |
| Non-Current   | 77,679                             | 58,171                             |
| <b>Net Liability</b>  | <b>98,112</b>                      | <b>74,813</b>                      |
| <b>Expense To Be Recognised in the Statement of P&amp;L</b> |                                    |                                    |
| Current Service Cost  | 15,504                             | 14,553                             |
| Interest on Defined Benefit Obligation                      | 5,986                              | 4,825                              |
| Expected Return on Plan Assets                              | Nil                                | Nil                                |
| Net Actuarial Losses / (Gains) Recognised in Year           | 10,016                             | 3,619                              |
| Past Service Cost   | Nil                                | Nil                                |
| Losses / (Gains) on "Curtailments & Settlements"            | Nil                                | Nil                                |
| Losses / (Gains) on "Acquisition / Divestiture"             | Nil                                | Nil                                |
| Effect of the limit in Para 59(b)                           | Nil                                | Nil                                |
| <b>Total, Included in "Employee Benefit Expense"</b>        | <b>31,506</b>                      | <b>22,997</b>                      |
| <b>Actual Return on Plan Assets</b>                         | <b>Nil</b>                         | <b>Nil</b>                         |

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 forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

(Currency: In thousands of Indian Rupees unless otherwise stated)

| Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
| <b>Reconciliation of Benefit Obligations &amp; Plan Assets for the Period</b> |                                       |                                       |
| <b>Change in Defined Benefit Obligation</b>                                   |                                       |                                       |
| <b>Opening Defined Benefit Obligation</b>                                     | <b>74,813</b>                         | <b>61,347</b>                         |
| Current Service Cost  | 15,504                                | 14,552                                |
| Interest Cost   | 5,986                                 | 4,825                                 |
| Actuarial Losses / (Gain)   | 10,016                                | 3,619                                 |
| Past Service Cost   | Nil                                   | Nil                                   |
| Actuarial Losses / (Gain) due to Curtailment                                  | Nil                                   | Nil                                   |
| Liabilities Extinguished on Settlements                                       | Nil                                   | Nil                                   |
| Liabilities Assumed on Acquisition / (Settled on Divestiture)                 | 412                                   | (786)                                 |
| Exchange Difference on Foreign Plans  | Nil                                   | Nil                                   |
| Benefits Paid   | (8,619)                               | (8,744)                               |
| <b>Closing Defined Benefit Obligation</b>                                     | <b>98,112</b>                         | <b>74,813</b>                         |
| <b>Change in Fair Value of Assets</b>   |                                       |                                       |
| <b>Opening Fair Value of Plan Assets</b>                                      | <b>Nil</b>                            | <b>Nil</b>                            |
| Expected Return on Plan Assets  | Nil                                   | Nil                                   |
| Actuarial Gain / (Losses)   | Nil                                   | Nil                                   |
| Assets Distributed on Settlements   | Nil                                   | Nil                                   |
| Contributions by Employer   | 8,619                                 | 8,744                                 |
| Assets Acquired on Acquisition / (Distributed on Divestiture)                 | Nil                                   | Nil                                   |
| Exchange Difference on Foreign Plans  | Nil                                   | Nil                                   |
| Benefits Paid   | (8,619)                               | (8,744)                               |
| <b>Closing Fair Value of Plan Assets</b>                                      | <b>Nil</b>                            | <b>Nil</b>                            |
| <b>Expected Employer's Contribution Next Year</b>                             | <b>20,433</b>                         | <b>16,642</b>                         |

**Experience Adjustments: -**

| Particulars                   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 | As at<br>31 <sup>st</sup> March, 2022 | As at<br>31 <sup>st</sup> March, 2021 | As at<br>31 <sup>st</sup> March, 2020 |
|-------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Defined Benefit Obligation    | 98,112                                | 74,813                                | 61,347                                | 44,472                                | 31,486                                |
| Plan Assets                   | Nil                                   | Nil                                   | Nil                                   | Nil                                   | Nil                                   |
| Surplus / (Deficit)           | (98,112)                              | (74,813)                              | (61,347)                              | (44,472)                              | (31,486)                              |
| Exp. Adj. on Plan Liabilities | 9,219                                 | 8,447                                 | 6,490                                 | 4,129                                 | 3,833                                 |
| Exp. Adj. on Plan Assets      | 0                                     | 0                                     | 0                                     | 0                                     | 0                                     |

**Summary of Principal Actuarial Assumptions: -**

| Particulars                              | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|--|---------------------------------------|---------------------------------------|
| Discount Rate (p.a.)                     | 7.15%                                 | 7.30%                                 |
| Expected Rate of Return on Assets (p.a.) | 0%                                    | 0%                                    |
| Salary Escalation Rate (p.a.)            | 7%                                    | 7%                                    |



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(Currency: In thousands of Indian Rupees unless otherwise stated)

**Leave Encashment:**

The Company has a scheme of compensated absences where leaves are accruing for employees and liability of which are determined actuarially as at the year end.

