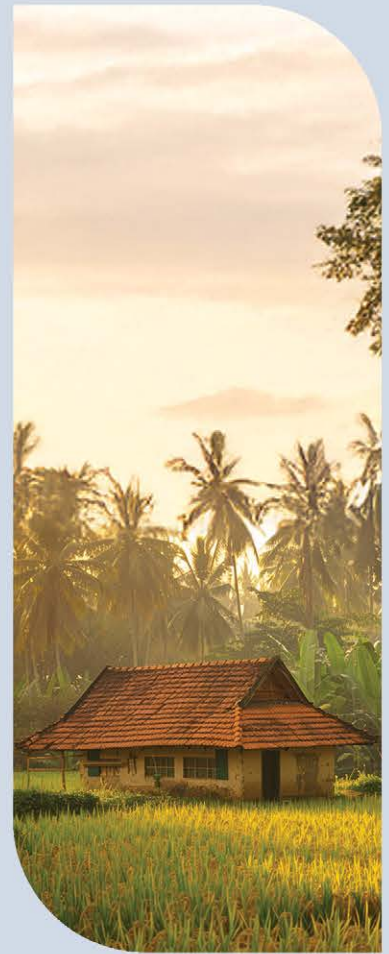




The Kshema Revolution

Scaling Innovation,
Expanding Rural Prosperity

Annual Report 2024-25

Contents

Corporate Overview

About Us02

Our Journey04

Our Differentiated
Business Model06

Our Product Portfolio08

Industrial Landscape12

Chairman's Message14

Message from CEO15

Technology at Work16

Risk Management18

Sustainability22

CSR Initiatives24

Voices of the People25

Our Events26

Governance28

Management Team30

Corporate Information32

Statutory Reports

Directors' Report33

Management Report62

Independent
Auditors' Report65

Financial Statements

Standalone73



The Kshema Revolution: Scaling Innovation, Expanding Rural Prosperity

For millions of Indian farmers, every season brings about a wave of unpredictability. This threatens not just their crops, but their livelihoods as well, creating uncertainty for the families who form the backbone of our nation's food security.

The promise of a safety net has often felt distant. Traditional insurance models have been a maze of paperwork and long waits, leaving farmers without support when they need it the most.

We believed there had to be a better way. This is where Kshema was born — from a simple, powerful idea—to stand with our farmers and build a new shield of protection.

We are building trust by being there when it matters the most. We use proprietary technology to power our intuitive mobile app, which helps farmers through the use of satellite monitoring and artificial intelligence. This allows us to offer fair, customised protection, real-time insights on crop health, and a claims process that delivers timely support.

To more than 12 lakh farmers we proudly serve, this is our promise: security you can count on. Our work is more than insurance; it is about empowering the hands that feed our nation, with Kshema paving the way towards a self-sustained rural India.



About Us

Empowering Rural India with Financial Security

An IRDAI-licensed insurtech transforming rural and agricultural insurance

We commenced our operations in 2023 with a simple mission: to bring customised, affordable crop protection at every farmer's doorstep.

At Kshema, we build farmer-first solutions that are powered by technology and shaped by a deep understanding of rural India. Our peril-based products are crafted to address the varied needs of Indian farmers, offering coverage that is customised, affordable, and accessible.

The products we create are designed to help protect their livelihoods from income shocks caused by unpredictable climate events and other farming risks.

What makes us different is the way we blend innovation with human connection. Our technology platform, the Kshema Cognitive Engine (KCE) powers the mobile app, uses tools like satellite imagery and real-time GIS systems to make the entire journey seamless, from onboarding to claims. Meanwhile, our team stays close to the ground, listening and supporting where it matters the most. Within two years of our launch in May 2023, more than 12 lakh farmers across India have placed their trust in us.

At the heart of the Kshema Revolution, we believe real security comes not from promises, but from presence, and every step forward is taken hand-in-hand with the people who grow our future.



Our Vision

Create and enable a progressive approach of strategic resilience towards risk in contrast to conventional defensive risk management practices.



Our Mission

Enable resilience among cultivators across the country, from income shocks due to extreme climate events and other vagaries, with insurance.



Our Core Values

Customers first

Respecting our customers and caring for them is at the core of everything we do. It defines our work every day.

Accessibility

We are relentless in our endeavour to not only connect customers but make it simpler for them to access the best crop insurance solutions on their fingertips.

Succeeding as a team

United by our purpose, we live by a collective commitment to honesty, integrity and innovation. We believe in being open and inclusive, accepting and applying the best ideas from every part of our company.

Delivering promises

We are committed to delivering our promise of building financial resilience from natural perils among farmers by making crop insurance accessible and the settlement of claims quicker.

Integrity

Integrity is the North Star that dictates the path we take. We are honest, transparent, ethical, and fair in our dealings with customers, employees, and stakeholders alike.

Our Competitive Strengths

Accurate and Affordable Premiums

We leverage advanced AI algorithms, machine learning, big data, and location-aware tools to accurately assess, model, and price insurance risks. This enables us to offer customised insurance coverage at affordable premiums.

Technology-Driven Solutions

With an InsurTech DNA, we have embedded cutting-edge technology throughout our value chain, ensuring efficiency, transparency, and speed across all operations.

Extensive Insurance Coverage

Our offerings cover more than 100 crops and 8 minor and major perils across 127 agro-climatic zones in India. To maximise accessibility, our services are available in English and multiple regional languages.

7.7 Lakh
Farmers insured in FY2025

~86.7%
Farmers insured are small and marginal

~INR 8,920.1 cr
Sum insured

650+
Employees

10
Sales offices

20
States and Union Territories with our field presence

~12.5 Lakh
Area under insurance (hectares)

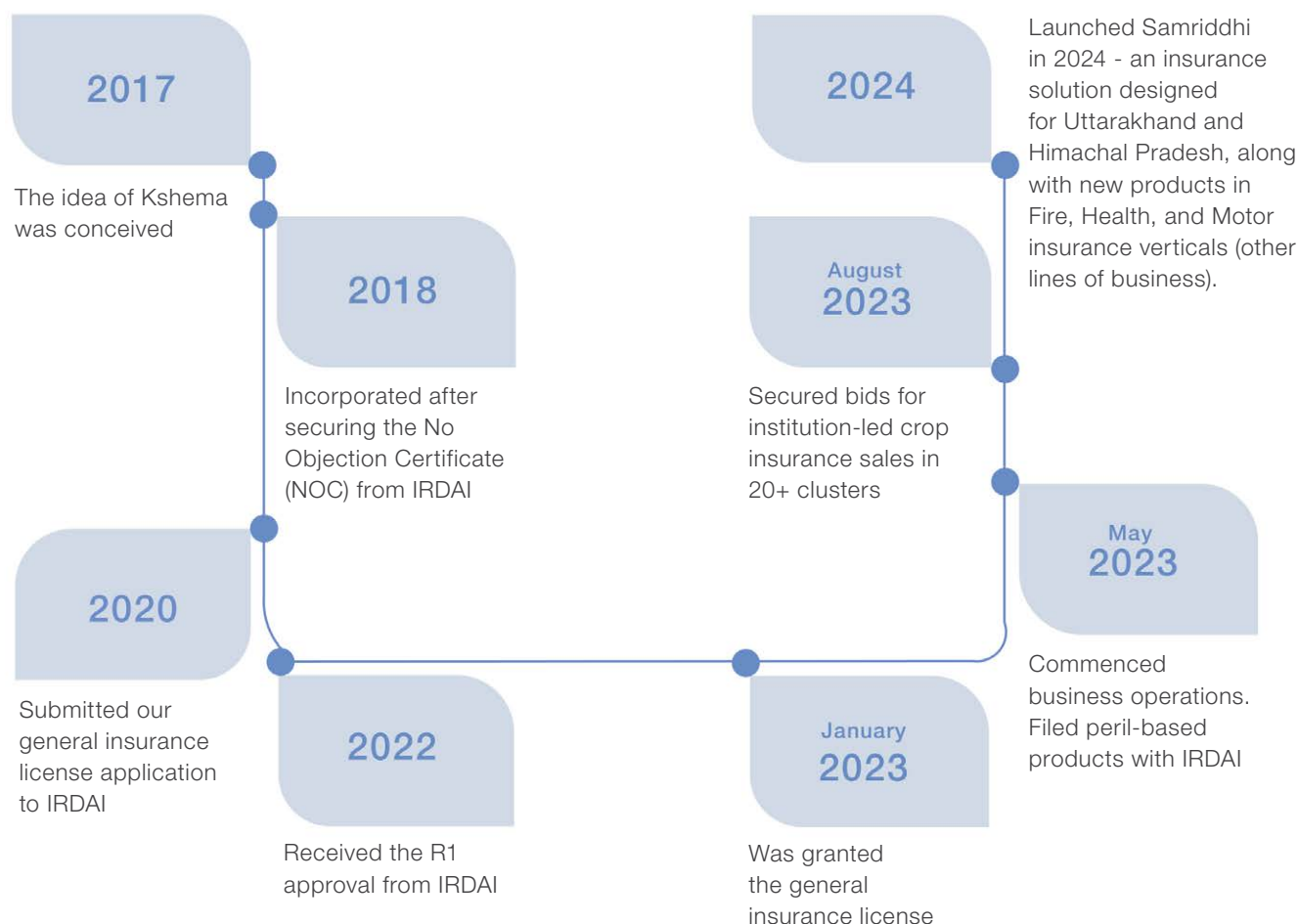
Our Journey

Forging Ahead with Purpose, Progress and Prosperity

Kshema's journey began with a clear purpose: to make rural insurance more thoughtful, inclusive, and responsive to farmers' everyday realities.

In a space defined by large institutions, we chose to move forward with the singular purpose of building for rural India and contributing to our nation's growth. When we became the first general insurer to be licensed in five years, it was a key milestone in our journey and a signal that something new was needed.

Our journey since has been measured and meaningful, scaling innovation to uplift the communities we serve. Every step we have taken has been focussed on making protection simpler, support more customised, and progress more accessible, marking the beginning of the Kshema Revolution in rural resilience and prosperity.



Expanding Rural Prosperity

Kshema is spreading rural prosperity by empowering farmers with tools of financial resilience such as tailored insurance solutions and equitable access to protection against climate risks impacting livelihoods.

Our Differentiated Business Model

Designing Insurance Building Rural Confidence

At Kshema, we seek to shape how rural India experiences support by using technology that is smart, tools that are simple, and a mindset that puts the farmers first.

From the beginning, we set out to address the long-standing gaps in the crop insurance system. While others approached insurance as a product, we saw it as a service rooted in trust. Our model is built on accessibility, transparency, and customisation because every farmer's needs are different, and every field tells a different story.

At Kshema, we may lead with technology, but it is our understanding of people that drives how we work. Every feature, from dynamic pricing to claim settlement, is designed to make the process seamless. This is not just a business; it is our way of standing with the farmers, building confidence when it matters the most. This is what the Kshema Revolution stands for.

How Kshema is Transforming Crop Insurance in India

Outdated Industry Challenges

Before Kshema began, we listened closely to the challenges that farmers and rural communities were facing for years. They talked about the issues that made insurance feel distant and unreliable.

Most insurance service providers did not focus on agriculture. The private sector had largely overlooked the segment, leaving farmers underserved and without customised support. Onboarding was manual, claim processes were slow, and real-time crop monitoring was practically non-existent. Insurance often arrived late, or not at all.

Communication was another missing piece. For many farmers, interaction with insurers often ended after paying the premium. There were few, if any, touchpoints beyond, leaving them with little clarity on what their policy covered, how to file a claim, or what steps to take during a crisis. Even the solutions themselves felt far-fetched. Products were designed for the entire region instead of the specific needs of a farmer within that region. Fixed structures offered little flexibility or relevance, and few products reflected the reality of what each farmer truly needed.

These gaps made insurance both ineffective and impersonal. At Kshema, we knew that addressing these shortcomings would take more than a product. It would take a shift in how insurance is built, delivered, and felt. That is why we designed a model that starts with the farmers and works its way outward, focussed, intuitive, and personal from the ground up.

Drawback of Traditional Models



Delayed and
insufficient
financial protection



Farmers
unaware of
their entitlements



No insights or
guidance during
the crop lifecycle



One-size-fits-all
solutions to address
unique farm needs

Our Differentiated, Tech-Led, Farmer-First Model

Kshema was shaped around the idea that rural protection deserves more than a one-size-fits-all approach. Everything we do is centred around the people we serve, and it shows in how we work, what we offer, and the way we grow.

Our products reflect the diversity of Indian farming. With hyper-local, peril-based plans like Prakriti, Sukriti, and Samridhhi, we insure over 100 crops across 127 agro-climatic zones, covering more than 80,000 grids in the country.

Moreover, from onboarding to claim settlement, our operations are fully digital. With GPS-based farm tagging, dynamic pricing, and seamless onboarding, the Kshema App brings together the science of remote sensing and the ease of everyday use. At its core is the Kshema Cognitive Engine, connecting data, context, and care, addressing policy management and automated claims management. We reach

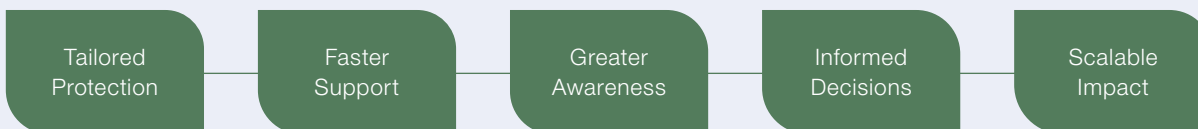
farmers not just through technology, but through people. Our extensive POSP network, including female agents, spans across states and union territories, offering door-to-door support and local language assistance.

Besides, this relationship does not end with a policy purchase. Farmers receive timely advisories, claim updates, and educational support through our knowledge centre and multi-touchpoint engagement model.

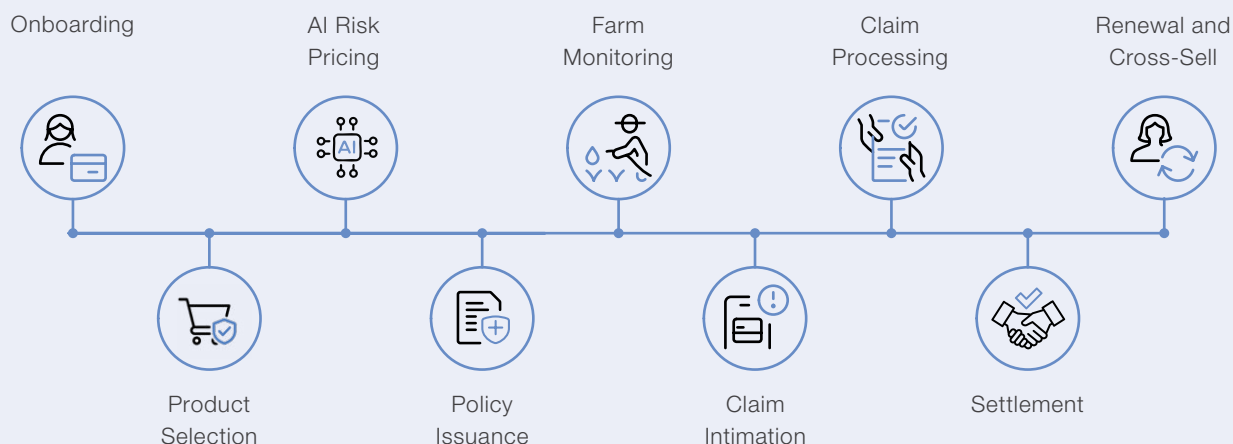
As India's digital agriculture landscape continues to evolve, we remain committed to growing alongside it, strategically aligned and supporting IRDAI's regulatory vision, integrating with the AgriStack ecosystem, and contributing to IRDAI's ambitious 'Insurance for All' by 2047 mission.

At Kshema, our strength lies in staying close to the field and even closer to the farmers.

Benefits Delivered to the Farming Community



The Kshema Business Process Flow



Our Product Portfolio

Making Insurance Accessible, Affordable and Customised

At Kshema, our offerings are designed to make the everyday lives of farmers easier.

At Kshema, every product begins with a question: how can we make insurance truly work for those it was meant to serve? That question has shaped how we think, design, and deliver.

This is where the Kshema Revolution takes root, not in grand gestures, but in small, steady steps that bring dependable protection to every farm, one season at a time.

We have designed our offerings not around regions, but around risks, making each one more personal, more relevant. Whether it is our peril-based solutions or the app that helps manage it all, every part of the experience is grounded in the farmer's world.

Our Diversified Product Basket

Crop

Parametric Products (Yield or Weather-based)

683+ Cr || 89%

Institution-led Sales
(Yield-based loss assessment)

86+ Cr || 11%

Institution-led Sales
(Weather-based
loss assessment)

Peril-based Indemnity Products (Event-based loss assessment)

Prakriti

Samriddhi

Sukriti

Other Business Segments



Motor



Personal
accident



Fire



Miscellaneous

*As per Gross Written Premium for FY2025.

Our Offerings: A Suite of Products for Every Farmer

Kshema Prakriti

Kshema Prakriti is a comprehensive crop insurance solution that safeguards farmers against eight perils.

