

Kirtane & Pandit LLP

Chartered Accountants
Fifth Floor, Gopal House
Opp. Harshal Hall, Above HDFC Ltd.
Karve Road, Pune 411 038,
Maharashtra, India

PKF Sridhar & Santhanam LLP

Chartered Accountants
201, 2nd Floor, Center Point Building,
Dr. BR Ambedkar Road,
Parel, Mumbai – 400 012,
Maharashtra, India

Certificate on Assets, Liabilities and Solvency Margin of Insurers

Date: April 29, 2024

To:

The Board of Directors**Go Digit General Insurance Limited**

1 To 6 Floor, Ananta One
Pride Hotel Lane, Narveer Tanaji Wadi
City Survey No.1579, Shivajinagar
Pune 411 005
Maharashtra, India

ICICI Securities Limited

ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India

Morgan Stanley India Company Private Limited

18F, Tower 2,
One World Centre
Plot-841, Jupiter Textile Mill Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India

Axis Capital Limited

1st Floor, C-2, Axis House
Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Maharashtra, India

HDFC Bank Limited

Investment Banking Group
Unit No 701, 702 and 702-A, 7th Floor
Tower 2 and 3, One International Centre,
Senapati Bapat Marg, Prabhadevi,
Mumbai – 400 013
Maharashtra, India

IIFL Securities Limited

24th Floor, One Lodha Place
Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India

Nuvama Wealth Management Limited

(formerly known as Edelweiss Securities Limited)
801 - 804, Wing A, Building No 3
Inspire BKC, G Block
Bandra Kurla Complex
Bandra East
Mumbai – 400 051
Maharashtra, India

(ICICI Securities Limited, Morgan Stanley India Company Private Limited, Axis Capital Limited, Axis Capital Limited, HDFC Bank Limited, IIFL Securities Limited and Nuvama Wealth Management Limited *(formerly known as Edelweiss Securities Limited)* are collectively referred to as the “**Book Running Lead Managers**” or the “**BRLMs**”)

Re: Proposed initial public offering of equity shares (“Equity Shares”), comprising of a fresh issue of Equity Shares of Go Digit General Insurance Limited (the “Company”) and an offer for sale by certain existing Shareholders of the Company of Rs. 10 each (the “Offer”)

1. We, Kirtane & Pandit LLP, Chartered Accountants and PKF Sridhar & Santhanam LLP, Chartered Accountants, the joint statutory auditors of the Company, appointed by the Company in terms of our engagement letter dated November 24, 2021 as amended from time to time in relation to the Offer, have received a request from the Company to provide certain confirmations, as fully described in “Auditors’ Responsibility” section below, in relation to the amounts included with respect to Company’s Assets, Liabilities and Solvency Margin in enclosed Annexure A of this Certificate which is initialled by us for identification. This certificate is intended to assist the Company and the BRLMs in their due diligence process relating to Offer of the Company.

Management’s responsibility

2. The management of the Company (“**Management**”) is responsible for preparation and maintenance of appropriate accounting, other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
3. The Management is also responsible for ensuring that the Company complies with the requirements of Section 26 (1) of the Companies Act, 2013 (the “**Companies Act**”), Part 2 of item (XI) of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the “**ICDR Regulations**”), IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) Regulations, 2024 to the extent applicable and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, amended from time to time (the “**Guidance Note**”) in connection with the Offer.
4. The Management is also responsible for preparation of annexed statement including the preparation and maintenance of appropriate accounting, secretarial, other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation annexure and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
5. The Management is also responsible for providing the relevant, appropriate and required information to the BRLMs in their due diligence process relating to the Offer.
6. The Management is responsible for communicating any changes to any information / documents to us until the date when the Equity Shares are allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from the Management, the BRLMs and the legal advisors, each to the Company and the BRLMs, can assume that there is no change to the information contained herein

Auditors' Responsibility

7. It is our responsibility to provide reasonable assurance with respect to the amounts included in Annexure A with respect to Assets, Liabilities and Solvency Margin of the Company is in accordance with the Audited Financial Statements as at and for for the nine months ended December 31, 2023 and Certificate of available solvency margin and solvency ratio in formats IRDAI-GI-TA, IRDAI-GI-TR and IRDAI-GI-SM as at December 31, 2023.
8. In this regard, we have performed the following procedures:
 - a. Review Audited Financial Statements of the Company as of and for the nine months ended December 31, 2023, as referred in paragraph above, prepared in compliance with the Accounting Standards as specified under Section 133 of the Companies Act including relevant provisions of the Insurance Act, 1938 (the "**Insurance Act**"), the Insurance Regulatory and Development Authority of India Act, 1999 (the "**IRDAI Act**") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "**IRDAI Accounting Regulations**") and orders/ directions/ circulars issued by the Insurance Regulatory and Development Authority of India ("**IRDAI**" / "**Authority**"), to the extent applicable, have been jointly audited by us and we issued our audit opinion by vide our joint audit reports dated April 28, 2024. Our audit was planned and performed to obtained reasonable assurance on the true and fairness of Audited Financial Statements as a whole in accordance with Standards of Auditing and other authoritative pronouncements including test checks and concept of materiality and
 - b. traced and verified the amounts mentioned in the below tables.
 - c. Reviewed Solvency Certificate on available solvency margin and solvency ratio in formats IRDAI-GI-TA, IRDAI-GI-TR and IRDAI-GI-SM as at December 31, 2023 which prepared in pursuant to the compliance with the requirements of Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurers) Regulations, 2016 as amended by Insurance Regulatory and Development Authority of India (Assets, Liabilities and Solvency Margin of General Insurance Business) (Amendment) Regulations, 2022 and other relevant circulars / direction / notifications issued by Insurance Regulatory and Development Authority of India (the "**Solvency Regulations**") and certified by one of the joint statutory auditor vide its certificate dated April 28, 2024.
9. Audit report of the as at and for the nine months ended December 31, 2023, included following paragraph as "Other Matters":

The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (the "IBNR"), Claims Incurred But Not Enough Reported (the "IBNER") and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"). The actuarial valuation of these liabilities, that are estimated using statistical methods as at December 31, 2023 has been duly certified by the Appointed Actuary and in his opinion, the assumptions considered by him for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's certificate in this regard for

forming our opinion on the valuation of liabilities for outstanding claims reserves and the PDR contained in the interim financial statements of the Company.

10. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
11. We hereby confirm that while providing this certificate we have complied with the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform audits and reviews of historical financial information, and other assurance and related services engagements, issued by the Institute of Chartered Accountants of India.

Conclusion

12. In light of the aforementioned procedures, we hereby certify and confirm that the data in the statement given below in **Annexure A** is in accordance with and accurately extracted from the Audited Financial Statements and Solvency Certificate.
13. We confirm that the information in this certificate is true and correct and in our view, there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

Restriction on Use

14. This certificate is issued for the purpose of the Offer, and can be used, in full or part, for information and inclusion in the Red Herring Prospectus, the Prospectus and any other material used in connection with the Offer (together, the "**Offer Documents**"), which is intended to be filed by the Company with the Securities and Exchange Board of India ("**SEBI**"), the BSE Limited (the "**BSE**") and the National Stock Exchange of India Limited (the "**NSE**", and together with the BSE, the "**Stock Exchanges**"), Registrar of Companies, Maharashtra at Pune ("**Registrar of Companies**") and / or any other regulatory or statutory authority. 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 unless determined otherwise by any regulatory or statutory or judicial authority.
15. This certificate may be relied on by the BRLMs, their affiliates and legal counsel in relation to the Offer and to assist the BRLMs in conducting and documenting their investigation of the affairs of the Company in connection with the Offer. We hereby consent to this certificate letter being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.
16. We confirm that we will immediately communicate any changes, once such changes are communicated to us in writing by the Management, to the BRLMs until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges.
17. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

Kirtane & Pandit LLP

Chartered Accountants

PKF Sridhar & Santhanam LLP

Chartered Accountants

18. This certificate has not been prepared in connection with, nor is it intended for use in any connection with, any offer or sale of securities in United States of America. We will accept no duty or responsibility to and deny any liability to any party in respect of any use of this letter in connection with an offer or sale of the Securities in United States of America.

Yours Sincerely,

For Kirtane & Pandit LLP

Chartered Accountants

ICAI Firm Registration No: 105215W/W100057

For PKF Sridhar & Santhanam LLP

Chartered Accountants

ICAI Firm Registration No: 003990S / S200018

Parag Pansare

Partner

Membership No. 117309

UDIN: 24117309BKCAZF6053

Dhiraj Kumar Birla

Partner

Membership No. 131178

UDIN: 24131178BKFIYN4394

Date: April 29, 2024

Place: Pune, India

Date: April 29, 2024

Place: Mumbai, India

CC:

**Domestic Legal Counsel to the Book Running
Lead Managers****Cyril Amarchand Mangaldas**

Peninsula Chambers, Peninsula Corporate Park

Ganpatrao Kadam Marg, Lower Parel

Mumbai 400 013

Maharashtra, India

**International Legal Counsel to the Book
Running Lead Managers****Latham & Watkins LLP**

9 Raffles Place

#42-02 Republic Plaza

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Domestic Legal Counsel to the Company**AZB & Partners**

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Mumbai – 400 013

Maharashtra, India

International Legal Counsel to the Company**Shearman and Sterling LLP**

21st Floor, Gloucester Tower

The Landmark

15 Queen's Road Central

Hong Kong

ANNEXURE A

Calculation of the Solvency Ratio

Rs. in Millions

Particulars	As at December 31, 2023
Investments	147,866.73
Fixed assets	1,610.04
Current Assets	
Cash and bank balances	1,223.38
Advances and other assets	9,471.30
Sub-Total (A)	160,171.45
Current liabilities	104,903.50
Provisions	165.41
Other Liabilities	26,450.90
Sub-Total (B)	131,519.81
NET CURRENT ASSETS (C) = (A - B)	28,651.64
Less: Disallowance as per IRDAI Regulations	2,370.63
Available Solvency Margin (ASM)	26,281.01
Required Solvency Margin (RSM) Calculation - Trailing 12 months	
RSM 1	
Fire	781.83
Marine cargo	65.73
Marine - Other than Marine Cargo	2.05
Motor	10,538.70
Engineering	107.26
Aviation	1.54
Liability	215.90
Health	2,920.42
Miscellaneous	247.21
Crop Insurance	695.90
RSM 2	
Fire	824.37
Marine cargo	65.75
Marine - Other than Marine Cargo	0.89
Motor	8,619.65
Engineering	101.05
Aviation	-
Liability*	569.40
Health	3,057.15
Miscellaneous	301.81

Particulars	As at December 31, 2023
Crop Insurance	978.30
RSM - Higher of RSM 1 & RSM 2	
Fire	824.37
Marine cargo	65.75
Marine - Other than Marine Cargo	2.05
Motor	10,538.70
Engineering	107.26
Aviation	1.54
Liability	569.40
Health	3,057.15
Miscellaneous	301.81
Crop Insurance	978.30
Total RSM	16,446.34
<u>SOLVENCY RATIO</u>	
ASM	26,281.01
RSM	16,446.34
Solvency Ratio (ASM/ RSM)	1.60

* For determination of RSM 2, Gross incurred claims and Net incurred claims considered over a trailing 36-month period, divided by 3 from the valuation date.