



## DIRECTORS' REPORT

To,  
The Members of  
Acko General Insurance Limited ("the Company")

Your Directors are pleased to present the Fifth Annual Report on the business and operations of the Company, along with the audited financial statement for the year ended 31 March 2021.

### **BUSINESS OPERATIONS:**

Particulars	Year ended 31 March 2021 (Amt. in Rs.'000)	Period ended 31 March 2020 (Amt. in Rs.'000)
Total Revenue	20,90,069	19,56,215
Total Expenditure	34,15,594	38,34,053
Profit/ (Loss) before tax	(13,25,525)	(18,77,838)
Tax expense / (benefit)	-	-
Profit /(Loss) after Tax	(13,25,525)	(18,77,838)

### **REVIEW OF OPERATIONS:**

During the year your company has delivered INR 422 crores worth of Gross Written Premium (GWP). Auto business which is 63% of the volumes grew at 23% over Financial Year 2020. Health business which was launched in Q4 of Financial Year 2020 recorded INR 68 Crores of GWP during the year. Expenses of management (EOM) to net written premium reduced from 150% in the Financial Year 2020 to 91% in the current year. This also led to reduction of combined ratio (Claims ratio + EOM) to reduce from 210% to 173%. At the end of the year your Company could also maintain a healthy solvency ratio of 1.9.

### **IMPACT OF COVID ON THE OPERATIONS OF THE COMPANY.**

With respect to work-from-home facility provided to the employees due to the pandemic, your Company has not faced any productivity issues. All measures including regular sanitization and other advisories are being followed.

### **CHANGE IN NATURE OF BUSINESS, IF ANY:**

No changes in the business carried on by the Company during the year under review.

### **PRODUCTS:**

Your Company has written business in different lines of business such as Motor Insurance, Group Health Insurance, Equipment Insurance, Fire Insurance, Liability Insurance and many more. Your Company has also launched its Retail Health Insurance product.

- Under the Motor Insurance products, Company has Liability only & Package policies (both annual and long term wherever applicable) for Private Cars, Two-wheelers & Commercial vehicles. Also, basic add-ons available in market for existing vehicle insurance products. Your Company has also launched Standalone OD product for Bike & Car.
- Under the Group Health & Travel Products, your Company has Group Mediclaim cover, Domestic & International Travel covers, Group, Personal Accident covers and Loan shield covers.

- Under Liability line of business, your Company has Service Contract Liability and Commercial General Liability Products.
- Under Equipment Insurance, your Company sells damage protection plan to mobiles and appliances.
- Your Company has also started selling Fire Insurance to SME segment in partnership with some internet companies.

The Motor products are majorly being distributed through the Company's website while group & liability products are offered to strategic clients. Your Company proposes to distribute the Motor Insurance products through different intermediary channels which are philosophically aligned to the Company's vision. Keeping in view the Company's philosophy of offering simple purchase experience to the customers & offering value for money, the products are designed with lot of features for the customers.

Your Company aims to widen its offering within existing products & introduce new products to the consumers. Your Company proposes to file & launch the existing group product (like PA) for retail customers. Further it also proposes to file & launch Cyber Insurance, Fire & Marine Insurance offerings for retail & commercial partners.

#### **CLAIMS:**

The year FY 2021 was one of the most challenging years, which tested our operations and service delivery during the pandemic time with lockdown situation. However, the claims department proved its mettle in overcoming all the challenges that came upon your Company, while maintaining status quo in terms of service delivery and customer experience.

We quickly moved from onsite operations to offsite operations (i.e. work from home), using our technology platform. All claims related applications and systems were pre-tested effectively for business continuity planning and disaster drill exercise was carried out intensively from day one. We are operating on a complete paperless environment with adequate efficiency. Our core system has been well integrated with partners and service provider's applications and we are digitally connected end to end.

#### **Below are the key highlights of the technology projects for FY 2020-21**

##### **i. Motor:**

- Motor OD claim processing platform was shifted to a highly efficient "Firefly" (erstwhile "Karmator system") claims processing front-end system. We built multiple automations in "Firefly" that helps deciding claims admissibility instantly.
- We developed automated communications built into the "Firefly" system at every stage of the claim.
- Simplified claims first notification for customer with a user-friendly User Interface that eliminate the need to fill up a claim form.
- One click away to connect with claim handler functionality at any point of time during claims journey.
- Motor TP & PA claims processing has moved from manual environment to the "Firefly" system where such claims are being registered including vendor assignment followed by expense payment & recording of liability payment in the system which eases out the entire claims operations and also has enabled system generated report.

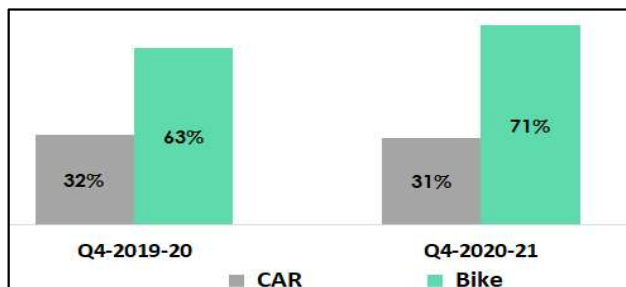
### Milestones in Motor Claims

- Car NPS: 70
- Motor OD claim settlement ratio was **95%**, the rejection ratio was **1.5%**.
- 1<sup>st</sup> Response TAT - 81% within one hour from the claim registration

### Settlement TAT

Settlement TAT	Q1	Q2	Q3	Q4
Claims settled in less than 3 days	73%	60%	59%	59%
Claims settled in less than 5 days	79%	68%	68%	68%
Claims settled in less than 10 days	98%	89%	90%	89%

### % of "On Account Settlement" FY 2020 v/s FY 2021



### Management of Catastrophe claims: Motor

Event Name	Affected States	Reported	Paid Count	Paid Amount In Lakhs	Non-Paid	Outstanding As on 31st March-21	Avg Settlement TAT (In days) LDR To Settlemnt *
Telangana Flood-Oct-20	Andhra Pradesh,Telangana	192	157	122.30	35	0	0.69
Cyclon Amphan -May-2020	West Bengal	31	28	9.70	3	0	0.89
Cyclone Nivar -Nov-20	AP,TN, & Ponichery	19	15	7.66	4	0	0.37
Cyclone Nisarga -May-2020	Maharashtra	13	11	1.54	2	0	0.09
Grand Total		255	211	141.20	44	0	0.67
*LDR is Last document received date/time							
The TAT is calculated from last document received date/time to settled date/time based on the time stamp available in claims processing module							

### Highlights of Motor Theft & Investigations

- Achieved net financial savings of INR **1.75 Cr (FY 21)** by implementation of theft pre & post settlement recovery framework.
- **19 %** total theft recovery.



- We have implemented a basic claims investigation framework which helped us to knock off INR 1.11 Cr by virtue of detecting claims fraud. We used techniques like social profile check, google timeline, check NCRB (National Crime Record Bureau), IIB (Insurance Information Bureau), FRMP (Fraud Risk Mitigation Portal), ZIPNET (Zonal Integrated Police Network), which are yielding good results in the line of investigation.
- We have successfully investigated auto fake policies cases and lodged FIR.

#### **Highlights of Motor TP & Litigations claims**

- There has been above 30% surge in claim intimations of Third Party claims as compared to previous financial year. Total 334 TP claims were intimated during FY 2021 withholding the reserve of INR 12.63 crore, there was a massive claim reported in 4th quarter of FY 2021 with 41% of intimation due to relaxation of lockdown and partial openings of Tribunals & Courts.
- The courts function was completely stalled during the FY 2021 due to pandemic situation across India. Motor TP Team against all the odds has compromised the TP claims by invoking virtual platform in consultation with the Judiciary and empanelled lawyers, thereby, successfully compromising a hefty chunk of 58 TP claims before Lok-adalats (People's Court) which earned lots of accolades by the Judiciary as this step by Acko not only allowed the claimants/legal heirs to get the compensation during their financial needs but has also impacted Acko's topline in the form of savings with a whopping amount of INR 0.91 Cr, which was acceded due to non-payment of interest & cost. The litigation team appropriately dealt against the claims which were not legitimate and has managed to seek exoneration in couple of claims leading to reversal of reserve to the tune of INR 0.12 CR.
- Although, there are NIL ombudsman cases instituted against Acko before various ombudsman forum for FY 2021, however, we have achieved a staggering 100% win ratio in all the cases intimated so far.

#### **ii. Health**

- In the FY 2021 your company ventured into health insurance segment and started servicing group health insurance (employee-employer group health insurance) and other retail health insurance products like Arogya Sanjeevani and Corona Kavach policies.
- Aligning to paperless claim philosophy the health insurance claim process was based on a mobile app for bringing ease to customers for lodging claims. The servicing was done with help of an external TPA (FHPL) with a proper stitching of the app claims journey.
- The clients have adapted the process well and appreciated the ease of transactions they have experienced in the claims journey.
- Introduction of payment uploader system to automate the IPD health claims payment process & able to process payment 24/7 from a 3 days lag erstwhile.
- Successful SFTP configuration of automated transfer of settled claims documents from TPA (FHPL) to Acko & vice versa. This helped delivering regulatory compliance and record keeping with us.
- In this pandemic time, the claims team came up with ideas on volunteering by co-workers. The purpose was to extend emergency assistance for the requirements of hospital beds, medicines, oxygen, RTPCR tests, plasma donations etc. Many of our employees have already enrolled in the volunteer groups (divided by Zones).
- Our covid war-room is made available 24x7 for all of our employees and their nearest ones, who are in dire need of emergency medical facilities due to the current situation.
- We, at Acko, have launched a Special Covid-19 assistance program for all our employees and their nearest ones to ensure they are protected during medical need. This program extended 24x7 helpline for our colleagues, virtual specialist doctor consultations, sample collection from home, COVID-19

test, quarantine facilities at designated hotels under medical supervision, assisted hospitalization, ambulance facility, employee counseling, home care & nursing services etc.

### **Milestones in Health**

- Health claim settlement ratio was **97%**, the rejection ratio was **0.72%**.

### **iii. Electronics (SCLIP Policies)**

- Advance Cash settlement (ACS) moved to an improved system called “Jarvis” (erstwhile “Karmator”).
- Our customers now have to upload a video of the damaged mobile device that eliminates any fraudulent attempt and at the same time this facilitates a seamless “advance cash” claims flow.
- Jarvis, which enabled the vendor onboarding process facilitates storing and accessing all vendor documents and data points along with system payments automation based on user role-rights. (Acko service partners (ASP) implementation has helped partners for reconciliation & visibility of their Service Centre network (SC), onboarding data, the current state of SC (enabled/ disabled))
- Movement of B2B claims processing from completely manual mode to system is in-progress which will enable 100% mobile claims processing through system & ease out the register preparation.

### **Milestones in Electronics (SCLIP Policies)**

- Mobile NPS: ~ **77** for FY 21
- % of “On Account Settlement” (Screen Damage) FY 2021 - 46% with an average TAT of 6 hours
- Liability claim settlement ratio was **98%**, the rejection ratio was **0.57%**.

### **iv. Internet**

- We have enhanced the user experience (UX) in the first notification of a loss (e.g., loss of baggage, trip delay, delay of checked-in baggage, OPD, medical equipment cover, IPD etc.) to educate the user about necessary claims documents (like hospital bill, hospital discharge summary, payment receipts, FIR etc.) and uploading the same. This helps faster claims registration & subsequent processes.
- Successful migration of claim processing into Jarvis, an improved & comprehensive system with maker-checker logic.
- Claims auto-assignment on round robin basis as per product bifurcation and skill of the handler
- Enabling of recording all customer communications in systematic manner for future reference
- Payment automation.

### **Milestones in Internet**

- GPA claim settlement ratio was **99%**, the rejection ratio was **0.10%**.

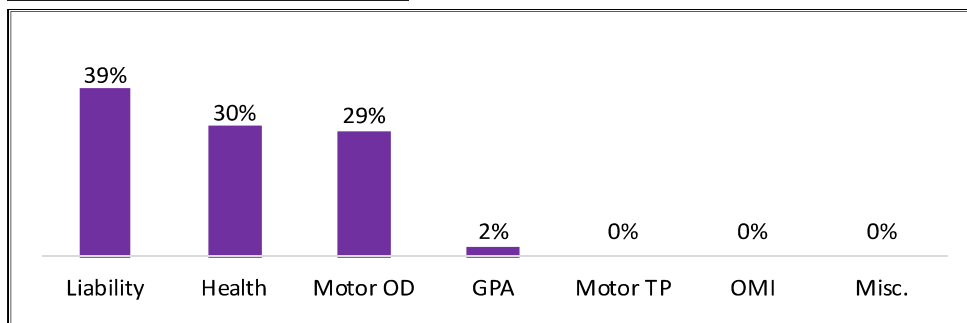
### **Outstanding Claims Management FY 20 v/s FY 21**

<b><u>Claims Types</u></b>	<b><u>FY 20</u></b>	<b><u>FY 21</u></b>
Opening o/s	2544	12003
Fresh intimation (FI)	195695	175088
Files available for processing (*FAP)	198239	187091
O/s at the end of financial year	12003	5246
<b>% of closing o/s out of FAP</b>	<b>6.05%</b>	<b>2.80%**</b>

\*FAP = Opening o/s + FI

\*\* Claims team has been able to reduce the outstanding claims significantly this year, the outstanding claims stands at 2.80% as compared to FY 2020 which was 6.05%. This was achieved as the claims team has put in place effective tracking, review, follow-up & action of outstanding claims with the help of technology.

### **LOB Claim intimation for FY 2021**



### **Key initiatives for FY 2022 (Claims)**

- Automation of Motor OD claims adjudication
- Auto damage detection & auto estimation of Motor OD claims
- Integration with supply chain partners for all lines of claims
- System driven performance management of supply chain partners
- Payment automation of Health claims

### **INVESTMENTS:**

To overcome the impact of pandemic, the regulatory authorities kept the monetary and fiscal policy in the expansionary mode for the entire FY 2020-2021. Excessive liquidity in the short term and higher government borrowing steepened the yield curve. Owing to this abundant liquidity in the system, the credit spreads between AAA rated corporate bonds and Government bonds dropped as low as 40bps from the March 2020 peak of 250bps. Fundamentally, spreads should have been higher due to the increasing pace of non-performing assets in the Non-Banking Financial Companies/Banks. Hence, your Company believe that spreads at these levels are not sustainable and we have continued to take higher exposure in government securities.

Your Company believes that the faster growth recovery in various advanced economies, persistently high inflation along with fears of third wave poses an upward risk for the bond yields. During these uncertain times, our focus would be on capital protection.

**SHARE CAPITAL:**

The paid-up capital stood at INR 596,00,00,000/- (Indian Rupees Five hundred and ninety-six crores) as on 31 March 2021. There was no change to the authorized capital of the Company.

**SUBSIDIARY, ASSOCIATE AND JOINT VENTURE:**

The Company has no subsidiary or associate, therefore, disclosures regarding the same are not provided in the report. The Company has not entered into any joint venture.

**DIVIDEND:**

The Directors do not recommend any dividend for the year ended 31 March 2021.

**TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013:**

During the year under review, no amount from profit was transferred to General Reserve.

**DIRECTORS:**

Mr. Jitendra Nayyar, Whole-time Director of the Company, is liable to retire by rotation at the forthcoming annual general meeting and being eligible, offers himself for re-appointment. The necessary resolutions in this regard have been included in notice of the forthcoming Annual General Meeting, for the approval of the members.

The Board on the recommendation of the Nomination and Remuneration Committee has also approved the increase in the remuneration of Mr. Jitendra Nayyar, Whole-time Director and CFO, with effect from 1 April 2021, subject to the approval of the shareholders and IRDAI. The Company has submitted necessary applications seeking approval of IRDAI. The approval of members is being sought in the ensuing general meeting.

**BOARD EVALUATION:**

In terms of provisions of the Companies Act, 2013 read with the rules issued there under, the Board of Directors have evaluated the effectiveness of the Board / Director (s) for the Financial Year 2020-21. The Board has monitored and reviewed the evaluation framework. The evaluation of all the Directors, the Board as a whole and that of its Committees was conducted based on the criteria and framework adopted by Board.

**DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declarations from each Independent Director under Section 149 (7) of the Companies Act 2013, that he meets the criteria of independence laid down in Section 149 (6) of the Companies Act 2013.

**BOARD MEETINGS HELD DURING THE YEAR:**

During the financial year ended 31 March 2021, seven (7) meetings of the Board of Directors were held.

**COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company is compliant with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by Central Government with respect to meetings of the Board of Directors and General Meetings.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the requirements of section 134(3) of the Companies Act, 2013, your Directors confirm the following:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2021 and of the profit/loss of the Company for that period;
- c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts for the year ended on 31 March 2021 have been prepared on a 'going concern' basis: and
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**COMMITTEES OF THE BOARD:**

The details of the Committees are provided in Annexure A attached to the report.

**POLICIES ADOPTED BY THE COMPANY:**

The Company has adopted all the policies in line with the requirements of rules and regulations framed by IRDAI.

**AUDITORS:**

M/s Varma & Varma, Chartered Accountants (Firm Registration No. 004532S) and M/s. S K Mehta & Co., Chartered Accountants (Firm Registration No. 000478N), continue to hold office as joint statutory auditors of the Company.

**AUDITOR'S REPORT:**

There are no observations or qualifications, or remarks made by the Auditor's in their report.

**SOLVENCY MARGIN:**

Your Company enjoys healthy solvency margin of 1.91 times i.e. as against the minimum capital requirement of INR 67,56,41,628 (INR Sixty-seven crore fifty-six lakhs forty-one thousand six hundred and twenty-eight), the total available capital (for solvency purpose) is INR 129,28,26,924 (INR One hundred and twenty-nine crore twenty-eight lakhs twenty-six thousand nine hundred and twenty-four) as on 31 March 2021.

**INTERNAL AUDIT:**

The Audit Committee is duly constituted and functional as per the requirements of the Companies Act 2013, IRDA corporate governance guidelines and commensurate to the size and complexity of the company. The Audit committee draws assurance on effectiveness of internal controls every quarter from the Internal Audit department. The head of Internal Audit reports into the Audit Committee and presents the progress of audit plan and status of audit issues.

**SECRETARIAL AUDITORS:**

A Secretarial Audit was conducted during the year by the Secretarial Auditor, M/s. Khanna & Co., Practicing Company Secretaries, in accordance with the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit report is attached **as Annexure B** and forms part of the Board's Report. There are no qualifications or remarks made by the Secretarial Auditor in their Report.

**ANNUAL RETURN:**

In accordance with the Section 92(3) of the Companies Act 2013 read with section 134(3)(a), the copy of annual return is available at the website of the Company at [www.acko.com](http://www.acko.com).

**RELATED PARTY TRANSACTIONS:**

The Company has entered into any related party transactions with its holding company, Acko Technology & Services Private Limited, and other related parties, during the year under review. The transactions are in the ordinary course of business and at arm's length. The particulars of related party transactions in **Form No. AOC-2**, pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 have been provided in **Annexure C**.