Protection against 8 perils



Cyclone



Inundation



Flood



Hailstorm



Animal attack



Earthquake



Fire Due
to lightning



Landslide

Comprehensive
Coverage

100+
Crops Covered

Kshema Sukriti

Sukriti brings simplicity and affordability together. Farmers can select one major and one minor peril, making it a customisable cover to protect crops from the peril which is most likely to cause damage. It is designed for farmers seeking cost-effective protection that still responds to localised risk.

Protection against 2 perils

A combination of one major and one minor peril from a list of eight perils



Cyclone



Inundation



Flood



Hailstorm



Animal attack



Earthquake



Fire Due
to lightning



Landslide

Customised
Coverage

INR 499 per Acre

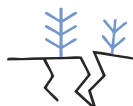
Kshema Samriddhi

Designed especially for farmers in Uttarakhand and Himachal Pradesh, with land holdings within the range of 1 to 25 cents, Samriddhi is India's first true nano-crop insurance product. With ultra-low premiums and simplified onboarding, it enables even the smallest cultivator to access protection.

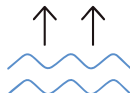
Protection against 6 perils



Cyclone



Earthquake



Inundation



Fire Due to lightning



Flood



Landslide

Premium starting at

INR **199** per Cent

Government Scheme Distribution

We also distribute key government-backed insurance schemes to expand the safety net for farmers across India. These include:

Restructured Weather-Based Crop Insurance Scheme

The scheme is designed to protect farmers from anticipated yield losses caused by adverse weather conditions.

57,894

Policies issued in FY2025

Pradhan Mantri Fasal Bima Yojana

The Government of India's flagship crop insurance scheme offers financial support to farmers facing yield loss or damage due to unforeseen events.

1,08,81,801

Policies issued in FY2025



Our Allied and Other Business Products

As part of our rural risk ecosystem, we also offer allied insurance products:



Fire insurance products

Protects rural homes and home contents against losses from fire, lightning, or explosions, ensuring safety and peace of mind for families. These include five offerings: Kshema Bharat Griha Raksha, Kshema Home Insurance Policy, Kshema Bharat Laghu Udyam Suraksha, Kshema Bharat Sookshma Udyam Suraksha, and Kshema Shop Insurance Policy.



Motor liability products

Covers tractors, farm vehicles, and goods carriers used by farmers and small traders, and offers protection against damage and third-party liability. These include: Kshema Goods Carrying Vehicle Liability, Kshema Miscellaneous Vehicle Liability, Kshema Two Wheeler Long-Term Liability Only Policy, Kshema Two-Wheeler Liability Only Policy, Kshema Compulsory Personal Accident Policy, Kshema Passenger Carrying Vehicle Liability Only Policy, Kshema Private Car Liability Only Policy, and Kshema Private Car Long-Term Liability Only Policy.



Health and other products

Pipeline additions include fire, personal accident (Kshema Individual Personal Accident Policy), and small business coverage, helping rural families and young entrepreneurs manage risks more confidently.

What Sets Our Products Apart



Personalisation



Real-Time
Monitoring



Affordability
with Impact



Built-in
Technology

Industrial Landscape

Seizing the Moment in an Optimistic Rural Insurance Market

Agriculture contributes ~18% to the nation's GDP, however this sector remains significantly underinsured despite its exposure to high financial and climate-related risks.

India's rural economy has always been the backbone of the nation.

With over 900 million people living in Indian villages, the countryside holds both the weight of tradition and the promise of growth. From small kirana shops to local artisans, much of rural India is built on self-reliance and hard work.

Yet, it is agriculture that remains the heart of this economy.

India is among the world's largest producers of food grains, fruits, and vegetables. Agriculture supports the livelihood of more than half of the country's population. Over the years, increased government focus, better access to markets, and improved rural infrastructure have helped farmers do more with less.

Presently, a number of farmers are adopting technology, learning new methods, and finding better ways to grow and sell their harvests.

However, the challenges persist.

Unpredictable weather, pests, and shifting market prices continue to have an adverse effect on yields and income. Even a small loss can be difficult to recover from for a farmer who depends on a single season's crop for his livelihood. During these times, having a helping hand becomes essential, not just for the farmers but their entire family.

This is where rural and crop insurance become essential.

It gives the farmers a way to protect their efforts and investments. However, despite several government efforts, crop insurance remains underutilised. Several farmers are still unaware of their options, and those who are aware often find the process too complex.

This is a problem we seek to solve.

At Kshema, we believe insurance should be affordable, accessible, and built around the real needs of farmers. This is why we have developed digital-first crop insurance products that are easy to understand, easy to buy, and easy to file claims. Through our app, farmers can enrol, geo-tag their farms, and access real-time updates about their crops, soil health, and weather.

In just two years, we have reached over 12 lakh farmers across 20 states and union territories. Our goal is not only to grow, but to grow responsibly by building trust, being present, and making sure that insurance feels more like support than a service. However, a lot more needs to be addressed to increase awareness and improve accessibility.

All in All...

Rural prosperity depends on more than just good harvests. It depends on confidence, stability, and the knowledge that even if something goes wrong, there is a way forward. We see rural insurance not just as protection, but as a tool for resilience. And every policy we issue is a small step toward building a stronger, more secure rural India.



Capitalising on the Underserved Crop Insurance Sector

At Kshema, we adopted a differentiated approach to address a vast, untapped rural insurance market.

Tapping an Underserved Market

In a landscape where traditional insurers barely scratched the surface of agricultural needs, Kshema identified a clear white space: digital-first, farmer-focussed insurance. As the only fully digital general insurer focussed on agriculture, we are building solutions where few have ventured.

Strengthening Our Product Portfolio

With this foundation, we started shaping products that build financial resilience to pave the way for a self-sustainable rural India. With three proprietary, peril-based offerings and two flagship government schemes, Kshema ensures that farmers have both flexibility and coverage depth. But we have more to offer:

With over 20 new products in the pipeline, including fire, motor, health, and other rural-focused lines, we are expanding the Kshema Revolution into every aspect of rural life.

Our fire insurance segment, consisting of five offerings, are built to safeguard homes, warehouses, and small businesses from accidental losses.

Motor insurance, consisting of eight offerings, supports farmers and rural entrepreneurs in protecting their vehicles, essential for transport and daily operations.

Health insurance (Kshema Individual Personal Accident Policy) is designed to make quality care more accessible in areas where medical facilities are limited. Each product is developed with one goal: to provide meaningful support for the everyday risks that rural communities face.

Expanding Reach Through Our Digitised Model

Access is empowerment, that is why Kshema offers a one-stop digital journey, where farmers can geotag their land, select their crop and village, view premiums, complete their Know Your Customer details, and purchase a policy, all from their phones. But our revolution does not end with technology; people power it. Our on-the-ground POSPs help our consumers, primarily the farmers, in completing their onboarding process, completing KYC, or filing claims.

Fostering Trust with Transparency

At Kshema, we believe our growth depends on the trust we build and this trust begins with being transparent. Our tech-enabled processes provide complete transparency across every stage of the insurance journey. We actively consult farmers, incorporate their feedback, and design products that truly reflect the challenges they face.

Driving Awareness Across Channels

However, none of this matters if the farmers are unaware. Through multi-channel campaigns from village hoardings to digital platforms, we are telling stories, sparking conversations, and bringing crop insurance into everyday rural life. Real change begins when every farmer knows they have a safety net and believes in it.

Chairman's Message

Bridging Gaps, Building Resilience

Dear Stakeholder,

It gives me great joy to present the 7th Annual Report of Kshema General Insurance Limited, marking the completion of a successful year of meaningful progress. Kshema was built with a clear purpose: to build a model of general insurance that truly supports rural prosperity.

We began by bridging important gaps.

When we first envisioned Kshema we noticed a significant gap: traditional insurers hesitant to engage with rural India, and digital-first players lacking tools to scale effectively. This is where we decided to scale our technological innovation with commitment, as this balance helped us build a specialised insurance model designed for India's farmers. Our aim was not to replicate what existed, but to build something that could genuinely work for them and serve their needs.

We then laid the foundation for building long-term rural resilience.

At the heart of our approach is crop insurance, which continues to be the foundation of our business and the most critical tool in strengthening rural resilience. Over the past year, we strengthened our core crop insurance offering with the launch of Samriddhi, adding to our existing proprietary products, Prakriti and Sukriti, each designed to provide flexible, accessible, and farmer-focused protection. We also supported major government-backed schemes such as PMFBY, helping extend coverage to areas often left out of traditional safety nets.

But our ambitions extend beyond crops.

At Kshema, we are also steadily widening our portfolio to address the broader risks that the rural communities face. With five fire and eight motor insurance offerings, we protect homes, small enterprises, and essential vehicles that sustain rural livelihoods. In the health segment, we have introduced affordable personal accident policies designed for regions where access to care is limited, ensuring that a medical emergency does not derail a family's future. Every product is built with a customer-first mindset, ensuring simplicity, access, and relevance.

This is what the Kshema Revolution stands for.

Beyond our offerings, what sets us apart is how we deliver them. Our fully digital operating model is built around the needs of small and marginal farmers.



From onboarding to claims settlement, we bring seamless access through intuitive technology like the Kshema App and Kshema Cognitive Engine.

These systems are built to deliver real-time risk information, climate insights, and instant support. People are at the core of our operations, and it is this people-first approach that we call the Kshema Revolution: a movement to scale innovation and expand rural prosperity in India.

This is how the Kshema Revolution moves forward.

With over 20 products in the pipeline across crop, fire, motor, and health, we are deepening our impact across the rural landscape.

At every stage, we prioritise listening to the customers we serve. Their feedback shapes our offerings, our service model, and our long-term strategy. I would like to thank the IRDAI for their trust, our employees for their relentless work, and our farmers and customers for believing in our mission. Together, we are building something that is not only innovative but deeply needed.

Warm regards,

Natraj Nukala

Founder, Chairman & Director

Message from the CEO

Growing Deeper, Reaching Further

Dear Stakeholder,

It is with sincere gratitude that I share the journey of Kshema General Insurance Limited in FY2025. The year has been one of steady growth, learning, and continued commitment to the rural communities that are at the centre of our work. At Kshema, we have always believed that insurance should be easy to understand, relevant, and built around the lives of the people it serves. Our products are created to offer a sense of security to farmers facing the uncertainties of weather and crop cycles. Many of the areas we serve are those that have long been left without proper insurance services. We see it as our responsibility and our privilege to show up where support is needed the most.

We are positioned to capitalise on the optimistic industry scenario.

We made a decision to be based in Hyderabad, which helps us stay connected to our purpose of providing tech-led insurance services from Cyber City. It is with this purpose that we delivered the Kshema mobile app. Through this app, farmers can easily purchase a policy, raise a claim, and get updates on their crop conditions and weather. The whole process is made easy and accessible through technology.

Our financial performance this year has been encouraging.

We saw a 35% growth in the gross written premium. Our crop insurance stayed strong with a combined ratio of ~95%. Claims paid out rose by 24%, reflecting our expanded coverage across more farmers and greater acreage. Strategic investments were made in human capital and cutting-edge technology to enhance customer service and deepen our outreach.

We also expanded our footprint by acquiring new service areas in Tamil Nadu and Jammu and Kashmir, reinforcing our commitment to strengthening local presence.

We ventured into Bima Sugam.

We were early investors in Bima Sugam, a digital platform supported by IRDAI, Life Insurance Council, and General Insurance Council. The platform brings all types of insurance onto one simple portal. We believe this will help make insurance more accessible and easier to use, especially for rural customers.



People are at the heart of everything we do.

Our team experienced remarkable growth this year, expanding from 182 to 675 members, a testament to our ongoing investment in people who enable us to serve better and aim higher. In addition to strengthening our workforce, we proudly contributed INR 35 lakh towards community development initiatives through our CSR efforts. This reflects our enduring commitment to being present, responsible, and growing in partnership with the communities we serve.

We remain committed to moving forward with purpose.

Looking ahead, we stay committed to listening, learning, and growing alongside the communities we serve. This is what the Kshema Revolution means to us: Scaling Innovation. Expanding Rural Prosperity. Thank you for walking with us.

Warm regards,

Dr. Vyasa Krishna Burugupalli
Managing Director & Chief Executive Officer

Technology at Work

Robust Technology Platform for Comprehensive Insurance Coverage

At Kshema, technology is a way to stay closer to the people we serve.

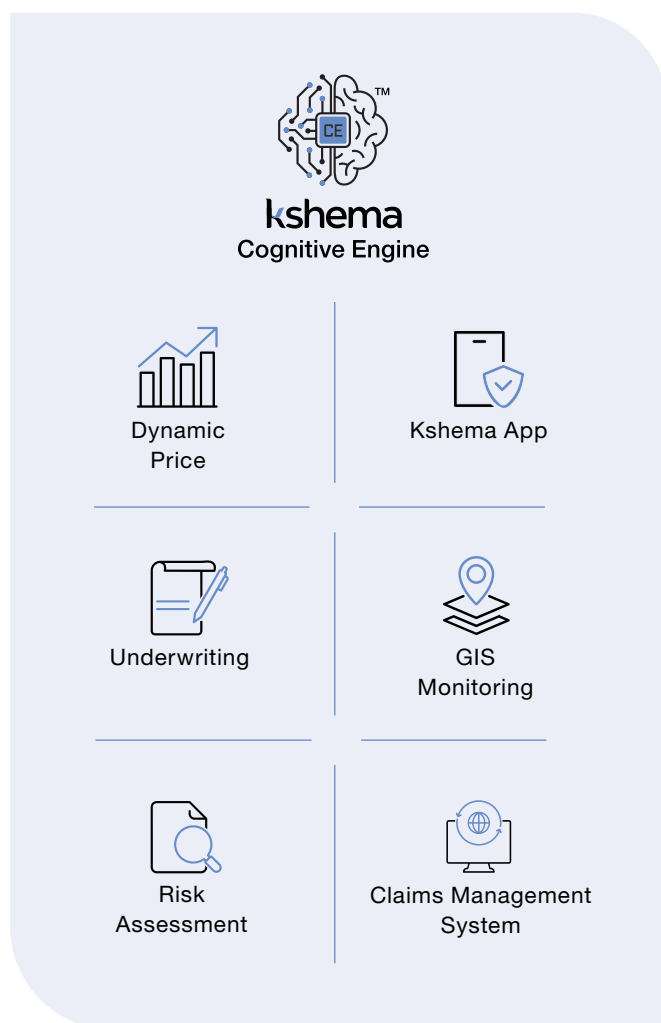
Our digital platform, the Kshema Cognitive Engine (KCE), connects the entire insurance journey, from onboarding to claims, seamlessly.

Whether it is AI-based risk pricing, satellite-enabled crop monitoring, or near real-time claim validation, every feature is designed to make the process easier for farmers. Available through our mobile app in English and multiple regional Indian

languages, the experience is personal, intuitive, and made for rural India. But speed and accuracy are only part of the story. What matters most is trust. By removing complexity and reducing wait times, our platform gives farmers the confidence that support will be delivered, quickly and fairly.

Built for Bharat, the KCE helps us reach more people, respond faster, and keep improving, slow and steady.

Our Proprietary Technology: The Kshema Cognitive Engine



Leveraging Technology to Serve Smart, Seamless Insurance

During the year under review, we advanced our digital ecosystem, laying down thoughtful systems and tools that help us respond faster, serve better, and grow responsibly with those who depend on us.

Kshema GPT

Building on this, we introduced Kshema GPT, our in-house large language model, which was tested in a controlled environment. It helps answer everyday queries across departments and supports both customer interactions and employee needs. The tool also includes voice input and supports multiple languages, making it more accessible. We were honoured to have this solution selected for presentation at ACM SigKDD under the enterprise agentic AI category.

Kshema Kiosk

Taking service access one step further, we rolled out the Kshema Kiosk, an intuitive, self-service touchscreen station designed to support farmers. First used at public events, these kiosks are now active at our customer experience centre in our headquarter at Begumpet. They let customers register, check policy or claim status, and raise issues without needing assistance.

Claims Management System

To make claims simpler and quicker, we enhanced our Claims Management System, a key part of the broader Kshema Cognitive Engine, which now handles claim processes from start to finish. It uses satellite imagery to assess claims and processes payments directly to customer accounts.



Automated Campaign Platform

In parallel, we introduced an automated campaign platform to improve outreach. It identifies potential leads and connects them to our team once contact is established.

PMFBY Technology Tools

For our PMFBY operations, we introduced several tools: real-time crop health monitoring, insured crop verification, and a survey app to collect field data. New GIS algorithms are also helping us better understand local crop and loss patterns.

Security and Infrastructure

In terms of data security, we made improvements by clearing ISNP and IRDAI audits and using tools like Zscaler and Fortify.

Kshema Finder

The Kshema Finder tool gives us deeper insights into operations while integrating Zoho HR and Zoho Desk has helped us manage internal processes more smoothly.

The Kshema Revolution in Their Hands: From Mobile Access to Farm-Level Impact

In our first year, the Kshema App was launched as India's first location-aware agri-insurance platform, turning mobile phones into tools of protection. Built to simplify, customise, and automate, the app enabled farmers' access to dynamic pricing, receive tailored coverage using AI, satellite imagery, and real-time weather feeds.