The break-up of the Defined Benefit Obligation (which equals to net liability assuming this liability is not externally funded) between current & non-current is as follows: -

| Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---------------|---------------------------------------|---------------------------------------|
| Net Liability | 19,664                                | 10,044                                |

Financial Assumptions at the Valuation Date: -

| Particulars                   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|-------------------------------|---------------------------------------|---------------------------------------|
| Discount Rate (p.a.)          | 7.15%                                 | 7.30%                                 |
| Salary Escalation Rate (p.a.) | 7%                                    | 7%                                    |

**16. SEGMENTAL REPORTING:**

The Company's primary reportable segments are business segments which have been identified in accordance with the regulations and AS – 17 Segment Reporting. Operating Expenses & Income from Investments are allocated to business segments as mentioned in para 1K & 1L of schedule Segments revenue and segment results are shown in financial statements. Segmental assets and liabilities are disclosed to the extent identifiable:

| Period                             | Products               | Claims Outstanding | Reserve for Unexpired Risk |
|------------------------------------|------------------------|--------------------|----------------------------|
| As at 31 <sup>st</sup> March, 2024 | Motor                  | 6,873,310          | 3,231,004                  |
|                                    | Health Insurance       | 471,842            | 3,217,526                  |
|                                    | Personal Accident      | 66,295             | 480,158                    |
|                                    | Fire                   | 154,471            | 488,145                    |
|                                    | Engineering            | 6,347              | 10,821                     |
|                                    | Others                 | 27,967             | 467,690                    |
|                                    | Workmen's Compensation | 7,821              | 8,598                      |
|                                    | Marine                 | 8,566              | 7,916                      |
|                                    | Public Liability       | 150                | 167                        |
|                                    | <b>Total</b>           | <b>7,616,769</b>   | <b>7,912,025</b>           |
| As at 31 <sup>st</sup> March, 2023 | Motor                  | 5,389,926          | 2,233,625                  |
|                                    | Health Insurance       | 430,726            | 2,273,919                  |
|                                    | Personal Accident      | 98,916             | 355,327                    |
|                                    | Fire                   | 147,384            | 432,688                    |
|                                    | Engineering            | 6,528              | 9,175                      |
|                                    | Others                 | 36,273             | 319,307                    |
|                                    | Workmen's Compensation | 10,850             | 5,423                      |
|                                    | Marine                 | 3,983              | 6,259                      |
|                                    | Public Liability       | 44                 | 93                         |
|                                    | <b>Total</b>           | <b>6,124,630</b>   | <b>5,635,816</b>           |

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(Currency: In thousands of Indian Rupees unless otherwise stated)

### 17. EARNINGS PER SHARE:

| Sl. No. | Particulars  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---------|--|---------------------------------------|---------------------------------------|
| 1       | Net Profit/(Loss) available to Equity Shareholders                   | (8,89,503)                            | (1,172,796)                           |
| 2       | Weighted Average Number of Equity Shares: -                          |                                       |                                       |
|         | Number of Shares Outstanding at the beginning of the year            | 680,000,000                           | 455,000,000                           |
|         | Shares issued during the year  | 195,000,000                           | 225,000,000                           |
|         | Number of Shares Outstanding at the end of the year                  | 875,000,000                           | 680,000,000                           |
|         | Weighted Average Number of Equity Shares outstanding during the year | 740,163,934                           | 599,246,575                           |
| 3       | Nominal Value of Equity Shares                                       | ₹ 10                                  | ₹ 10                                  |
| 4       | Basic Earnings Per Share   | (1.20)                                | (1.96)                                |
| 5       | Diluted Earnings Per Share   | (1.20)                                | (1.96)                                |

There were no dilutive equity shares or potential equity shares issued and so weighted average number of equity shares is similar to calculate both basic earnings per share and diluted earnings per share.

### 18. PENALTIES LEVIED BY VARIOUS GOVERNMENT AUTHORITIES DURING FINANCIAL YEAR 2023-24:

| Sr. No. | Particulars  | Non-Compliance / Violation | Penalty Awarded | Penalty Paid | Penalty Waived / Reduced |
|---------|--|----------------------------|-----------------|--------------|--------------------------|
| 1       | Insurance Regulatory and Development Authority   | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 2       | GST/Service Tax Authorities -  | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 3       | Income Tax Authorities -   | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 4       | Any other Tax Authorities  | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 5       | Enforcement Directorate/Adjudicating Authority/ Tribunal or any Authority under FEMA                             | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 6       | Registrar of Companies/ NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013/1956 | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 7       | Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation       | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 8       | Securities and Exchange Board of India   | NA<br>(NA)                 | NA<br>(NA)      | NA<br>(NA)   | NA<br>(NA)               |
| 9       | Competition Commission of India  | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |
| 10      | Any other Central/State/Local Govt/Statutory Authority (Tariff Advisory Committee)                               | Nil<br>(Nil)               | Nil<br>(Nil)    | Nil<br>(Nil) | Nil<br>(Nil)             |

(Previous year figures are given in brackets)

### 19. CONTRIBUTION TO SOLATIUM FUND

The IRDAI had asked the General Insurance Council ("the Council") to recommend the percentage of contribution to be made to a Solatium Fund and matters relating to the administration of the Fund. The Council recommended contribution of 0.10% of the all third party motor gross written premium as solatium fund to the administrator. Accordingly, the company has provided ₹ 3,318 (Previous Year ₹ 2,581) towards solatium fund during the year which is charged to revenue account and also disclosed under current liabilities.