**PARTICULARS OF EMPLOYEES:**

The details of employees who are in receipt of remuneration equal to or exceeding the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 read with Section 134 of the Companies Act 2013, is given below:

Sr. No	Particulars	Employee 1	Employee 2
1	Designation of the Employee	Appointed Actuary	Chief Financial Officer
2	Remuneration received	INR 1,16,33,064/-	INR 1,70,85,552/-
3	Nature of employment, whether contractual or otherwise	Permanent	Permanent
4	Qualifications and experience of the employee	Fellow of Institute of Actuaries of India & Experience +17 years	CA from The Institute of Chartered Accountants of India, New Delhi & Experience +25 years
5	Date of commencement of employment	10 <sup>th</sup> August, 2017	6th June 2017
6	Age of such employee	40 years	54 years
7	Last employment held by such employee before joining the company;	Cigna TTK Health Insurance Co. Ltd.	Acme Clean tech Solutions
8	Percentage of equity shares held by the employee in the company	NA	NA
9	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	NA	NA

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The provisions relating to disclosures of particulars of energy conservation and technology absorption, are not applicable to the Company. There were no foreign exchange earnings and outgo, for the period ended 31 March 2021.

**PUBLIC DEPOSITS:**

The Company has not accepted any deposits within the meaning of Section 73 & 74 of the Companies Act, 2013, read together with the Companies (Acceptance of Deposits) Rules, 2014.

**LOANS, GUARANTEES AND INVESTMENTS:**

Particulars of investments made are disclosed in the financial statements (Please refer to Note No. 5 of Financial Statements). The Company has not granted any securities or guarantees in connection with any loans. There are no borrowings.

**INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE [PREVENTION, PROHIBITION AND REDRESSAL] ACT 2013:**

The Company has in place a policy for Prevention of Sexual Harassment in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company did not receive any complaint during the Financial Year 2020-21.

**RISK MANAGEMENT:**

Your Company has adopted the “Three Line of Défense” model for an integrated risk management and audit control framework. Under the framework, the operational management and control measures are the first line of Défense. The risk management function, together with other compliance and control function, is the second line of Défense. Internal audit is the third line of Défense.

Your Company has formulated and implemented the Board approved risk management framework policy. Risk Management Committee (“RMC”) meetings are held at the defined interval to discuss key risks and controls at the organization level including review of risk registers, risk appetite statements and associated measures. The Board is periodically informed of the key risks and actions taken to manage them.

RMC is responsible to oversee the implementation of the Company’s risk management strategy, development of a risk management system and risk mitigation strategies. Separate management level Committees such as Outsourcing Vendor Management Committee, Fraud Control Management Committee and Information Security Management Committee are also in place to handle risks relating to Information security, outsourcing and frauds with representation from Risk and Compliance functions. Key objective of the Risk Management policy is mentioned below:

- Provide an overview of the principles of risk management
- Explain approach adopted by the Company for risk management
- Define the organizational structure for effective risk management
- Develop “risk culture” that encourages all employees to identify and report risks and associated opportunities and respond them with effective actions.
- Identify, access and manage existing and new risks in a planned and coordinated manner with minimum disruption and cost, to protect and preserve Company’s human, physical and financial assets.

**WHISTLE BLOWER POLICY:**

The Company has in place a whistle blower policy. There are no reportable instances for the Financial Year 2020-21.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

Provisions of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company.

**SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS:**

There were no significant / material orders passed by the Regulators, Courts or Tribunals that would impact the "Going Concern" status of the Company and the Company's operations in the future, except for the following:

The Insurance Regulatory and Development Authority held that Certain advertisements issued by the Company were held to be not in compliance with Regulation 12 read with 2(d) (iii) of IRDA (Insurance Advertisements and Disclosure) Regulations, 2000 and Clause No.3.4.2.4 and 3.4.1.2 of Master Circular Ref: IRDAI/LIFE/CIR/MISC/147108/2015 dated 13th August, 2015. Accordingly, by an order dated 24 January 2020, the Insurance Regulatory and Development Authority has levied a penalty of Rs.1,00,00,000



(Rupees One crore) on the Company. The Company has preferred an appeal to the Securities Appellate Tribunal against the IRDAI order.

**COST RECORDS AND COST AUDIT:**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

**PROCEEDINGS INITIATED/PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

**DISCLOSURES IN RELATION TO THE COMPANIES (SHARE CAPITAL AND DEBENTURE) RULES, 2014:**

(a) the Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) has been furnished;

(b) the Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) has been furnished; and

(c) the Company does not have any ESOP scheme for its employees/Directors and hence no information as per provisions of Rule 12(9) has been furnished.

**ACKNOWLEDGEMENTS:**

The Board places on record its appreciation for the continued co-operation and unstinting support extended to the Company by Government, Statutory Authority, Local Bodies, Customers, Vendors, Banks, Financial Institutions, Rating Agencies and Depositories, Auditors, Legal Advisors, Consultants, Business Associates and all the Employees with whose help, cooperation and hard work the Company is able to achieve the results. Last but not the least; your Directors are thankful to the members & consumers for extending their constant trust and for the confidence shown in the Company.

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

**Place: Bengaluru  
Date: 9 August 2021**

**Sd/-  
Varun Dua  
Managing Director & CEO  
DIN: 02092948**

**Sd/-  
Jitendra Nayyar  
Whole-time Director & CFO  
DIN: 06492720**

### Annexure A - Corporate Governance Report

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 2020-21 is as under.

#### Details of Board and its Committees

##### Board composition and category of Directors

The Board consists of a combination of non-executive directors, executive directors and Independent Directors as per the provisions of Companies Act 2013 and Clause 5.1 of IRDAI Corporate Governance Guidelines. The Board currently consists of five Directors including two Independent Directors. The composition of the Board as on 31 March 2021 is given below:

Sr. No	Name of Director	Academic qualifications	Date of appointment	Designation	DIN	Directorships as on 31 March 2021
1	Mr. Varun Dua	B.Com, PGDM	Since incorporation	Managing Director & CEO	02092948	Acko Technology & Services Private Limited
2	Ms. Ruchi Deepak	BA, LLB	Since incorporation	Director	07582619	Acko Technology & Services Private Limited  Chatpay Commerce Private Limited
3	Mr. Jitendra Nayyar	Chartered Accountant	22 August 2020	Whole-time Director & CFO	06492720	-
4	Mr. Srinivasan V.	Chartered Accountant	22 January 2019	Independent Director	06510677	Aegon Life Insurance Company Limited

Sr. No	Name of Director	Academic qualifications	Date of appointment	Designation	DIN	Directorships as on 31 March 2021
						GOQII Technologies Private Limited  CFO Bridge Services Private Limited
5	Mr. G N Agarwal	Fellow of Institute of Actuaries, India	20 July 2017	Independent Director	01219260	-

#### **Role and responsibility of the Board:**

The Board primarily concentrates on the direction, control and governance of the Company and in particular articulates and commits to a corporate philosophy and governance that will shape the level of risk adoption, standards of business conduct and ethical behavior of the Company at the macro levels. The Board in active consultation with the Key Management Persons, has established strategies and policies to address the following:

- Overall direction of the business of the Company, including policies, strategies and risk management across all the functions;
- Projections on the capital requirements, revenue streams, expenses and the profitability;
- Obligation to fully comply with the Insurance Act and the regulations framed thereunder, and other statutory requirements applicable;
- Addressing conflicts of interest;
- Ensuring fair treatment of policyholders and employees;
- Ensuring information sharing with and disclosures to stakeholders, including investors, policyholders, employees, the regulators, consumers, financial analysts and/or rating agencies;
- Establishing channels for encouraging and facilitating employees raising concerns or reporting a possible breach of law or regulations, with appropriate measures to protect whistle blowers;
- Developing a corporate culture that recognizes and rewards adherence to ethical standards.

#### **Meetings of the Board:**

During the financial year ended 31 March 2021, seven (7) meetings of the Board of Directors were held. The attendance of directors in the said meetings are provided below:

Name of Director / Date of board meeting	G N Agarwal	Srinivasan V	Ruchi Deepak	Varun Dua	*Deepak Angrula	#Jitendra Nayyar
28 May 2020	Present	Present	Present	Present	Present	-
27 June 2020	Present	Present	Present	Leave of absence	Leave of absence	-
14 August 2020	Present	Present	Present	Present	-	-
22 August 2020	Present	Present	Present	Leave of absence	-	-
20 November 2020	Present	Present	Present	Present	-	-
20 January 2021	Present	Present	Present	Leave of absence	-	-
13 February 2021	Present	Present	Present	Present	-	-

*\*Mr. Deepak Angrula resigned as director of the Company with effect from 14 August 2020.*

*#Mr. Jitendra Nayyar was appointed as Whole-time Director and CFO of the Company subject to the approval of Insurance Regulatory and Development Authority of India ("IRDAI") and members of the Company. The approval of members was sought and obtained at the fourth annual general meeting held on 14 September 2020. IRDAI approved the appointment Mr. Jitendra Nayyar as Whole-time Director of the Company for a period of three years with effect from 22 August 2020, by their letter dated 10 March 2021. In view of the same, Mr. Jitendra Nayyar did not attend any meetings of the Board, in his capacity as a Whole-time director of the Company.*

#### **Board Committees:**

The Company has constituted various Committees in compliance with the requirements of the Companies Act 2013 and IRDAI Corporate Governance Guidelines. The details are provided below:

#### **Audit Committee:**

The key functions of the Audit Committee shall be to oversee the financial statements, financial reporting, statement of cash flow and disclosure processes both on an annual and quarterly basis. It shall set-up procedures and processes to address all concerns relating to adequacy of checks and control mechanisms.

The Audit Committee currently comprises of the following members:

- (a) Mr. Srinivasan V – Independent Director
- (b) Mr. G N Agarwal – Independent Director
- (c) Ms. Ruchi Deepak – Non- Executive Director

The meetings of the Audit Committee were held on 28 May 2020, 14 August 2020, 20 November 2020, and 13 February 2021 to perform their duties in accordance with the provisions of the Companies Act, 2013. The attendance at Audit Committee meetings during the year 2020-21 is provided below:

Name of Director/Date of meeting	28 May 2020	14 August 2020	20 November 2020	13 February 2021
Ruchi Deepak	Present	Present	Present	Present
G N Agarwal	Present	Present	Present	Present
Srinivasan V.	Present	Present	Present	Present

#### **Nomination and Remuneration Committee:**

The key functions of the Nomination and Remuneration Committee shall be to approve and review the implementation of the policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees which has been formulated in accordance with the terms of the provisions of the Companies Act, 2013, the Insurance Act, 1938, Guidelines for Corporate Governance of insurers in India or regulations or circulars issued by IRDAI or any other applicable law as amended from time to time in order to pay equitable remuneration to the Directors, KMPs and employees of the Company and to harmonise the aspirations of human resources consistent with the goals of the Company.

The Nomination and remuneration Committee currently comprises of the following members:

- (a) Mr. Srinivasan V. – Independent Director
- (b) Mr. G N Agarwal – Independent Director
- (c) Ms. Ruchi Deepak – Non-Executive Director

The meetings of the Nomination and Remuneration Committee were held on 28 May 2020, 27 June 2020, 22 August 2020 and 20 November 2020 to perform their duties in accordance with the provisions of the Companies Act, 2013. The attendance at the aforesaid meetings is given below:

Name of Director/Date of meeting	28 May 2020	27 June 2020	22 August 2020	20 November 2020
Ruchi Deepak	Present	Present	Present	Present
G N Agarwal	Present	Present	Present	Present
Srinivasan V.	Present	Present	Present	Present

#### **Investment Committee:**

The key functions of the Investment Committee (IC) are to formulate the Investment Policy (IP) and strategies for the investment of the policyholder and shareholder funds in accordance with the limits prescribed by applicable law, including, Insurance Act, 1938, relevant regulations, circulars, guidelines and to review the investment performance.

The Investment Committee currently comprises of the following members:

- (a) Mr. G N Agarwal - Independent Director and Chairman
- (b) Ms. Ruchi Deepak – Non-Executive Director
- (c) Mr. Varun Dua - Managing Director & CEO
- (d) Mr. Jitendra Nayyar – Whole-time Director & CFO
- (e) Mr. Manish Thakur - Chief Investment Officer
- (f) Mr. Biresh Giri - Appointed Actuary
- (g) Mr. Virendra Agarwal – Chief Risk Officer

The Committee is responsible for formulating the investment policy and strategies for the investment of the policyholder and shareholder funds in accordance with the limits prescribed by law and to review the investment performance.

The Investment Committee meetings were held on 28 May 2020, 14 July 2020, 14 August 2020, 20 November 2020 and 13 February 2021. The attendance at the aforesaid meetings is given below:

Name of Members/ Date of meeting	28 May 2020	14 July 2020	14 August 2020	20 November 2020	13 February 2021
G N Agarwal	Present	Present	Present	Present	Present
Ruchi Deepak	Present	Present	Present	Present	Present
Varun Dua	Present	Leave of Absence	Present	Present	Present
Jitendra Nayyar	Present	Present	Present	Present	Present
Manish Thakur	Present	Present	Present	Present	Present
Biresh Giri	Present	Present	Present	Present	Present
*Virendra Agarwal	-	-	-	-	Present

*\*Mr. Virendra Agarwal was appointed as a member of the Committee w.e.f. 20 November 2020*

#### **Policyholders Protection Committee:**

The key functions of the Policyholders' Protection Committee (PPC) shall be to recommend policies for fair treatment to the policyholders including but not limited to policies on customer education and customer grievance management. The PPC shall put up such policies for approval of the Board and ensure proper implementation of the same.

The Policyholders Protection Committee currently comprises of the following members:

- (a) Ms. Ruchi Deepak – Non-Executive Director
- (b) Mr. Varun Dua - Managing Director & CEO
- (c) Mr. Srinivasan V. – Independent Director
- (d) Mr. Suman Pal – Head Claims

The PPC meetings were held on 27 May 2020, 13 August 2020, 20 November 2020, and 13 February 2021. The attendance at the aforesaid meeting is given below:

Name of Members / Date of meeting	27 May 2020	13 August 2020	20 November 2020	13 February 2021
Ruchi Deepak	Present	Present	Present	Present
Varun Dua	Present	Present	Present	Present
*Deepak Angrula	Present	Present	-	-
*Srinivasan V.	-	-	Present	Present
Suman Pal	Present	Present	Present	Leave of Absence

*\*Mr. Srinivasan V was appointed as member of the PPC with effect from 14 August 2020. Mr. Deepak Angrula ceased to be director of the Company with effect from 14 August 2020.*

### **Risk and Asset Liability Management Committee:**

The key functions of the Risk and Asset Liability Management Committee (RALMC) shall be to implement the Company's Risk Management Strategy, for development of a strong risk management system and mitigation strategies for the Company.

The Risk and Asset Liability Management Committee (RALMC) currently comprises of the following members:

- (a) Ms. Ruchi Deepak, Non- Executive Director
- (b) Mr. Varun Dua, MD & CEO
- (c) Mr. Virendra Agarwal, Chief Risk Officer
- (d) Ms. Karishma Desai, Chief Compliance Officer

The RALMC meetings were held on 18 May 2020, 11 August 2020, 13 November 2020 and 13 February 2021. The attendance at the aforesaid meetings is given below:

<b>Name of Members/Date of meeting</b>	18 May 2020	11 August 2020	13 November 2020	13 February 2021
Ruchi Deepak	Present	Present	Present	Present
Varun Dua	Present	Present	Present	Present
Biresh Giri	Present	Present	-	Present
Karishma Desai	Present	Present	Present	Present
*Deepak Angrula	Present	Present	-	-
**Virendra Agarwal	-	-	-	Present

*\*Mr. Deepak Angrula ceased to be director of the Company with effect from 14 August 2020.*

*\*\*Mr. Virendra Agarwal was appointed as a member of the Committee due to his appointment as a Chief Risk Officer of the Company w.e.f. 20 November 2020.*

### **Key Managerial Personnel**

In compliance with the requirement of Companies Act 2013 and Guidelines on Corporate Governance for Insurers in India, the Company has appointed Whole-time Director, Managing Director, Chief Financial Officer, Company Secretary & Compliance Officer, Appointed Actuary, Chief Risk Officer, Chief Underwriting Officer, Chief Technology Officer and Chief Investment Officer.

### **Management Report**

The management report pursuant to the provisions of Regulation 3 of the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors Report of Insurance Companies) Regulations 2000, forms part of the financial statements.

### **Other key governance elements**

- a. Reporting to IRDAI
- b. Code of conduct, whistle blower policy and Prevention of sexual harassment policy
- c. Accounting standards compliance and disclosure

The Company has complied with applicable accounting standards.

### **Company general information**

- i. **Date of incorporation:** 3 November 2016
- ii. **IRDAI Registration no.:** 157
- iii. **Corporate identity number:** U66000KA2016PLC138288
- iv. **Website address:** [www.acko.com](http://www.acko.com)
- v. **Registered office:** 2nd Floor, #36/5, Hustlehub One East, Somasandrapalya, 27th Main Rd, Sector 2, HSR Layout Bengaluru - 560102
- vi. **Corporate office:** No.301 E Wing, Lotus Corporate Park, Off Western Express Highway, Goregaon E Mumbai - 400063
- vii. **Company secretary & Compliance officer:**
  - Name: Karishma Desai
  - Address: 2nd Floor, #36/5, Hustlehub One East, Somasandrapalya, 27th Main Rd, Sector 2, HSR Layout Bengaluru - 560102
  - Contact number: 080 6832 3600
  - Email: karishma@acko.com

Certification for compliance of the Corporate Governance Guidelines I, Karishma Desai, hereby certify that to the best of my knowledge and information available with me, the Company has complied with the corporate governance guidelines for Insurance Companies as amended from time to time and nothing has been concealed or suppressed.

Sd/-

Karishma Desai

Company Secretary and Chief Compliance officer

Date: 9 August 2021

Place: Mumbai



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**For the Financial Year ended 31 March 2021**

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

To,  
The Members,  
**Acko General Insurance Limited**  
CIN: U66000KA2016PLC138288  
2nd Floor, #36/5, Hustlehub One East,  
Somasandrapalya, 27th Main Rd,  
Sector 2, HSR Layout  
Bengaluru - 560102

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms, and returns filed and other records maintained by the Company for the financial year ended on 31 March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder - *Not applicable as the securities of the Company are not listed with any Stock Exchange;*
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 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 year under review;*

- (v) 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 financial year under review:*
- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - 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, 2009;
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The Management of the Company has identified and confirmed the following laws as specifically applicable to the Company:
- a. The Insurance Act, 1938;
  - b. The Insurance Regulatory and Development Authority Act, 1999;
  - c. Prevention of Money Laundering Act (PMLA), 2002 including Prevention of Money Laundering (Amendment) Act, 2009;
  - d. Prevention of Money Laundering (Maintenance of Records) Rules, 2005 as amended by Amendment Rules, 2013;
  - e. All the relevant Circulars, Notifications and Regulations issued by Insurance Regulatory and Development Authority of India from time to time.

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

- (i) Secretarial Standards with respect to the Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), 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, Standards, etc. mentioned above.

**However, by an order dated 24 January 2020, the Insurance Regulatory and Development Authority has levied penalties on the Company with respect to certain advertisements issued by the Company. The Company has preferred an appeal to the Securities Appellate Tribunal against the IRDAI order. In this regard, we have been informed by the Company that the matter is currently pending with the Securities Appellate Tribunal.**

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director.
- 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions of the Board and Committee thereof were carried with requisite majority.

We further report that based on review of compliance mechanism established by the company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes in the Company commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and

- as informed, the Company has responded appropriately to Notices received from various statutory/ regulatory authorities including initiating actions for corrective measures, wherever found necessary. No significant legal/arbitral proceedings are pending against the Company.