However, in our second year, it has become much more than an interface; it is a trusted companion across crop cycles. From onboarding to near-instant claim filing, from policy transparency to proactive alerts, the Kshema App is quietly powering The Kshema Revolution, scaling innovation, and expanding rural prosperity one farmer, one farm, and one season at a time.

Key App Features

Simplified, Multilingual Access

Designed with farmers in mind, the Kshema App features an intuitive and user-friendly interface, which guides users step-by-step from selecting a farm location and crop to choosing perils and sowing timelines, making it easy to customise and purchase the right insurance plan.

AI-Driven Underwriting and Instant Policy Issuance

Leveraging advanced AI, the app automates underwriting checks and generates policies instantly. This reduces processing time significantly and enables a smarter, more resilient approach to managing agricultural risk.

Customised Pricing Powered by Data

Kshema's dynamic pricing engine evaluates risks across 127 agro-climatic zones in the country generate accurate, farm-specific premiums. By blending proprietary and public data, it ensures highly precise, fair, and individualised pricing.

Continuous Monitoring with Real-Time Data

The app integrates satellite imagery and real-time weather data to offer ongoing visibility into farm health. This enables proactive alerts and empowers farmers with timely information on crop conditions and emerging risks.

Fast, Hassle-Free Claims Settlement

With just a few taps, farmers can initiate claims by reporting the cause of loss and uploading images or videos. This data is matched with satellite inputs for swift validation, often resulting in near real-time claim settlements and timely financial support.



45,633

App Downloads
FY2025

Risk Management

Harvesting Trust, Nurturing Innovation - Securing Futures Through Robust Risk Management

Risk management at Kshema is anchored in our commitment to safeguard the trust of our stakeholders, policyholders, and communities we serve.

As we step into another promising year, we reaffirm our dedication to proactive risk oversight, a culture of innovation, and strategic preparedness in navigating complexities inherent to the insurance landscape, particularly in the rapidly evolving domain of crop insurance.

In the crop insurance sector, significant strides have been made through technological interventions and innovative underwriting practices. Nevertheless, the agricultural domain remains intricately linked to challenges stemming from climate volatility, data integrity concerns, fraud vulnerabilities, and regulatory complexities. These multifaceted issues

necessitate a forward-looking approach backed by robust analytics, precise actuarial assessments, and agile risk mitigation frameworks.

Our vision is clear: to foster an organisation that not only navigates uncertainty with prudence and foresight but also sets benchmarks in ethical conduct, operational excellence, and stakeholder trust. We remain steadfast in our resolve to continually enhance our risk management framework, ensuring robust oversight, operational integrity, and sustainable growth.

Kumar Saurav
Chief Risk Officer

Robust Foundations, Structured Defence - Overview of Risk Management Framework

At Kshema, our Risk Management Framework (RMF) serves as the foundational pillar, developed to effectively identify, assess, manage, and monitor the diverse spectrum of risks inherent to our insurance operations. Committed to aligning our practices with the market standards and IRDAI guidelines, our RMF ensures resilience, regulatory compliance, and sustainable growth, particularly emphasising the specialised demands of crop insurance.

Our comprehensive RMF is structured around the globally recognised “Three Lines of Defence” model, promoting accountability, clarity, and operational integrity across all organisational levels. Together, these structured layers enable Kshema to maintain robust risk governance, effectively mitigate emerging threats, and capitalise on strategic opportunities.

First Line of Defence – Operational Ownership

Business and operations teams serve as the first line of defence, managing risks daily across underwriting, claims, policy issuance, and verification. They embed controls within workflows, enabling timely risk detection and response, especially crucial in crop insurance.

Second Line of Defence – Strategic Oversight and Risk Governance

Risk Management, Compliance, Actuarial, and Finance form the second line, led by the Chief Risk Officer. This layer ensures policy adherence, monitors risk practices, and aligns decisions with risk appetite key for navigating crop-related uncertainties.

Third Line of Defence – Independent Assurance

Internal and external auditors form the third line, offering independent assessments of risk controls. Their reviews assure the Board and Audit Committee on control effectiveness and support ongoing risk management improvement.



Governance and Insights – Role of Board and Risk Management Committee (RMC)

At Kshema, effective governance is at the core of our risk management philosophy. The Board of Directors and the Risk Management Committee play pivotal roles, setting the strategic direction, overseeing risk governance, and ensuring comprehensive oversight across our risk landscape, particularly within the specialised context of crop insurance.

Role of the Board

The Board ensures risk practices align with business goals by approving key policies, overseeing solvency, compliance, and emerging risks. It fosters accountability and builds a resilient, market-responsive framework.

Role of Risk Management Committee (RMC)

RMC, comprising senior directors and executive leadership, plays an essential role in implementing and operationalising the risk governance framework. It diligently monitors risk profiles, reviews risk mitigation strategies, oversees compliance with regulatory mandates, and evaluates the effectiveness of internal controls.

Functional Heads – Leading from the Front

Functional heads across key domains embed risk awareness into daily operations, assess controls, and lead swift responses to risks, strengthening overall risk culture and execution.

Navigating Complexities, Mitigating Risks - Top Risks and Strategic Management Approaches

At Kshema, we maintain a vigilant stance towards identifying and managing critical risks that could significantly influence our business objectives and stakeholder value. Our proactive approach ensures robust preparedness and agile response mechanisms, especially within the context of crop insurance. The following represent the primary risks currently at the forefront of our strategic risk management agenda:

Catastrophic Risks

Climate change poses major risks to agriculture insurance. We mitigate this through climate modelling, predictive analytics, and geographic diversification.

Fraud and Misrepresentation Risks

Crop claim fraud is tackled using analytics-driven detection, stronger field verification, and targeted staff training.

Technology and Cybersecurity Risks

Cyber threats are managed with robust security programs, regular testing, access controls, and awareness training.

Operational and Process Risks

Process inefficiencies are addressed via RCSA, automation, and streamlined workflows to minimise errors and strengthen controls.

Regulatory and Compliance Risks

We ensure compliance through regular engagement with regulators, policy updates, and ongoing staff training.

Credit and Liquidity Risks

Solvency is maintained through ALM practices, credit risk reviews, and prudent investments to ensure liquidity and timely claim payments.

By systematically addressing these top risks through targeted strategies and innovative risk mitigation measures, Kshema remains well-positioned to safeguard stakeholder value, foster resilient growth, and uphold its reputation as a trusted leader in the insurance sector, particularly within the specialised domain of crop insurance.

Anticipating Tomorrow, Acting Today - New and Emerging Risks

At Kshema, proactively identifying and addressing emerging risks is central to our strategy, particularly in the evolving landscape of crop insurance. Our agile monitoring, strategic foresight, and timely interventions help sustain stakeholder value, operational resilience, and industry leadership.

Climate Change and Sustainability Risks

Climate change severely impacts agriculture. We address this with advanced climate modelling, scenario analysis, and sustainable underwriting.

Digital Transformation and Technological Risks

Rapid digitalisation introduces new vulnerabilities. We invest in resilient cybersecurity and robust digital infrastructure to stay ahead of threats.

Regulatory Evolution and Compliance Risks

Frequent regulatory changes demand agile adaptation. We maintain strong regulatory intelligence and update compliance systems accordingly.

Data Privacy and Protection

With increased data use, we uphold strict governance and regulatory compliance to safeguard policy holder and partner information.

Socio-economic and Geopolitical Risks

External disruptions can affect operations. Our scenario planning and risk sensing help adjust strategies and preserve business continuity.

Cybersecurity Threats

Growing digital integration in crop insurance raises cybersecurity risks. We have deployed multi-layered defenses, regular assessments, and foster a culture of cyber vigilance.

Subsidy and Liquidity Risk

Seasonal claims and delayed government subsidies (e.g., PMFBY) pose liquidity challenges. We have built buffers and engaged actively with government agencies to ensure financial stability.

Securing Digital Frontiers, Protecting Trust - Information Security and Cybersecurity Practices

At Kshema, strong cybersecurity and information security are foundational to protecting sensitive data and maintaining stakeholder trust, especially amid rapid digital adoption in crop insurance.



Information Security Governance

Governed by Board-approved policies and overseen by the Information Security Risk Committee (ISRMC), our framework includes regular risk assessments, vulnerability scans, and compliance monitoring aligned with regulatory standards to ensure data confidentiality, integrity, and availability.



Cybersecurity Infrastructure

Our cybersecurity infrastructure employs advanced threat detection systems, robust firewalls, multi-layered security controls, and secure coding practices. Regular penetration testing, security audits, and system vulnerability assessments fortify our defenses against evolving cyber threats. Continuous monitoring and incident response mechanisms are integral components, enabling rapid identification, containment, and resolution of potential cybersecurity incidents.



Employee Awareness and Training

Recognising human factors as critical in cybersecurity, we conduct regular information security awareness training sessions and simulations for all employees. These initiatives foster a vigilant workforce capable of identifying, preventing, and reporting potential security threats, significantly reducing vulnerabilities from social engineering attacks and other human-related risks.



Building Awareness - Risk Culture - Policies, Processes, and Awareness Initiatives

Fostering a strong risk culture is embedded in our organisational ethos. Risk awareness is cultivated through clear policies, embedded processes, and widespread education—critical in crop insurance's complex landscape.



Policies and Processes

Our clearly articulated policies and well-defined processes lay a strong foundation for risk awareness and management. Regularly reviewed and updated by our Risk Management Committee, these policies ensure comprehensive coverage of operational, financial, regulatory, technological, and ethical risks. Standardised processes are systematically integrated into daily operations, reinforcing consistency, accountability, and transparency in risk management practices across the organisation.



Role of Risk Champions

Designated Risk Champions across departments promote awareness, lead training, and act as liaisons between operational teams and central risk functions, enhancing responsiveness to emerging risks.



Fraud Prevention Training

Our specialised fraud prevention training initiatives provide comprehensive insights into fraud risks, particularly pertinent within crop insurance. Through practical case studies, scenario analyses, and expert-led sessions, we empower our teams to detect, mitigate, and report fraudulent activities promptly, safeguarding organisational integrity and operational efficiency.



Employee Induction

Risk awareness is integrated from the onset of an employee's journey at Kshema through structured induction programs emphasising foundational risk management concepts, organisational risk policies, and ethical standards.

Harnessing Data, Powering Insight - Risk Analytics and Data-Driven Decision Making

Data-driven risk management powers precision and agility at Kshema, especially critical as crop insurance faces climate volatility, regulatory shifts, and rising expectations.

Advanced Analytics for Risk Identification and Assessment

We leverage state-of-the-art analytics platforms and data science tools to proactively identify, evaluate, and monitor risks across all lines of business. In the crop insurance segment, the use of geospatial analytics, satellite imagery, and historical loss data allows for granular risk segmentation and more accurate yield prediction. This enables us to deploy resources more effectively and respond swiftly to adverse trends before they escalate into material risks.

Data-Driven Fraud Detection

We deploy advanced analytics for fraud prevention, utilising anomaly detection algorithms and pattern recognition techniques to identify and flag potentially fraudulent claims or suspicious activities, particularly within crop insurance where field-level fraud can materially impact financial performance.

Continuous Learning and Enhancement

Our commitment to data-driven decision making is not static. We invest in upskilling our teams, upgrading our data infrastructure, and partnering with leading agri-tech and analytics firms to stay ahead of the curve. Every new data point, incident, or market trend is an opportunity to refine our risk models and sharpen our competitive edge.

By embedding advanced analytics and data-driven insights into every layer of our risk management framework, Kshema sets a benchmark for the industry in precision, agility, and foresight, ultimately delivering greater value to our customers, shareholders, and the broader agricultural ecosystem.



Sustainability

The Kshema Commitment: Insurance for People, Planet and Progress

Kshema has always been about standing with those who form the agricultural heartland of India.

From the beginning, we have aimed to do more than offer protection. We have worked to provide a meaningful contribution towards every field possible.

Our approach balances scale with responsibility. While we grow as a business, we stay grounded in our commitment to people, planet, and shared progress. Every policy issued is a

chance to help a farmer stay steady, support a woman step into leadership, or encourage climate-conscious practices in the field. For us, growth means building trust, creating opportunity, and helping rural communities move forward. With every step, we are shaping a future that is not just protected, but more connected, inclusive, and sustainable.

Connecting With Farmers On-Ground through our Information, Education and Communication (IEC) campaigns

At Kshema, we continue to build on our ongoing commitment to spreading awareness for crop insurance. We organised a 33-day Information, Education and Communication (IEC) campaign across 1,127 villages from 8 to 19 November in Tamil Nadu during the Rabi season. The drive focused on educating farmers about enrolling in PMFBY, sowing guidelines, and cut-off dates. Flagged off by the district collectors in Kallakurichi and Theni, the campaign managed to extend its reach to the remotest areas. Moreover, our teams distributed leaflets, hosted farmer meetings, and set up posters and banners to ensure the information was clear, accessible, and widely shared.

Moreover, we participated in key agricultural events to connect with farmers directly. At the Telangana Rythu Mahotsavam 2025, our multilingual digital kiosk allowed visitors to explore Kshema's affordable and customisable crop insurance products. With our team present to answer questions, every interaction at the event became a meaningful learning experience. Similarly, at the Punjab Agricultural University Kisan Mela in Ludhiana, farmers from across the state engaged with our kiosk and discovered how our hyperlocal, technology-driven offerings could simplify and personalise insurance for their specific needs.



Strengthening Farmers. Building Rural Resilience.

At Kshema, we do not just offer protection; we deliver peace of mind.

With every policy, we provide cultivators a financial shield against climate shocks and income loss. Powered by innovation, empathy, and a customer-first mindset, we are just getting started.

Each policy is a small promise that if something goes wrong, support will be there. In FY2025 alone, we have stood behind lakhs of farmers as they navigated climate risks and income pressures. But our journey has only just begun. Over the next five years, we aim to support many more, making risk lighter and peace of mind available throughout.

Fuelling Rural Entrepreneurship. Powering Local Prosperity.

We believe the strength of rural India lies within its own people. This is why we are building a network where young, educated individuals from rural communities can become entrepreneurs in their own right. By helping them support fellow farmers, earn independently, and stay rooted, we are contributing to stronger local economies. Over the next five years, this effort is expected to reach lakhs of people and generate crores in new income for village households.

Empowering Women. Enriching Rural Livelihoods.

Women are at the heart of every thriving community. Therefore, at Kshema, we are committed to ensuring that at least 30% of our rural entrepreneur network is made up of educated women. By opening doors to opportunity and income, we are nurturing confidence, agency, and lasting impact at the grassroots level.

Driving Climate Action. Cultivating a Greener Tomorrow.

We know rural prosperity cannot exist without a healthy environment.

This is why we encourage farmers to adopt sustainable farming practices, offering incentives like premium discounts to those who choose resilience. Because when fields grow greener, so does the future they sustain.



CSR Initiatives

Building Better Futures

At Kshema, we extended our commitment to the social cause by partnering with Vamsee Cultural and Educational Trust to transform lives. This CSR initiative improved living and learning spaces into environments of dignity and care.

Challenge

Vamsee Trust was doing meaningful work, but with limited resources. Over the years, their facilities had worn down. Washrooms were unhygienic, classrooms needed repairs, and daily upkeep had become difficult. For the elderly and children, this made basic routines uncomfortable and sometimes unsafe. The Trust needed support to improve these conditions. This is where Kshema stepped in.

Solution

Kshema stepped in, conducting multiple site visits to assess ground realities. What followed was a well-planned renovation of two key buildings. One, the home for the aged, and two, the special school for children. We funded and facilitated upgrades across kitchens, rooms, terraces, corridors, and washrooms. The intervention was not cosmetic; it prioritised safety, sanitation, and functionality for everyday use. Kshema's team worked hand-in-hand with Vamsee to ensure accountability and progress at every phase of this initiative.



Result

The infrastructure now breathes with new life. Elderly residents have access to comfortable spaces. The specially-abled children attend school in safer, more inspiring environment. The daily routines at Vamsee have become smoother, and the overall environment feels more uplifting. This collaboration became a symbol of the Kshema Revolution, where scaling innovation means more than technology. It means showing up where it matters and expanding rural prosperity by restoring dignity.

At Kshema, we believe progress happens when we support those working quietly to uplift others. Our collaboration with Vegesna Foundation, an organisation serving specially-abled children, was built on this shared belief. With the right support, spaces of care can become spaces of growth.

Challenge

Like many institutions, Vegesna Foundation faced challenges after the pandemic. Their facilities, mainly classrooms, therapy rooms, and sanitation areas, had worn down due to a lack of use and resources. Many of the children at the organisation suffer from low immunity and therefore, need safe, hygienic spaces to learn and grow. Besides, the foundation was also in need of better tools for therapy and vocational training to help children build skills for independent futures. This is where Kshema stepped in with their targeted CSR support.

Solution

After visiting the centre and speaking with the team, we helped fund essential improvements from new furniture and therapeutic equipment to vocational training tools like a paper plate and cup-making machine. What mattered just as much as the funding was the care behind it. Furthermore, our team stayed involved throughout, ensuring that the work truly met the needs on the ground.



Result

The changes made a real difference. Children now learn, train, and receive therapy in spaces that feel safe, clean, and supportive. Parents feel reassured, and participation has grown. The centre feels more alive with learning, movement, and possibility. This is what we hope the Kshema Revolution represents, which is meeting needs with empathy and expanding opportunity in places where it is long overdue.



