



भारतीय बीमा विनियामक और विकास प्राधिकरण
INSURANCE REGULATORY AND
DEVELOPMENT AUTHORITY OF INDIA

Ref: 559/F&A(NL)/IPO/GoDigit/2021-22/ 885

Date: 29.12.2021

Mr. Vijay Kumar

MD & CEO,

Go Digit General Insurance Ltd,

1st to 6th Floor, Ananta One (AR One),

Pride Hotel Lane, Narveer Tanaji Wadi,

City Survey No. 1579, (Bhamburda)

Shivajinagar, Pune – 411005

Sir,

विषय: शेयरों की सार्वजनिक बिक्री की मंजूरी के लिए आवेदन

Subject: Application for approval of Public offer

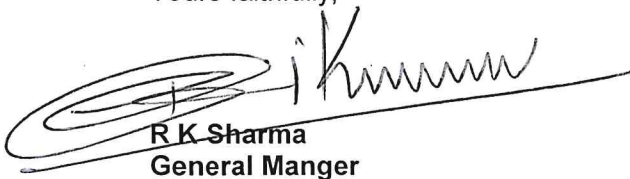
This has reference to your letter dated 18.05.2021 and correspondences exchanged on the above mentioned subject resting with your email dated 02.12.2021.

2. The Authority is in receipt of the application by Go Digit General Insurance Limited (the Insurer) seeking permission for a public issue under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations).
3. In terms of Regulation 5 and 6 of the IRDAI (Issuance of Capital by Indian Insurance Companies transacting other than Life Insurance Business) Regulations, 2015 ("the Regulations"), the Authority hereby, grants **in-principle approval** for listing its shares by issuing fresh shares up to Rs. 6000 crore at stock exchange/s, subject to the following conditions:
 - a. Five-year lock-in period was imposed as part of the conditions for grant of certificate of registration on the promoters. **The promoters shall not divest their present holding** in compliance with the proviso of Reg. 4(2) of the IRDAI (Issuance of Capital by Indian Insurance Companies Transacting other than Life Insurance Business) Regulations, 2015.;
 - b. The shareholding of the promoters shall at all times be maintained at, at least 50 percent of the paid up equity capital of the insurer in terms of Para 17 of IRDAI (Listed Indian Insurance Companies) Guidelines, 2016.;
 - c. The insurer shall ensure compliance of the directions, which are enclosed in Annexure

A.

- d. The insurer may issue shares as fully paid up or partly paid up shares. However, the insurer shall make call for payment on shares within a maximum period of one year, in case partly paid shares have been issued.
 - e. Maximum subscription that may be allotted to any class of foreign investors shall be in accordance with:
 - i. Indian Insurance Companies (Foreign Investment) Rules, 2015 notified on 19th February 2015 as amended; and
 - ii. Any other statutory/regulatory stipulations, as may be applicable and prescribed by any other Regulator in this regard.
 - f. Disclosures in the Prospectus/Offer Document shall be in compliance with the requirements as indicated at Schedule 1 of the Regulations. These stipulations are in addition to such disclosures as may be prescribed by SEBI.
 - g. The Articles of Association of the Insurer shall be amended so as to explicitly provide that no transfer beyond the limits specified in Section 6A of the Insurance Act 1938 shall be registered without the prior approval of the Authority; and any directions, issued by the Authority in this regard.
 - h. The Insurer shall ensure compliance with the Insurance Act 1938 and the Regulations / Directions / Circulars issued there under, particularly, IRDAI (Protection of Policyholders' Interests) Regulations, 2017.
4. The insurer is further advised that they shall ensure compliance with all statutory and Regulatory requirements in the matter including any guidelines/directions as may be issued by the Authority, in this regard.
5. This communication is being issued by the Authority to enable the insurer to initiate the process of public issue. It shall not be construed as approval to circumvent any procedures, directions or stipulations that may be applicable for such a process. The insurer is hereby, advised to exercise utmost diligence in complying with all applicable Rules/Regulations, directions in this regard.
6. The insurer may proceed in the matter under intimation to the Authority.

Yours faithfully,



R K Sharma
General Manager

1. Confirmations required from the insurer

a. **From Concurrent Auditor:** The Concurrent Auditor shall **certify**:

- i. that the Insurer has split the funds between Shareholders / Policyholders as per Schedule II (applicable for Health Insurers) of IRDAI (Investment) Regulations, 2016.
- ii. that the Insurer has complied with point 1 under "Note – for the purpose of Regulation 4 to 8" of IRDAI (Investment) Regulations, 2016" on 'Applicability of Pattern of Investment'.
- iii. that Investment made in Shareholders' funds beyond solvency margin (FBSM) are made in compliance with Regulation 9 of IRDAI (Investment) Regulations 2016.
- iv. that all the investments made (as on date) have been made only within the "exhaustive" list of Category of Investments as per Master Circular and No investment is made (from any fund) in Recurring Deposit, Perpetual Bonds of other than Banking Entities.
- v. that the transfer to Shareholder funds, is as per the Systems implemented (refer point 3 under Appointed Actuary certification).

b. **From Appointed Actuary:** The Appointed Actuary shall **certify**:

- i. that surplus funds are determined only after Actuarial Valuation, certified by Appointed Actuary and such valuation is filed with the Authority.
- ii. that Policy Liabilities arrived at through Actuarial Valuation tallies with the corresponding items on the Balance Sheet date.
- iii. that the Insurer has implemented a System to arrive at the Surplus to be transferred to Shareholders' funds (in excess of Solvency Margin) on an ongoing manner. The Insurer shall furnish the methodology in place, the compliance of which is certified by the Concurrent Auditor

c. **From Custodian:** The Custodian shall **certify**:

- i. that the Shareholder's funds beyond Solvency Margin, are held in a separate custodian account (as required under Reg. 13 (C) (3) of IRDAI (Investment) Regulations, 2016) with identified scrips, on the Balance Sheet date.
- ii. that the value of scrip wise details provided in the Custodian Certificate tallies individually for Shareholders and Policyholders funds.

d. **From the Insurer:** The statement of reconciliation/confirmation of balance due to/from other insurers as on **30th September 2021**.