**For Khanna & Co.**  
**Practicing Company Secretaries**



**Bhooma Kannan**  
**Partner**  
**FCS No.: 7412**  
**COP: 5979**  
**Date: 9 August 2021**  
**Place: Navi Mumbai**

**UDIN: F007412C000758624**  
**Peer Review: 638/2019**

## Annexure C

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**

- (a) Name(s) of the related party and nature of relationship:
- (b) Nature of contracts/arrangements/transactions:
- (c) Duration of the contracts / arrangements/transactions:
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Justification for entering into such contracts or arrangements or transactions:
- (f) Date(s) of approval by the Board:
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
<i>All the related party transactions are entered at arm's length basis and in the ordinary course of business. There are no "material contracts or arrangements" with the related parties.</i>						

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

Place: Bengaluru  
Date: 9 August 2021

Sd/-  
Varun Dua  
Managing Director & CEO  
DIN: 02092948

Sd/-  
Jitendra Nayyar  
Whole-time Director & CFO  
DIN: 06492720



**Management Report for the year ended 31 March,2021**

In accordance with Part IV Schedule B of the Insurance Regulatory and Development Authority of India ('IRDAI') (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 ('Regulation') the following Management Report for the year ended March 31, 2021 is submitted:

1. The Company obtained regulatory approval to undertake general insurance business on September 18, 2017 from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration.
2. To the best of our knowledge and belief, all the material dues payable to the statutory authorities have been duly paid.
3. We confirm that the shareholding pattern and transfer of shares are in accordance with statutory and regulatory requirements.
4. We declare that funds of holders of policies issued in India have not been directly or indirectly invested outside India.
5. We confirm that the Company has maintained the required solvency margins laid down by the IRDAI.
6. We certify that the values of all the assets have been reviewed on the date of Balance Sheet and in management's belief, the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realizable or market value, under the several headings – "investments", "agents' balances", "outstanding premiums", "income accrued on investments", "due from other entities carrying on insurance business, including reinsurers (net)", "cash and bank balances" and several items specified under "advances recoverable" except debt securities which are stated at cost/ amortized cost.
7. The Company is exposed to a variety of risks associated with general insurance business such as quality of risks undertaken, fluctuations in value of assets and higher expenses in the initial years of operation. The Company monitors these risks closely and effective remedial action is taken wherever deemed necessary. The Company has, through an appropriate reinsurance program kept its risk exposure at a level commensurate with its capacity.
8. The Company does not have operations outside India.

**Acko General Insurance Company Limited**  
Registration No. 157 dated September 18, 2017

9. a. Ageing analysis of gross claims outstanding for the year is provided as under: -

Line of Business	FY 2020-21									
	Less than 30 days		30 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above	
	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)
Motor OD	1,473	53,143	599	52,734	93	5,840	6	656	-	-
Motor TP	54	35,378	197	1,27,081	68	37,853	137	1,58,319	-	-
Personal Accident	35	1,656	2	47	-	6	-	-	-	-
Product/Public Liability	1,210	10,916	4	1,869	2	65	2	101	-	-
Health	1,170	53,114	37	6,937	19	435	134	395	-	-
Other Miscellaneous	4	40	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,946</b>	<b>1,54,247</b>	<b>839</b>	<b>1,88,668</b>	<b>182</b>	<b>44,199</b>	<b>279</b>	<b>1,59,471</b>	<b>-</b>	<b>-</b>

Line of Business	FY 2019-20									
	Less than 30 days		30 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above	
	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)
Motor OD	500	30,479	511	40,555	108	11,477	8	886	-	-
Motor TP	43	36,164	109	97,749	30	29,071	2	1,004	-	-
Personal Accident	23	343	5	140	-	4	-	4	-	-
Product/Public Liability	1652	11,865	2709	9,784	485	903	-	-	-	-
Health	1299	4,976	1873	10,087	2541	2,156	105	155	-	-
Other Miscellaneous	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3,517</b>	<b>83,826</b>	<b>5,207</b>	<b>1,58,314</b>	<b>3,164</b>	<b>43,611</b>	<b>115</b>	<b>2,049</b>	<b>-</b>	<b>-</b>



# Acko General Insurance Company Limited

Registration No. 157 dated September 18, 2017

Line of Business	FY 2018-19									
	Less than 30 days		30 days to 6 months		6 months to 1 year		1 year to 5 years		5 years and above	
	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)	No of Claims	Amount ('000)
Motor OD	478	14,731	180	18,179	-	-	-	-	-	-
Motor TP	5	3,778	1	815	-	-	-	-	-	-
Personal Accident	60	2,525	12	1,055	-	-	-	-	-	-
Product/Public Liability	775	6,545	664	4,675	15	86	-	-	-	-
Health	208	3,385	142	2,906	4	14	-	-	-	-
<b>Total</b>	<b>1,526</b>	<b>30,964</b>	<b>999</b>	<b>27,630</b>	<b>19</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

b. Details of average claims settlement for the year is given as under: -

Line of Business	FY 2020-21	
	No. of claims	Average settlement time (Days)
Motor OD	41,812	15
Motor TP	60	282
Personal Accident	1,617	14
Product/Public Liability	44,698	26
Health	46,588	14
Other Miscellaneous	2	12
<b>Total</b>	<b>1,34,777</b>	<b>18</b>

Line of Business	FY 2019-20	
	No. of claims	Average settlement time (Days)
Motor OD	35,165	17
Motor TP	74	100
Personal Accident	135	39
Product/Public Liability	44,755	36
Health	63,408	8
Other Miscellaneous	-	-
<b>Total</b>	<b>1,43,537</b>	<b>19</b>

Line of Business	FY 2018-19	
	No. of claims	Average settlement time (Days)
Motor OD	4,240	15
Motor TP	6	113
Personal Accident	30	24
Product/Public Liability	7,366	25
Health	5,915	5
Other Miscellaneous	-	-
<b>Total</b>	<b>17,557</b>	<b>16</b>

Company is required to give data for preceding 5 years for point no 9 (a) & 9 (b). But as financial year 2018-19 is first full year of operations, data is available for financial year 2018-19, 2019-20 and 2020-21 only.

10. We certify that all debt securities are considered as 'held to maturity' and accordingly stated at historical cost subject to amortization of premium or accretion of discount on constant yield to maturity basis in the Revenue Accounts and in the Profit and Loss Account over the period of maturity/holding. All mutual fund investments are valued at closing net asset value as at balance sheet date.

In accordance with the Regulations, any unrealized gains/losses arising due to change in fair value of mutual fund investments is accounted in "Fair Value Change Account" and carried forward in the balance sheet and is not available for distribution.

The Company has adopted a prudent investment policy with emphasis on optimizing return with minimum risk. Emphasis being towards low risk investments such as Government securities and other rated debt instruments. Investments are managed in consonance with the investment policy laid down by the board and are within the investment regulation and guidelines of the IRDAI. There are no non-performing assets as at the end of the financial year.

11. We certify that:

- In preparation of financial statement, the applicable accounting standards, principles and policies have been followed. There is no material departure from the said standards, principles and policies.;
- The company 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 the affairs of the Company at the end of the financial year and of the operating profit or loss of the Company for the year;
- The company has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 / the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The financial statements have been prepared on a going concern basis;
- The company has set up an internal audit function commensurate with the size and nature of the business and is operating effectively.



**Acko General Insurance Company Limited**

Registration No. 157 dated September 18, 2017

12. Detail of payments to individuals, firms, Companies and organizations in which directors are interested is provided as under: -

Entity in which Director are interested	Name of Director	Interested as	For the year ended 31st March,2021 ('000)	For the year ended 31st March,2020 ('000)
Acko Technology & Services Private Limited	Varun Dua	Director	3,16,120	357,271
	Ruchi Deepak	Director		
Coverfox Insurance Broking Pvt. Ltd.	Varun Dua	Shareholder	11,230	10,058

For and on behalf of the Board

VARUN DUA

Digitally signed by VARUN DUA  
Date: 2021.06.24 15:57:21 +05'30'

*Varun Dua*  
**Managing Director and CEO**  
 (DIN : 02092948)

RUCHI

DEEPAK

Digitally signed by RUCHI DEEPAK  
Date: 2021.06.24 16:07:43 +05'30'

*Ruchi Deepak*  
**Director**  
 (DIN : 07582619)

JITENDRA

NAYYAR

Digitally signed by JITENDRA NAYYAR  
Date: 2021.06.24 16:32:31 +05'30'

*Jitendra Nayyar*  
**CFO & Whole-time Director**  
 (DIN : 06492720)

Place: Bangalore  
 Dated: 16 June, 2021

*Karishma Desai*  
**Company Secretary**  
 (M.No.:A22698)

KARISHMA  
 A ROHAN  
 DESAI

Digitally signed by KARISHMA ROHAN DESAI  
Date: 2021.06.25 09:25:14 +05'30'

## **S. K. Mehta & Co.**

**Chartered Accountants**  
302-306 Pragati Tower,  
26 Rajendra Place,  
New Delhi-110008

*Varma & Varma*

**Chartered Accountants**  
424, 4<sup>th</sup> C Main 6<sup>th</sup> Cross,  
OMBR Layout, Banaswadi,  
Bengaluru-560043

### **INDEPENDENT AUDITORS' REPORT**

**To the Members of**  
**Acko General Insurance Limited**

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the accompanying financial statements of Acko General Insurance Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Revenue Accounts of Fire, Marine and Miscellaneous (Collectively known as the "Revenue Accounts"), the Profit and Loss Account and the Receipts and Payments Account for the year then ended, the Schedules annexed thereto and a summary of the significant accounting policies and other explanatory information

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 the provisions of 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"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), Circulars/Orders/ Directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and Accounting Standards specified under Section 133 of the Companies Act, 2013 (the "Act") to the extent applicable and in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to Insurance Companies:

- (i) in case of Balance Sheet, of the state of affairs of the Company as at March 31, 2021;
- (ii) in case of Revenue Accounts, of the deficit for the year ended on that date;
- (iii) in case of Profit and Loss Account, of the loss for the year ended on that date; and
- (iv) in case of Receipts and Payments Account, of the receipts and payments for the year ended on that date.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' 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 Companies Act, 2013 and the Rules

thereunder, the Insurance Act, the IRDAI Act, the IRDAI Financial Statements Regulations and other regulations orders/directions issued by IRDAI, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 statements.

**Information Other than the Financial Statements and Auditors' Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' 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 identified above when it becomes available 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. When we read the other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Responsibilities 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 receipts and payment of the Company in accordance with the accounting principles generally accepted in India, including the provisions of the Insurance Act, IRDAI Act, IRDAI Financial Statements Regulations, orders/directions issued by IRDAI /Authority in this regard and the Accounting Standards specified under Section 133 of the Act to the extent applicable. 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, the 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 the Board of Directors 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.

**Auditors' 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 auditors' 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' 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**

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR) and those Incurred But Not Enough Reported (IBNER) is the responsibility of the Company's appointed Actuary. The actuarial valuation of these liabilities as at March 31, 2021, has been duly certified by the Appointed Actuary of the Company. The Appointed Actuary has also certified that the assumptions considered for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Institute of Actuaries of India (formerly known as the Actuarial Society of India) in concurrence with the IRDAI. We have relied upon the Company's Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

#### **Report on Other Legal and Regulatory Requirements**

1. This report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditors' 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.
2. As required by the IRDA Financial Statements Regulations, we have issued a separate certificate dated June 15, 2021, certifying the matters specified in Paragraph 3 and 4 of Schedule C to the IRDA Financial Statements Regulations.
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.
- c) As the Company's financial accounting is centralised at Head Office, no returns for the purpose of audit are received from other offices 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, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent they are not inconsistent with the accounting policies prescribed by IRDAI.
- f) Investments have been valued in accordance with the provisions of the Insurance Act, the regulations and orders / directions issued by IRDA in this regard.
- g) The accounting policies selected by the Company are appropriate and are in compliance with the applicable Accounting Standards referred to under Section 133 of the Act, to the extent they are not inconsistent with accounting principles prescribed in the IRDA Financial Statements Regulations and circulars/orders / directions issued by IRDAI in this regard;
- h) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- i) With respect to the adequacy of the internal financial controls with reference to the financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure-A**.
- j) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company being an insurance company, we are informed that the managerial remuneration is governed by the provisions of Section 34A of the Insurance Act and the approval of the IRDAI authority and therefore the requirements of section 197(16) of the Act are not applicable.

- k) With respect to the other matters to be included in the Auditors' 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- 16 C (1.1))
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For S. K. Mehta & Co.**  
**Chartered Accountants**  
**Firm's Regn No.- 000478N**

**ROHIT MEHTA** Digitally signed  
by ROHIT MEHTA  
Date: 2021.06.25  
13:38:22 +05'30'

**Rohit Mehta**  
**(Partner)**  
**Membership No -091382**  
**UDIN- 21091382AAAAJO1541**

**Place: New Delhi**  
**Date: 16<sup>th</sup> June 2021**

**For Varma & Varma**  
**Chartered Accountants**  
**Firm's Regn No.- 004532S**

**Georgy Mathew** Digitally signed by  
Georgy Mathew  
Date: 2021.06.25  
14:35:09 +05'30'

**Georgy Mathew**  
**(Partner)**  
**Membership No – 209645**  
**UDIN-21209645AAAAGE5166**

**Place: Bengaluru**  
**Date: 16<sup>th</sup> June 2021**

**Annexure - A to the Auditors' Report**

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

We have audited the internal financial controls with reference to financial statements of Acko General Insurance Limited ("the Company") as of March 31, 2021, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to the financial statements (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the financial statements was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial 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 the 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls with reference to financial statements**

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to the 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.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to the 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 with reference to the financial statements issued by the Institute of Chartered Accountants of India.

**For S. K. Mehta & Co.**  
Chartered Accountants  
Firm's Regn No.- 000478N

**ROHIT MEHTA**  
Digitally signed  
by ROHIT MEHTA  
Date: 2021.06.25  
13:39:00 +05'30'

**Rohit Mehta**  
(Partner)  
Membership No -091382  
UDIN- 21091382AAAAJO1541

Place: New Delhi  
Date: 16<sup>th</sup> June 2021

**For Varma & Varma**  
Chartered Accountants  
Firm's Regn No.- 004532S

**Georgy Mathew**  
Digitally signed  
by Georgy Mathew  
Date: 2021.06.25  
14:40:12 +05'30'

**Georgy Mathew**  
(Partner)  
Membership No – 209645  
UDIN-21209645AAAAAGE5166

Place: Bengaluru  
Date: 16<sup>th</sup> June 2021

## **S. K. Mehta & Co.**

**Chartered Accountants**

**302-306 Pragati Tower,  
26 Rajendra Place,  
New Delhi-110008**

*Varma & Varma*

**Chartered Accountants**

**424, 4<sup>th</sup> C Main 6<sup>th</sup> Cross,  
OMBR Layout, Banaswadi,  
Bengaluru-560043**

### **INDEPENDENT AUDITORS' CERTIFICATE**

(Referred to in paragraph 2 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors' Report dated June 15, 2021)

1. This certificate is issued to comply with the provisions of paragraph 3 and 4 of Schedule C of the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations 2002, ("the IRDAI Financial Statements Regulations") read with Regulation 3 of the IRDAI Financial Statements Regulations and may not be suitable for any other purpose.

#### **Management's Responsibility**

2. The Company's Board of Directors is responsible for complying with the provisions of Insurance Act, 1938 (the "Insurance Act") as amended by the Insurance Laws (Amendment) Act, 2015, The Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), Circulars/Orders/ Directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes the preparation of the Management Report. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid

#### **Independent Auditors' Responsibility**

3. Our responsibility for the purpose of this certificate is limited to certifying matters contained in paragraphs 3 and 4 of Schedule C of the IRDA Financial Statement Regulations read with Regulation 3 of the IRDA Financial Statements Regulations.
4. We conducted our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India (the 'ICAI'), which include the concepts of test checks and materiality. The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI.
5. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

**Opinion**

6. In accordance with the information and explanations given to us and to the best of our knowledge and belief and based on our examination of the books of account and other records maintained **ACKO GENERAL INSURANCE LIMITED** ("the Company") for the year ended March 31, 2021, we certify that:
- a. We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2021, and on the basis of our review, there is no apparent mistake or material inconsistencies with the financial statements;
  - b. Based on the management representations and compliance certificates submitted to the Board of Directors by the officers of the Company charged with compliance and the same being noted by the Board, we certify that the Company has complied with the terms and conditions of registration stipulated by IRDAI;
  - c. We have verified the cash balances, and securities relating to the Company's investments as at March 31, 2021, by actual inspection or on the basis of certificates/ confirmations received from the Custodian and/ or Depository Participants appointed by the Company, as the case may be. As at March 31, 2021, the Company had no secured loans;
  - d. The Company is not a trustee of any trust; and
  - e. No part of the assets of the Policyholders' Funds has been directly or indirectly applied in contravention to the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds.