Voices of the People



Bhimavarapu
Guntur, Andhra Pradesh

"Cyclone Michaung completely damaged my crop. I had purchased Kshema Sukriti through the Kshema App. I received the claim amount within 48 hours of intimation, due to this, my family and I are able to face the financial hurdles."



Umesh Chandra
Nanital, Uttarakhand

"I bought crop insurance from Kshema, and the process was quick and easy. Natural calamities frequently affect our fields, but now I feel secure knowing my crops are insured. I advise all my relatives and acquaintances to buy crop insurance from Kshema."



Meena Saha
Almora, Uttarakhand

"I want to thank Kshema. Their representatives are very helpful whenever we need their advice. We understood that the loss we suffered during the monsoon season could be reduced by Kshema Crop insurance. We bought it and we have benefited from it."



Shyam
Palwal, Haryana

"I had insured my paddy crop with Kshema General Insurance, and the company provided fair compensation for my loss. I strongly recommend my fellow farmers to secure their crops with insurance."



Vijay Kumar Prajapati
Niyamtabad, Uttar Pradesh

"I found it very easy to buy a policy from Kshema. Their representatives are very helpful."



Our Events

From Innovation to Impact: Touchpoints of Trust and Transformation

At Kshema, every event helps us take the revolution closer to the people who need it most.

From global conferences to local press meets, our presence reflects our mission, which is to scale innovation and bring meaningful insurance to rural India. These platforms help us showcase our farmer-first approach, connect with partners, and raise awareness about accessible crop protection. Whether it is at an international stage, such as ITC Vegas, or a press conference in Vijayawada for the Kharif season, each event brings us one step closer to expanding rural prosperity across India.



Sirf Bima Nahi, Kshema - IPL 2025 Marketing Campaign with Punjab Kings

Kshema led a nationwide marketing campaign called 'Sirf Bima Nahi, Kshema', which showcased key USPs and differentiators, highlighting the importance of not just insurance, but assurance. Kshema partnered with Punjab Kings in IPL 2025 to raise awareness about crop insurance across the country, leveraging Punjab's status as the agricultural heartland of India and cricket's popularity. We launched the "Kshema Secure Hands" campaign with a TVC featuring Punjab Kings' captain Shreyas Iyer along with his teammates Arshdeep Singh and Shashank Singh, and took it offline through a simple contest to reach more people.

NDTV Profit Conclave 2025

Kshema's Founder and Chairman, Natraj Nukala delivered the keynote address at the NDTV Profit Conclave "The Blueprint For Viksit Bharat @ 2047" on "Viksit Bharat: Insuring Our Future", while Executive Director Rajeshnani Dasari elaborated Kshema's mission in a fireside chat where he talked about "Empowering Agriculture and Rural India – Key to Viksit Bharat @ 2047". They highlighted Kshema's alignment with IRDAI's 'Insurance for All' by 2047 initiative and use of tech to build climate-resilient, affordable insurance models for rural communities.



RVS Monte Carlo Reinsurance Conference 2024

Kshema was the only Indian insurer at this global reinsurance event. Our company's leadership demonstrated the Kshema Cognitive Engine and shared how AI, weather data, and real-time imagery enable customised, affordable crop insurance, earning praise for its rural-first, tech-led approach.



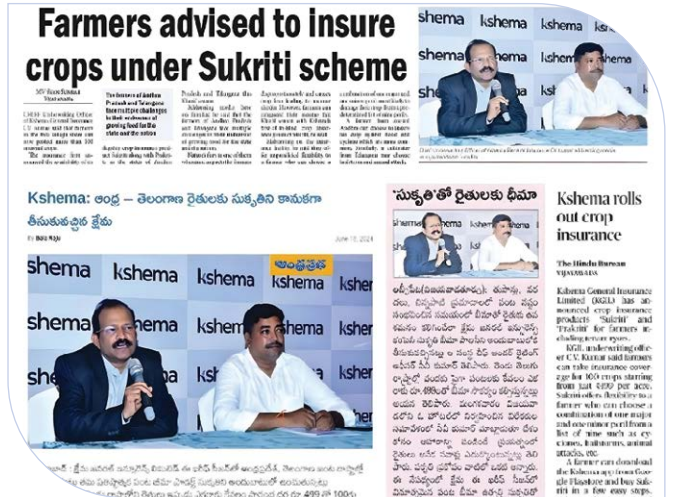
ITC Vegas – InsurTech Connect 2024

At the world's largest InsurTech event in Las Vegas, Kshema showcased its cutting-edge tech for Indian farmers. With 9,000+ attendees, topics such as AI in pricing and claims were discussed. Delegates appreciated Kshema's innovative, data-driven crop insurance model designed for India's agrarian economy.



Kharif Marketing Campaign 2024

Kshema General Insurance launched a national marketing campaign for the Kharif season, highlighting the importance of crop insurance through a TVC centred on a father-daughter bond. Featuring products Sukriti and Prakriti, the campaign spanned across TV, print, digital, and outdoor, promoting affordable, app-based coverage for 100+ crops from just INR 499 per acre.



Vijayawada Press Conference (Kharif Campaign)

In Vijayawada, Kshema introduced flagship products, Sukriti and Prakriti, to the Telugu and English media. The press conference saw the executives explain the product features and emphasise Kshema's mission to protect farmers through accessible, tech-powered insurance solutions, driving regional awareness during the crucial Kharif season.

Governance

Building Trust and Scale Through Robust Governance

At Kshema, robust corporate governance is at the heart of everything we do.

At Kshema, good governance is about staying honest, clear, and thoughtful in the way we work. It helps us grow with care, make fair choices, and stay true to the people we serve. Whether it is handling data responsibly or keeping our promises to customers, trust and transparency guide each step.

We believe in doing things the right way. As we grow, our leadership and teams continue to work together to make sure we stay grounded in integrity. For us, the Kshema Revolution is not just about progress, it is about doing it right, by every person and every promise along the way.

Board of Directors

Architects of Our Future



Natraj Nukala

Founder, Chairman and Director

Natraj has been involved with the insurance sector for over a decade, while his family interests include agriculture and textile businesses. This gave him first-hand experience and deep insight into the Indian agriculture sector and the workings of the Indian farmers. He brought his expertise and experience together to create Kshema General Insurance Ltd. Prior to this, he established a successful insurance broking company, ITUS. He has an undergraduate degree in engineering from India and a master's in risk management from New York University, USA.



Dr. Vyasa Krishna Burugupalli

Managing Director and CEO

Dr. Burugupalli is an insurance industry veteran with an illustrious career spanning over 45 years in different regulatory regimes across continents. He was the CEO of First Insurance Company Limited in Kampala before taking over as the Managing Director and CEO of Kshema. His leadership extends to guiding various NGOs, including the Bill and Melinda Gates Foundation grantees, on microinsurance. He holds a doctoral qualification in insurance risk management. He is a Fellow of the Australian and New Zealand Institute of Insurance and Finance, a Fellow of the Insurance Training College of Uganda, and a Certified Insurance Practitioner.



Rajeshnani Dasari

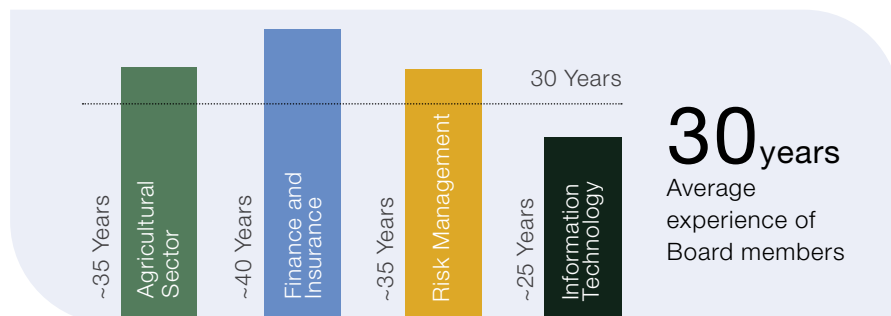
Director

Rajeshnani is a technologist with over two decades of experience across insurance, automotive, manufacturing, pharmaceutical, and high-tech industries. He was with Oracle Corporation as Senior Director in emerging technologies of mobility, bots, IoT, and blockchain in his most recent stint. Prior to this, he led Oracle's efforts to serve customers in their adoption of cloud and emerging technologies. He is an alumnus of prestigious institutions, including BITS Pilani (India), Clemson University (South Carolina, USA), and the State University of New York at Buffalo (USA).



Key Figures Defining Our Robust Corporate Governance

Board Skills and Experience



Deepa Karthykeyan
Independent Director

Deepa is co-founder and partner of Athena Infonomics – a global impact solutions group. She has led several programmes in Asia and Africa, focussed on advancing equitable and safe public services in changing urban contexts. She serves as part of the Technical Advisory Group for the Global Partnership for Sustainable Development Data (GPSDD) and is a member of the IWA Digital Water Program Steering Committee. She holds a master's degree in economics from the National University of Singapore.



Sivarama Prasad Tammana
Independent Director

Sivarama has over 40 years of experience spanning banking, investor relations, appraisal of corporate and SME proposals, and managing operations in agriculture, personal banking, investments, and stressed asset management across various geographies. He played key roles in Andhra Bank and represented Karur Vysya Bank Ltd. (KVBL) as a Board Director at the Industrial and Technical Consultancy Organisation of Tamil Nadu Limited. He served as a member of asset-liability, credit, credit risk, central management, and NPA committees and liaised with FIIs, HNIs, and Merchant Bankers globally as Chief Investor Relations Officer (CIRO). He retired as the CFO and CIRO of KVBL after having served in various capacities since 1994. He holds a B.Tech degree in Chemical Engineering from Andhra University.



Ravi Sharma
Independent Director

Ravi brings in a wealth of experience in strategising, implementing, monitoring, evaluating, and championing local and global biodiversity, forestry and climate change projects and programmes for the United Nations, World Bank, and Indian and international policy think tanks. He has successfully utilised innovative financial mechanisms to develop conservation and poverty eradication policies in both public and private sectors. He has designed and executed over 100 national and multinational innovative projects and orchestrated more than 50 international policy negotiations and technical workshops. He is an expert in designing project evaluation strategies for multilateral programmes and conducted evaluation of multilateral environmental projects in several countries.

Management Team

Innovators at the Core

**Piyush Jain****Appointed Actuary**

Piyush has worked with prominent organisations such as the RSA Insurance Group, McKinsey, KPMG, and AXA XL across various geographies, including the UK, Ireland, the Middle East, Asia-Pacific, Europe, and India, throughout his decade-long career. As an Appointed Actuary, in addition to the traditional responsibilities of reserving and pricing, he also leads data science and catastrophe modelling capabilities at Kshema. He has a bachelor's degree in commerce from Delhi University and a fellowship from the Institute of Actuaries of India (IAI) and the Institute and Faculty of Actuaries (IFOA), UK.

**Arinjay Jaini****Chief Investment Officer**

Arinjay assumed his role at Kshema in July 2023. He brings nearly two decades of rich experience in the financial sector, including working with prominent insurance companies, private equity firms etc. He has successfully spearheaded investments, multiple strategic projects, and initiatives across markets globally, significantly enhancing organisational value and efficiency. He has held pivotal roles at Aviva Life Insurance, Canara HSBC Life Insurance, and Global Growth – a US-based private equity firm. He is a Fellow member of the Institute of Chartered Accountants of India and is an alumnus of Shri Ram College of Commerce, University of Delhi.

**Kumar Saurav****Chief Risk Officer**

Kumar has been associated with Kshema since July 2023. He brings over 20 years of experience in his role as the Chief Risk Officer and devises effective strategies to remain vigilant and manage risks. An accomplished risk professional, he leads the enterprise risk management initiative and assures the Risk Management Committee of our company's exposure to key risks. His specialisation includes reporting to and extensive interaction with the Risk Committee, setting up the ERM Framework and execution (including operational risks, technology risks and cyber security, business continuity management), liaising with regulators, and representing the organisation at industry forums. He has previously worked at HDFC Life and Edelweiss Tokio Life Insurance. He is an alumnus of the Indian Institute of Technology, Delhi.

**Prabha Vadlamannati****Company Secretary and Chief Compliance Officer**

Prabha joined Kshema in January 2023. With over 20 years of experience in Corporate Secretarial, Regulatory, and Compliance roles, she excels in risk assessment and mitigation, legal documentation, process improvement and SOP implementation. In one of her previous roles, she expertly resolved a major industrial relations issue with minimal financial and reputational impact while maintaining employee morale and commitment during a protracted arbitration process. She was previously associated with Singapore and US-based multinationals, including Japfa Comfeed and Waterhealth. She is a Fellow Member of the Institute of Company Secretaries and holds a master's degree in commerce from Andhra University.



Prashant Shenoy

Chief Financial Officer

Prashant has been associated with Kshema since February 2023. He brings nearly two decades of global experience in corporate finance, project finance, accounting, budgetary control and variance analysis, working capital and treasury management, mergers and acquisitions, auditing, and taxation matters. He has a proven track record in team building, process development, and handling complex accounting and taxation matters. He has previously held senior positions in organisations within the green energy, pharmaceutical, and infrastructure sectors. He is a member of the Institute of Chartered Accountants of India and a commerce graduate from Osmania University, Hyderabad.



Bhaskar Thakur

Chief Marketing Officer

Bhaskar leads Kshema's marketing, brand, and communications. He brings nearly two decades of experience across various sectors in India, Southeast Asia, and China. He drives brand, digital sales, customer delight, and retention across all touchpoints and phases of the consumer journey using cutting-edge data analytics. His focus is on creating maximum awareness about Kshema and building trust amongst the target group. He has previously worked in senior roles with OPPO and OYO, among others. He is a postgraduate in management from ENPC in France.



C.V. Kumar

Chief Underwriting Officer

C.V. Kumar is an insurance industry veteran with a three-decade-long career in both the public and private sectors. He has extensive experience across underwriting, claims, reinsurance, and marketing functions. He was with the New India Assurance Company Limited and worked at an insurance broking firm prior to joining Kshema. He is a graduate of Agriculture and a Fellow Member of the Insurance Institute of India. He also holds a degree in law from Osmania University, Hyderabad, and a master's degree in Human Resource Management from Nagarjuna University.



Karambir Singh Rai

Chief Growth Officer

Karambir joined Kshema in July 2023. He brings over 25 years of varied global experience across the telecom, financial services, entertainment, FMCG, and consumer goods sectors from his stints in Asia, Africa, and Oceania. In his current role at Kshema, he drives sales and distribution by combining global best practices and market insights to drive growth and expansion. He has previously worked with Jio, Ogilvy, and Digicel.

Corporate Information

Board of Directors

Mr. Natraj Nukala

Chairman and Director

Dr. Vyasa Krishna Burugupalli

Managing Director and Chief Executive Officer

Mr. Rajeshnani Venkata Dasari

Director

Ms. Deepa Karthykeyan

Independent Director

Mr. Sivarama Prasad Tammana

Independent Director

Mr. Ravi Sharma

Independent Director

Company Secretary and Chief Compliance Officer

Ms. Prabha Vadlamannati

Chief Financial Officer

Mr. Prashant Shenoy

Joint Statutory Auditors

M/s Varma & Varma

Chartered Accountants

M/s M Anandam & Co LLP

Chartered Accountants

Secretarial Auditors

Anil Kumar Tekalkote

Company Secretary in Practice

Bankers

Karur Vysya Bank

ICICI Bank

Axis Bank

Registered Office

No. 413, 4th Floor, My Home Tycoon, Kundan Bagh,
Begumpet, Hyderabad – 500 016, Telangana, India

Corporate Office

Orwell Block 1, 10th Floor, Salarpuria Sattva Knowledge City,
Raidurgam, Hyderabad – 500 081, Telangana, India

Registrar and Share Transfer Agent

Maashitla Securities Private Limited

451, Krishna Apra Business Square

Netaji Subhash Place, Pitampura

New Delhi – 110 034





Directors' Report

To
The Members of
Kshema General Insurance Limited

Your Directors have pleasure in presenting their **Seventh Annual Report** along with the audited financial statements for the financial year ended March 31, 2025.

1. FINANCIAL PERFORMANCE

Particulars	(Amt. in INR lakhs)	
	FY ended March 31, 2025	FY ended March 31, 2024
Gross written premium	77,145.92	56,849.54
Net earned premium	53,038.37	39,224.65
Net claims incurred	34,859.16	28,132.74
Income from Investments	1,893.54	623.21
Profit before tax	5,260.72	5,978.38
Profit after tax	3,781.29	4,465.69
Earning per share – Basic & Diluted	3.39	4.01

2. OPERATIONAL PERFORMANCE AND FUTURE OUTLOOK

The Company demonstrated a commendable improvement in its operational performance during the financial year 2024–25. This progress is evidenced by a significant 35% year-on-year increase in Gross Written Premium (GWP), underscoring the growth momentum and expanding market presence. As part of its strategic expansion initiatives, the Company successfully secured new business clusters in the states of Tamil Nadu and Manipur, thereby reinforcing its footprint across key regional markets.

Throughout the year, the Company remained committed to maintaining strong underwriting discipline and adhered to a prudent, risk-conscious investment strategy, with a clear focus on safeguarding policyholders' interests and maximizing value over the long term.