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## 20. MICRO AND SMALL-SCALE BUSINESS ENTITIES:

According to the information available with the Company there are dues of ₹ Nil (Previous Year ₹ Nil) payable to Micro, Small and Medium enterprises as defined under Micro, Small and Medium Enterprises Development, 2006 as at 31<sup>st</sup> March, 2024.

| Particulars   | As at<br>31 <sup>st</sup> March 2024 | As at<br>31 <sup>st</sup> March 2023 |
|---|--------------------------------------|--------------------------------------|
| Principal Amount due to suppliers under MSMED Act, 2006, beyond the appointed day               | Nil                                  | Nil                                  |
| Interest accrued and due to suppliers under MSMED Act, on the above amount                      | Nil                                  | Nil                                  |
| Payment made to suppliers other than interest beyond the appointed day, during the year         | Nil                                  | Nil                                  |
| Interest paid to suppliers under MSMED Act (Other than section 16)                              | Nil                                  | Nil                                  |
| Interest due and payable to suppliers under MSMED Act, for the payments already made            | Nil                                  | Nil                                  |
| Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006 | Nil                                  | Nil                                  |

## 21. EMPLOYEE SHARE OPTION PLANS (ESOP) & STOCK APPRECIATION RIGHTS (SARS):

### Employee share option plans (ESOP)

#### Equity Settled Options

At the General Meeting of the holding company, Kotak Mahindra Bank Limited (here after known as "Bank"), the shareholders of the Bank had passed Special Resolutions on 29<sup>th</sup> June 2015, to grant options to the eligible employees of the Bank and its subsidiaries and associate companies. Pursuant to this resolution, the Kotak Mahindra Equity Option Scheme 2015 has been formulated and adopted.

In pursuance of the above referred Employees Stock Option Schemes, the Bank has granted stock options to employees of the Company. As per regulatory guidelines, the Bank has started recovering fair value computed as per Black-Scholes method for all stock options granted after 31<sup>st</sup> March, 2021. In accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the Guidance note on "Accounting for Employee Share based payments" issued by the Institute of Chartered Accountant of India, the intrinsic value (for options granted on or before 31<sup>st</sup> March 2021) / fair value of the option is amortised on a straight-line basis over the vesting period. The Company has reimbursed the Bank ₹ 2,768 (Previous Year ₹ 5,416) during the year on account of such costs and the same is forming part of Employee costs and included in the Revenue/Profit and loss account in 'Employees' remuneration & welfare benefits.

#### Stock Appreciation rights (SARs)

At the General Meeting of the holding Company, Kotak Mahindra Bank Limited, the shareholders of the Bank had passed Special Resolution on 29<sup>th</sup> June, 2015 to grant stock appreciation rights (SARs) to the eligible employees of the Bank, its subsidiaries and associate companies. Pursuant to this resolution, Kotak Mahindra Stock Appreciation Rights Scheme 2015 has been formulated and adopted. Subsequently, the SARs have been granted under this scheme. The contractual life (which is equivalent to the vesting period) of the SARs outstanding ranges from 1.0 to 4.20 years.

Detail of activity under SARs plan is summarized below:

| Particulars                                      | No. of SARs                           |                                       |
|--|---------------------------------------|---------------------------------------|
|  | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
| Outstanding at the beginning of the year         | 23,533                                | 19,743                                |
| Granted during the year                          | 11,040                                | 10,850                                |
| Additions/Reduction due to transfer of employees | -                                     | -                                     |
| Exercised during the year                        | (9,989)                               | (6,980)                               |
| Expired during the year                          | (534)                                 | (80)                                  |
| Outstanding at the end of the year               | 24,050                                | 23,533                                |

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Effect of grant of SARs to employees on the statement of profit and loss and on its financial position

| Particulars   | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
| Employee Compensation                                 | 18,817                                | 18,026                                |
| Closing balance of liability for cash-settled options | 23,815                                | 23,406                                |

Had the Company recorded the compensation cost computed on the basis of fair valuation method instead of intrinsic value method, employee compensation cost would have been higher by ₹ 11 (Previous Year ₹ 548) and the Loss (CY) after tax would have been higher by ₹ 11 [Profit of (PY) after tax would have been higher by ₹ 548]. Consequently, the basic and diluted EPS would have been lower by ₹ 0.00002 (Previous year ₹ 0.0009).

## 22. PROVISION FOR FREE LOOK PERIOD:

The provision for free look period is NIL and it is duly certified by the Appointed Actuary.

## 23. A) ACCOUNTING RATIOS ARE GIVEN IN ANNEXURE 1.

b) Solvency Margin

| Solvency Margin                                     | As at<br>31 <sup>st</sup> March, 2024 | As at<br>31 <sup>st</sup> March, 2023 |
|---|---------------------------------------|---------------------------------------|
| Required Solvency Margin under IRDAI Regulation (A) | 2,348,565.39                          | 1,819,099.87                          |
| Available Solvency Margin (B)                       | 4,354,619.24                          | 3,326,850.33                          |
| Solvency Ratio actual (times) (B/A)                 | 1.85                                  | 1.83                                  |
| Solvency Ratio as prescribed by Regulation          | 1.50                                  | 1.50                                  |

## 24. SUMMARY OF FINANCIAL STATEMENT IS PROVIDED IN ANNEXURE 2.

## 25. STATEMENT SHOWING AGE-WISE ANALYSIS OF THE UNCLAIMED AMOUNT:

### Schedule-I (FORM A)

Statement showing the Age-wise Analysis of the Unclaimed Amount of the Policyholders as on 31<sup>st</sup> March, 2024