**Restriction on Use**

7. 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 Financial Statements Regulations and is not intended to be and should not be used for any other purpose without our prior consent. 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 S. K. Mehta & Co.**  
**Chartered Accountants**  
**Firm's Regn No.- 000478N**

ROHIT  
MEHTA

Digitally signed by  
ROHIT MEHTA  
Date: 2021.06.25  
13:39:36 +05'30'

**Rohit Mehta**  
**(Partner)**  
**Membership No -091382**  
**UDIN- 21091382AAAAJP3099**

**Place: New Delhi**  
**Date: 16<sup>th</sup> June 2021**

**For Varma & Varma**  
**Chartered Accountants**  
**Firm's Regn No.- 004532S**

**Georgy Mathew**

Digitally signed by  
Georgy Mathew  
Date: 2021.06.25  
14:41:24 +05'30'

**Georgy Mathew**  
**(Partner)**  
**Membership No – 209645**  
**UDIN-21209645AAAAGD8820**

**Place: Bengaluru**  
**Date: 16<sup>th</sup> June 2021**



**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**  
**BALANCE SHEET AS AT 31ST MARCH, 2021**

(₹ IN' 000)

Sr No	Particulars	Schedule	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)	(5)
	<b>SOURCES OF FUNDS</b>			
1	SHARE CAPITAL	5	59,60,000	54,60,000
2	RESERVES AND SURPLUS	6	-	-
3	FAIR VALUE CHANGE ACCOUNT		-	-
	-Shareholders		77	8
	-Policyholders		307	10
4	BORROWINGS	7	-	-
	<b>TOTAL</b>		<b>59,60,384</b>	<b>54,60,018</b>
	<b>APPLICATION OF FUNDS</b>			
5	INVESTMENTS			
	Investments - Shareholders	8	9,14,538	17,88,763
	Investments - Policyholders	8A	36,69,434	24,16,664
6	LOANS	9	-	-
7	FIXED ASSETS	10	42,019	73,410
8	DEFERRED TAX ASSET (NET)		-	-
9	CURRENT ASSETS :			
	Cash and Bank Balances	11	2,39,855	1,34,656
	Advances and Other Assets	12	5,16,721	9,25,302
	<b>Sub-Total (A)</b>		<b>7,56,576</b>	<b>10,59,958</b>
10	CURRENT LIABILITIES	13	28,03,216	24,43,926
11	PROVISIONS	14	12,85,717	7,76,076
	<b>Sub-Total (B)</b>		<b>40,88,933</b>	<b>32,20,002</b>
12	NET CURRENT ASSETS (C) = (A-B)		(33,32,357)	(21,60,044)
13	MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)	15	-	-
14	DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT		46,66,750	33,41,225
	<b>TOTAL</b>		<b>59,60,384</b>	<b>54,60,018</b>

Notes on Accounts

16

Schedule No. 1 to 16 form an integral part of the financial statements

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

**For S.K. Mehta & Co**

Chartered Accountants

Firm Registration No.: 000478N

**ROHIT MEHTA** Digitally signed by ROHIT MEHTA  
Date: 2021.06.25 13:42:59 +05'30'

Rohit Mehta

Partner

Membership No.: 091382

**For Varma & Varma**

Chartered Accountants

Firm Registration No.: 004532S

**Georgy Mathew** Digitally signed by Georgy Mathew  
Date: 2021.06.25 14:42:32 +05'30'

Georgy Mathew

Partner

Membership No.: 209645

Place: Bangalore

Dated: 16th June, 2021

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

**VARUN DUA** Digitally signed by VARUN DUA  
Date: 2021.06.24 15:58:11 +05'30'  
Varun Dua  
Managing Director and CEO  
(DIN : 02092948)

**RUCHI DEEPAK** Digitally signed by RUCHI DEEPAK  
Date: 2021.06.24 16:06:44 +05'30'  
Ruchi Deepak  
Director  
(DIN : 07582619)

**JITENDRA NAYYAR** Digitally signed by JITENDRA NAYYAR  
Date: 2021.06.24 16:33:46 +05'30'  
Jitendra Nayyar  
CFO & Whole time Director  
(DIN : 06492720)

**KARISHMA ROHAN DESAI** Digitally signed by KARISHMA ROHAN DESAI  
Date: 2021.06.25 17:48:44 +05'30'  
Karishma Desai  
Company Secretary  
(M.No. : A22698)



**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021**

(₹ IN '000)

Sr No	Particulars	Schedule	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(1)	(2)	(3)	(4)	(5)
<b>1</b>	<b>OPERATING PROFIT / (LOSS)</b>			
	(a) Fire Insurance		(127)	-
	(b) Marine Insurance		-	-
	(c) Miscellaneous Insurance		(14,53,041)	(19,80,097)
			<b>(14,53,168)</b>	<b>(19,80,097)</b>
<b>2</b>	<b>INCOME FROM INVESTMENTS</b>			
	(a) Interest, Dividend & Rent - Gross		83,487	1,10,661
	(b) Profit on sale/ redemption of investments		43,198	36,490
	Less : Loss on sale/ redemption of investments		18,555	4,156
			<b>1,08,130</b>	<b>1,42,995</b>
<b>3</b>	<b>OTHER INCOME</b>			
	a) Provision for diminution in value of investments written back		25,000	-
	b) Other Income		59	16
			<b>25,059</b>	<b>16</b>
	<b>TOTAL (A)</b>		<b>(13,19,979)</b>	<b>(18,37,086)</b>
<b>4</b>	<b>PROVISIONS (Other than taxation)</b>			
	(a) For diminution in the value of investments		-	25,000
	(b) For doubtful debts		-	-
	(c) Others		-	-
<b>5</b>	<b>OTHER EXPENSES</b>			
	(a) Expenses other than those related to Insurance business		5,546	15,752
	(b) Bad Debts/ Advances written off		-	-
	(c) Others		-	-
	<b>TOTAL (B)</b>		<b>5,546</b>	<b>40,752</b>
	<b>Profit/(Loss) Before Tax (A-B)</b>		<b>(13,25,525)</b>	<b>(18,77,838)</b>
	Less: Provision for Taxation			
	Current Tax		-	-
	Deferred Tax		-	-
	<b>Profit/(Loss) After Tax</b>		<b>(13,25,525)</b>	<b>(18,77,838)</b>
	<b>Appropriations</b>			
	(a) Interim dividends paid during the year		-	-
	(b) Proposed final dividend		-	-
	(c) Dividend distribution tax		-	-
	(d) Transfer to any Reserves or other Accounts		-	-
	<b>Balance of Profit/(Loss) brought forward from last year</b>		<b>(33,41,225)</b>	<b>(14,63,387)</b>
	<b>Balance carried forward to Balance sheet</b>		<b>(46,66,750)</b>	<b>(33,41,225)</b>
	Basic Earnings per share		<b>(2.39)</b>	<b>(4.79)</b>
	Diluted Earnings per share		<b>(2.39)</b>	<b>(4.79)</b>
	(Equity shares of face value of Rs. 10 each)			

Notes on Accounts

16

Schedule No. 1 to 16 form an integral part of the financial statements

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

**For S.K. Mehta & Co**

Chartered Accountants

Firm Registration No.: 000478N

**ROHIT MEHTA** Digitally signed by ROHIT MEHTA  
Date: 2021.06.25 13:43:30 +05'30'

Rohit Mehta

Partner

Membership No.: 091382

**For Varma & Varma**

Chartered Accountants

Firm Registration No.: 004532S

**Georgy Mathew** Digitally signed by Georgy Mathew  
Date: 2021.06.25 14:44:18 +05'30'

Georgy Mathew

Partner

Membership No.: 209645

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

**VARUN DUA** Digitally signed by VARUN DUA  
Date: 2021.06.24 15:58:38 +05'30'

Varun Dua  
Managing Director & CEO  
(DIN : 02092948)

**RUCHI DEEPAK** Digitally signed by RUCHI DEEPAK  
Date: 2021.06.24 16:06:08 +05'30'

Ruchi Deepak  
Director  
(DIN : 07582619)

**JITENDRA NAYYAR** Digitally signed by JITENDRA NAYYAR  
Date: 2021.06.24 16:34:26 +05'30'

Jitendra Nayyar  
CFO & Whole time Director  
(DIN : 06492720)

**KARISHMA ROHAN DESAI** Digitally signed by KARISHMA ROHAN DESAI  
Date: 2021.06.25 09:26:43 +05'30'

Karishma Desai  
Company Secretary  
(M.No. : A22698)

**ACKO GENERAL INSURANCE LIMITED**

Registration No. 157 dated September 18, 2017

**FIRE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021**

(₹ IN' 000)

Sr No	Particulars	Schedule	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	49	-
2	Profit / (Loss) on sale / redemption of investments		-	-
3	Others		-	-
4	Interest, Dividend & Rent - Gross		-	-
	<b>TOTAL (A)</b>		<b>49</b>	<b>-</b>
1	Claims Incurred (Net)	2	47	-
2	Commission	3	(1)	-
3	Operating expenses related to Insurance Business	4	130	-
4	Premium Deficiency		-	-
	<b>TOTAL (B)</b>		<b>176</b>	<b>-</b>
	<b>Operating Profit / (Loss) from Fire Business C = (A-B)</b>		<b>(127)</b>	<b>-</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		(127)	-
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	<b>TOTAL (C)</b>		<b>(127)</b>	<b>-</b>

Schedule No. 1 to 16 form an integral part of the financial statements

As per our attached report of even date

For S.K. Mehta &amp; Co

Chartered Accountants

Firm Registration No.: 000478N

**ROHIT MEHTA** Digitally signed by ROHIT MEHTA  
Date: 2021.06.25 13:44:02 +05'30'

Rohit Mehta

Partner

Membership No.: 091382

For Varma &amp; Varma

Chartered Accountants

Firm Registration No.: 004532S

**Georgy Mathew** Digitally signed by Georgy Mathew  
Date: 2021.06.25 15:03:20 +05'30'

Georgy Mathew

Partner

Membership No.: 209645

Place : Bangalore

Dated : 16th June, 2021

For and on behalf of the Board of Directors

**VARUN DUA** Digitally signed by VARUN DUA  
Date: 2021.06.24 15:59:04 +05'30'  
Varun Dua  
Managing Director and CEO  
(DIN : 02092948)

**RUCHI DEEPAK** Digitally signed by RUCHI DEEPAK  
Date: 2021.06.24 16:05:17 +05'30'  
Ruchi Deepak  
Director  
(DIN : 07582619)

**JITENDRA NAYYAR** Digitally signed by JITENDRA NAYYAR  
Date: 2021.06.24 16:35:07 +05'30'  
Jitendra Nayyar  
CFO & Whole time Director  
(DIN : 06492720)

**KARISHMA ROHAN DESAI** Digitally signed by KARISHMA ROHAN DESAI  
Date: 2021.06.25 09:27:24 +05'30'  
Karishma Desai  
Company Secretary  
(M.No. : A22698)

**ACKO GENERAL INSURANCE LIMITED**

Registration No. 157 dated September 18, 2017

**MARINE INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021**

(₹ IN' 000)

Sr No	Particulars	Schedule	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	-	-
2	Profit / (Loss) on sale / redemption of investments		-	-
3	Others		-	-
4	Interest, Dividend & Rent - Gross		-	-
	<b>TOTAL (A)</b>		-	-
1	Claims Incurred (Net)	2	-	-
2	Commission	3	-	-
3	Operating expenses related to Insurance Business	4	-	-
4	Premium Deficiency		-	-
	<b>TOTAL (B)</b>		-	-
	<b>Operating Profit / (Loss) from Marine Business C = (A-B)</b>		-	-
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		-	-
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	<b>TOTAL (C)</b>		-	-

Schedule No. 1 to 16 form an integral part of the financial statements

As per our attached report of even date

For S.K. Mehta &amp; Co

Chartered Accountants

Firm Registration No.: 000478N

ROHIT  
MEHTA

Digitally signed by  
ROHIT MEHTA  
Date: 2021.06.25  
13:44:45 +05'30'

Rohit Mehta

Partner

Membership No.: 091382

For Varma &amp; Varma

Chartered Accountants

Firm Registration No.: 004532S

Georgy  
Mathew

Digitally signed by  
Georgy Mathew  
Date: 2021.06.25  
14:50:21 +05'30'

Georgy Mathew

Partner

Membership No.: 209645

Place : Bangalore

Dated : 16th June, 2021

For and on behalf of the Board of Directors

VARUN DUA

Digitally signed  
by VARUN DUA  
Date: 2021.06.24  
15:59:31 +05'30'

Varun Dua

Managing Director and CEO

(DIN : 02092948)

JITENDR  
A  
NAYYAR

Digitally signed  
by JITENDRA  
NAYYAR  
Date: 2021.06.24  
16:36:11 +05'30'

Jitendra Nayyar

CFO &amp; Whole time Director

(DIN : 06492720)

RUCHI  
DEEPAK

Digitally signed  
by RUCHI DEEPAK  
Date: 2021.06.24  
16:04:37 +05'30'

Ruchi Deepak

Director

(DIN : 07582619)

KARISHM  
A ROHAN  
DESAI

Digitally signed  
by KARISHMA  
ROHAN DESAI  
Date: 2021.06.25  
09:28:43 +05'30'

Karishma Desai

Company Secretary

(M.No. : A22698)





**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**

**MISCELLANEOUS INSURANCE REVENUE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021**

(₹ IN' 000)

Sr No	Particulars	Schedule	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(1)	(2)	(3)	(4)	(5)
1	Premiums earned (Net)	1	17,42,184	16,46,954
2	Profit / (Loss) on sale / redemption of investments		48,918	37,592
3	Others		-	-
4	Interest, Dividend & Rent - Gross		1,65,729	1,28,658
	<b>TOTAL (A)</b>		<b>19,56,831</b>	<b>18,13,204</b>
1	Claims Incurred (Net)	2	14,25,612	9,93,622
2	Commission	3	(1,04,595)	(1,30,290)
3	Operating expenses related to Insurance Business	4	20,88,792	29,64,147
4	Premium Deficiency		-	(34,526)
5	<u>Others</u>			
	Administration Charges		63	348
	<b>TOTAL (B)</b>		<b>34,09,872</b>	<b>37,93,301</b>
	<b>Operating Profit / (Loss) from Miscellaneous Business C = (A-B)</b>		<b>(14,53,041)</b>	<b>(19,80,097)</b>
	<b>APPROPRIATIONS</b>			
	Transfer to Shareholders' Account		(14,53,041)	(19,80,097)
	Transfer to Catastrophe Reserve		-	-
	Transfer to Other Reserves		-	-
	<b>TOTAL (C)</b>		<b>(14,53,041)</b>	<b>(19,80,097)</b>

Schedule No. 1 to 16 form an integral part of the financial statements

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

**For S.K. Mehta & Co**

Chartered Accountants

Firm Registration No.: 000478N

**ROHIT MEHTA**

Digitally signed by  
ROHIT MEHTA  
Date: 2021.06.25  
13:45:26 +05'30'

Rohit Mehta

Partner

Membership No.: 091382

**For Varma & Varma**

Chartered Accountants

Firm Registration No.: 004532S

**Georgy Mathew**

Digitally signed by  
Georgy Mathew  
Date: 2021.06.25  
14:51:24 +05'30'

Georgy Mathew

Partner

Membership No.: 209645

Place : Bangalore

Dated : 16th June, 2021

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

**VARUN DUA**

Digitally signed by  
VARUN DUA  
Date: 2021.06.24  
15:59:59 +05'30'

Varun Dua

Managing Director and CEO

(DIN : 02092948)

**RUCHI DEEPAK**

Digitally signed by  
RUCHI DEEPAK  
Date: 2021.06.24  
16:04:05 +05'30'

Ruchi Deepak

Director

(DIN : 07582619)

**JITENDRA NAYYAR**

Digitally signed by  
JITENDRA NAYYAR  
Date: 2021.06.24  
16:36:55 +05'30'

Jitendra Nayyar

CFO & Whole time Director

(DIN : 06492720)

**KARISHMA A ROHAN DESAI**

Digitally signed by  
KARISHMA A ROHAN DESAI  
Date: 2021.06.25  
09:29:24 +05'30'

Karishma Desai

Company Secretary

(M.No. : A22698)

**RECEIPTS & PAYMENTS ACCOUNT (DIRECT BASIS) FOR THE YEAR ENDED 31ST MARCH, 2021**

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
(1)	(2)	(3)	(4)
<b>1</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	(a) Premium received from policyholders, including advance receipts	43,42,625	41,29,665
	(b) Other receipts/(payments)	59	16
	(c) Payments to re-insurers, net of commission and claims	(9,85,857)	(9,76,922)
	(d) Receipts from co-insurers, net of claims recovery	(6,093)	7,702
	(e) Payments of claims (net of salvage)	(16,14,302)	(11,17,497)
	(f) Payments of commission and brokerage	(63,821)	(47,715)
	(g) Payments of other operating expenses	(21,39,348)	(28,24,074)
	(h) Deposits, advances and staff loans	(4,805)	23,675
	(i) Income taxes paid (Net)	2,517	(1,050)
	(j) GST paid	77,493	(2,37,590)
	(k) Other payments	-	-
	<b>Net cash flow from operating activities (A)</b>	<b>(3,91,532)</b>	<b>(10,43,790)</b>
<b>2</b>	<b>Cash flows from investing activities</b>		
	(a) Purchase of fixed assets (net of capitalization of CWIP)	(5,875)	(97,124)
	(b) Proceeds from sale of fixed assets	79	921
	(c) Purchase of investments	(1,76,45,830)	(1,81,73,632)
	(d) Sale of investments	1,74,01,674	1,61,10,050
	(e) Profit / Loss on sale of investments (net)	-	-
	(f) Rent / Interest / Dividend received (including income accrued on investments)	2,46,709	1,70,823
	(g) Investments in money market instruments and in liquid mutual funds (Net)	-	-
	<b>Net cash used in investing activities (B)</b>	<b>(3,243)</b>	<b>(19,88,962)</b>
<b>3</b>	<b>Cash flows from financing activities</b>		
	(a) Proceeds from issuance of share capital and share premium (net of expenses)	4,99,974	30,89,451
	(b) Proceeds from borrowing	-	-
	(c) Repayments of borrowing	-	-
	(d) Interest	-	-
	(e) Dividend paid (Including dividend distribution tax)	-	-
	<b>Net cash flow from financing activities (C)</b>	<b>4,99,974</b>	<b>30,89,451</b>
<b>4</b>	<b>Effect of foreign exchange rates on cash and cash equivalents (Net) (D)</b>	<b>-</b>	<b>-</b>
	<b>Net increase in cash and cash equivalents (A + B + C + D)</b>	<b>1,05,199</b>	<b>56,699</b>
<b>5</b>	<b>Net increase in cash and cash equivalents</b>		
	(a) Cash and cash equivalents at the beginning of the year	1,34,656	77,957
	(b) Cash and cash equivalents on Merger (Refer note 3 of schedule 16)	-	-
	(c) Cash and cash equivalents at the end of the year	2,39,855	1,34,656
	<b>Net increase in cash and cash equivalents</b>	<b>1,05,199</b>	<b>56,699</b>
	<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
	Cash and Bank balances	2,39,855	1,34,656
	Less: Deposit Accounts not considered as Cash and cash equivalents as defined in AS-3 "Cash Flow Statements"	-	-
	<b>Cash and cash equivalents at the end of the year</b>	<b>2,39,855</b>	<b>1,34,656</b>
	<b>NOTES TO ACCOUNTS</b>		
	Refer Schedule 11 for components of cash and bank balances		

As per our attached report of even date

For S.K. Mehta & Co

Chartered Accountants

Firm Registration No.: 000478N

**ROHIT MEHTA**  
Rohit Mehta  
Partner  
Membership No.: 091382

For Varma & Varma

Chartered Accountants

Firm Registration No.: 004532S

**Georgy Mathew**  
Georgy Mathew  
Partner  
Membership No.: 209645

For and on behalf of the Board of Directors

**VARUN DUA**  
Digitally signed by VARUN DUA  
Date: 2021.06.24 16:00:30 +05'30'  
Varun Dua  
Managing Director & CEO  
(DIN : 02092948)

**RUCHI DEEPAK**  
Digitally signed by RUCHI DEEPAK  
Date: 2021.06.24 16:03:32 +05'30'  
Ruchi Deepak  
Director  
(DIN : 07582619)

**JITENDRA NAYYAR**  
Digitally signed by JITENDRA NAYYAR  
Date: 2021.06.24 16:37:47 +05'30'  
Jitendra Nayyar  
CFO & Whole time Director  
(DIN : 06492720)

**KARISHMA ROHAN DESAI**  
Digitally signed by KARISHMA ROHAN DESAI  
Date: 2021.06.25 09:30:15 +05'30'  
Karishma Desai  
Company Secretary  
(M.No. : A22698)



**ACKO GENERAL INSURANCE LIMITED**  
Registration No. 157 dated September 18, 2017

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 1**

**PREMIUM EARNED (NET)**

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
		Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
1	Premium from direct business written	142	-	42,23,723	42,23,865	-	-	37,30,655	37,30,655
2	Add : Premium on reinsurance accepted	-	-	-	-	-	-	-	-
		<b>142</b>	<b>-</b>	<b>42,23,723</b>	<b>42,23,865</b>	<b>-</b>	<b>-</b>	<b>37,30,655</b>	<b>37,30,655</b>
3	Less : Premium on reinsurance ceded	7	-	20,29,358	20,29,365	-	-	18,34,767	18,34,767
	<b>Net Premium</b>	<b>135</b>	<b>-</b>	<b>21,94,365</b>	<b>21,94,500</b>	<b>-</b>	<b>-</b>	<b>18,95,888</b>	<b>18,95,888</b>
4	Adjustments for changes in Reserve for Unexpired Risks	86	-	4,52,181	4,52,267	-	-	2,48,934	2,48,934
	<b>Total Premium Earned (Net)</b>	<b>49</b>	<b>-</b>	<b>17,42,184</b>	<b>17,42,233</b>	<b>-</b>	<b>-</b>	<b>16,46,954</b>	<b>16,46,954</b>
	<b>Premium income from business effected:</b>								
1	In India	142	-	42,23,723	42,23,865	-	-	37,30,655	37,30,655
2	Outside India	-	-	-	-	-	-	-	-