Given that 2024–25 marks the second full year of insurance operations, a rise in operating expenses was anticipated. These elevated costs primarily stem from an increase in recruitment activities to strengthen the workforce and heightened marketing efforts aimed at establishing a stronger brand recall. Despite the higher expenditure, the Company's financial resilience was supported by enhanced premium retention, leading to robust internal cash flow generation.

A noteworthy development during the year was the Company's strategic diversification into the non-crop insurance segment. This included initiating business in Motor and Miscellaneous lines, wherein several policies were successfully underwritten.

While this diversification opens new avenues for growth, the crop insurance segment remains the Company's core offering and is expected to continue as the principal revenue contributor, given its deep-rooted expertise in this domain.

In alignment with its vision for future-ready operations, the Company made significant advancements in technology adoption. This included the implementation of sophisticated digital tools and platforms across multiple functions such as retail sales enablement, crop cutting experiment management, investment tracking, and financial accounting. These technological enhancements have been instrumental in improving operational efficiency, accuracy, and customer experience. Technology remains a cornerstone of Kshema's growth journey, with continued investments planned to sustain innovation and scalability.

On the regulatory front, the Insurance Regulatory and Development Authority of India (IRDAI) introduced several new frameworks and guidelines during the year. However, these regulatory developments had minimal impact on the Company's operations, largely due to the short-term nature of crop insurance policies, which limited exposure to transitional compliance challenges.

Future Outlook

The Company remains steadfast in its commitment to achieving operational excellence and fostering sustainable long-term growth. With a clear focus on optimizing internal efficiencies and elevating service standards, the Company continues to strengthen its organizational capabilities and governance frameworks, aligning them with evolving industry benchmarks and stakeholder expectations.

A central pillar of the Company's strategy is to enhance customer experience through the deployment of cutting-edge technological solutions. Investments in digital transformation initiatives—such as intuitive customer interfaces, robust data analytics, and end-to-end automation—are aimed at creating seamless, responsive, and personalized interactions with policyholders. These efforts will continue to be prioritized in the upcoming financial years, reinforcing the Company's position as a tech-driven and customer-centric insurer.

As part of its forward-looking approach, the Company also seeks to broaden its product portfolio, introducing innovative insurance offerings tailored to meet the diverse protection needs of various customer segments. This diversification is designed to create a more balanced and resilient business mix, while tapping into new market opportunities beyond its traditional focus.

While customer acquisition and outreach in the non-crop insurance segment may require sustained efforts due to the highly competitive landscape, the Company is well-positioned to overcome these challenges. With a combination of strategic marketing, operational agility, and tailored distribution models, the Company is confident in achieving significant progress in penetrating and expanding its presence in these emerging lines of business over the coming years.

3. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION

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

4. DIVIDEND

During the financial year under review Company had declared interim dividend of INR15,02,38,318/- (Rupees Fifteen Crores Two Lakhs Thirty Eight Thousand Three Hundred and Eighteen Only) at the rate of 13.5% on each fully paid up equity shares of INR 10/- each paid out of the profits of the Company for the period ended December 31, 2024.

The Board of Directors of the Company propose and recommend Final dividend at 12.34% for the year under review.

5. TRANSFER TO RESERVES

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

6. DEPOSITS

Details Relating to Deposits

- a. Accepted during the year: Nil
- b. Remained unpaid or unclaimed as at the end of the year: Nil

- c. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved:

- i. at the beginning of the year: Nil
- ii. Maximum during the year: Nil
- iii. at the end of the year: Nil

Details of Deposits which are not in compliance with the requirements of Chapter V of the Act - NIL

7. SOLVENCY

Your Company monitors its solvency margins regularly to ensure it is maintained in line with the requirements of IRDAI (Assets, Liabilities, and Solvency Margin of General Insurance Business) Regulations, 2016 as amended from time to time. As on March 31, 2025 the solvency ratio of the Company stood at 1.53 against the required solvency of 1.50

8. INVESTMENT PERFORMANCE

Your Company manages investment assets in accordance with its Investment Policy which has been drafted in line with the IRDAI Regulations. The Investment Policy is periodically reviewed and approved by the Board of Directors and the Investment Committee. The Investment Committee supervises the Investment department to ensure the safety, liquidity, and returns of funds for both Policyholders and Shareholders. The investment performance aligns with the company's risk appetite and follows the Asset-Liability Matching principle, investing in the highest rated instruments such as sovereign bonds, AAA-rated or equivalent securities, large-cap equity, and cash or cash equivalents. Your Company's Assets under Management (AUM) stand at INR 53,357 Lakhs as on March 31, 2025.

9. INVESTMENT IN BIMA SUGAM INDIA FEDERATION (BSIF)

Bima Sugam India Federation is a pioneering initiative aimed at creating a unified digital marketplace for insurance products and services in India. Incorporated in June 2024, the platform is envisioned as a one-stop solution for policyholders, insurers, agents, and other stakeholders, streamlining processes such as policy purchase, servicing, and claims settlement.

Along with all insurers, Life, General & Health, the Company has invested INR 500 Lakhs in Bima Sugam. These investments reflect strong industry confidence in the platform's potential to transform the insurance landscape by enhancing accessibility, transparency, and operational efficiency.

Bima Sugam is backed by the Insurance Regulatory and Development Authority of India (IRDAI) and is expected to play a key role in increasing insurance penetration across the country.



10. DIRECTORS

Constitution of the Board

The details of the Composition of Board and its Committee(s) are provided in Corporate Governance Report in Annexure A attached to the report.

Directors retiring by rotation and eligible for re-appointment

In terms of provisions of Section 152 of the Companies Act, Mr. Natraj Nukala (DIN: 02119316), retires by rotation at the forthcoming Annual General Meeting and being eligible has offered himself for re-appointment. The Board recommends his reappointment at the ensuing Annual General Meeting.

Directors appointed during the year

During the financial year under review Ms. Deepa Karthykeyan [DIN: 03114477] and Mr. Sivarama Prasad Tammana [DIN: 06405913] were re-appointed as Independent Directors for a further period of 3 Years effective from April 01, 2024 by Members Resolution dated June 05, 2024.

Mr. Rajeshnani Venkata Dasari [DIN: 09632402], stepped down as Independent Director on September 27, 2024 and continued in the capacity of Non-Executive Director. The Members of the Company in the Extra Ordinary General meeting held on January 10, 2025 approved his appointment as Wholtime Director designated as Executive Director of the Company for a period of five years (5 years) subject to IRDAI and Central Government approval.

IRDAI has accorded its approval vide its letter dated April 24, 2025 and his appointment is considered as effective from April 25, 2025.

Mr. Ravi Sharma was appointed as Independent Non-Executive Director by the Members of the Company at the Extra-ordinary General Meeting of the Company held on April 04, 2025.

Declarations by Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) & (7) of the Companies Act, 2013. The Board is of the opinion that the Independent Directors are persons of integrity and possess relevant expertise, proficiency and experience.

Declaration of Fit & Proper Criteria

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164(2) of the Companies Act, 2013 and all the Directors have confirmed that they fulfil the 'fit and proper' criteria as laid down under Guidelines for Corporate Governance for Insurers in India issued by IRDAI.

11. KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel ("KMP") of the Company as on March 31, 2025, are as under:

1. Dr Vyasa Krishna Burugupalli - Managing Director & CEO
2. Mr Prashant Shenoy - Chief Financial Officer
3. Ms Prabha Vadlamannati, Company Secretary and Chief Compliance Officer

In accordance with the IRDAI Corporate Governance Guidelines 2016 and IRDAI Corporate Governance Regulations 2024, the Company has the following Key Management Persons in addition to aforesaid KMPs:

1. Mr Piyush Jain – Appointed Actuary
2. Mr Arinjay Jaini – Chief Investment Officer
3. Mr Kumar Saurav – Chief Risk Officer

Pursuant to Regulation 5(7)(c) of the IRDAI Corporate Governance for Insurers Regulations 2024, and Clause 2.5 (a) of the Master Circular on Corporate Governance for Insurers, 2025, the Board shall ensure that Key Management Persons shall not simultaneously hold more than one position in the insurer that could lead to a conflict of interest or potential conflict of interests such as 'business and control function' or 'two control functions'. the insurer shall ensure independence of control functions including compliance, risk, audit, actuarial and secretarial functions.

Clause 2.5(e) of the said Master Circular states that where a Key Management Person is holding more than one position in the insurer that could lead to a conflict of interest or potential conflict of interests such as 'business and control function' or 'two control functions' the compliance of the independence shall be ensured before April 01, 2025

In light of the above requirement, the functions of Company Secretary and Chief Compliance Officer have been segregated.

Ms Prabha Vadlamannati continues in the position of Company Secretary and Mr Badarish Chimalgi has been appointed as Chief Compliance Officer effective from April 08, 2025.

12. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

One Independent Director was appointed during the year by the Company and Two Independent Directors were re-appointed. The Board is satisfied with the expertise, integrity and experience of the Independent Directors, both individually and collectively.

13. DETAILS OF BOARD AND COMMITTEE MEETINGS

Please refer **Annexure A** annexed to the Report.

14. DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and of the **Profit** of the Company for that period;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The annual accounts have been prepared on a **going concern basis**;
- e. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

15. POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS UNDER SECTION 178 OF THE COMPANIES ACT, 2013

Your Company has a duly constituted Nomination and Remuneration Committee (NRC) which is a sub-committee of the Board. Your company has put in place the relevant framework and a Nomination & Remuneration Policy as required under Section 178 of the Companies Act 2013.

16. DIRECTORS AND OFFICERS ('D&O') LIABILITY INSURANCE

The Company has taken D&O Policy to indemnify all the Directors and Officers including Independent Directors for claims brought against them. The Policy is currently in force.

17. PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The performance of the Board and individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The Nomination and Remuneration Committee reviewed the performance of the individual Directors.

A separate meeting of independent Directors was also held to review the performance of non-independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors. This was followed by a Board meeting that discussed the performance of the Board, its Committees and Individual Directors.

18. CONSERVATION OF ENERGY

The Company has made the necessary disclosures as under, in terms of Section 134(3) of the Companies Act, 2013.

Energy Conservation and Waste Management Measures

While the Company operates in the Financial Services Sector and is not involved in energy-intensive processes like manufacturing or production, it remains firmly committed to sustainable and responsible operations. Energy usage is continually monitored, with periodic reviews to identify opportunities for conservation and efficiency improvements.

Energy Conservation Initiatives

The Company has proactively implemented several measures to reduce energy consumption, including:

1. Standardized switching protocols to ensure lights are turned off when not in use
2. Scheduled lighting controls during non-operational hours to prevent unnecessary usage
3. Zoned lighting systems with centralized control for better efficiency
4. Temperature zoning to align HVAC use with occupancy and functional needs
5. Optimized temperature settings to conserve energy while maintaining comfort
6. Energy-saving modes activated during low-load or unoccupied periods
7. Upgradation of HVAC systems, with a focus on adopting high-efficiency VRF units



8. Routine system maintenance, such as filter cleaning, coil servicing, and refrigerant checks, to maintain optimal performance

In addition, the Company is actively advancing renewable energy projects and conservation initiatives, such as solar energy integration and energy-efficient air conditioning systems, in collaboration with both internal teams and external partners.

Waste Management and Reporting

There is currently no reportable waste generation across the Company's operations for the following reasons:

1. E-waste: The LED lighting systems installed last year remain under a two-year warranty, and no components have reached end-of-life status.
2. Battery waste: Batteries procured last year are still within a three-year warranty period, with no disposal required thus far.
3. Plastic, paper/cardboard, stationery, and canteen waste: The Company has not generated any measurable waste in these categories.

These efforts underscore the Company's steadfast commitment to sustainability, resource conservation, and environmentally responsible practices across all facets of its operations.

19. TECHNOLOGY ABSORPTION

During the reporting period, significant progress was made in strengthening Kshema's digital ecosystem, particularly in automation, AI-driven services, and user experience enhancement.

Kshema GPT, our proprietary enterprise Large Language Model (LLM), is under active training and has been deployed internally in a controlled environment. It is capable of handling generic queries across business domains and integrates agentic AI to assist customers with transaction-related queries and employees with HR and policy-related questions. The system also includes voice input functionality with multilingual support. Notably, this solution has been accepted for presentation at ACM SigKDD under the enterprise agentic AI category.

Kshema Kiosk introduced self-service touchscreen kiosks to extend customer service touchpoints. These have been effectively used at events like melas and conferences, and are now stationed at the Customer Experience Center in the Begumpet office. The kiosk currently facilitates customer registration, application and claim status checks, and issue submissions.

The Claims Management System, a core component of the Kshema Cognitive Engine, automates the claims process from intimation to payment recommendation. Leveraging a rules-based engine and GIS-based satellite imagery processing, the system assesses claims in alignment with policy terms and directly processes payments to customer bank accounts post-approval.

An Automated Campaign Management platform has also been implemented to streamline telecalling operations by identifying potential leads and routing them to agents upon successful customer contact.

In support of PMFBY operations, multiple technology modules were deployed:

- Crop Health Monitoring (CHM) enables real-time field crop assessments.
- Insured Crop Verification (ICV) supports verification of insured versus actual sown crops.
- The Survey Mobile App captures on-ground loss event data, complementing GIS inputs for claims.
- Newly developed GIS algorithms provide detailed IU-level insights for crop area and loss analysis.

On the security front, the Company successfully cleared ISNP and IRDAI audits with minimal issues and implemented advanced solutions including Zscaler for zero trust architecture and Fortify for static and dynamic application security.

The Kshema Finder application now provides granular data visualization on policies, claims, POSP locations, and leads across multiple geographic levels. This is instrumental for risk monitoring and business insights.

Finally, the integration of Zoho HR and Zoho Desk with other internal systems has optimized attendance tracking, payroll processing, and employee ticketing, thereby enhancing HR operational efficiency.

20. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, your Company has incurred the following foreign exchange transactions:

Foreign exchange used and earned	March 31, 2025 ('in lakhs')	March 31, 2024 ('in lakhs')
Foreign exchange earnings	8.68	0.93
Foreign exchange outgo	6221.48	1831.54

21. RISK MANAGEMENT FRAMEWORK

Risk Management Committee (RMC):

The Risk Management Committee (RMC) of Kshema General Insurance is a cornerstone of our corporate governance, established as per Section 134(3)(n) of the Companies Act, 2013 and IRDAI Corporate Governance Regulations 2024.

Committee Engagement

The RMC met four times during the year, with a clear mandate to oversee and strengthen the Company's risk management framework. The Committee reviews all key risk categories, including financial, operational, insurance, technology, regulatory, and emerging risks, ensuring robust controls and alignment with our business strategy.

Key Responsibilities

- Recommending and reviewing the Risk Management Policy and framework
- Overseeing risk control systems, internal controls, and business continuity
- Providing insights to the Board on emerging and strategic risks
- Ensuring regulatory compliance and monitoring solvency
- Acting as Asset Liability Committee and overseeing the CRO function

The Chief Risk Officer (CRO) and the risk function remain dedicated to fostering a strong risk culture, continuously improving risk controls, and deploying best-in-class technology to safeguard stakeholder interests and reaffirm the commitment to transparency, resilience, and sound governance, positioning Kshema General Insurance for sustainable and responsible growth.

Deepening Risk Practices: Key Focus Areas in FY25

The RMC, supported by the Chief Risk Officer and dedicated risk function, has prioritized the following areas to further enhance the Company's risk resilience:

Top Risks: Continuous monitoring and management of People Risk, Fraud/Anti-selection Risk, Operational Risk, Technology Risk, Regulatory Risk, Credit Risk, Liquidity Risk, Market Risk, and Business Risk.

Risk Control Self-Assessment (RCSA) and Risk Registers: Systematic updates and monitoring to ensure all business units are aligned with the Company's risk appetite.

Fraud and Field Risk Management: Enhanced fraud triggers, robust audit mechanisms, and insured crop verification to mitigate exposure and strengthening the fraud control landscape.

Credit Risk and Solvency: Ongoing review and oversight of credit risk exposures and the Company's solvency position.

Reserving Policy and SOP Oversight: Approving and monitoring implementation of the Reserving Policy, including IBNR calculations and adherence to best practices.

Lessons Learned from PMFBY Applications: Analyzing gaps and implementing improvements in process flow, documentation, and risk controls.

Risk Management Technology: Overseeing the evaluation, selection, and implementation of advanced risk management software to enable best-in-class automation and analytics.

Information and Cybersecurity: Ensuring robust remediation plans, timely closure of penetration testing observations, SOC project rollout, use of advanced security tools, regulatory compliance, and periodic audit reviews. Special focus has been placed on secure coding practices and regular training for developers.

Emerging Risks & Proactive Actions

The RMC takes a forward-looking view, actively monitoring risks such as climate change impacts, rising technology and cybersecurity threats, and evolving regulatory norms. The Company is investing in advanced risk management technology and regular audits to ensure timely identification and mitigation.

Material Risk Statement

Based on thorough review, the Board confirms that no material risk has been identified this year that threatens the Company's financial health or sustainability.