(Amounts in Lakh of Indian Rupees)

| Particulars  | Total<br>Amount                | AGE-WISE ANALYSIS            |                              |                              |                              |                              |                              |                              |                        |                        |
|--|--------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------|------------------------|
|  |                                | 0-6<br>months                | 7-12<br>months               | 13-18<br>months              | 19-24<br>months              | 25-30<br>months              | 31-36<br>months              | 37-120<br>months             | Above 120<br>months    |                        |
| Claims settled but not paid to the policyholders/ beneficiaries due to any reasons except under litigation from the policyholders/ beneficiaries   | 0.59<br>(-)                    | 0.59<br>(-)                  | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)               | -<br>(-)               |
| Sum due to the policyholders/ beneficiaries on maturity or otherwise   | -<br>(-)                       | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)               | -<br>(-)               |
| 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 | 20.72<br>(17.08)               | 6.59<br>(5.42)               | 3.42<br>(3.18)               | 2.71<br>(1.36)               | 1.12<br>(1.11)               | 0.91<br>(1.53)               | 1.21<br>(0.74)               | 4.76<br>(3.74)               | -<br>(-)               | -<br>(-)               |
| Cheques issued but not encashed by the policyholder/ beneficiaries   | 4.61<br>(4.36)                 | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | -<br>(-)                     | 4.61<br>(4.36)               | -<br>(-)               | -<br>(-)               |
| <b>Total</b>   | <b>25.92</b><br><b>(21.44)</b> | <b>7.18</b><br><b>(5.42)</b> | <b>3.42</b><br><b>(3.18)</b> | <b>2.71</b><br><b>(1.36)</b> | <b>1.12</b><br><b>(1.11)</b> | <b>0.91</b><br><b>(1.53)</b> | <b>1.21</b><br><b>(0.74)</b> | <b>9.38</b><br><b>(8.10)</b> | <b>-</b><br><b>(-)</b> | <b>-</b><br><b>(-)</b> |

(Previous year figures are given in brackets)

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**FORM C****Details of Unclaimed Amount and Investment Income**

(Amounts in Lakh of Indian Rupees)

| Particulars  | FY 2023-24  |                | FY 2022-23  |                |
|--|-------------|----------------|-------------|----------------|
|  | Policy Dues | Income Accrued | Policy Dues | Income Accrued |
| Opening Balance  | 19.19       | 2.25           | 13.35       | 1.33           |
| Add: Amount transferred to Unclaimed Fund  | 19.31       | 0.00           | 11.08       | (0)            |
| Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale) | -           | -              | -           | -              |
| Add: Investment Income on Unclaimed Fund   | -           | 2.62           | -           | 1.09           |
| Less: Amount of claims paid during the Year  | 16.23       | 1.22           | 5.24        | 0.17           |
| Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred earlier)  | -           | -              | -           | -              |
| Closing Balance of Unclaimed Amount Fund   | 22.27       | 3.65           | 19.19       | 2.25           |

As per the extant accounting and disclosure norms of unclaimed amount of policyholders, laid down by the Authority, in the master circular dated 25<sup>th</sup> July, 2017, the Company has maintained segregated earmarked fund and has disclosed the same as a discreet heading under Schedule 12 (Current Asset and Advances), the corpus including investment income, of which stands at ₹ 4,732 (PY ₹ 2,469) as on the date of Balance Sheet.

From FY2023-24, the unclaimed amount for policyholder is arrived on basis of amount remaining unpaid beyond 12 months from due date or settlement date which-ever is earlier. This is in line with the latest master circular no. IRDAI/Life/CIR/Misc/41/2/2024 issued by the IRDAI.

**26. TAXATION**

The Company has elected to exercise the option of lower taxation under Section 115BAA of the Income-Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Bases which the tax provision has been considered in the current tax, no current year tax provision is required to be made since the Company has accumulated losses to set off as permissible under the aforesaid section.

The Company has unabsorbed depreciation and carry forward of losses under tax laws. However deferred tax assets has not been recognised in financial statement as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**27. FOREIGN EXCHANGE**

- Expenditure in Foreign Currency (on cash basis) in current year: ₹ 2,311 (Previous Year: ₹ 517)
- The year-end foreign currency exposure is ₹ Nil (Previous Year ₹ NIL)

**28. DISCLOSURE OF CERTAIN EXPENSES**

As required under Circular no 067/IRDAI/F&A/CIR/MAR -08 dated 28<sup>th</sup> March, 2008, outsourced services include payments made for various outsourced services amounting to ₹ 170,804 (Previous Year: ₹ 146,561)

**29. DISCLOSURE OF OTHER WORKS GIVEN TO AUDITORS**

Pursuant to clause 7.1 (g) of Corporate Governance Guidelines issued by IRDAI on August 5, 2009 the remuneration paid to Auditors for services other than statutory / concurrent / internal audit are disclosed below:

| Name             | Particulars        | Nature             | FY 2023-24 | FY 2022-23 |
|------------------|--------------------|--------------------|------------|------------|
| V. C. Shah & Co. | Statutory Auditors | Certification work | 188.5      | 51.0       |
| V. C. Shah & Co. | Statutory Auditors | Tax Audit          | 350.0      | 250.0      |

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- 30.** The premium received for new motor and two-wheeler policies under Long Term Motor Insurance Policies is recognised as per the IRDAI Circular No. IRDA/NL/CIR/MOT/137/08/2018 dated 28<sup>th</sup> August, 2018 and Circular No. IRDAI/NL/CIR/MISC/052/03/2019 dated 29<sup>th</sup> March, 2019

## 31. EXPENSES OF MANAGEMENT

The Company has allocated expenses as per the policy approved by the Board of Directors.