\*For analysis of the segment of Marine business, refer Schedule 1A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 1B

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:****SCHEDULE - 2****CLAIMS INCURRED (NET)****(₹ IN' 000)**

Sr No	Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
		Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
	<b>Claims Paid</b>								
1	Direct	-	-	16,14,302	16,14,302	-	-	11,17,498	11,17,498
2	Add: Reinsurance accepted	-	-	-	-	-	-	-	-
3	Less: Reinsurance ceded	-	-	6,59,787	6,59,787	-	-	5,71,483	5,71,483
	<b>Net Claims Paid</b>	-	-	<b>9,54,515</b>	<b>9,54,515</b>	-	-	<b>5,46,015</b>	<b>5,46,015</b>
4	Add: Claims Outstanding at the end of the year	47	-	11,35,400	11,35,447	-	-	6,64,304	6,64,304
5	Less: Claims Outstanding at the beginning of the year	-	-	6,64,303	6,64,303	-	-	2,16,697	2,16,697
	<b>Total Claims Incurred</b>	<b>47</b>	-	<b>14,25,612</b>	<b>14,25,659</b>	-	-	<b>9,93,622</b>	<b>9,93,622</b>
	<b>Claims paid to claimants:</b>								
1	In India	-	-	16,14,300	16,14,300	-	-	11,17,492	11,17,492
2	Outside India	-	-	2	2	-	-	6	6

\*For analysis of the segment of Marine business, refer Schedule 2A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 2B

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:****SCHEDULE - 3****COMMISSION****(₹ IN' 000)**

Sr No	Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
		Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
1	Commission Paid								
	Direct	-	-	77,640	77,640	-	-	61,718	61,718
	<b>Total (A)</b>	-	-	<b>77,640</b>	<b>77,640</b>	-	-	<b>61,718</b>	<b>61,718</b>
2	Add : Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-
3	Less : Commission on Re-insurance ceded	1	-	1,82,235	1,82,236	-	-	1,92,008	1,92,008
	<b>Net Commission</b>	<b>(1)</b>	-	<b>(1,04,595)</b>	<b>(1,04,596)</b>	-	-	<b>(1,30,290)</b>	<b>(1,30,290)</b>

**Breakup of the expenses (Gross) incurred to procure business:**

Agents	-	-	-	-	-	-	-	-	-
Brokers	-	-	40,348	40,348	-	-	36,833	36,833	
Corporate Agency	-	-	37,941	37,941	-	-	20,160	20,160	
Others	-	-	(649)	(649)	-	-	4,725	4,725	
<b>TOTAL (B)</b>	-	-	<b>77,640</b>	<b>77,640</b>	-	-	<b>61,718</b>	<b>61,718</b>	

\*For analysis of the segment of Marine business, refer Schedule 3A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 3B

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:****SCHEDULE - 4****OPERATING EXPENSES RELATING TO INSURANCE BUSINESS****(₹ IN' 000)**

Sr No	Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
		Fire	*Marine	**Miscellaneous	Total	Fire	*Marine	**Miscellaneous	Total
1	Employees remuneration and welfare benefits	27	-	4,43,946	4,43,973	-	-	4,75,664	4,75,664
2	Travel, Conveyance and vehicle running expenses	-	-	106	106	-	-	20,668	20,668
3	Training expenses	-	-	550	550	-	-	348	348
4	Rent, rates and taxes	3	-	43,827	43,830	-	-	46,270	46,270
5	Repairs	1	-	20,173	20,174	-	-	22,997	22,997
6	Printing and Stationery	-	-	301	301	-	-	1,577	1,577
7	Communication	1	-	8,373	8,374	-	-	9,519	9,519
8	Legal and professional charges	5	-	76,166	76,171	-	-	92,928	92,928
9	<u>Auditor's fees, expenses etc.</u>								
	(a) As Auditor	-	-	1,560	1,560	-	-	1,560	1,560
	(b) As advisor or in any other capacity in respect of	-	-	-	-	-	-	-	-
	(i) Taxation matters	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-
	(iii) Management Services	-	-	-	-	-	-	-	-
	(c) in any other capacity	-	-	344	344	-	-	411	411
10	Advertisement and publicity	68	-	10,97,294	10,97,362	-	-	17,42,790	17,42,790
11	Interest and Bank charges	2	-	24,384	24,386	-	-	21,617	21,617
12	Office Administration Expenses	-	-	1,260	1,260	-	-	5,403	5,403
13	<u>Others :</u>								
	(a) Information Technology	15	-	2,39,655	2,39,670	-	-	3,48,508	3,48,508
	(b) Business Support Services	5	-	77,798	77,803	-	-	1,15,480	1,15,480
	(c) Stamp Duty Expenses	-	-	581	581	-	-	487	487
	(d) Recruitment Charges	-	-	4,596	4,596	-	-	6,375	6,375
	(e) Others	1	-	9,217	9,218	-	-	10,670	10,670
14	Depreciation	2	-	37,250	37,252	-	-	36,815	36,815
15	GST/Service Tax	-	-	1,411	1,411	-	-	4,060	4,060
	<b>Total</b>	<b>130</b>	<b>-</b>	<b>20,88,792</b>	<b>20,88,922</b>	<b>-</b>	<b>-</b>	<b>29,64,147</b>	<b>29,64,147</b>

\*For analysis of the segment of Marine business, refer Schedule 4A.

\*\*For analysis of the segment of Miscellaneous business, refer Schedule 4B



**ACKO GENERAL INSURANCE LIMITED**  
Registration No. 157 dated September 18, 2017

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 1A**

**PREMIUM EARNED (NET)**

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
1	Premium from direct business written	-	-	-	-	-	-
2	Add : Premium on reinsurance accepted	-	-	-	-	-	-
3	Less : Premium on reinsurance ceded	-	-	-	-	-	-
	<b>Net Premium</b>	-	-	-	-	-	-
4	Adjustments for changes in Reserve for Unexpired Risks	-	-	-	-	-	-
	<b>Total Premium Earned (Net)</b>	-	-	-	-	-	-

**SCHEDULE - 2A**

**CLAIMS INCURRED (NET)**

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
	<b>Claims Paid</b>						
1	Direct	-	-	-	-	-	-
2	Add: Reinsurance accepted	-	-	-	-	-	-
3	Less: Reinsurance ceded	-	-	-	-	-	-
	<b>Net Claims Paid</b>	-	-	-	-	-	-
4	Add: Claims Outstanding at the end of the year	-	-	-	-	-	-
5	Less: Claims Outstanding at the beginning of the year	-	-	-	-	-	-
	<b>Total Claims Incurred</b>	-	-	-	-	-	-

**SCHEDULE - 3A**

**COMMISSION**

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
	<b>Commission Paid</b>						
1	Direct	-	-	-	-	-	-
	<b>Total (A)</b>	-	-	-	-	-	-
2	Add : Commission on Re-insurance Accepted	-	-	-	-	-	-
3	Less : Commission on Re-insurance ceded	-	-	-	-	-	-
	<b>Net Commission</b>	-	-	-	-	-	-

**Breakup of the expenses (Gross) incurred to procure business:**

Agents	-	-	-	-	-	-
Brokers	-	-	-	-	-	-
Corporate Agency	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>TOTAL (B)</b>	-	-	-	-	-	-

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:****SCHEDULE - 4A****OPERATING EXPENSES RELATING TO INSURANCE BUSINESS****(₹ IN' 000)**

Sr No	Particulars	For the year ended 31st March, 2021			For the year ended 31st March, 2020		
		Marine Cargo	Marine Hull	Total	Marine Cargo	Marine Hull	Total
1	Employees remuneration and welfare benefits	-	-	-	-	-	-
2	Travel, Conveyance and vehicle running expenses	-	-	-	-	-	-
3	Training expenses	-	-	-	-	-	-
4	Rent, rates and taxes	-	-	-	-	-	-
5	Repairs	-	-	-	-	-	-
6	Printing and Stationery	-	-	-	-	-	-
7	Communication	-	-	-	-	-	-
8	Legal and professional charges	-	-	-	-	-	-
9	<u>Auditor's fees, expenses etc.</u>						
	(a) As Auditor	-	-	-	-	-	-
	(b) As advisor or in any other capacity in respect of	-	-	-	-	-	-
	(i) Taxation matters	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-
	(iii) Management Services	-	-	-	-	-	-
	(c) in any other capacity	-	-	-	-	-	-
10	Advertisement and publicity	-	-	-	-	-	-
11	Interest and Bank charges	-	-	-	-	-	-
12	Office Administration Expenses	-	-	-	-	-	-
13	<u>Others :</u>						
	(a) Information Technology	-	-	-	-	-	-
	(b) Business Support Services	-	-	-	-	-	-
	(c) Stamp Duty Expenses	-	-	-	-	-	-
	(d) Recruitment Charges	-	-	-	-	-	-
	(d) Others	-	-	-	-	-	-
14	Depreciation	-	-	-	-	-	-
15	GST/Service Tax	-	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-	-





**ACKO GENERAL INSURANCE LIMITED**  
Registration No. 157 dated September 18, 2017

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 1B**

**PREMIUM EARNED (NET)**

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2021										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Premium from direct business written	7,92,656	18,88,304	26,80,960	-	-	-	46,651	3,12,819	11,83,185	108	42,23,723
2	Add : Premium on reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-
		<b>7,92,656</b>	<b>18,88,304</b>	<b>26,80,960</b>	-	-	-	<b>46,651</b>	<b>3,12,819</b>	<b>11,83,185</b>	<b>108</b>	<b>42,23,723</b>
3	Less : Premium on reinsurance ceded	5,17,004	12,25,748	17,42,752	-	-	-	8,419	2,10,091	68,091	5	20,29,358
	<b>Net Premium</b>	<b>2,75,652</b>	<b>6,62,556</b>	<b>9,38,208</b>	-	-	-	<b>38,232</b>	<b>1,02,728</b>	<b>11,15,094</b>	<b>103</b>	<b>21,94,365</b>
4	Adjustments for changes in Reserve for Unexpired Risks	39,991	1,16,301	1,56,292	-	-	-	7,063	(34,573)	3,23,362	37	4,52,181
	<b>Total Premium Earned (Net)</b>	<b>2,35,661</b>	<b>5,46,255</b>	<b>7,81,916</b>	-	-	-	<b>31,169</b>	<b>1,37,301</b>	<b>7,91,732</b>	<b>66</b>	<b>17,42,184</b>

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2020										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Premium from direct business written	6,72,556	15,14,883	21,87,439	-	-	-	7,485	5,77,267	9,58,464	-	37,30,655
2	Add : Premium on reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-
		6,72,556	15,14,883	21,87,439	-	-	-	7,485	5,77,267	9,58,464	-	37,30,655
3	Less : Premium on reinsurance ceded	4,38,817	9,81,922	14,20,739	-	-	-	374	3,65,723	47,931	-	18,34,767
	Net Premium	2,33,739	5,32,961	7,66,700	-	-	-	7,111	2,11,544	9,10,533	-	18,95,888
4	Adjustments for changes in Reserve for Unexpired Risks	36,935	(14,686)	22,249	-	-	-	(211)	63,839	1,63,057	-	2,48,934
	Total Premium Earned (Net)	1,96,804	5,47,647	7,44,451	-	-	-	7,322	1,47,705	7,47,476	-	16,46,954

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 2B**

**CLAIMS INCURRED (NET)**

(₹ IN' 000)

CLAIMS INCURRED (NET)												
Sr No	Particulars	For the year ended 31st March, 2021										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
	Claims Paid											
1	Direct	6,67,419	35,891	7,03,310	-	-	-	9,847	2,84,099	6,17,040	6	16,14,302
2	Add: Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-
3	Less: Reinsurance ceded	4,32,129	11,744	4,43,873	-	-	-	492	1,84,570	30,852	-	6,59,787
	Net Claims Paid	2,35,290	24,147	2,59,437	-	-	-	9,355	99,529	5,86,188	6	9,54,515
4	Add: Claims Outstanding at the end of the year	46,235	9,37,030	9,83,265	-	-	-	6,624	9,389	1,36,066	56	11,35,400
5	Less: Claims Outstanding at the beginning of the year	46,378	5,52,403	5,98,781	-	-	-	1,135	23,787	40,600	-	6,64,303
	Total Claims Incurred	2,35,147	4,08,774	6,43,921	-	-	-	14,844	85,131	6,81,654	62	14,25,612

(₹ IN' 000)

Particulars												
Sr No	Particulars	For the year ended 31st March, 2020										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
	Claims Paid											
1	Direct	6,18,119	37,194	6,55,313	-	-	-	15,199	2,78,795	1,68,191	-	11,17,498
2	Add: Reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-
3	Less: Reinsurance ceded	3,70,014	10,443	3,80,457	-	-	-	760	1,81,217	9,049	-	5,71,483
	Net Claims Paid	2,48,105	26,751	2,74,856	-	-	-	14,439	97,578	1,59,142	-	5,46,015
4	Add: Claims Outstanding at the end of the year	46,379	5,52,403	5,98,782	-	-	-	1,135	23,787	40,600	-	6,64,304
5	Less: Claims Outstanding at the beginning of the year	26,785	1,20,429	1,47,214	-	-	-	9,267	13,255	46,961	-	2,16,697
	Total Claims Incurred	2,67,699	4,58,725	7,26,424	-	-	-	6,307	1,08,110	1,52,781	-	9,93,622

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 3B**

**COMMISSION**

(₹ IN' 000)

Commission

Sr No	Particulars	For the year ended 31st March, 2021										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Commission Paid											
	Direct	29,660	8,759	38,419	-	-	-	763	-	38,458	-	77,640
	Total (A)	29,660	8,759	38,419	-	-	-	763	-	38,458	-	77,640
2	Add : Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-
3	Less : Commission on Re-insurance ceded	52,017	1,13,355	1,65,372	-	-	-	233	10,714	5,915	1	1,82,235
	Net Commission	(22,357)	(1,04,596)	(1,26,953)	-	-	-	530	(10,714)	32,543	(1)	(1,04,595)

**Breakup of the expenses (Gross) incurred to procure business:**

Agents	-	-	-	-	-	-	-	-	-	-	-	-
Brokers	12,914	1,794	14,708	-	-	-	763	-	24,877	-	-	40,348
Corporate Agency	18,122	6,238	24,360	-	-	-	-	-	13,581	-	-	37,941
Others	(1,376)	727	(649)	-	-	-	-	-	-	-	-	(649)
<b>TOTAL (B)</b>	<b>29,660</b>	<b>8,759</b>	<b>38,419</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>763</b>	<b>-</b>	<b>38,458</b>	<b>-</b>	<b>-</b>	<b>77,640</b>

(₹ IN' 000)

Sr No	Particulars	For the year ended 31st March, 2020										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Commission Paid											
	Direct	39,197	7,951	47,148	-	-	-	-	-	14,570	-	61,718
	Total (A)	39,197	7,951	47,148	-	-	-	-	-	14,570	-	61,718
2	Add : Commission on Re-insurance Accepted	-	-	-	-	-	-	-	-	-	-	-
3	Less : Commission on Re-insurance ceded	45,119	92,689	1,37,808	-	-	-	37	49,370	4,793	-	1,92,008
	Net Commission	(5,922)	(84,738)	(90,660)	-	-	-	(37)	(49,370)	9,777	-	(1,30,290)

**Breakup of the expenses (Gross) incurred to procure business:**

Agents	-	-	-	-	-	-	-	-	-	-	-	-
Brokers	30,616	4,867	35,483	-	-	-	-	-	-	1,350	-	36,833
Corporate Agency	5,738	1,202	6,940	-	-	-	-	-	-	13,220	-	20,160
Others	2,843	1,882	4,725	-	-	-	-	-	-	-	-	4,725
<b>TOTAL (B)</b>	<b>39,197</b>	<b>7,951</b>	<b>47,148</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,570</b>	<b>-</b>	<b>61,718</b>

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**
**SCHEDULE - 4B**
**OPERATING EXPENSES RELATING TO INSURANCE BUSINESS**
**(₹ IN' 000)**

EXPENSES RELATING TO INSURANCE BUSINESS												
Sr No	Particulars	For the year ended 31st March, 2021										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	55,768	1,34,043	1,89,811	-	-	-	7,735	20,783	2,25,596	21	4,43,946
2	Travel, Conveyance and vehicle running expenses	13	32	45	-	-	-	2	5	54	-	106
3	Training expenses	69	166	235	-	-	-	10	26	279	-	550
4	Rent, rates and taxes	5,505	13,233	18,738	-	-	-	764	2,052	22,271	2	43,827
5	Repairs	2,534	6,091	8,625	-	-	-	351	944	10,252	1	20,173
6	Printing and Stationery	38	91	129	-	-	-	5	14	153	-	301
7	Communication	1,052	2,528	3,580	-	-	-	146	392	4,255	-	8,373
8	Legal and professional charges	9,567	22,997	32,564	-	-	-	1,327	3,566	38,705	4	76,166
9	<u>Auditor's fees, expenses etc.</u>											
	(a) As Auditor	196	471	667	-	-	-	27	73	793	-	1,560
	(b) As advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-
	(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management Services; and	-	-	-	-	-	-	-	-	-	-	-
	(c) in any other capacity	43	104	147	-	-	-	6	16	175	-	344
10	Advertisement and publicity	1,37,839	3,31,312	4,69,151	-	-	-	19,118	51,369	5,57,604	52	10,97,294
11	Interest and Bank charges	3,063	7,362	10,425	-	-	-	425	1,142	12,391	1	24,384
12	Office Administration Expenses	158	381	539	-	-	-	22	59	640	-	1,260
13	<u>Others :</u>											
	(a) Information Technology	30,105	72,361	1,02,466	-	-	-	4,175	11,219	1,21,784	11	2,39,655
	(b) Business Support Services	9,772	23,490	33,262	-	-	-	1,355	3,642	39,535	4	77,798
	(c) Stamp Duty Expenses	73	176	249	-	-	-	10	27	295	-	581
	(d) Recruitment Charges	578	1,388	1,966	-	-	-	80	215	2,335	-	4,596
	(e) Others	921	4,101	5,022	-	-	-	128	343	3,724	-	9,217
14	Depreciation & Amortization	4,679	11,247	15,926	-	-	-	649	1,744	18,929	2	37,250
15	GST/Service Tax	177	426	603	-	-	-	25	66	717	-	1,411
	<b>Total</b>	<b>2,62,150</b>	<b>6,32,000</b>	<b>8,94,150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,360</b>	<b>97,697</b>	<b>10,60,487</b>	<b>98</b>	<b>20,88,792</b>

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**
**SCHEDULE - 4B**
**OPERATING EXPENSES RELATING TO INSURANCE BUSINESS**
**(₹ IN' 000)**