22. EMPLOYEE BENEFIT SCHEMES

The Kshema General Insurance Limited – Employees Stock Option Scheme 2024 was approved by the shareholders in the Annual General meeting of the Company held on September 27, 2024. Pursuant to Rule 12(9) of the Companies (Share Capital and Debentures) Rules for the FY2024-25, the details of the Scheme are:

- Options granted: 250492
- Options vested: Nil
- Options exercised: Nil
- The total number of shares arising as a result of exercise of option: Nil
- Options lapsed: Nil
- The exercise price: NA
- Variation of terms of options: NA
- Money realised by options in force: Nil
- Total number of options in force: Nil
- Employee-wise details of options granted to:



i) Key Managerial Personnel

SI No	Name of KMP	Designation	Options granted
1	Dr Vyasa Krishna B	MD & CEO	49261
2	Piyush Jain	Appointed Actuary	31034
3	Prashant Shenoy	Chief Financial Officer	15764
4	Arinjay Jaini	Chief Investment Officer	18473
5	Kumar Saurav	Chief Risk Officer	17734
Total number of options granted			132266

ii) Any other employee who receives a grant of options in any one year of option amounting to five % or more of options granted during the year: Nil

iii) Identified employees who were granted option, during any one year, equal to or exceeding one % of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant: Nil

23. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"). The CSR Committee has formulated a CSR Policy indicating the activities to be undertaken by the Company. Annual Report on CSR initiatives developed and implemented by the Company as per the format prescribed under the CSR Rules, is appended as "Annexure - D" to this Report. The details of the Composition of CSR Committee are provided in Corporate Governance Report in Annexure A attached to the report. The CSR Policy is hosted on the Company's website at <https://kshema.co/investor-relations/>

24. ENVIRONMENTAL SOCIAL AND GOVERNANCE REPORTING

The Company has voluntarily and proactively adopted Business Responsibility and Sustainability Reporting emphasising its commitment to Environment, Social and Governance reporting and Greenhouse Gas emissions. The Company has obtained independent limited assurance from M/s Bureau Veritas India Private Limited. The Company is also proactively aligning its business practices in accordance with the National Guidelines on Responsible Business Conduct (NGRBC) demonstrating its steadfast commitment to ethical and sustainable business practices. The details of the BRSR independent assurance certification is attached as Annexure – E to this Report.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

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

26. INTERNAL CONTROLS

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. The Company has adopted the following Frameworks in order to ensure that internal controls are adequate and effective.

i. Internal Audit Framework

Internal Audit's objective is to provide independent objective assurance on the effectiveness of internal controls, risk management and corporate governance and to suggest improvements to add value. It helps the Company to accomplish its objectives by evaluating and improving the effectiveness of risk management, internal controls and governance processes, through a systematic and disciplined approach.

Internal Audit acts as an independent entity and reports to the Audit Committee. Internal Auditor has unrestricted access to the Chairperson of the Audit Committee and the Managing Director & CEO of the Company.

Internal Audit carries out audits based on the approved Audit Plan and key audit findings, the recommendations and compliance mechanism are reported to the Audit

Committee on a quarterly basis. Internal Auditor also closely monitors effective implementation of the recommendations. In addition, Internal Audit also reports audit ratings, audit culture assessment and trend of risk through various executive reports to the Audit Committee on a periodic basis. The Chairperson of the Audit Committee briefs the Board on deliberations at the Audit Committee Meeting.

ii. Internal Financial Controls and their Adequacy

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

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

iii. Cyber Security

In an era where digital technologies are deeply integrated into daily life and business operations, cybersecurity has become more critical than ever. Cybersecurity is critical in today's digital age as it protects sensitive information, ensures business continuity, and maintains trust with customers and stakeholders. With increasing cyber threats, robust cybersecurity practices are essential for safeguarding personal, corporate, and governmental data.

The Company has adopted the Board approved Information and Cyber Security Policy. This policy states the intent of the Company to identify responsibilities and establishes the goals for consistent and appropriate protection of the organization's Critical data and Information Assets. Implementing this policy shall reduce risk of accidental or intentional disclosure, modification, destruction, delay, or misuse of Information Assets. This policy enables the Information Security Office to provide direction for implementing, maintaining and improving the security of Critical data and Information Assets. Implementing this policy shall also protect information and information infrastructure in cyberspace, build capabilities to prevent and respond to cyber threats, reduce vulnerabilities and minimize damage from cyber incidents through a combination of institutional structures, people, processes, technology.

By implementing this policy, the organization will be able to consistently establish and maintain controls for all information assets in following manner:

Confidentiality: information should be accessible only to authorized personnel

Integrity: information should be modifiable only by authorized personnel

Availability: information should be made available to personnel who need it

The Cyber Security Audit for FY2024-25 was carried out by M/s RSM Astute Consulting Pvt Ltd in accordance with the IRDAI regulations.

27. PARTICULARS OF EMPLOYEES

Disclosures under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company for the financial year under review.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 provides protection against sexual harassment of women at the workplace and lays down the guidelines and timelines for the prevention and redressal of complaints pertaining to sexual harassment. Accordingly, Company has adopted the policy against Sexual Harassment of Women at Workplace, for the purpose of preventing, prohibiting and redressing sexual harassment of female employees including permanent, temporary, on training and on contract basis at all the workplace within the Company which are based on fundamental principles of justice and fair play.

The Company has in place Internal Complaints Committee which has submitted its report to the management; following are the excerpts of the report.

- Number of sexual harassment complaints received in the year: Nil
- Number of complaints disposed of in the year: Nil
- Number of cases pending for more than 90 days: Nil
- Number of awareness programs or workshops against sexual harassment conducted during the year: 11 (Eleven)
- Nature of the Action taken by the employer or district officer with respect to the cases: NA



29. ESTABLISHMENT OF VIGIL MECHANISM

The Company has in place the Whistle Blower Policy ("the Policy") which is reviewed annually. The Policy provides a mechanism for employees including directors, secondees or stakeholders of the Company to raise any issue concerning breach of any law, statute or regulation, accounting policies and procedures, acts resulting in financial loss or loss of reputation, misuse of office, suspected/ actual fraud and criminal offences without the risk of subsequent victimization, discrimination or disadvantage. The Policy aims to ensure that concerns are appropriately raised, independently investigated and addressed. The Policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. There are no reportable instances for the Financial Year 2024-25 which fall within the ambit of the policy.

30. CAPITAL

Authorised Share Capital

The Authorised share capital of the Company is INR 220 crores divided into 22,00,00,000 equity shares of INR 10 each.

Issued, Subscribed and Paid up Capital

During the financial year under review the Company has allotted 1,00,00,000 equity shares on Right Issue Basis. Detailed as under:

Sl No	Existing (Amount in INR.)	Revised (Amount in INR.)	Date of Increase
1	1,11,28,76,430/-	1,21,28,76,430 /-	March 28, 2025

The issued, subscribed and paid up capital is INR 1,21,28,76,430 /-

31. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the material contracts or arrangement or transactions were at arm's length basis as disclosed in **Form AOC-2 (Annexure B)** as required under the Companies Act, 2013.

32. DETAILS OF SUBSIDIARY OR JOINT VENTURE OR ASSOCIATE COMPANY

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

33. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made there under, the Company has appointed **CS Anil Kumar Tekalkote, Practicing Company Secretaries** to undertake the Secretarial Audit of the Company for the FY ended March 31, 2025. There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in their Report. The Secretarial Audit Report is annexed as **Annexure C** to this Report.

34. AUDITORS' OBSERVATIONS

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

35. AUDITORS

M/s. Varma & Varma, Chartered Accountants, Hyderabad [FRN: 004532S] and M/s. M Anandam & Co., Chartered Accountants, Hyderabad [FRN: 000125S] hold office as Joint Statutory Auditors upto the conclusion of the ensuing Annual General Meeting.

During the year under review M/s Umamaheswara Rao & Company, Chartered Accountants, Hyderabad [Firm Registration No. 004453S] were appointed as Statutory Auditors of the Company for a period of four (4) years commencing from the conclusion of the forthcoming Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2028.

M/s SCV & Co, LLP, Chartered Accountants, New Delhi [FRN: 000235N/N500089] and M/s Umamaheswara Rao & Company, Chartered Accountants, Hyderabad [Firm Registration No. 004453S] were the joint Statutory Auditors of the Company.

M/s Umamaheswara Rao & Company, Chartered Accountants, Hyderabad [Firm Registration No. 004453S] resigned as Joint Statutory Auditors of the Company and tendered their resignation via letter dated December 11, 2024 expressing their inability to continue as auditor due pre-occupation commitments.

The Company in the Extra-Ordinary General Meeting held on January 10, 2025 appointed **M/s. Varma & Varma, Chartered Accountants, Hyderabad [FRN: 004532S]** as the Joint

Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Umamaheswara Rao & Co., Chartered Accountants, to hold office from the date of the ensuing Extra Ordinary General Meeting until the conclusion of the Annual General Meeting to be held in the year 2025.

Later, M/s SCV & Co, LLP, Chartered Accountants, New Delhi [FRN: 000235N/N500089] resigned as Joint Statutory Auditors of the Company via letter dated March 17, 2025 expressing their inability to continue as auditor due to unavoidable circumstances and other professional reasons.

The Company in the Extra-Ordinary General Meeting held on April 04, 2025 appointed M/s. M Anandam & Co., Chartered Accountants [FRN: 000125S], Hyderabad as the Joint Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. SCV & Co LLP, Chartered Accountants [FRN 000235N/N500089] Noida, to hold office from the date of approval of the Board until the conclusion of the 7th Annual General Meeting to be held in the year 2025.

The Audit Committee in their meeting held on June 16, 2025 recommended to the Board and the Board has proposed the re-appointment of M/s. Varma & Varma, Chartered Accountants, Hyderabad [FRN: 004532S] and M/s. M Anandam & Co., Chartered Accountants [FRN: 000125S], as the Joint Statutory Auditors of the Company for a period of three (3) years commencing from the conclusion of the forthcoming Annual General Meeting until the conclusion of the Annual General Meeting to be held in the year 2028. M/s. Varma & Varma, Chartered Accountants, Hyderabad [FRN: 004532S] and M/s. M Anandam & Co., Chartered Accountants [FRN: 000125S] have conveyed their eligibility and consent for the appointment. Your Directors recommend their appointment. A resolution proposing the appointment forms part of the notice of the forthcoming Annual General Meeting.

36. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year under review, the statutory auditors have not reported any instances of fraud by its officers or employees against the Company to the Audit Committee, the details of which would need to be mentioned in the Board's report as required under section 143(12) of the Companies Act, 2013.

37. 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.

38. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR

During the Financial year under review, the Company does not have any proceeding pending against it under the Insolvency and Bankruptcy Code, 2016.

39. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186(4) of the Companies Act, 2013 ("the Act"), require disclosure in the financial statements of the full particulars of the loans given, investments made or guarantees given or security provided including the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security.

The provisions of Section 186 except 186(1) are not applicable to a loan made, guarantee given or security provided by a banking company or an insurance company or a housing finance company in the ordinary course of its business or a company engaged in the business of financing of companies or of providing infrastructural facilities. Hence, the disclosures under Section 186(4) of the Companies Act, 2013 is not applicable to the Company.

40. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

This section is not applicable to the Company.

41. COMPLIANCE WITH SECRETARIAL STANDARDS

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

42. DEMATERIALISATION OF SHARES AND DETAILS OF REGISTRARS AND SHARE TRANSFER AGENTS

The Share Capital of the Company is held under the Depository System and the International Securities Identification Number ("ISIN") allotted to the Company's equity shares is INE0GE001017.



During the financial year under the Company issued and allotted 1,00,00,000 equity shares of INR. 10/- per share amounting to INR. 10,00,00,000/- in dematerialised Mode.

The Registrar and Transfer Agents of the Company are M/s Maashitla Securities Private Limited, 451, Krishna Apra Business Square Netaji Subhash Place, Pitampura New Delhi -110 034.

43. WEBLINK OF THE ANNUAL RETURN

As required under Section 134(3)(a) of the Companies Act, 2013, the Annual Return for the Financial Year ended March 31, 2024 is hosted on the Company's website. The Company will place the Annual Return for FY2024-25 on the website of the Company once the return is filed with the

Registrar of Companies, Telangana. The annual return can be accessed on the website of the Company at www.kshema.co/investor-relations/

44. ACKNOWLEDGEMENTS

The Board of Directors place on record its appreciation to Insurance Regulatory and Development Authority of India for its continued cooperation and support. The Directors would also like to take this opportunity to express their sincere appreciation for the continued support and guidance of Company's Bankers, Auditors, Consultants, Advisors and Shareholders. The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

For and on behalf of Board of Directors
Kshema General Insurance Limited

Sd/-

Mr. Natraj Nukala
Chairman & Director
DIN: 02119316
Date: June 24, 2025

Sd/-

Dr. Vyasa Krishna Burugupalli
Managing Director and CEO
DIN: 03072517
Date: June 24, 2025

Annexure A

Corporate Governance Report

In accordance with the provisions of the Master Circular on Corporate Governance for Insurers, 2024 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 2024-25 is as under:

PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance philosophy of the Company is based on an effective independent Board, the separation of the Board's supervisory role from the executive management and the constitution of the Board Committees to oversee critical areas. The Company's Corporate Governance establishes that the Board's independence is essential to bring objectivity and transparency in the management and in the dealings of the Company. The Board Committees are generally comprising of a majority of Independent/ Non-executive Directors. All the Board Committees are chaired by Non-executive, Independent Directors of the Company.

I. Details of Board and its Committees

Your Board of Directors today comprise an ideal mix of Independent and Non-Independent Directors complying the regulatory requirements of the Companies Act, 2013 and also the Insurance Regulatory and Development Authority of India (IRDAI).

Terms of reference

The Board of Directors (BoD) plays a crucial role in the governance and strategic direction of an organization. Here's an overview of their key roles and responsibilities:

1. Strategic Oversight

- **Setting Vision and Strategy:** The BoD is responsible for establishing the organization's long-term vision and strategic direction. This involves setting goals, approving strategic plans, and ensuring alignment with the organization's mission and values.
- **Reviewing Performance:** Regularly assessing the organization's progress towards its strategic objectives, and making necessary adjustments to the strategy.

2. Governance and Compliance

- **Adherence to Laws and Regulations:** Ensuring that the organization complies with relevant laws, regulations, and industry standards. This includes overseeing adherence to corporate governance practices and ethical standards.
- **Policies and Procedures:** Approving and monitoring policies and procedures to ensure they support the organization's objectives and compliance requirements.

3. Financial Oversight

- **Approval of Budgets and Financial Plans:** Reviewing and approving the organization's annual budget, financial plans, and major expenditures.
- **Financial Reporting:** Ensuring accurate and transparent financial reporting. This includes reviewing financial statements and overseeing the organization's financial health.

4. Risk Management

- **Identifying and Managing Risks:** Overseeing the organization's risk management processes to identify, assess, and mitigate potential risks. This includes financial, operational, and strategic risks.
- **Crisis Management:** Providing guidance and oversight during crises or significant challenges, ensuring the organization is prepared and can respond effectively.

5. Accountability and Transparency

- **Ensuring Accountability:** Holding the executive management team accountable for their performance and the organization's results.
- **Transparency:** Ensuring transparency in operations and decision-making processes, fostering trust among stakeholders.

6. Legal and Ethical Oversight

- **Ensuring Ethical Conduct:** Promoting ethical behavior and ensuring that the organization adheres to high standards of integrity and corporate responsibility.
- **Handling Conflicts of Interest:** Addressing and managing any potential conflicts of interest among board members and executives.

8. Continuous Improvement

- **Board Evaluation:** Regularly evaluating the Board's performance and effectiveness, and implementing improvements as needed.
- **Professional Development:** Ensuring that board members stay informed about industry trends, governance practices, and emerging issues.

9. Stakeholder Relations

- 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;



10. Talent Management

- Overseeing talent management practices to ensure the organization has the necessary skills and capabilities for future success.
- Developing a corporate culture that recognizes and rewards adherence to ethical standards.