For FY 2022-23, the Company had made application dated 13<sup>th</sup> February, 2023 to General Insurance Council (GI Council) seeking an exemption under Section 40C(1) of the Insurance Act 1938 read with IRDAI (Expense of Management of Insurers transacting General Insurance business) Regulations, 2016. GI council has appropriately recommended to IRDAI to grant exemption under Section 40C(1) of the Insurance Act, 1938 on 6<sup>th</sup> April, 2023. Subsequently on 5<sup>th</sup> December, 2023, the Company has made an application to IRDAI along with a detailed business plan seeking EOM forbearance. The application is pending with IRDAI for approval.

For FY 2023-24, the Company has made an application dated 19<sup>th</sup> April, 2024 to General Insurance Council (GI Council) seeking an exemption as per the Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2023.

In accordance with the regulation on Insurance Regulatory and Development Authority of India (Expenses of Management of Insurers transacting General or Health Insurance business) Regulations, 2023 and Insurance Regulatory and Development Authority of India (Payment of Commission) Regulations, 2023, operating expenses in excess of segmental limits of ₹ 1,581,525 (Previous Year: ₹ 1,028,588 under Revenue Account under separate sub-line item to Others as "Contribution from Shareholders Funds towards Excess EOM" and reported as allowable expenses under Other Expenses in Profit & Loss account under separate sub-line item as "Contribution to Policyholders Funds towards Excess EOM".

- 32.** As per Regulation 13(3) of the IRDAI (Regulatory Sandbox) Regulations, 2019, IRDAI issued Guideline vide IRDAI/INT/GDL/RSB/139/08/2019 dated August 22, 2019 wherein expenses incurred towards Regulatory Sandbox shall be maintained separately and charged to Shareholders Account or its equivalent. During the year the Company has incurred an amount of ₹ Nil (Previous year ₹ Nil) towards Regulatory Sandbox and the expenses have been charged to Profit and Loss Account and shown in 'Others' under 'Other Expenses'.
- 33.** The Company does not have any long term contracts including derivative contracts where in the Company is required to make provision towards any foreseeable losses (Previous Year - ₹ Nil).

## 34. ENVIRONMENTAL RELIEF FUND

An amount of ₹16 is outstanding as at 31<sup>st</sup> March 2024 (Previous Year: ₹ Nil) towards Environmental Relief Fund (ERF) under the Public Liability Compulsory Insurance Act, 1991.

## 35. REGROUPING

Previous year figures have been re-grouped and re-classified wherever necessary to confirm to current year presentation.

### Regrouping of previous year figure in Financial Statement

| Sr. No. | Schedule to Balance Sheet               | Reclassified From   | Reclassified to   | Amount (₹ in '000) | Remarks   |
|---------|---|---|---|--------------------|---|
| 1       | Schedule 12 – Advances and Other Assets | Schedule 13 – Current Liabilities – Others: Unsettled investment contract Payable | Schedule 12 – Advances and Other Assets – Other Assets - Unsettled investment contract receivable | 53,187             | Unsettled Investment contract receivable mapped to Schedule 12 was netted of in FY2022-23 against payable, which is regrouped as per table for better clarity |
| 2       | Schedule 13 – Current Liabilities       | Schedule 13 – Current Liabilities - Unclaimed Amount of Policyholders             | Schedule 13 – Current Liabilities - Interest Accrued on Unclaimed Amount                          | 225                | Interest accrued on unclaimed amount liability now disclosed separately for better transparency   |
| 3       | Schedule 13 – Current Liabilities       | Schedule 13 – Current Liabilities – Others: Provision for Expenses                | Schedule 13 – Current Liabilities – Agents balances   | 80,654             | Regrouping done for better clarity.   |

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## Regrouping of previous year figure in Cash flow Statement

| Sr No | Heading to Cash Flow                     | Particulars to Cash flow             | Previous Year reported amount (₹ in '000) | Reclassified amount of Previous Year (₹ in '000) | Remarks                            |
|-------|--|--------------------------------------|---|--|------------------------------------|
| 1     | Cash Flows from the operating activities | Payments of commission and brokerage | (949,412)                                 | (942,942)  | Regrouping done for better clarity |
| 2     | Cash Flows from the operating activities | Payments of other operating expenses | (3,776,726)                               | (3,776,780)                                      | Regrouping done for better clarity |
| 3     | Cash Flows from the operating activities | Income taxes paid (Net)              | (46.13)                                   | (6,462.39)                                       | Regrouping done for better clarity |

## 36. UPDATES ON INDIAN ACCOUNTING STANDARDS (IND AS)

IASB has notified the amended IFRS 17, "Insurance Contract" with global date of implementation starting from 1<sup>st</sup> January, 2023. IRDAI vide its letter dated 15<sup>th</sup> September 2023, has proposed phase wise IND AS 117 implementations in insurance sector by bucketing companies into 3 categories based on the listing status and size of AUM.

| Phase | Implementation date         |
|-------|-----------------------------|
| 1     | 1 <sup>st</sup> April, 2025 |
| 2     | 1 <sup>st</sup> April, 2026 |
| 3     | 1 <sup>st</sup> April, 2027 |

Based on above category, the Company falls under Phase 3. The Company's steering committee monitors the progress of implementation of IND AS, at regular intervals. The Company is in the process of receiving and evaluating proposals for selecting suitable partners.