OPERATING EXPENSES RELATING TO INSURANCE BUSINESS												
Sr No	Particulars	For the year ended 31st March, 2020										
		Motor OD	Motor TP	Motor Total	Engineering	Aviation	Workmen Compensation	Personal Accident	Public / Product Liability	Health	Other Miscellaneous	Total Miscellaneous
1	Employees remuneration and welfare benefits	58,643	1,33,716	1,92,359	-	-	-	1,784	53,075	2,28,446	-	4,75,664
2	Travel, Conveyance and vehicle running expenses	2,548	5,810	8,358	-	-	-	78	2,306	9,926	-	20,668
3	Training expenses	43	98	141	-	-	-	1	39	167	-	348
4	Rent, rates and taxes	5,704	13,007	18,711	-	-	-	174	5,163	22,222	-	46,270
5	Repairs	2,835	6,465	9,300	-	-	-	86	2,566	11,045	-	22,997
6	Printing and Stationery	194	443	637	-	-	-	6	176	758	-	1,577
7	Communication	1,174	2,676	3,850	-	-	-	36	1,062	4,571	-	9,519
8	Legal and professional charges	11,457	26,123	37,580	-	-	-	349	10,369	44,630	-	92,928
9	<u>Auditor's fees, expenses etc.</u>											
	(a) As Auditor	192	439	631	-	-	-	6	174	749	-	1,560
	(b) As advisor or in any other capacity, in respect of	-	-	-	-	-	-	-	-	-	-	-
	(i) Taxation matters	-	-	-	-	-	-	-	-	-	-	-
	(ii) Insurance matters	-	-	-	-	-	-	-	-	-	-	-
	(iii) Management Services; and	-	-	-	-	-	-	-	-	-	-	-
	(c) in any other capacity	51	115	166	-	-	-	2	46	197	-	411
10	Advertisement and publicity	2,14,864	4,89,923	7,04,787	-	-	-	6,537	1,94,461	8,37,005	-	17,42,790
11	Interest and Bank charges	2,665	6,077	8,742	-	-	-	81	2,412	10,382	-	21,617
12	Office Administration Expenses	666	1,519	2,185	-	-	-	20	603	2,595	-	5,403
13	<u>Others :</u>											
	(a) Information Technology	42,967	97,970	1,40,937	-	-	-	1,307	38,887	1,67,377	-	3,48,508
	(b) Business Support Services	14,237	32,463	46,700	-	-	-	433	12,885	55,462	-	1,15,480
	(c) Stamp Duty Expenses	60	137	197	-	-	-	2	54	234	-	487
	(d) Recruitment Charges	786	1,792	2,578	-	-	-	24	711	3,062	-	6,375
	(e) Others	1,315	3,000	4,315	-	-	-	40	1,190	5,125	-	10,670
14	Depreciation & Amortization	4,539	10,349	14,888	-	-	-	138	4,108	17,681	-	36,815
15	GST/Service Tax	501	1,141	1,642	-	-	-	15	453	1,950	-	4,060
	<b>Total</b>	<b>3,65,441</b>	<b>8,33,263</b>	<b>11,98,704</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,119</b>	<b>3,30,740</b>	<b>14,23,584</b>	<b>-</b>	<b>29,64,147</b>



**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 5**

**SHARE CAPITAL**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Authorised Capital 1000000000 Equity Shares of ₹ 10 each (Previous year : 1000000000 Equity Shares of ₹ 10 each)	1,00,00,000	1,00,00,000
2	Issued Capital 596000000 Equity Shares of ₹ 10 each (Previous year : 546000000 Equity Shares of ₹ 10 each)	59,60,000	54,60,000
3	Subscribed Capital 596000000 Equity Shares of ₹ 10 each (Previous year : 546000000 Equity Shares of ₹ 10 each)	59,60,000	54,60,000
4	Called up Capital 596000000 Equity Shares of ₹ 10 each (Previous year : 546000000 Equity Shares of ₹ 10 each)	59,60,000	54,60,000
	Less: Calls unpaid	-	-
	Add: Equity Shares forfeited (amount originally paid up)	-	-
	Less: Par Value of Equity Shares bought back	-	-
	Less: Preliminary Expenses	-	-
	Expenses including commission or brokerage on underwriting or subscription of shares	-	-
	<b>Total</b>	<b>59,60,000</b>	<b>54,60,000</b>

**SCHEDULE - 5A**

**SHARE CAPITAL**

**PATTERN OF SHAREHOLDING**

(As certified by the Management)

Sr No	Shareholders	As at 31st March, 2021		As at 31st March, 2020	
		Number of Shares	% of Holding	Number of Shares	% of Holding
1	<b>Promoters</b>				
	a) Indian				
	- Acko Technologies & Services Private Limited	59,60,00,000	100	54,60,00,000	100
	b) Foreign	-	-	-	-
2	<b>Others</b>	-	-	-	-
	<b>Total</b>	<b>54,60,00,000</b>	<b>100</b>	<b>13,60,00,000</b>	<b>100</b>



**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 6**

**RESERVES AND SURPLUS**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Capital Reserve	-	-
2	Capital Redemption Reserve	-	-
3	Share Premium	-	-
4	General Reserve	-	-
5	Catastrophe Reserve	-	-
6	Other Reserves	-	-
7	Balance of Profit/(Loss) in Profit and Loss Account	-	-
	<b>Total</b>	-	-

**SCHEDULE - 7**

**BORROWINGS**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Debentures/Bonds	-	-
2	Fixed Deposits	-	-
3	Banks	-	-
4	Financial Institutions	-	-
5	Others	-	-
	<b>Total</b>	-	-



**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 8**

**INVESTMENTS - SHAREHOLDERS**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
	<b>LONG TERM INVESTMENTS</b>		
1	Govt Securities, Govt guaranteed Bonds incl Treasury Bills	3,64,021	5,02,015
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(i) Equity	-	-
	(ii) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	24,900	2,00,956
	(e) Other Securities (FDs, CDs & CPs)	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investment In Infrastructure and housing	-	-
	(a) Approved Investments (Bonds & Debentures)	3,21,160	7,28,038
	(b) Other Investments	-	-
5	Other than Approved Investments	-	-
	<b>Total Long-term Investments (A)</b>	<b>7,10,081</b>	<b>14,31,009</b>
	<b>SHORT TERM INVESTMENTS</b>		
1	Govt Securities, Govt guaranteed Bonds incl Treasury Bills	78,360	1,98,263
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(i) Equity	-	-
	(ii) Preference	-	-
	(b) Mutual Funds	30,902	21,360
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	12,504	84,928
	(e) Other Securities (FDs, CDs & CPs)	58,402	21,267
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investment In Infrastructure and Housing	-	-
	(a) Approved Investments (Bonds & Debentures)	-	21,303
	(b) Other Investments	-	21,267
	Less : Provision for Diminution in value of investment	-	(10,634)
5	Other than Approved Investments	24,289	-
	<b>Total Short-term Investments (B)</b>	<b>2,04,457</b>	<b>3,57,754</b>
	<b>Total (A)+(B)</b>	<b>9,14,538</b>	<b>17,88,763</b>

	<b>INVESTMENTS</b>		
1	In India	9,14,538	17,88,763
2	Outside India	-	-

Note (Sch 8 & Sch 8A):

Aggregate book value of Investments (other than listed equities) is Rs. 45,83,971 thousand (previous year Rs. 42,05,427 thousand). Aggregate market value of Investments (other than listed equities) is Rs. 46,05,165 thousand (previous year Rs. 42,50,616 thousand).





**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 8A**

**INVESTMENTS - POLICYHOLDERS**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
	<b>LONG TERM INVESTMENTS</b>		
1	Govt Securities, Govt guaranteed Bonds incl Treasury Bills	14,60,575	6,78,234
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(i) Equity	-	-
	(ii) Preference	-	-
	(b) Mutual Funds	-	-
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	99,905	2,71,496
	(e) Other Securities (FDs, CDs & CPs)	-	-
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investment In Infrastructure and Housing	-	-
	(a) Approved Investments (Bonds & Debentures)	12,88,601	9,83,597
	(b) Other Investments	-	-
5	Other than Approved Investments	-	-
	<b>Total Long-term Investments (A)</b>	<b>28,49,081</b>	<b>19,33,327</b>
	<b>SHORT TERM INVESTMENTS</b>		
1	Govt Securities, Govt guaranteed Bonds incl Treasury Bills	3,14,406	2,67,858
2	Other Approved Securities	-	-
3	Other Investments	-	-
	(a) Shares	-	-
	(i) Equity	-	-
	(ii) Preference	-	-
	(b) Mutual Funds	1,23,993	28,858
	(c) Derivative Instruments	-	-
	(d) Debentures/ Bonds	50,169	1,14,740
	(e) Other Securities (FDs, CDs & CPs)	2,34,328	28,733
	(f) Subsidiaries	-	-
	(g) Investment Properties-Real Estate	-	-
4	Investment In Infrastructure and Housing	-	-
	(a) Approved Investments (Bonds & Debentures)	-	28,781
	(b) Other Investments	-	28,733
	Less : Provision for Diminution in value of investment	-	(14,366)
5	Other than Approved Investments	97,457	-
	<b>Total Short-term Investments (B)</b>	<b>8,20,353</b>	<b>4,83,337</b>
	<b>Total (A)+(B)</b>	<b>36,69,434</b>	<b>24,16,664</b>
	<b>INVESTMENTS</b>		
1	In India	36,69,434	24,16,664
2	Outside India	-	-



**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 9**

**LOANS**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Security wise Classification		
	Secured		
	(a) On mortgage of property		
	(aa) In India	-	-
	(bb) Outside india	-	-
	(b) On shares, Bonds, Govt Securities	-	-
	(c ) Others	-	-
	Unsecured	-	-
	Total	-	-
2	Borrower wise Classification		
	(a) Central and State Governments	-	-
	(b) Banks and Financial Institutions	-	-
	(c ) Subsidiaries	-	-
	(d) Industrial Undertakings	-	-
	(e) Others	-	-
	Total	-	-
3	Performance wise Classification		
	(a) Loans classified as standard		
	(aa) in India	-	-
	(bb) outside India	-	-
	(b) Non performing loans less provisions		
	(aa) in India	-	-
	(bb) outside India	-	-
	Total	-	-
4	Maturity wise Classification		
	(a) Short Term	-	-
	(b) Long Term	-	-
	<b>Total</b>	-	-



**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 10**

**FIXED ASSETS SCHEDULE AS AT 31ST MARCH, 2021**

(₹ IN' 000)

S. No.	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		As at 1st April, 2020	Additions during the year	Sales/ Adjustments during the year	As at 31st March, 2021	As at 1st April, 2020	For the year	On sales / adjustments	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
1	Goodwill	-	-	-	-	-	-	-	-	-	-
2	Intangibles:	-	-	-	-	-	-	-	-	-	-
	- Computer Software	86,385	-	-	86,385	29,912	28,478	-	58,390	27,995	56,473
3	Land - Freehold	-	-	-	-	-	-	-	-	-	-
4	Leasehold Improvements	155	-	-	155	90	51	-	141	14	65
5	Buildings	-	-	-	-	-	-	-	-	-	-
6	Furniture & Fittings	959	-	-	959	230	320	-	550	409	729
7	Information Technology Equipment	23,652	5,829	106	29,375	9,551	7,459	92	16,918	12,457	14,101
8	Vehicles	-	-	-	-	-	-	-	-	-	-
9	Office Equipment	3,431	46	-	3,477	1,389	944	-	2,333	1,144	2,042
10	Others	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL</b>	<b>1,14,582</b>	<b>5,875</b>	<b>106</b>	<b>1,20,351</b>	<b>41,172</b>	<b>37,252</b>	<b>92</b>	<b>78,332</b>	<b>42,019</b>	<b>73,410</b>
	Capital Work In Progress	-	-	-	-	-	-	-	-	-	-
	<b>Grand Total</b>	<b>1,14,582</b>	<b>5,875</b>	<b>106</b>	<b>1,20,351</b>	<b>41,172</b>	<b>37,252</b>	<b>92</b>	<b>78,332</b>	<b>42,019</b>	<b>73,410</b>
	Previous Year Total	24,414	97,124	6,956	1,14,582	7,741	36,815	3,384	41,172	73,410	16,673



**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 11**

**CASH AND BANK BALANCES**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Cash (including cheques, drafts and stamps)	540	322
2	<b>Bank Balances</b>		
	(a) Deposit Accounts	-	-
	(aa) Short term (due within 12 months)	-	-
	(bb) Others	-	-
	(b) Current Accounts	2,10,875	1,34,188
	(c) Others	-	-
3	Money at call & short notice		
	With Banks	-	-
	With Other Institutions	-	-
4	Others balances	28,440	146
	<b>Total</b>	<b>2,39,855</b>	<b>1,34,656</b>
	Balances with non-scheduled banks included in 2 and 3 above	-	-

	<b>CASH AND BANK BALANCES</b>		
1	In India	2,39,855	1,34,656
2	Outside India	-	-

**SCHEDULE - 12**

**ADVANCES AND OTHER ASSETS**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
	<b>ADVANCES</b>		
1	Reserve Deposit with ceding Companies	-	-
2	Application Money for Investments	-	-
3	Prepayments	12,155	17,022
4	Advance to Directors / Officers	-	-
5	Advance Tax Paid and Tax Deducted at source (Net of provision for	1,515	320
6	Others		
	(a) Security Deposits	19,657	24,657
	(b) GST input balance recoverable (net)	1,86,480	2,64,069
	(c) Other Advances	1,59,155	15,121
	<b>Total (A)</b>	<b>3,78,962</b>	<b>3,21,189</b>
	<b>OTHER ASSETS</b>		
1	Income accrued on Investments / FDRs	1,08,776	1,08,542
2	Outstanding Premiums	1,046	4,482
3	Agents' balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from entities carrying on insurance business (including reinsurers)	6,462	125
6	Due from Subsidiaries/ Holdings	-	-
7	Assets held for Unclaimed amount of Policyholders	-	-
	Add: Investment Income accruing on unclaimed amount	-	-
8	Deposit with Reserve Bank of India	-	-
	[Pursuant to section 7 of Insurance Act, 1938]		
9	Others		
	Unsettled investment contract receivable	-	4,79,294
	Other recoverable	21,475	11,670
	<b>Total (B)</b>	<b>1,37,759</b>	<b>6,04,113</b>
	<b>Total (A+B)</b>	<b>5,16,721</b>	<b>9,25,302</b>



**ACKO GENERAL INSURANCE LIMITED**  
**Registration No. 157 dated September 18, 2017**

**SCHEDULES FORMING PART OF FINANCIAL STATEMENTS:**

**SCHEDULE - 13**

**CURRENT LIABILITIES**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Agents Balances	31,522	17,702
2	Balances due to other insurance companies (including reinsurers)	6,04,175	4,02,241
3	Deposits held on reinsurances ceded	-	-
4	Premiums received in advance	5,55,959	4,88,538
5	Unallocated premium	-	-
6	Unclaimed amounts of policyholders	-	-
7	Sundry Creditors	2,76,384	2,40,658
8	Due to subsidiaries/holding company	15,693	16,868
9	Claims outstanding	11,35,447	6,64,303
10	Due to Officers / Directors	-	-
11	Deposit Premium	1,43,897	95,994
12	<u>Others</u>		
	Employee Benefits	6,575	43,619
	Statutory Dues Payable	29,673	25,889
	Due to Solatium fund	3,891	2,002
	Unsettled investment contract payable	-	4,46,112
	<b>Total</b>	<b>28,03,216</b>	<b>24,43,926</b>

**SCHEDULE - 14**

**PROVISIONS**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Reserve for Unexpired Risk	12,02,758	7,50,491
2	For Taxation (less advance tax paid and taxes deducted at source)	-	-
3	For Proposed Dividends	-	-
4	For Dividend Distribution Tax	-	-
5	For Premium Deficiency	-	-
6	Provisions for Gratuity	17,030	13,110
7	Provisions for Leave Encashment	-	12,475
8	Provision for Employee Long Term Incentive Plan	65,929	-
	<b>Total</b>	<b>12,85,717</b>	<b>7,76,076</b>

**SCHEDULE - 15**

**MISCELLANEOUS EXPENDITURE**

**(To the extent not written off or adjusted)**

(₹ IN' 000)

Sr No	Particulars	As at 31st March, 2021	As at 31st March, 2020
(1)	(2)	(3)	(4)
1	Discount allowed in issue of shares/debentures	-	-
2	Others	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

## **Schedule: 16**

### **Significant accounting policies and notes forming part of the financial statements for the year ended March 31, 2021.**

#### **A Background**

Acko General Insurance Limited ('the Company') was incorporated on November 3, 2016 under the Companies Act, 2013. As on March 31, 2021, Acko Technology & Services Private Limited holds 100% of the paid-up capital of the Company.

The Company obtained Regulatory approval from the Insurance Regulatory and Development Authority of India ('IRDAI') and holds a valid certificate of registration dated September 18, 2017. The Company commenced General Insurance business from December 11, 2017.

#### **B Significant accounting policies**

##### **1 Basis of preparation of financial statements**

The financial statements have been prepared basis on going concern basis under the historical cost convention and on the accrual basis of accounting in accordance with the generally accepted accounting principles and conform to the statutory requirements prescribed under the Insurance Regulatory and Development Authority Act, 1999, Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 including directions thereon, the Insurance Act, 1938, the provisions of Companies Act, 2013 including notified Accounting Standards there under except otherwise stated. The financial statements are presented in Indian rupees rounded off to the nearest thousand except otherwise stated.

##### **2 Use of estimates**

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent assets & liabilities. Such estimates and assumptions used in these financial statements are based on the management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in the period in which the results are known / materialized.

##### **3 Revenue Recognition**

###### **Premium income**

Premium and cessation thereof are recognized over the period of risk or the contract period in the respective revenue account based on 1/365 method, whichever is appropriate on a gross basis net of goods and services tax. In case of Long-Term Motor Insurance Policies premium is recognized on a yearly basis as mandated by IRDAI circular. Any subsequent revisions to premium and cessation thereof, as and when they occur, are recognised over the remaining period of risk or contract period, as applicable. Adjustments to premium income arising on cancellation of policies are recognized in the period in which they are cancelled.

###### **Income from reinsurance ceded**

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

Profit commission under reinsurance treaties, wherever applicable, is recognised as income in the year of final determination of profits.

## **Income earned on investments**

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

Dividend income is recognised when the right to receive dividend is established. Dividend income in respect of mutual funds is recognised on ex-dividend date.

Realised gain/loss on securities, which is the difference between the sale consideration and the carrying value in the books of the Company, is recognised on the trade date. In determining the realised gain/loss, cost of securities is arrived at on 'Weighted average cost' basis. Further, in case of mutual fund units, the profit or loss on sale also includes the accumulated changes in the fair value previously recognised in the fair value change account.

Sale consideration for the purpose of realised gain/loss is net of brokerage and taxes, if any, and excludes interest received on sale.

## **Premium received in advance**

This represents premium received during the period, where the risk commences subsequent to the balance sheet date.

## **Reserve for unexpired risk**

Reserve for unexpired risk is recognised net of reinsurance ceded and represents premium written that is attributable to, and is to be allocated to succeeding accounting periods.

## **Premium deficiency**

Premium deficiency is recognised at segmental revenue account level when the sum of expected claim costs and related expenses and maintenance costs (related to claims handling) exceed the reserve for unexpired risks. The premium deficiency is calculated and duly certified by the Appointed Actuary.

## **4 Claims**

Claims incurred comprise claims paid, estimated liability for outstanding claims made following a loss occurrence reported and estimated liability for claims Incurred But Not Reported ('IBNR') and claims Incurred But Not Enough Reported ('IBNER'). Further, claims incurred also include specific claim settlement costs such as survey/legal fees and other directly attributable costs.

Liability in respect of claims is provided for the intimations received up to the year-end on the basis of the surveyor's assessment, information provided by the insured, judgement based on past experience and other applicable laws and practices.

Estimated liability for outstanding claims at balance sheet date is recorded net of claims recoverable from/payable to co-insurers/reinsurers.

Salvage / Recoveries under claims are netted off against 'claims incurred' and are accounted for on realisation basis.

IBNR reserves are provisions for claims that may have been incurred during the accounting period but have not been reported. The IBNR provision also includes provision for claims that have been incurred but are not enough reported (IBNER). The provision for IBNR and IBNER is based on actuarial estimate duly certified by the Appointed Actuary of the Company.