As on the date of this report, the **Board of Directors consist of Six (6) Directors**. The composition of the Board as on March 31, 2025 with their qualification, field of specialization/core skills/ expertise/competence are as set out in the below table:

Sl. No.	Name of the Director	Category	Date of appointment	Academic qualifications	Area of Specialization	Directorships as on March 31, 2025	Details of the remuneration paid (excluding sitting fees)
1	Mr. Natraj Nukala	Non-Executive Director	July 05, 2018	Masters in Risk Management from New York University, USA.	Business Development and Risk Management	• Sri Nukala Rama Koteswara Rao Textiles Private Limited • Kshema Capital Private Limited • Kshema Holdings Private Limited	NIL
2	Mr. Rajeshnani Venkata Dasari	Non-Executive Director	June 09, 2022	• MSc (Hons) Mathematics – BITS Pilani • MS Computer Science - Clemson University	Information Technology	NIL	NIL
3	Ms. Deepa Karthykeyan	Independent Director	March 06, 2023	Master's in Economics from the University of Madras and the National University of Singapore.	Governance and Institutional effectiveness, Sustainable Development	• Athena Infonomics India Private Limited • Shanti Narayan Foundation	NIL
4	Mr. Sivarama Prasad Tammana	Independent Director	June 17, 2023	B.Tech (Chemical Engineering) from Andhra University, JALIB	Finance, Investor Relations	• Delhi Airport Parking Services Private Limited • Vaasavi IVF Micro Finance Private Limited • Tim Delhi Airport Advertising Private Limited	NIL
5	Dr. Vyasa Krishna Burugupalli	Managing Director and CEO	November 03, 2022	• Doctor of Philosophy (PhD - Management) • Master of Insurance Business (M.I.B) • Fellow • (ANZIIF) and CIP	Insurance, Micro Insurance, Reinsurance, Human Resource Management	NIL	INR 1.50 Cr
6	Mr. Ravi Sharma	Independent Director	March 28, 2025	• Environmental Management - Indian Institute Of Public Administration, Hyderabad, India • Master of Arts in Economics - University of Agra, India • Bachelor of Science - St. John's College, India	Expertise in strategizing, implementing, monitoring, evaluating, and championing local and global biodiversity, forestry and climate change projects and programs for the United Nations, World Bank, and Indian and international policy.	NIL	NIL

Meetings of the Board

During the financial year ended March 31, 2025, Eight (08) meetings of the Board of Directors were held. The attendance of directors in the said meetings are provided below:

Sl. No	Name of Director	Nature of Directorship	Date of Meeting(s) and Attendance							
			May 03, 2024	July 17, 2024	Sep 05, 2024	Sep 19, 2024	Nov 08, 2024	Jan 08, 2025	Feb 07, 2025	March 28, 2025
1	Mr. Natraj Nukala	Chairman, Non-executive, Director	Present through VC	Present in person	Present in person	Present in person	Present through VC	Present in person	Present through VC	Leave of Absence
2	Mr. Sivarama Prasad Tammana	Independent Director	Present in person	Present in person	Present in person	Present in person	Present in person	Present through VC	Present through VC	Present through VC
3	Ms. Deepa Karthykeyan	Independent Director	Present through VC	Present in person	Present through VC	Present through VC	Present through VC	Present through VC	Present through VC	Present through VC
4	Mr. Rajeshnani Venkata Dasari	Non-Executive Director	Present through VC	Present in person	Present through VC	Present through VC	Present through VC	Present through VC	Present through VC	Present through VC
5	Dr. Vyasa Krishna Burugupalli	Managing Director & Chief Executive Officer	Present in person	Present in person	Present in person	Present in person	Present in person	Present through VC	Present through VC	Present through VC
6	Mr. Ravi Sharma	Independent Director	NA	NA	NA	NA	NA	NA	NA	Present through VC

II. Board Committees

The Company has constituted various Committees in compliance with the requirements of the Companies Act 2013 and IRDAI Master Circular on Corporate Governance for Insurers, 2024.

Apart from this, Independent Directors of the Company also conducted a separate meeting in a year as per the provisions of Companies Act, 2013.

The details of the mandatory Committees constituted by the Company are as detailed below:

(1) 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.

Terms of reference

- Review Financial Statements and examine the organization's financial statements and disclosures to ensure they are accurate, complete, and in accordance with accounting standards and regulations.
- Assess Internal Controls and Evaluate the effectiveness of internal controls over financial reporting to ensure they provide reasonable assurance of the accuracy and reliability of financial statements.

- Recommend the appointment, reappointment, or dismissal of the external auditor, and ensure their independence and objectivity.
- Assess and approve the external auditor's audit plan, including the scope and approach of the audit.
- Evaluate the performance of the external auditor and address any issues or concerns related to the audit process.
- Review and assess the organization's risk management processes to identify, manage, and mitigate financial and operational risks.
- Ensure that appropriate risk management policies and procedures are in place and are being followed effectively.
- Ensure that there are procedures in place for employees and stakeholders to report concerns about financial misconduct or unethical behavior.
- Review and address whistleblower reports and ensure that appropriate actions are taken to investigate and resolve any issues.

The Audit Committee comprises of the following members as on March 31, 2025:

- Mr. Sivarama Prasad Tammana, Independent Director – Chairperson
- Mr. Rajeshnani Venkata Dasari, Independent Director – upto Sept 29, 2024



- (c) Mr. Natraj Nukala, Non- Executive Director – upto March 28, 2025
- (d) Ms. Deepa Karthykeyan – Independent Director - from Oct 27, 2024
- (e) Mr. Ravi Sharma - Independent Director – from March 28, 2025

The details of the Committee meetings for the FY2024-25 is as follows:

Sl. No	Name of Member	Nature of Membership	Date of Meeting(s) and Attendance							
			April 26 2024	July 16, 2024	August 13, 2024	Sep 05, 2024	Nov 07, 2024	Jan 07, 2025	Feb 06, 2025	March 27, 2025
1	Mr. Sivarama Prasad Tammana	Chairperson, Independent Director	Present in person	Present in person	Present through VC	Present in person	Present in person	Present through VC	Present through VC	Present through VC
2	Mr. Natraj Nukala	Non-Executive Director	Present in person	Present in person	Present in person	Present in person	Present through VC	Present through VC	Present through VC	Leave of Absence
3	Mr. Rajeshnani Venkata Dasari	Non-Executive Director	Present through VC	Present through VC	Present in person	Present through VC	NA	NA	NA	NA
4	Ms. Deepa Karthykeyan	Independent Director	NA	NA	NA	NA	Present through VC	Present through VC	Present through VC	Present through VC
5	Mr. Ravi Sharma	Independent Director	NA	NA	NA	NA	NA	NA	NA	NA

Note: Mr. Rajeshnani Venkata Dasari, Non-Executive Director ceased to be a member and Ms. Deepa Karthykeyan, Independent Director was inducted as a Member of the Committee effective from October 27, 2024. Mr Natraj Nukala, Director ceased to be a member and Mr Ravi Sharma, Independent Director was inducted as a member of the Committee effective from March 28, 2025.

(2) 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, IRDAI Master Circular on Corporate Governance for Insurer, 2024 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.

Terms of reference

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- To consider and approve employee stock option schemes and to administer and supervise the same.
- To identify persons who are qualified to become directors and who may be appointed in senior

management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and formulate a criteria for evaluation of every director's performance.

- To consider whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To approve the compensation programme and to ensure that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- To ensure that the proposed appointments re-appointments of key managerial personnel or directors are in conformity with the Board approved policy.
- To carry out any other function, if any, as prescribed in the terms of reference of the Board Nomination and Remuneration Committee and any other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, 2013, as amended, or by any other regulatory authority.

The Nomination and Remuneration Committee comprises of the following members as on March 31, 2025:

- a) Ms. Deepa Karthykeyan – Independent Director – Chairperson
- b) Mr. Sivarama Prasad Tammana – Independent Director
- c) Mr. Natraj Nukala - Non-Executive Director

The details of the Nomination and Remuneration Committee meetings for the FY2024-25 is as follows:

Sl. No	Name of Member	Designation	Date of Meeting(s) and Attendance				
			April 26, 2024	July 16, 2024	September 02, 2024	January 07, 2025	March 27, 2025
1	Ms. Deepa Karthykeyan	Chairperson - Independent Director	Present through VC	Present through VC	Present through VC	Present through VC	Present through VC
2	Mr. Sivarama Prasad Tammana	Independent Director	Present through VC	Present in person	Present through VC	Present through VC	Present through VC
3	Mr. Natraj Nukala	Non-Executive Director	Present in person	Present in person	Present through VC	Present through VC	Leave of Absence

(3) 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 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.

Terms of reference

- Overseeing the implementation of the investment policy approved by the Board from time to time.
- Reviewing the investment policy.
- Periodically update to the Board with regard to investment activities of the Company.
- Reviewing the investment strategies adopted from time to time and giving suitable directions as needed in the best interest of the Company.
- Reviewing the broker policy and making suitable amendments from time to time.
- Supervising the asset allocation strategy to ensure financial liquidity, security and diversification through liquidity contingency plan and asset liability management policy.

- Overseeing the assessment, measurement and accounting for other than temporary impairment in investments in accordance with the policy adopted by the Company.

The Investment Committee comprises of the following members as on March 31, 2025:

- a) Dr. Vyasa Krishna Burugupalli - Managing Director & Chief Executive Officer
- b) Mr. Sivarama Prasad Tammana – Independent Director - upto March 28, 2025
- c) Mr. Rajeshnani Venkata Dasari – Non-Executive Director – since March 28, 2025
- d) Ms. Deepa Karthykeyan – Independent Director – Since March 28, 2025
- e) Mr. Ravi Sharma – Independent Director – Since March 28, 2025
- f) Mr. Prashant Shenoy - Chief Financial Officer
- g) Mr. Arinjay Jaini - Chief Investment Officer
- h) Mr. Piyush Jain - Appointed Actuary
- i) Mr. Kumar Saurav - Chief Risk Officer

Note: Mr. Sivarama Prasad Tammana – Independent Director ceased to be a member and Mr. Rajeshnani Venkata Dasari, Non-Executive Director, Ms. Deepa Karthykeyan – Independent Director and Mr. Ravi Sharma, Independent Director of the Company were inducted as members of the Investment Committee effective from March 28, 2025.



The details of the Committee meetings for the FY2024-25 are as follows:

Sl. No	Name of Member	Designation	Date of Meeting(s) and Attendance			
			April 29, 2024	July 09, 2024	October 18, 2024	January 24, 2025
1	Dr. Vyasa Krishna Burugupalli	Managing Director & Chief Executive Officer	Present in person	Present in person	Present in person	Present in person
2	Mr. Sivarama Prasad Tammana	Independent Director	Present in person	Present in person	Present in person	Present in person
3	Mr. Prashant Shenoy	Chief Financial Officer	Present in person	Present in person	Leave of Absence	Present in person
4	Mr. Arinjay Jaini	Chief Investment Officer	Present in person	Present in person	Present in person	Present in person
5	Mr. Piyush Jain	Appointed Actuary	Present in person	Present in person	Present in person	Present in person
6	Mr. Kumar Saurav	Chief Risk Officer	Present in person	Present in person	Present in person	Present in person

(4) Risk Management Committee

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

Terms of reference

- Assisting the Board in effective operation of the risk management programme by performing specialised analysis and quality reviews.
- Reporting to the Board details on the risk exposures and the actions taken to manage the exposures.
- Advising to the Board with regard to risk management decisions in relation to strategic and operational matters.
- To review the solvency position of the Company on a regular basis.
- To monitor and review regular updates on business continuity.
- To review and recommend appropriate policy including establishment of effective Risk Management framework, risk management policy and processes, to the Board as may be prescribed by IRDAI from time to time.
- To review the Company's risk management and operational risk related policies/ frameworks including fraud monitoring policy & framework and anti-fraud policy & framework and monitoring implementation of anti-fraud policy for effective deterrence, prevention, detection and mitigation of frauds.
- To carry out any other function, if any, as prescribed in the terms of reference of the Risk Management

Committee and any other terms of reference as may be decided by the Board and/or specified/provided by any other regulatory authority as may be applicable.

The Risk Management Committee comprises of the following members as on March 31, 2025:

- Dr. Vyasa Krishna Burugupalli – Managing Director & Chief Executive Officer
- Mr. Natraj Nukala - Non-Executive Director – upto March 28, 2025
- Mr. Rajeshnani Venkata Dasari – Non-Executive Director – since October 27, 2024
- Ms. Deepa Karthykeyan – Independent Director – Since October 27, 2024
- Mr. Sivarama Prasad Tammana – Independent Director – since March 28, 2025
- Mr. Ravi Sharma – Independent Director – since March 28, 2025
- Mr. Kumar Saurav - Chief Risk Officer
- Mr. Prashant Shenoy - Chief Financial Officer
- Mr. Piyush Jain – Appointed Actuary

Note:

- Mr. Rajeshnani Venkata Dasari, Non-Executive Director and Ms. Deepa Karthykeyan – Independent Director were inducted as members of the Committee effective from October 27, 2024.
- Mr. Natraj Nukala, Non-Executive Director ceased to be a member and Mr. Sivarama Prasad Tammana, Independent Director and Mr. Ravi Sharma, Independent Director of the Company were inducted as members of the Committee effective from March 28, 2025.

The details of the Risk Management Committee meetings for the FY 2024-25 are as follows:

Sl. No	Name of Member	Designation	Date of Meeting(s) and Attendance			
			April 04, 2024	July 09, 2024	October 28, 2024	January 24, 2025
1	Dr. Vyasa Krishna Burugupalli	Managing Director & Chief Executive Officer	Present in person	Present in person	Present in person	Present in person
2	Mr. Natraj Nukala	Non-Executive Director	Leave of Absence	Present in person	Present in person	Present in person
3	Ms. Deepa Karthykeyan	Independent Director	NA	NA	Present through VC	Present through VC
4	Mr. Rajeshnani Venakta Dasari	Non-Executive Director	NA	NA	Present in person	Leave of Absence
5	Mr. Kumar Saurav	Chief Risk Officer	Present in person	Present in person	Present in person	Present in person
6	Mr. Prashant Shenoy	Chief Financial Officer	Present in person	Present in person	Present in person	Present in person
7	Mr. Piyush Jain	Appointed Actuary	Present in person	Present in person	Present in person	Present in person

(5) Policyholders Protection, Grievance Redressal and Claims monitoring Committee (PPGR & CM Committee) (earlier known as Policyholders' Protection of Interests Committee):

The key functions of the Policyholders Protection, Grievance Redressal and Claims Monitoring Committee (PPGR&CM Committee) 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 PPGR&CM Committee shall put up such policies for approval of the Board and ensure proper implementation of the same.

Terms of reference

- Putting in place proper procedures and effective mechanism to address complaints and grievances of policyholders including mis-selling by intermediaries.
- Ensuring compliance with the statutory requirements as laid down in the regulatory framework.
- Reviewing the mechanism at periodic intervals.
- Reviewing the status of complaints at periodic intervals.
- Details of grievance at periodic intervals in such formats as may be prescribed by the authority.
- Providing details of insurance ombudsman to the policyholders.
- Monitoring of payments of dues to the policyholders and disclosure of unclaimed amount thereof.
- To review claim report including status of outstanding claims with ageing of outstanding claims.
- To review repudiated claims with analysis of reasons.

The Policyholders Protection, Grievance Redressal and Claims Monitoring Committee comprises of the following members as on March 31, 2025:

- Mr. Natraj Nukala – Non-Executive Director – Upto March 28, 2025
- Dr. Vyasa Krishna Burugupalli – Managing Director & Chief Executive Officer
- Mr. Sivarama Prasad Tammana – Independent Director – Since October 27, 2024
- Mr. Rajeshnani Venkata Dasari – Non-Executive Director – Since March 28, 2025
- Mr. Ravi Sharma – Independent Director – Since March 28, 2025
- Mr. D Surya Sumanth – Head of Government Business – Since July 17, 2024
- Mr. Jagadeesh Bodapati – GM Customer – Since March 28, 2025
- Mr. Prashant Shenoy – Chief Financial Officer
- Ms. Prabha Vadlamannati – Chief Compliance Officer

Note:

- Mr. D Surya Sumanth, Head Government Business and Mr. Gangisetty Veerabhadra were inducted as members since July 17, 2024. Mr. Sivarama Prasad Tammana, Independent Director and Mr. Bajarang Singh, General Manager Customer Support were inducted as members of the Committee and change in customer representative effective from October 27, 2024.



2. Mr. Natraj Nukala, Non-Executive Director and Mr. Bajarang Singh, General Manager Customer Support ceased to be a member and Mr. Rajeshnani Venkata Dasari – Non-Executive Director, Mr. Ravi Sharma – Independent Director of the Company and Mr. Jagadeesh Bodapati, GM Customer Engagement were inducted as members of the Committee effective from March 28, 2025.

The details of the PPGR&CM Committee meetings for the FY 2024-25 are as follows:

Sl. No	Name of Member	Designation	Date of Meeting(s) and Attendance			
			April 26, 2024	July 12, 2024	October 28, 2024	January 23, 2025
1	Mr. T Sivarama Prasad	Independent Director	NA	NA	Present in person	Present in person
2	Mr. Natraj Nukala	Non-Executive Director	Present in person	Present in person	Present in person	Present in person
3	Dr. Vyasa Krishna Burugupalli	Managing Director & Chief Executive Officer	Present in person	Present in person	Present in person	Present in person
4	Mr. Sarat Gangisetty	Customer Service Representative	Present in person	NA	NA	NA
5	Mr. Veerabhadra Gangisetty	Customer Service Representative	NA	Present in person	Present in person	Present in person
6	Mr. D Surya Sumanth	Head – Govt Business	NA	Present in person	Present in person	Present in person
7	Mr. Prashant Shenoy	Chief Financial Officer	Present in person	Present in person	NA	NA
8	Ms. Prabha Vadlamannati	Chief Compliance Officer	Present in person	Present in person	Present in person	Present in person
7	Mr. Bajarang Singh	General Manager Customer Support	NA	Present in person	Present in person	Present in person

(6) Corporate Social Responsibility Committee (CSR):

The CSR Committee has been constituted in accordance with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The Committee is responsible for formulating, monitoring, and recommending CSR initiatives that align with the Company's values and statutory obligations.