## 37. SHARE ISSUE EXPENSE INCURRED TOWARDS CAPITAL RAISING ACTIVITY

The share issue expenses incurred towards 70% stake acquisition deal between Zurich Insurance Company and Kotak Mahindra General Insurance Company Limited, which are in relation to increase in share capital, would be adjusted and reduced from Securities Premium reserve, once the acquisition materialize. The same is in accordance with accounting policy of the Company. Accordingly, the expenses incurred till March 31, 2024, of ₹ 22,655/- (in '000) is shown under Schedule 12 Advances – Others: Advance against share issue expenses.

## 38. NOTE ON AUDIT TRAIL

As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Company uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year. In respect of one cloud-based accounting software, the Service Organization Control Report does not cover whether audit trail was enabled or not as per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 for direct data changes at the database level. The Company has established and maintained an adequate internal control framework and based on its assessment, believes that this was effective as of 31<sup>st</sup> March, 2024.

### As per our report of even date attached

**For V. C. Shah & Co.**  
Chartered Accountants  
ICAI FRN : 109818W

**Viral J. Shah**  
Partner  
M. No : 110120

**For MSKA & Associates**  
Chartered Accountants  
ICAI FRN : 105047W

**Swapnil Kale**  
Partner  
M. No :117812

### For and on behalf of the Board of Directors of Kotak Mahindra General Insurance Company Limited

**Gaurang Shah**  
Chairman  
DIN: 00016660

**Suresh Agarwal**  
Managing Director & CEO  
DIN: 09126759

**Parshant Arora**  
Chief Compliance Officer and Company Secretary

**G.Murlidhar**  
Director  
DIN: 03601196

**Yash Kotak**  
Chief Financial Officer

Place: Mumbai  
Date: 24<sup>th</sup> April, 2024

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## Analytical Ratios for the year ended 31<sup>st</sup> March 2024 Annexure – 1

| Particular  | Total  | Fire | Marine | Miscellaneous |          |             |                        |                  |             |          |                   |                  |              | Miscellaneous Total |        |
|---|--------|------|--------|---------------|----------|-------------|------------------------|------------------|-------------|----------|-------------------|------------------|--------------|---------------------|--------|
|   |        |      |        | Motor OD      | Motor TP | Motor Total | Workmen's Compensation | Public Liability | Engineering | Aviation | Personal Accident | Health Insurance | Trade Credit |                     | Others |
| Gross Direct Premium Growth Rate                                  | 40%    | 12%  | -48%   | 61%           | 29%      | 45%         | 52%                    | 91%              | 26%         | NA       | 16%               | 46%              | NA           | 30%                 | 43%    |
| Gross Direct Premium to Net Worth ratio                           | 3.55   | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Growth rate of Net Worth  | 31%    | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Net Retention Ratio   | 69%    | 29%  | 8%     | 59%           | 95%      | 74%         | 95%                    | 9%               | 17%         | NA       | 72%               | 72%              | 48%          | 72%                 |        |
| Net Commission Ratio  | 20%    | -3%  | 67%    | 36%           | 16%      | 25%         | 18%                    | 4%               | 34%         | NA       | 16%               | 14%              | 28%          | 20%                 |        |
| Expense of Management to Gross Direct Premium Ratio               | 40%    | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Expense of Management to Net Premium Ratio                        | 58%    | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Net Incurred Claims to Net Earned Premium                         | 66%    | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Combined Ratio  | 113%   | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Technical Reserves to net premium ratio                           | 1.40   | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Underwriting balance ratio  | (0.26) | 0.23 | (4.38) | (0.61)        | (0.21)   | (0.38)      | 0.06                   | (1.17)           | (0.34)      | NA       | 0.30              | (0.15)           | (1.16)       | (0.26)              |        |
| Operating Profit Ratio  | 5%     | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Liquid Assets to liabilities ratio                                | 0.06   | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Net Earnings Ratio  | -8%    | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Return on Net Worth Ratio   | -20%   | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Available Solvency Margin Ratio to Required Solvency Margin Ratio | 1.85   | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| NPA Ratio   | -      | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |
| Gross NPA Ratio   | -      | -    | -      | -             | -        | -           | -                      | -                | -           | -        | -                 | -                | -            | -                   | -      |



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## Analytical Ratios for the year ended 31<sup>st</sup> March 2023