## **5 Acquisition costs**

Acquisition costs are those costs that vary with, and are primarily related to the acquisition of new and renewal of insurance contracts viz. commission, policy issue expenses, etc. These costs are expensed in the period in which they are incurred.

## **6 Investments**

Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc., if any, and exclude interest accrued up to the date of purchase.

### **(A) Classification**

Investments maturing within twelve months from balance sheet date and investments made with the specific intention to dispose off within twelve months are classified as 'short term investments'. Investments other than 'short term investments' are classified as 'long term investments'.

Investments are segregated at Shareholder's level and Policyholder's level notionally based on policyholder's funds and shareholder's funds at the end of period on the basis prescribed by IRDAI.

### **(B) Valuation**

Investments are valued as follows:

#### **Debt securities**

All debt securities including government securities are considered as 'held to maturity' and are accordingly stated at cost determined after amortisation of premium or accretion of discount on a constant yield basis over the holding period/maturity.

#### **Mutual funds (Other than venture capital fund)**

Mutual fund investments are stated at fair value, being the closing net asset value at balance sheet date.

**Investments other than those mentioned above are valued at cost.**

### **(C) Fair Value Change Account**

In accordance with the Regulations, unrealised gain/loss arising due to changes in fair value of mutual fund investments are taken to the 'fair value change account'. This balance in the fair value change account is not available for distribution, pending realisation.

### **(D) Allocation of investment income between Revenue Account and Profit and Loss Account**

Investment income is apportioned between Revenue Account and Profit and Loss Account in the ratio of average shareholder's funds and policyholder's funds

### **(E) Impairment**

The Company assesses, whether any impairment has occurred in respect of investments at each balance sheet date. If any such indication exists, carrying value of such investment is reduced to its recoverable value and the impairment loss is recognized in the profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists then earlier recognised impairment loss is reversed in profit and loss account and the investment is reinstated to that extent.



**7 Fixed assets, Intangibles and Depreciation/ Impairment****Fixed assets**

Fixed assets are stated at cost less accumulated depreciation. Cost includes the purchase price and any cost directly attributable to bringing the asset to its working condition for its intended use. Capital work-in-progress is stated at cost.

**Intangibles Assets**

Intangible assets comprising computer software are stated at cost less accumulated amortisation.

**Depreciation / Amortization**

Depreciation on assets purchased/disposed off during the year is provided on pro-rata basis with reference to the date of additions/deductions.

Depreciation on fixed assets is provided using the rates based on the economic useful life of assets as specified in Schedule II of the Companies Act, 2013, except as below, where useful life is technically assessed by the management:

Nature of Fixed Assets	Management Estimate of Useful Life in years	Useful life as per prescribed in Schedule II of the Companies Act, 2013 in Years
Furniture & Fittings	3 years	10 years
Office Equipment	3 years	5 years

Depreciation on Furniture & Fittings in leased premises is recognised on a straight-line basis over the primary period of lease or useful life prescribed in Schedule II of the Companies Act, 2013, whichever is lower.

Office Equipment viz., PDA device acquired with a value costing up to ₹ 50,000 are fully depreciated in the period in which they are acquired.

Intangible assets (computer software including improvements) are amortised over its useful life of 3 years on straight-line basis.

**Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication, based on internal / external factors, that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the impairment loss is recognised in the profit and loss account. 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.

**8 Operating Lease**

Assets acquired on lease wherein significant portion of the risks and rewards of ownership are retained by the lessors are classified as operating lease.

Payments made towards assets/premises taken on operating lease are recognised as an expense in the revenue account(s) and profit and loss account over the lease term on straight-line basis.

## **9 Employee Benefits**

Short term employee benefits are recognized as an expense in the year in which the related services are rendered

Provident Fund contributions are accounted for on accrual basis.

Liability for Gratuity, which is a defined benefit scheme, is provided on the basis of actuarial valuation as on balance sheet date. Liability for Leave encashment is provided on the basis of actuarial valuation as on balance sheet date.

Liability for Employee Long Term Incentive Plan is provided on the basis of actuarial valuation as on balance sheet date.

Actuarial gain/loss are recognised immediately in the accounts.

## **10 Foreign currency transactions**

Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of the transaction. Foreign exchange denominated monetary assets and liabilities, are restated at the rates prevalent at the date of the balance sheet. Non-monetary items in foreign currency are reported using exchange rate at the date of transaction. The gain/loss on settlement/ translation of foreign currency is recognized as income/ expense.

## **11 Taxation**

### **Current tax**

The company provides for income tax on the basis of taxable income for the current accounting period in accordance with the provisions of the income tax Act, 1961.

In accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, Minimum Alternate Tax ('MAT') credit is recognised as an asset to the extent there is convincing evidence that the Company will pay normal income tax in future by way of a credit to the profit and loss account and shown as MAT credit entitlement.

### **Deferred tax**

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the accounting income as per the Company's financial statements and the taxable income for the year.

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

Deferred tax assets are recognised and carried only to the extent there is virtual certainty that the assets can be realised in future.

Deferred tax assets are reviewed at each balance sheet date and appropriately adjusted to reflect the amount that is reasonably/virtually certain to be realised.

### **Goods and Service Tax**

Goods and Services Tax (GST) collected is considered as a liability against which GST paid for eligible input services, to the extent claimable, is adjusted and the net liability is remitted to the appropriate authority as stipulated. Unutilized GST credits, if any, are carried forward under "Others – Unutilized GST Carried Forward" and disclosed in Schedule for adjustments in subsequent periods and GST liability to be remitted to the appropriate authority is disclosed under "Others- GST Payable" in Schedule. GST paid for eligible input services not recoverable by way of

credits is recognized in the Revenue Account as expenses under a separate line item in Schedule 4 and Schedule 4(A).

## 12 Earnings per share

The basic earnings per share is calculated by dividing the net profit/(loss) after tax by 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 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.

## 13 Provisions and Contingencies

A provision, other than those relating to contract with policyholders, is recognised when there is 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.

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.

Show Cause Notices issued by various Government Authorities are not considered as an obligation. When the demand notices are raised against such show cause notices and are disputed by the Company, these are classified as disputed obligations and shown as contingent liability.

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

## 14 Allocation of Expenses

Operating expense are apportioned to respective revenue accounts on the basis of net premium in each class of business at the end of financial year.

## C Notes to accounts

### 1 Statutory disclosures required by IRDAI

#### 1.1 Contingent liabilities

Particulars	(₹ in 000's)	
	At March 31, 2021	At March 31, 2020
Partly-paid up investments	NIL	NIL
Claims, other than those under policies, not acknowledged as debt	NIL	NIL
Underwriting commitments outstanding (in respect of shares and securities)	NIL	NIL
Guarantees given by or on behalf of the Company	NIL	NIL
Statutory demands/liabilities in dispute, not provided for	250	NIL
Reinsurance obligations to the extent not provided for in accounts	NIL	NIL
Others	30,000	30,000

**1.2** The Company has all the assets within India. The assets of the Company are free from all encumbrances.

**1.3** Estimated amount of commitment pertaining to contracts remaining to be executed in respect of fixed assets (net of advances) is ₹NIL (previous year: ₹NIL).

**1.4** Commitment in respect of loans is ₹NIL (previous year: ₹ NIL) and investments is ₹NIL (previous year: ₹NIL).

#### 1.5 Claims

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

Particulars	(₹ in 000's)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
In India	9,54,513	5,46,009
Outside India	2	6

Ageing of gross claims outstanding is set out in the table below:

Particulars	(₹ in 000's)	
	At March 31, 2021	At March 31, 2020
More than six months	2,03,670	45,660
Others	3,42,915	2,42,140

Claims settled and remaining unpaid for more than six months is ₹ NIL (previous year: ₹ NIL).

**1.6 Sector wise details of the policies issued are given below:**

Sector	Year Ending March 31, 2021					Year Ending March 31, 2020				
	GDPI (₹ in 000's)	% of GDPI	No. of Policies (‘000s)	% of Policy	No. of lives (‘000s)	GDPI (₹ in 000's)	% of GDPI	No. of Policies (‘000s)	% of Policy	No. of lives (‘000s)
Rural	2,67,635	6.34%	124.48	11.34%	-	7,44,484	19.96%	361.84	37.66%	-
Social	1,44,530	3.42%	0.01	0.00%	36,203	1,53,766	4.12%	0.01	0.00%	91,680
Urban	38,11,700	90.24%	973.33	88.66%	-	28,32,405	75.92%	599.02	62.34%	-
<b>Total</b>	<b>42,23,865</b>	<b>100.00%</b>	<b>1,097.82</b>	<b>100.00%</b>	<b>36,203</b>	<b>37,30,655</b>	<b>100.00%</b>	<b>960.87</b>	<b>100.00%</b>	<b>91,680</b>

**1.7 (a) Premium less reinsurances written during the year under various classes of business is as under:**

Class of Business	(₹ in' 000)			
	In India		Outside India	
	Year ended 31.03.21	Year ended 31.03.21	Year ended 31.03.20	Year ended 31.03.20
Fire	135	NIL	NIL	NIL
Marine	NIL	NIL	NIL	NIL
Miscellaneous	21,94,365	NIL	18,95,888	NIL

(b) No premium income is recognized on “varying risk pattern” basis.

(c) Extent of risks / premiums retained and reinsured is set out below:

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	Retention	Ceded	Retention	Ceded
<b>Fire</b>	95%	5%	-	-
<b>Miscellaneous</b>				
Motor	35%	65%	35%	65%
Product / Public Liability	33%	67%	37%	63%
Personal Accident	82%	18%	95%	5%
Health	94%	6%	95%	5%
Others	95%	5%	-	-

(d) There are no insurance contracts where the claim payment exceeds four years.

**1.8 Investments**

Value of contracts in relation to investments for:

- Purchases where deliveries are pending ₹ NIL (previous year: ₹ 4,46,112 thousand); and
- Sales where payments are pending ₹ NIL (previous year: ₹ 4,79,294 thousand).

Fair value of Investments in Mutual Fund as at 31st March 21 is ₹2,76,641 thousand (previous year ₹ 50,218 thousand) and historical cost of the same is ₹2,76,257 thousand (Previous year ₹50,200 thousand).

All investments are made in accordance with Insurance Act, 1938 and Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 and are performing investments as at 31<sup>st</sup> March, 2021.

## 1.9 Remuneration to Managerial and Key Management Persons

(A) The details of remuneration of MD & CEO and Wholetime Directors as per the terms of appointment are as under:

(₹ in 000's)		
Particulars	Year Ending March 31, 2021	Year Ending March 31, 2020
Salaries and allowances	26,123	20,386
Contribution to provident and other funds	1,847	43
Perquisites	-	-

(B) The details of remuneration of Key Management Persons as per guidelines issued by IRDAI vide Ref. no. IRDA/F&A/GDL/CG/100/05/2016 dated May 18, 2016 and as per the terms of appointment of Company are as under:

(₹ in 000's)		
Particulars	Year Ending March 31, 2021	Year Ending March 31, 2020
Salaries and allowances	34,352	37,962
Contribution to provident and other funds	1,416	1,956
Perquisites	-	-

### Notes:

- Provision towards gratuity and Long Term Incentive Plan is determined actuarially on an overall basis and accordingly have not been considered for the above disclosures.
- The remuneration for MD & CEO and Wholetime Directors has been approved by IRDAI and is within the limits prescribed by IRDAI.

## 1.10 Outsourcing, business development and marketing support expenses

Expenses relating to outsourcing, business development and marketing support are:

(₹ in 000's)		
Particulars	Year Ending March 31, 2021	Year Ending March 31, 2020
Outsourcing expenses	1,97,976	2,10,949
Business development	-	-
Marketing and support services	-	-

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## 1.11 Details of penal actions taken by various Govt. authorities during year ended March 31, 2021:

(₹ in 000's)

S.No	Authority	Non- Compliance / Violation	Penalty Awarded	Penalty Paid	Penalty Waived / Reduced
1	Insurance Regulatory and Development Authority	IRDA (Insurance Advertisement & disclosure) Regulations, 2000	- (10,000*)	- (-)	- (-)
2	Service Tax Authorities	None	- (-)	- (-)	- (-)
3	Income Tax Authorities	None	- (-)	- (-)	- (-)
4	Any other Tax Authorities	None	- (-)	- (-)	- (-)
5	Enforcement Directorate/ Adjudicating Authority/Tribunal or any Authority under FEMA	None	- (-)	- (-)	- (-)
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 1956	None	- (-)	- (-)	- (-)
7	Penalty awarded by any Court/ Tribunal for any matter including claim settlement but excluding compensation	None	- (-)	- (-)	- (-)
8	Securities and Exchange Board of India	None	- (-)	- (-)	- (-)
9	Competition Commission of India	None	- (-)	- (-)	- (-)
10	Any other Central/State/Local Govt/Statutory Authority (Tariff Advisory Committee)	None	- (-)	- (-)	- (-)

Figures in brackets pertain to year ended March 31, 2020

\* Appeal is filed with The Securities Appellate Tribunal, Mumbai, which is pending for hearing and pending disposal of the case. The same is shown as contingent liability

## 1.12 Summary of Financial Statements

	(₹ in 000's)	
Particulars	March 31, 2021	March 31, 2020
<b>Operating Results</b>		
Gross Direct Premiums	42,23,865	37,30,655
Net Premium	21,94,500	18,95,888
Income from investments (net)	2,14,647	1,66,250
Other income	-	-
<b>Total income</b>	<b>24,09,147</b>	<b>20,62,138</b>
Commissions (net) (including brokerage)	1,04,596	1,30,290
Operating expenses	(20,88,922)	(29,64,147)
Net incurred claims & other outgoes	(14,25,722)	(9,93,970)
Change in unexpired risk reserve	(4,52,267)	(2,48,934)
Change in Premium Deficiency Reserve	-	34,526
<b>Operating Profit/(Loss)</b>	<b>(14,53,168)</b>	<b>(19,80,097)</b>
<b>Non-Operating Result</b>		
Total income under shareholder's account (net of expenses)	1,27,643	1,02,259
Profit/(Loss) before tax	(13,25,525)	(18,77,838)
Provision for tax	-	-
<b>Profit/(Loss) after tax</b>	<b>(13,25,525)</b>	<b>(18,77,838)</b>
<b>Miscellaneous</b>		
<b>Policy holder's account:</b>		
Total funds	36,69,434	24,16,664
Total investments	36,69,434	24,16,664
Yield on investments	7.13%	8.00%
<b>Shareholder's account:</b>		
Total funds	9,14,538	17,88,763
Total investments	9,14,538	17,88,763
Yield on investments	7.13%	8.00%
Paid up equity capital	59,60,000	54,60,000
<b>Net worth</b>	<b>12,93,250</b>	<b>21,18,775</b>
<b>Total assets</b>	<b>53,82,567</b>	<b>53,38,795</b>
Yield on total investments (annualised)	7.13%	8.00%
Earnings per share (₹)	(2.39)	(4.79)
Book value per share (₹)	2.17	3.88
Total dividend	-	-
Dividend per share (₹)	-	-



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## 1.13 Ratio Analysis

Analytical Ratios pertaining to March 31, 2021 are given below:

Sr. No.	Particulars	March 31, 2021									
		Total	Fire	Total Miscellaneous	Motor OD	Motor TP	Motor Total	Personal Accident	Public / Product Liability	Health	Other Miscellaneous
1	Gross Direct Premium Growth Rate	13.22%	NA	13.22%	17.86%	24.65%	22.56%	523.22%	-45.81%	23.45%	NA
2	Gross Direct Premium to Net Worth Ratio	3.27									
3	Growth rate of Net Worth	-38.96%									
4	Net Retention Ratio	51.95%	95.00%	51.95%	34.78%	35.09%	35.00%	81.95%	32.84%	94.25%	95.00%
5	Net Commission Ratio	-4.77%	-0.74%	-4.77%	-8.11%	-15.79%	-13.53%	1.39%	-10.43%	2.92%	-0.97%
6	Expense of Management to Gross Direct Premium Ratio	51.29%									
7	Expense of Management to Net Written Premium Ratio	98.73%									
8	Net Incurred Claims to Net Earned Premium	81.83%									
9	Combined Ratio	172.25%									
10	Technical Reserves to Net Premium Ratio	1.07									
11	Underwriting balance Ratio	(0.96)	(2.57)	(0.96)	(1.02)	(0.71)	(0.80)	(0.66)	(0.25)	(1.24)	(1.41)
12	Operating Profit Ratio	-83.41%									
13	Liquid Assets to Liabilities Ratio	0.34									
14	Net earnings Ratio	-60.40%									
15	Return on Net Worth Ratio	-102.50%									
16	Available Solvency margin (ASM) to Required Solvency Margin (RSM) Ratio	1.91									
17	NPA Ratio										
	Gross NPA Ratio	NA									
	Net NPA Ratio	NA									

### Notes:

- Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013
- The Company does not have any business written for Marine Revenue Accounts

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Analytical Ratios pertaining to March 31, 2020 are given below:

Sr. No.	Particulars	March 31, 2020									
		Total	Fire	Total Miscellaneous	Motor OD	Motor TP	Motor Total	Personal Accident	Public / Product Liability	Health	Other Miscellaneous
1	Gross Direct Premium Growth Rate	162.93%	NA	162.93%	144.89%	216.53%	190.41%	-42.51%	65.46%	215.53%	NA
2	Gross Direct Premium to Net Worth Ratio	1.76									
3	Growth rate of Net Worth	136.31%									
4	Net Retention Ratio	50.82%	NA	50.82%	34.75%	35.18%	35.05%	95.00%	36.65%	95.00%	NA
5	Net Commission Ratio	-6.87%	NA	-6.87%	-2.53%	-15.90%	-11.82%	-0.53%	-23.34%	1.07%	NA
6	Expense of Management to Gross Direct Premium Ratio	81.11%									
7	Expense of Management to Net Written Premium Ratio	159.60%									
8	Net Incurred Claims to Net Earned Premium	60.33%									
9	Combined Ratio	209.80%									
10	Technical Reserves to Net Premium Ratio	0.75									
11	Underwriting balance Ratio	-1.30	NA	-1.30	-1.74	-1.25	-1.38	-1.38	-1.80	-1.13	NA
12	Operating Profit Ratio	-120.23%									
13	Liquid Assets to Liabilities Ratio	0.40									
14	Net earnings Ratio	-99.05%									
15	Return on Net Worth Ratio	-88.63%									
16	Available Solvency margin (ASM) to Required Solvency Margin (RSM) Ratio	4.24									
17	NPA Ratio										
	Gross NPA Ratio	1.18%									
	Net NPA Ratio	0.59%									

**Notes:**

1. Ratios are computed as per definitions laid down by IRDA Master circular dated October 5, 2012 and corrigendum on master circular dated July 3, 2013
2. The Company does not have any business written in Marine Revenue Accounts

**Equity Holding Pattern as at March 31, 2021 and March 31, 2020 is as below:**

Sr. No.	Particulars	March 31, 2021	March 31, 2020
1	No. of shares (in '000s)	5,96,000	5,46,000
2	Percentage of shareholding (Indian/Foreign)	100% / 0%	100% / 0%
3	%of Government holding (in case of public sector insurance companies)	NA	NA
4	Basic and diluted EPS before extraordinary items (net of tax expense) for the year (₹)	₹ -2.39 and ₹ -2.39	₹ -4.79 and ₹ -4.79
5	Basic and diluted EPS after extraordinary items (net of tax expense) for the year (₹)	₹ -2.39 and ₹ -2.39	₹ -4.79 and ₹ -4.79
6	Book value per share (₹)	₹ 2.17	₹ 3.88

**1.14 Basis used by the Actuary for determining provision required for IBNR/IBNER**

IBNR (including IBNER) liability for all lines of business has been estimated by the Appointed Actuary in compliance with the guidelines issued by IRDAI from time to time and the applicable provisions of the Guidance Note 21 issued by the Institute of Actuaries of India.

Pursuant to IRDAI regulation of Asset, Liabilities, and Solvency margin of General Insurance Business Regulations 2016 (IRDAI/Reg/7/119/2016 dated April 7, 2016); claim reserves are determined as the aggregate amount of Outstanding Claim Reserve and Incurred but Not Reported (IBNR) claim reserve for stipulated lines of business.

**1.15 Provision for Free Look period**

No provision is required for Free Look period for the financial year 2020-21 as certified by the Appointed Actuary as a part of IBNR valuations.

**1.16 Contribution to Solatium fund**

In accordance with the requirements of the IRDAI circular dated March 18, 2003 and based on recommendations made at General Insurance Council meeting held on February 4, 2005 and as per letter no. HO/MTD/Solatium Fund/2010/482 dated July 26, 2010 from The New India Assurance Co. Ltd. (Scheme administrator), the Company has provided 0.1% of the total Motor TP premium of the Company towards solatium fund.

**1.17 Pursuant to IRDAI Circular no. IRDAI/F&A/CIR/CPM/010/01/2017 dated 12th Jan. 2017, Investments have been bifurcated on the policyholders' and shareholders' fund on notional basis. Accordingly, investments are bifurcated in Schedule 8 "Investments-Shareholders" and in Schedule 8A "Investments-Policyholders".**

**1.18 No depreciation is allocable to the Profit and Loss Account based on the 'use' of the asset.**

**1.19 Premium Deficiency**

As certified by the Appointed Actuary, Premium Deficiency amounting to ₹ NIL has been provided for the current year (Previous Year: ₹ NIL ).

## 1.20 Unclaimed Amount of Policyholders

### a) Age-wise analysis of unclaimed amount

Details of age-wise analysis of the unclaimed amount of the policyholders for the year ended March 31, 2021:

(₹ in 000's)

Particulars	Total Amount	Age wise Analysis						
		0-6 months	7-12 months	13-18 months	19-24 months	25-30 months	31-36 months	beyond 36 months
Claims settled but not paid to the policyholders/ reasons except under litigation from the insured/policyholders	-	-	-	-	-	-	-	-
Sum due to the insured/policyholders on maturity or otherwise	-	-	-	-	-	-	-	-
Any excess collection of the premium/tax or any other charges which is refundable to the policyholders 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	-	-	-	-	-	-	-	-
Cheques issued but not encashed by the policyholder/insured	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-

### b) Reconciliation statement of unclaimed amount and Investment Income

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Opening Balance	Nil	Nil
Add: Amount transferred to unclaimed amount during the year	Nil	Nil
Add: Cheques issued out of the unclaimed amount but not encashed by the policyholders (To be included only when the cheques are stale)	Nil	Nil
Add: Investment income	Nil	Nil
Less: Amount paid during the year	Nil	Nil
Less: Amount transferred to SCWF (net of claims paid in respect of amounts transferred)	Nil	Nil
Closing balance	Nil	Nil

**1.2 Expenses of Management apportionment**

Management expenses are apportioned to Revenue Accounts on the basis of Net Premium as per Accounting Policy on 'Allocation of Operating Expenses' (Schedule 16B(14)). Detail of apportioned expenses is furnished in Schedule 4 (Operating Expenses relating to Insurance business).

**1.22 Disclosures on other work given to auditors**

Pursuant to Corporate Governance Guidelines issued by IRDAI on May 18, 2016, the statutory auditors were not entrusted with any additional work in FY 2020-21.

**2 Disclosures required as per Accounting Standards****2.1 Employee Benefit Plans**

(A) General description of the defined benefit scheme:

Gratuity	Payable on separation @ 15 days' pay for each completed year of service to eligible employees who render continuous service of five years or more. Gratuity is payable to eligible employee on separation from employment.
Leave Encashment	The Annual leaves can be availed only during the Financial Year and there is no encashment or carry forward is allowed.
Long Term Performance Pay	Long Term Performance Pay is provided based on actuarial valuation including actuarial gains/losses at balance sheet date and is recognised in the revenue account(s) and profit and loss account. The actuarial valuation has been carried out using the Projected Unit Credit Method.

(B) Other disclosures as required under AS-15 (Revised 2005) on "Employee Benefits" in respect of defined benefit obligations are as under:

**Gratuity-**

Reconciliation of opening and closing balance of the present value of the defined benefit obligation for gratuity benefits of the Company is given below:

(₹ in 000's)		
Reconciliation of Benefit Obligations and Plan Assets	At March 31, 2021	At March 31, 2020
<b>Change in Defined Benefit Obligation</b>		
Opening Defined Benefit Obligation	13,110	2,784
Current Service Cost	8,179	9,618
Interest Cost	846	205
Actuarial Losses/(Gain)	(5105)	503
Liabilities assumed on Acquisition	-	-
Benefits Paid	-	-
<b>Closing Defined Benefit Obligation</b>	<b>17,030</b>	<b>13,110</b>
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets	-	-
Expected Return on Plan Assets	-	-
Actuarial Gains/(Losses)	-	-
Contributions by Employer	-	-
Assets acquired on acquisition	-	-
Benefits paid	-	-
<b>Closing Fair Value of Plan Assets</b>	<b>-</b>	<b>-</b>
<b>Expected Employer's contribution Next Year</b>	<b>-</b>	<b>-</b>

Summary and Actuarial Assumptions:

(₹ in 000's)

Reconciliation of Present Value of the obligation and the Fair Value of the Plan Assets	At March 31, 2021	At March 31, 2020
Fair Value of Plan Assets at year end	-	-
Present Value of the defined obligations at year end	17,030	13,110
Liability recognised in the balance sheet	17,030	13,110
Asset recognised in the balance sheet	-	-
<b>Assumptions</b>		
Method Used	Projected Unit Credit Method	
Discount Rate	5.60%	6.46%
Expected Rate of Return on Plan Assets	NA	NA
Mortality Rate	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Salary Escalation Rate	10%	10%
Duration of Liability	4.38	8.19
Retirement Age	58 Yrs	58 Yrs
Attrition Rate	18.26%	10%

The estimate of future salary increase considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Employee Benefit Expenses recognized in Profit & Loss Account:

(₹ in 000's)

Expenses to be recognised in statement of Profit and Loss	Year Ending March 31, 2021	Year Ending March 31, 2020
Current Service Cost	8,178	9,618
Interest on Defined Benefit Obligation	846	205
Expected return on Plan Assets	-	-
Net Actuarial Losses/(Gains) recognised in year	(5,105)	503
Past Service Cost	-	-
Losses/(Gains) on "Curtailments & Settlements"	-	-
Losses/(Gains) on "Acquisition/Divestiture"	-	-
Effect of limit in Para 59 (b)	-	-
<b>Total included in Employee Benefit Expense</b>	<b>3,920</b>	<b>10,326</b>

Experience adjustments of prior years is given below:

(₹ in 000's)

Experience adjustments of previous years is given below	At March 31, 2021	At March 31, 2020	At March 31, 2019
Defined Benefit Obligation	17,030	13,110	2,784
Plan assets	-	-	-
Surplus/(Deficit)	(17,030)	(13,110)	(2,784)
Exp. Adj. on Plan Liabilities loss/(gains)	(1,163)	2,136	-
Exp. Adj. on Plan Assets	-	-	-

## Accrued Leave:-

The Company had a scheme for accrual of leave for employees, the liability for the last year was determined on the basis of Actuarial Valuation. During the current year the leave encashment policy was discontinued by the company w.e.f. 1<sup>st</sup> April 2020 and no encashment or carry forward of leaves allowed. Accordingly, the provisions made earlier has been written back during the year. The details of the provision for accrued leaves are as follows:

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Opening balance	12,475	-
Add: Provision made during the year	-	12,475
Less: Provision written back during the year	(12,475)	-
Closing balance	-	12,475

## Long Term Incentive Plan: -

During the year, the Company has introduced Long Term Incentive Plan (LTIP) for eligible employees. Scheme has two components-Employee Stock Options (ESOP) given by Holding co and cash. Cash component is given over four equal half yearly instalments for which liability is determined on the basis of Actuarial Valuation as follows:

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Opening balance	-	-
Less : Amount paid	-	-
Add / (Less) : Provision made during the year	65,929	-
Closing balance	65,929	-
<b>Assumptions</b>		
Weighted Average Discount rate	3.99%	-

(₹ in 000's)

Particulars	At March 31, 2021	At March 31, 2020
Opening balance	-	-
Add: Provision made during the year	65,929	-
Closing balance	65,929	-

## Defined Contribution Plan: -

(₹ in 000's)

Expenses on defined contribution plan	For the year ended March 31, 2021	For the year ended March 31, 2020
Contribution to staff provident fund	9,875	7,679

## 2.2 Leases

In respect of premises taken on operating lease, the lease agreements are generally mutually renewable / cancellable by the lessor / lessee.

## Non-Cancellable operating lease

The details of future rentals payable are given below:

Particulars	(₹ in 000's)	
	At March 31, 2021	At March 31, 2020
a. not later than one year	23,220	46,230
b. later than one year and not later than five years	55,984	1,12,647
c. later than five years	-	-

An amount of ₹ 39,984 thousand (previous year: ₹ 42,778 thousand) towards said lease payments has been recognised in the statement of revenue account.

## 2.3 Segmental reporting

### Primary reportable segments

The Company's primary reportable segments are business segments, which have been identified in accordance with AS 17 – Segment Reporting read with the Regulations. Disclosure required is provided as under:

#### a) Business Segments

Particulars	(₹ in 000's)	
	March 31, 2021	March 31, 2020
<b>Segment Revenue</b>		
Fire	142	-
Marine – Cargo	-	-
Marine – Hull	-	-
<u>Miscellaneous</u>		
Motor OD	7,92,656	6,72,556
Motor TP	18,88,304	15,14,883
Engineering	-	-
Aviation	-	-
Workmen's compensation	-	-
Personal Accident	46,651	7,485
Public / Product Liability	3,12,819	5,77,267
Health	11,83,185	9,58,464
Others	108	-
Investments	3,22,777	3,09,245
<b>Total Amount</b>	<b>45,46,642</b>	<b>40,39,900</b>
<b>Segment Result: Profit / (Loss)</b>		
Fire	(127)	-
Marine – Cargo	-	-
Marine – Hull	-	-
<u>Miscellaneous</u>		
Motor OD	(2,39,279)	(4,30,414)
Motor TP	(3,89,923)	(6,59,603)
Engineering	-	-
Aviation	-	-



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Workmen's compensation	-	-
Personal Accident	(20,565)	(10,067)
Public / Product Liability	(34,813)	(2,41,775)
Health	(9,82,952)	(8,38,666)
Others	(93)	-
Investments	3,47,777	2,84,245
Unallocable	(5,550)	18,442
<b>Profit before tax</b>	<b>(13,25,525)</b>	<b>(18,77,838)</b>
Less: Provision for taxation	-	-
<b>Profit after tax</b>	<b>(13,25,525)</b>	<b>(18,77,838)</b>

<b>Segment Assets</b>		
Fire	-	-
Marine – Cargo	-	-
Marine – Hull	-	-
<u>Miscellaneous</u>		
Motor OD	-	-
Motor TP	-	-
Engineering	-	-
Aviation	-	-
Workmen's compensation	-	-
Personal Accident	-	-
Public / Product Liability	-	-
Health	-	-
Others	-	-
Investments	45,83,972	42,05,427
<b>Sub-total</b>	<b>45,83,972</b>	<b>42,05,427</b>
Add: Unallocable Assets	7,98,595	11,33,368
<b>Total Assets</b>	<b>53,82,567</b>	<b>53,38,795</b>
<b>Segment Liabilities</b>		
Fire	133	-
Marine – Cargo	-	-
Marine – Hull	-	-
<u>Miscellaneous</u>		
Motor OD	2,14,508	1,74,660
Motor TP	13,71,755	8,70,827
Engineering	-	-
Aviation	-	-
Workmen's compensation	-	-
Personal Accident	14,396	1,843
Public / Product Liability	1,12,077	1,61,047
Health	6,25,245	2,06,417
Others	93	-
Investments	-	-
<b>Sub-total</b>	<b>23,38,207</b>	<b>14,14,794</b>
Add: Unallocable Liabilities	17,50,726	18,05,208
<b>Total Liabilities</b>	<b>40,88,933</b>	<b>32,20,002</b>

<b>Cost incurred to acquire segment assets (Fixed Assets)</b>		
Fire	-	-
Marine – Cargo	-	-
Marine – Hull	-	-
Miscellaneous		
Motor OD	-	-
Motor TP	-	-
Engineering	-	-
Aviation	-	-
Workmen's compensation	-	-
Personal Accident	-	-
Public / Product Liability	-	-
Health	-	-
Others	-	-
Investments	-	-
<b>Sub-total</b>	-	-
Add: Unallocable	5,875	97,124
<b>Total</b>	<b>5,875</b>	<b>97,124</b>
<b>Amount of expenses included in segment result for depreciation and amortization in respect of assets</b>		
Fire	-	-
Marine – Cargo	-	-
Marine – Hull	-	-
Miscellaneous		
Motor OD	-	-
Motor TP	-	-
Engineering	-	-
Aviation	-	-
Workmen's compensation	-	-
Personal Accident	-	-
Public / Product Liability	-	-
Health	-	-
Others	-	-
Investments	-	-
<b>Sub-total</b>	-	-
Add: Unallocable	37,252	36,815
<b>Total</b>	<b>37,252</b>	<b>36,815</b>

Note: Assets and Liabilities of the Company, which are not identifiable with any of the segment, have been classified as 'unallocable'.

## b) Geographical Segment

There are no reportable geographical segments since the Company provides services only to customers in the Indian market.

# Schedules

forming part of the financial statements

Acko General Insurance Limited

Registration No. 157 dated September 18, 2017

## 2.4 Related party Disclosures

As required by Accounting Standard-18 "Related Party Disclosures" are provided as under:-

			(₹ in 000's)	
Name of the Related Party	Nature of Related Party Relationship	Description of the Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
Acko Technology & Services Private Limited	Holding Company	Subscription received for additional share capital	5,00,000	31,00,000
		Premium income	1,63,917	3,14,743
		Payment for technology support services / Brand usage fee	92,220	93,846
		Payment for software asset transfer	-	80,406
		Amount payable / (receivable) at the balance sheet date (including premium deposit)	76,228	16,868
		Claims paid	2,23,900	1,83,019
Coverfox Insurance Broking Private Limited	Private company in which director is a shareholder	Commission towards broking services	11,230	10,058
		Amount payable / (receivable) at the balance sheet date	3,741	2,014
Varun Dua	Managing Director & CEO		11,761	10,870
Deepak Angrula	Whole-time Director (upto 14 <sup>th</sup> Aug 2020)	Remuneration - Key Managerial Personnel	8,459	9,559
Jitendra Nayyar	Chief Financial Officer & Whole-time Director w.e.f. 22 <sup>nd</sup> Aug 2020		17,227	17,001
Karishma Desai	Company Secretary		4,222	3,671

## 2.5 Details of earning per share for the year ended March 31, 2021

	(₹ in 000's)	
Particulars	At March 31, 2021	At March 31, 2020
<b>Profit/(loss) available to equity shareholders</b>	(13,25,525)	(18,77,838)
<b>Weighted average number of equity shares</b>		
Number of shares at the beginning of the year	5,46,000	2,36,000
Share issued during the year	50,000	3,10,000
Total number of equity share outstanding at the end of the year	5,96,000	5,46,000
Weighted average number of equity shares outstanding during the year	5,55,589	3,92,148
Add: Effect of dilutive issues of options and share application pending allotment	-	-
Diluted weighted average number of equity shares outstanding during the year	5,55,589	3,92,148
<b>Nominal value of equity shares</b>	<b>10</b>	<b>10</b>
<b>Basic earnings per share</b>	<b>(2.39)</b>	<b>(4.79)</b>
<b>Diluted earnings per share</b>	<b>(2.39)</b>	<b>(4.79)</b>

## 2.6 Deferred tax

Deferred tax asset has not been recognized in the accounts as there is no virtual/reasonable certainty of realisation as of balance sheet date.

## 2.7 Foreign Exchange Gain / Loss

During the financial year, the company has accounted for an Exchange loss in the revenue account of ₹ 226 (previous year ₹ 43)

## 3 Other disclosures

### 3.1 Micro and Small scale business entities

There is no Micro, Small & Medium enterprise to which the Company owes dues, which are outstanding for more than 45 days as at March 31, 2021 (previous year: ₹ NIL) and hence disclosure relating to amounts unpaid as at the year-end together with interest paid / payable as required under the Micro, Small and Medium Enterprises Development Act, 2006 have not been given. This information as required to be disclosed under the said Act, has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 3.2 Disclosure for expenditure towards CSR activities is given as under:

- (a) Gross amount required to be spent by the company during the year was ₹NIL (previous year: ₹NIL), since the Company has no profits till date.
- (b) Amount spent during the year is ₹NIL (previous year: ₹NIL).

### 3.3 Investor Education & Protection Fund

For the year ended March 31, 2021, the company is not required to transfer any amount into the Investor Education & Protection Fund (previous year: ₹ NIL).

### 3.4 Covid-19 Impact

The outbreak of coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has taken into account the possible impact of COVID-19 in preparation of the audited financial results, including its assessment of recoverable value of its assets based on internal and external information upto the date of approval of these audited financial results and current indicators of future economic conditions. The Management does not foresee any impact on Company's ability to continue as a going concern.

### 3.5 Dividend

The Board of directors have not proposed any dividend during the current year.

As per our Report of even date attached.

**For Varma & Varma**  
Chartered Accountants  
Firm Registration No.: 004532S

**Georgy Mathew**  
Digitally signed by Georgy Mathew  
Date: 2021.06.25 14:55:02 +05'30'

Georgy Mathew  
Partner  
Membership No.: 209645

**For S.K. Mehta & Co**  
Chartered Accountants  
Firm Registration No.: 000478N

**ROHIT MEHTA**  
Digitally signed by ROHIT MEHTA  
Date: 2021.06.25 13:47:44 +05'30'

Rohit Mehta  
Partner  
Membership No.: 091382

### For and on behalf of the Board Of Directors

**VARUN DUA**  
Digitally signed by VARUN DUA  
Date: 2021.06.24 16:01:48 +05'30'

Varun Dua  
Managing Director and CEO  
(DIN : 02092948)

**RUCHI DEEPAK**  
Digitally signed by RUCHI DEEPAK  
Date: 2021.06.24 16:02:22 +05'30'

Ruchi Deepak  
Director  
(DIN : 07582619)

**JITENDRA NAYYAR**  
Digitally signed by JITENDRA NAYYAR  
Date: 2021.06.24 16:39:29 +05'30'

Jitendra Nayyar  
CFO & Whole-time Director  
(DIN : 06492720)

Place: Bangalore

Dated: 16<sup>th</sup> June, 2021

Karishma Desai  
Company Secretary  
(M.No.:A22698)

**KARISHMA ROHAN DESAI**  
Digitally signed by KARISHMA ROHAN DESAI  
Date: 2021.06.25 09:32:09 +05'30'