### Annexure – 1

| Particular  | Total  | Fire | Marine | Miscellaneous |        |          |          |             |                        |           | Motor Total | Motor TP | Motor OD | Motor Total | Workmen's Compensation | Liability | Engineering | Aviation | Personal Accident | Health Insurance | Trade Credit | Others | Miscellaneous Total |             |
|---|--------|------|--------|---------------|--------|----------|----------|-------------|------------------------|-----------|-------------|----------|----------|-------------|------------------------|-----------|-------------|----------|-------------------|------------------|--------------|--------|---------------------|-------------|
|   |        |      |        | Fire          | Marine | Motor OD | Motor TP | Motor Total | Workmen's Compensation | Liability |             |          |          |             |                        |           |             |          |                   |                  |              |        |                     | Engineering |
| Gross Direct Premium Growth Rate                                  | 53%    | 38%  | 259%   | 12%           | 65%    | 33%      | 76%      | NA          | 149%                   | NA        | 51%         | 79%      | NA       | 95%         | 52%                    |           |             |          |                   |                  |              |        |                     |             |
| Gross Direct Premium to Net Worth ratio                           | 3.33   | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Growth rate of Net Worth  | 46%    | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Net Retention Ratio   | 70%    | 28%  | 16%    | 64%           | 95%    | 79%      | 95%      | 10%         | 20%                    | NA        | 75%         | 73%      | NA       | 45%         | 75%                    |           |             |          |                   |                  |              |        | 75%                 |             |
| Net Commission Ratio  | 2%     | -22% | 23%    | 11%           | 0%     | 5%       | 9%       | -53%        | -16%                   | NA        | -1%         | 2%       | NA       | -4%         | 3%                     |           |             |          |                   |                  |              |        | 3%                  |             |
| Expense of Management to Gross Direct Premium Ratio               | 44%    | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Expense of Management to Net Premium Ratio                        | 61%    | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Net Incurred Claims to Net Earned Premium                         | 69%    | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Combined Ratio  | 121%   | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Technical Reserves to net premium ratio                           | 1.46   | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Underwriting balance ratio  | (0.31) | 0.14 | (1.37) | (0.40)        | (0.37) | (0.39)   | (0.31)   | (3.45)      | 0.03                   | NA        | 0.06        | (0.25)   | NA       | (0.85)      | (0.32)                 |           |             |          |                   |                  |              |        |                     |             |
| Operating Profit Ratio  | -5%    | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Liquid Assets to liabilities ratio                                | 0.13   | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Net Earnings Ratio  | -15%   | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Return on Net Worth Ratio   | -34%   | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| Available Solvency Margin Ratio to Required Solvency Margin Ratio | 1.83   | -    | -      | -             | -      | -        | -        | -           | -                      | -         | -           | -        | -        | -           | -                      | -         | -           | -        | -                 | -                | -            | -      | -                   |             |
| NPA Ratio   |        |      |        |               |        |          |          |             |                        |           |             |          |          |             |                        |           |             |          |                   |                  |              |        |                     |             |
| Gross NPA Ratio   |        |      |        |               |        |          |          |             |                        |           |             |          |          |             |                        |           |             |          |                   |                  |              |        |                     |             |
| Net NPA Ratio   |        |      |        |               |        |          |          |             |                        |           |             |          |          |             |                        |           |             |          |                   |                  |              |        |                     |             |

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forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

## Annexure forming part of Managerial Remuneration

### Annexure I

Remuneration and other payments made during the Financial Year ended 31<sup>st</sup> March, 2024 to MD / CEO / WTD

| Sr. No. | Name of the MD/CEO/WTD | Designation                                    | Fixed Pay              |                      | Variable Pay          |                    |                           |           | Total of Fixed & Variable pay<br>(c) + (f) | Amount debited to revenue A/C | Amount debited to profit & loss A/C | Value of Joining / sing bonus paid during the year | Retirement benefit like Gratuity, pension etc paid during the year | Amount of deferred remuneration of earlier years paid/ settled during the year |                       |
|---------|------------------------|--|------------------------|----------------------|-----------------------|--------------------|---------------------------|-----------|--|-------------------------------|-------------------------------------|--|--|--|-----------------------|
|         |                        |  | Pay and Allowances (a) | Perquisites, etc (b) | Total (c) = (a) + (b) | Cash Component (d) | Non cash - Components (e) |           |  |                               |                                     |  |  |  | Total (f) = (d) + (e) |
|         |                        |  |                        |                      |                       |                    | Paid                      | Deferred  |  |                               |                                     |  |  |  |                       |
| 1       | Suresh Agarwal         | Managing Director and CEO, from May 01, 2021   | 210                    | -                    | 210                   | 38                 | 11                        | 14        | 14   | 25                            | 287                                 | -  | -  | 10   |                       |
| 2       | Mahesh Balasubramanian | Managing Director and CEO, upto April 30, 2021 | -                      | -                    | -                     | 3                  | 5                         | 25        | 13   | 18                            | 46                                  | -  | -  | 74   |                       |
|         | <b>Total</b>           |  | <b>210</b>             | <b>-</b>             | <b>210</b>            | <b>41</b>          | <b>16</b>                 | <b>39</b> | <b>27</b>                                  | <b>43</b>                     | <b>333</b>                          | <b>-</b>   | <b>-</b>   | <b>85</b>  |                       |

## Annexure forming part of Managerial Remuneration

### Annexure II

Details of Outstanding Deferred Remuneration of MD/CEO/WTD as at 31<sup>st</sup> March, 2024

| Sl. No. | Name of the MD/CEO/WTD | Designation         | Remunerations pertaining to Financial Year | Nature of remuneration outstanding | Amount Outstanding |
|---------|------------------------|---------------------|--|------------------------------------|--------------------|
| 1       | Suresh Agarwal         | MD & CEO            | F.Y. 2021-22                               | Deferred Long Term Incentive       | 9                  |
|         |                        | From May 01, 2021   | F.Y. 2022-23                               |                                    | 6                  |
|         |                        |                     | F.Y. 2022-23                               | Stock Appreciation Rights          | 21                 |
|         |                        |                     | F.Y. 2023-24                               |                                    | 0.36               |
|         |                        |                     |  |                                    | <b>36</b>          |
| 2       | Mahesh Balasubramanian | MD & CEO            | F.Y. 2019-20                               | Deferred Long Term Incentive       | -                  |
|         |                        | Upto April 30, 2021 | F.Y. 2020-21                               |                                    | 14                 |
|         |                        |                     | F.Y. 2020-21                               | Stock Appreciation Rights          | 14                 |
|         |                        |                     | F.Y. 2021-22                               |                                    | 17                 |
|         |                        |                     |  |                                    | <b>46</b>          |

IRDA Registration No. 152 Dated 18<sup>th</sup> November, 2015

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forming part of audited financial statements for the year ended 31<sup>st</sup> March, 2024

## Annexure 2 – Summary on financial statement

(Amounts in Lakh of Indian Rupees)

| No                          | Particulars   | FY 2023-24                              | FY 2022-23                              | FY 2021-22                              | FY 2020-21                              | FY 2019-20                              |
|-----------------------------|---|---|---|---|---|---|
| <b>OPERATING RESULTS</b>    |   |   |   |   |   |   |
| 1                           | Gross Direct Premiums   | 158,710.79                              | 113,409.08                              | 74,246.82                               | 54,399.23                               | 43,339.09                               |
| 2                           | Net Earned Premium #  | 87,845.95                               | 68,178.70                               | 48,234.17                               | 38,931.25                               | 29,088.95                               |
| 3                           | Income from investments (net) @   | 10,882.23                               | 7,643.79                                | 5,548.91                                | 5,182.67                                | 3,583.29                                |
| 4                           | Other income (including Contribution form Shareholders fund towards excess EOM) | 15,822.24                               | 10,311.11                               | 3,506.23                                | -7.08                                   | -5.17                                   |
| 5                           | Total income  | 114,550.42                              | 86,133.60                               | 57,289.31                               | 44,106.84                               | 32,667.07                               |
| 6                           | Commissions (Net) (Including Brokerage)   | 21,815.92                               | 1,907.44                                | 2,320.24                                | 2,933.85                                | 2,805.30                                |
| 7                           | Operating Expenses  | 30,891.09                               | 39,914.27                               | 23,768.17                               | 16,242.77                               | 13,658.90                               |
| 8                           | Net Incurred Claims   | 57,590.39                               | 47,381.67                               | 37,144.48                               | 26,080.56                               | 20,013.41                               |
| 9                           | Change in Unexpired Risk Reserve  | 22,762.09                               | 12,633.09                               | 9,865.51                                | 8,837.65                                | 8,624.95                                |
| 9a                          | Change in Premium Deficiency reserve  | -9.00                                   | 9.00                                    | -                                       | -                                       | -                                       |
| 10                          | Operating Profit/loss   | 4,262.02                                | -3,078.78                               | -5,943.58                               | -1,150.34                               | -3,810.55                               |
| <b>NON-OPERATING RESULT</b> |   |   |   |   |   |   |
| 11                          | Total income under shareholders' account  | -13,157.05                              | -8,649.18                               | -2,354.89                               | 1,313.41                                | 998.25                                  |
| 12                          | Profit/ (loss) before tax   | -8,895.03                               | -11,727.96                              | -8,298.47                               | 163.07                                  | -2,812.30                               |
| 13                          | Provision for tax   | -                                       | -                                       | -                                       | -                                       | -                                       |
| 14                          | Profit / (loss) after tax   | -8,895.03                               | -11,727.96                              | -8,298.47                               | 163.07                                  | -2,812.30                               |
| <b>MISCELLANEOUS</b>        |   |   |   |   |   |   |
| 15                          | Policy holders' Account:  |   |   |   |   |   |
|                             | Total funds   | Not applicable for General Insurance Co | Not applicable for General Insurance Co | Not applicable for General Insurance Co | Not applicable for General Insurance Co | Not applicable for General Insurance Co |
|                             | Total Investments   |   |   |   |   |   |
|                             | Yield on investments  |   |   |   |   |   |
| 16                          | Shareholders' Account:  |   |   |   |   |   |
|                             | Total funds   | Not applicable for General Insurance Co | Not applicable for General Insurance Co | Not applicable for General Insurance Co | Not applicable for General Insurance Co | Not applicable for General Insurance Co |
|                             | Total Investments   |   |   |   |   |   |
|                             | Yield on investments  |   |   |   |   |   |
| 17                          | Paid up equity capital  | 87,500.00                               | 68,000.00                               | 45,500.00                               | 33,000.00                               | 30,500.00                               |
| 18                          | Net worth   | 44,712.42                               | 34,107.00                               | 23,335.00                               | 19,134.00                               | 16,471.00                               |
| 19                          | Total assets  | 254,176.19                              | 191,126.97                              | 137,189.00                              | 100,405.00                              | 73,827.00                               |
| 20                          | Yield on total investments  | 6.74%                                   | 6.19%                                   | 6.32%                                   | 7.52%                                   | 9.19%                                   |
| 21                          | Earnings per share (₹)  | -1.20                                   | -1.96                                   | -1.97                                   | 0.05                                    | -1.00                                   |
| 22                          | Book Value per share (₹)  | 5.11                                    | 5.02                                    | 5.13                                    | 5.80                                    | 5.40                                    |
| 23                          | Total Dividend  | -                                       | -                                       | -                                       | -                                       | -                                       |
| 24                          | Dividend per share (₹)  | -                                       | -                                       | -                                       | -                                       | -                                       |

# Net of reinsurance

@ Net of losses

Points 15&amp;16 may be given separately, if it is feasible.



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