Terms of reference

- Formulate and recommend the Company's CSR Policy in line with Schedule VII of the Companies Act, 2013.
- Suggest CSR activities and associated budget to the Board for approval
- Ensure prioritization of CSR activities in local operational areas
- Monitor execution of CSR projects, including timelines, fund utilization, and impact
- Establish transparent reporting and evaluation mechanisms

- Ensure statutory compliance and disclosures in the Board's Report and on the Company website
- Review and approve the Annual Report on CSR activities
- Oversee treatment of any unspent CSR funds as per legal provisions
- Conduct periodic meetings to assess CSR progress
- Invite external experts or advisors for specialized inputs as needed
- Maintain minutes of meetings and report to the Board
- Periodically review the Committee's performance and its Terms of Reference

The CSR Committee comprises of the following members as on March 31, 2025:

- a) Ms. Deepa Karthykeyan – Independent Director
- b) Dr. Vyasa Krishna Burugupalli – Managing Director & Chief Executive Officer
- c) Mr. Natraj Nukala - Non-Executive Director

The details of the CSR Committee meeting for the FY 2024-25 are as follows:

Sl No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Deepa Karthykeyan	Director – Independent	One	One
2	Vyasa Krishna Burugupalli	Managing Director & CEO	One	One
3	Natraj Nukala	Director – Non-Executive	One	Nil

Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel (“KMP”) of the Company as on March 31, 2025, are as under:

1. Dr Vyasa Krishna Burugupalli - Managing Director & CEO
2. Mr Prashant Shenoy - Chief Financial Officer
3. Ms Prabha Vadlamannati, Company Secretary and Chief Compliance Officer

In accordance with the IRDAI Corporate Governance Guidelines 2016 and IRDAI Corporate Governance Regulations 2024, the Company has the following Key Management Persons in addition to aforesaid KMPs:

1. Mr Piyush Jain – Appointed Actuary
2. Mr Arinjay Jaini – Chief Investment Officer
3. Mr Kumar Saurav – Chief Risk Officer

Pursuant to Regulation 5(7)(c) of the IRDAI Corporate Governance for Insurers Regulations 2024, and Clause 2.5 (a) of the Master Circular on Corporate Governance for Insurers, 2025, the Board shall ensure that Key Management Persons shall not simultaneously hold more than one position in the insurer that could lead to a conflict of interest or potential conflict of interests such as ‘business and control function’ or ‘two control functions’. the insurer shall ensure independence of control functions including compliance, risk, audit, actuarial and secretarial functions. Clause 2.5(e) of the said Master Circular states that where a Key Management Person is holding more than one position in the insurer that could lead to a conflict of interest or potential conflict of interests such as ‘business and control function’ or ‘two control functions’ the compliance of the independence shall be ensured before April 01, 2025

In light of the above requirement, the functions of Company Secretary and Chief Compliance Officer have been segregated.

Ms Prabha Vadlamannati continues in the position of Company Secretary and Mr Badarish Chimalgi has been appointed as Chief Compliance Officer effective from April 2025.

III. Code Of Conduct

The Company is committed to conduct its business with highest standards of compliance and ethical conduct. The Company has in place Code of Conduct (“the Code”) to summarize the standards of business conduct that must guide the actions of the employees including all Directors of

the Company at all times. The Code aims that all employees of the Company observe highest standard of integrity, honesty, fairness, discipline, decorum and ethical conduct while working for the Company as well as while representing the Company. The Code also lays down strict guidelines that restrain employees from offering, accepting or authorising any form of bribes or corruption in any business interaction. The Company has a zero-tolerance approach to bribery and corruption. All the employees of the Company are required to familiarise themselves and abide by the Policy.

IV. Whistle Blower Policy

The Company has in place the Whistle Blower Policy (“the Policy”) which is reviewed annually. The Policy provides a mechanism for employees including directors, secondees or stakeholders of the Company to raise any issue concerning breach of any law, statute or regulation, accounting policies and procedures, acts resulting in financial loss or loss of reputation, misuse of office, suspected/actual fraud and criminal offences without the risk of subsequent victimization, discrimination or disadvantage. The Policy aims to ensure that concerns are appropriately raised, independently investigated and addressed. The Policy provides for a mechanism to report such concerns to the Audit Committee through specified channels. There are no reportable instances for the Financial Year 2024-25 which fall within the ambit of the policy.

V. Anti-Money Laundering/Counter Financing of Terrorism Policy and Framework

The Company has in place the Anti-Money Laundering/Counter Financing of Terrorism Policy and Framework (“AML/CFT Policy”) in accordance with AML guidelines issued by the Insurance Regulatory and Development Authority of India (“IRDAI”) and other statutory or regulatory authorities. The AML/CFT Policy lays down guidelines for compliance with KYC requirements and to prohibit the use of the Company’s assets, products and services for money laundering or terror financing purposes. All the employees must adhere to the guidelines defined in the AML/CFT Policy.

**For and on behalf of Board of Directors
Kshema General Insurance Limited**

Sd/-

Mr. Natraj Nukala
Chairman & Director
DIN: 02119316
Date: June 24, 2025

Sd/-

Dr. Vyasa Krishna Burugupalli
Managing Director and CEO
DIN: 03072517
Date: June 24, 2025



Annexure B

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:

There are no contracts or arrangements or transactions which were not on arms' length basis.

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

2.1 Service Agreements

S. No	Description	Details of the Contracts
i	Name(s) of the related party and nature of relationships	Kshema Capital Private Limited
ii	Nature of contracts/arrangements/transactions	Service Agreement
iii	Duration of the contracts / arrangements/transactions	3 years – commencing from January 01, 2023 to December 31, 2025
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Providing advisory services
v	Material terms of the contract including the value, if any	INR. 20,24,88,000/- pa. (inclusive of GST)
vi	Date(s) of approval by the Board, if any	July 07, 2023
vii	Amount paid as advances, if any	NIL

2.2 Licence Agreement

S. No	Description	Details of the Contracts
i	Name(s) of the related party and nature of relationships	Kshema Capital Private Limited
ii	Nature of contracts/arrangements/transactions	License Agreement
iii	Duration of the contracts / arrangements/transactions	3 years – commencing from April 01, 2023 to March 31, 2026
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Kshema Capital owns the licensed mark “Kshema” and has agreed to grant of licence to Kshema General for use of the Licensed mark in its business operations.
v	Material terms of the contract including the value, if any	INR. 2,83,20,000/- pa. (inclusive of GST)
vi	Date(s) of approval by the Board, if any	July 07, 2023 and amended on March 18, 2024
vii	Amount paid as advances, if any	NIL

2.3 Broker Service Agreements

S. No	Description	Details of the Contracts
i	Name(s) of the related party and nature of relationships	ITUS Insurance Brokers Private Limited
ii	Nature of contracts/arrangements/transactions	Broker Service Agreement
iii	Duration of the contracts / arrangements/transactions	As per Agreement
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	Insurance Broking Services
v	Material terms of the contract including the value, if any	INR. 5,14,902/- pa (inclusive of GST)
vi	Date(s) of approval by the Board, if any	July 07, 2023
vii	Amount paid as advances, if any	NIL

2.4 Purchase of technical know-how

S. No	Description	Details of the Contracts
i	Name(s) of the related party and nature of relationships	Kshema Capital Private Limited
ii	Nature of contracts/arrangements/transactions	Purchase of Technical Know-how Agreement
iii	Duration of the contracts / arrangements/transactions	One Time Transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	As per agreement
v	Material terms of the contract including the value, if any	INR. 17,70,00,000/- pa (inclusive of GST)
vi	Date(s) of approval by the Board/Audit Committee, if any	March 18, 2024
vii	Amount paid as advances, if any	NIL

2.5 Purchase of Software (BASS)

S. No	Description	Details of the Contracts
i	Name(s) of the related party and nature of relationships	ITUS Insurance Brokers Private Limited
ii	Nature of contracts/arrangements/transactions	Software Purchase Agreement
iii	Duration of the contracts / arrangements/transactions	One Time Transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	As per agreement
v	Material terms of the contract including the value, if any	INR. 3,95,00,000/- pa (inclusive of GST)
vi	Date(s) of approval by the Board/Audit Committee, if any	June 22, 2024
vii	Amount paid as advances, if any	NIL

2.6 Consultancy Services

S. No	Description	Details of the Contracts
i	Name(s) of the related party and nature of relationships	Rajeshnani Venkata Dasari
ii	Nature of contracts/arrangements/transactions	Consultancy Services
iii	Duration of the contracts / arrangements/transactions	One Time Transaction
iv	Salient terms of the contracts or arrangements or transactions including the value, if any	As per agreement
v	Material terms of the contract including the value, if any	INR. 1,29,79,573 /- (excluding GST)
vi	Date(s) of approval by the Board/Audit Committee, if any	June 17, 2025
vii	Amount paid as advances, if any	NIL

For and on behalf of Board of Directors
Kshema General Insurance Limited

Sd/-

Mr. Natraj Nukala
Chairman & Director
DIN: 02119316
Date: June 24, 2025

Sd/-

Dr. Vyasa Krishna Burugupalli
Managing Director and CEO
DIN: 03072517
Date: June 24, 2025

**Annexure C**

Secretarial Audit Report

To

SECRETARIAL AUDIT REPORT

The Members,

KSHEMA GENERAL INSURANCE LIMITED, ("Company")

Reg Off: No 413, 4th Floor, My Home Tycoon Building Kundan Bagh,

Begumpet, Hyderabad, Telangana - 500016, India.

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company.

My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is responsibility of Management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

CS Anil Kumar Tekalkote

Company Secretary in Practice

Membership No: FCS 7743

C. P. No: 17865

Peer Reviewer's Code No: 5583/2024

UDIN: F007743G000643884

Date: June 23, 2025

Place: Hyderabad

Form No. MR-3

Secretarial Audit Report

For the Financial Year Ended March 31, 2025

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

To

The Members,
KSHEMA GENERAL INSURANCE LIMITED, ("Company")
Reg Off: No 413, 4th Floor, My Home Tycoon Building,
Kundan Bagh, Begumpet, Hyderabad, Telangana 500016, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "**KSHEMA GENERAL INSURANCE LIMITED**" (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by company for the financial year ended on March 31, 2025 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,
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iii) 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
- (iv) The industry Specific Acts, Labour Law and other applicable laws as provided by the management of the company:

I have also examined compliance of Secretarial Standards issued by The Institute of Company Secretaries of India effective from July 01, 2015, as amended.

I further report that

The following list of Acts, Laws and Regulations are specifically applicable to the Company:

- Insurance Act, 1938 and Insurance Rules, 1939
- Insurance Regulatory and Development Authority Act, 1999 and Rules and Regulation, Circular and Notification issued thereunder

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

I further report that

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

Adequate notice is given to all directors to schedule the Board 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. Further, the meetings held at shorter notice were in compliance with SS-1 Secretarial Standard on Meetings of the Board of Directors.

All decisions at Board Meetings and Committee Meetings are carried out unanimously and recorded in the minutes of the respective Board of Directors or Committee meetings.

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

Sd/-

CS Anil Kumar Tekalkote

Company Secretary in Practice

Membership No: FCS 7743

C. P. No: 17865

Peer Reviewer's Code No: 5583/2024

UDIN: F007743G000643884

Date: June 23, 2025

Place: Hyderabad



Annexure D

Corporate Social Responsibility Report

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Purpose and Philosophy: The policy reflects the company's intent to operate responsibly and contribute to sustainable development, aligning with its core values and stakeholder expectations.

Regulatory Framework: It adheres to Section 135 of the Companies Act, 2013, and related rules, ensuring compliance with legal CSR obligations in India.

Focus Areas:

- Health and nutrition
- Water conservation and sanitation
- Education and skill development
- Environmental sustainability
- Rural development and livelihood enhancement
- Disaster relief and community welfare

Implementation Strategy: CSR initiatives are executed through partnerships with NGOs, government bodies, or directly by the company, with a clear governance and monitoring framework.

Monitoring and Reporting: Regular evaluation of CSR projects is conducted, and outcomes are reported in the company's annual CSR report.

2. COMPOSITION OF CSR COMMITTEE:

Sl No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Deepa Karthykeyan	Director – Independent	One	One
2	Vyasa Krishna Burugupalli	Managing Director & CEO	One	One
3	Natraj Nukala	Director – Non-Executive	One	Nil

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company. <https://kshema.co/investor-relations/>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **Not Applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – NIL

Sl No	Financial Year	Amount available for set-off from preceding financial years (in INR)	Amount required to be set-off for the financial year, if any (in INR)

6. Average net profit of the company as per section 135(5) – INR 17,77,94,156/-
7. (a) Two % of average net profit of the company as per section 135(5) - - INR 35,55,883/-
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – NIL
- (c) Amount required to be set off for the financial year, if any – NIL
- (d) Total CSR obligation for the financial year (7a+7b-7c) - INR 35,55,883/-
8. (a) CSR amount spent or unspent for the financial year: - NIL

Total Amount Spent for the Financial Year. (in INR.)	Amount Unspent (in INR.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.(in INR)	Date of transfer.
35,34,400	--	--	Prime Minister's National Relief Fund	21,483/-	23-06-2025

- (b) Details of CSR amount spent against ongoing projects for the financial year: Nil
- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Sl. No.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in INR.).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Vegesna Foundation	Classroom Equipment for Intellectually Disabled & Autism School	Yes	Telangana. Ranga Reddy District		INR 5,10,400	Yes	Vegesna Foundation	CSR00046871
2.	Vamsee Cultural & Educational Trust	Building renovation works like washrooms, electrical repairs, roof leakages and painting works etc	Yes	Telangana. Ranga Reddy District		INR 20,50,000 Yes	Yes	Vamsee Cultural & Educational Trust	CSR00047040
3.	Vamsee Cultural & Educational Trust	Total Solar 15kw ON Grid System	Yes	Telangana. Ranga Reddy District		INR 9,74,000	Yes	Vamsee Cultural & Educational Trust	CSR00047040
Total									

- (d) Amount spent in Administrative Overheads - NIL.
- (e) Amount spent on Impact Assessment, if applicable – Not Applicable
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) – INR 35,34,400/-



- (g) Excess amount for set off, if any – NIL

Sl. No.	Particular	Amount (in INR.)
(i)	Two % of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in INR.)	Amount spent in the reporting Financial Year (in INR.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.	Amount remaining to be spent in succeeding financial years. (in INR.)
				Name of the Fund	Amount (in INR). Date of transfer.
1.					
2.					
3.					
	Total				

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in INR.).	Amount spent on the project in the reporting Financial Year (in INR.).	Cumulative amount spent at the end of reporting Financial Year. (in INR.)	Status of the project - Completed /Ongoing.
1								
2								
3								
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – **Not Applicable (asset-wise details).**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Being the first year of implementation, there were challenges in spending the CSR amount of INR 21,483/- which has been transferred to Prime Minister's National Relief Fund on June 23, 2025

Sd/- (Chief Executive Officer or Managing Director or Director).	Sd/- (Chairperson CSR Committee).	[Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).

Annexure E

Independent Assurance Statement

To

The Management of Kshema General Insurance Limited

INTRODUCTION AND OBJECTIVES OF WORK

The Management of Kshema General Insurance Limited (hereafter stated as “Kshema” or the “Company”) have engaged us to undertake an Independent Assurance of the company’s Sustainability report for the financial year ended 31st March 2025 (i.e., Kshema General Insurance Sustainability Report (FY 2024-25) and provide Limited Assurance Statement on the aforesaid report. Kshema has prepared the Sustainability Report with reference to Business Responsibility & Sustainability Report (BRSR) with stated parameters for the reporting period (FY 2024-25), based on which this overall assessment has been carried out. This Assurance Statement applies to the related information included within the scope of work described below.

INTENDED USER

The intended user of this assurance statement is Kshema. We disclaim any liability or responsibility to a third party for decisions, whether investment or otherwise, based on this Assurance Statement. Bureau Veritas planned and performed the work to obtain the evidence, considered necessary to provide a basis for our assurance opinion. The assurance engagement considers an uncertainty of $\pm 5\%$ based on materiality threshold for estimation / measurement errors and omissions. We did not engage with any external stakeholders as part of this assurance engagement.

SCOPE OF WORK

We have performed the Limited Assurance for Sustainability report verification engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) methodology and in line with the requirements of Bureau Veritas’s standard procedures and guidelines for External Assurance of Sustainability Reports, based on current best practice in independent assurance for the reporting period 1st April 2024 to 31st March 2025.

The reporting boundaries considered for this reporting period are as follows.

Office Name/ Location	Office Address
Registered Office	413, 4 th Floor, My Home Tycoon, Kundanbagh, Begumpet, Hyderabad – 500016, Telangana, India.
Corporate Office	10 th Floor, Orwell, Block-1, Salarpuria Sattva Knowledge City, Raidurgam, Hyderabad – 500081, Telangana, India.

As part of its Independent Assurance, we assessed the appropriateness and robustness of the underlying reporting systems and processes, used to collect, analyse and review

the information reported. In this process, we undertook the following activities:

The assessment was conducted through physical site visits at the Registered Office located at 413, 4th Floor, My Home Tycoon, Kundanbagh, Begumpet, Hyderabad – 500016, Telangana, India and the virtual assessment of Corporate Office located at 10th Floor, Orwell, Block-1, Salarpuria Sattva Knowledge City, Raidurgam, Hyderabad – 500081, Telangana, India.

Bureau Veritas interviewed personnel of Company including HR & Admin, SCM, Finance & Accounts, Legal & Compliance, Information Technology and other relevant departments and review of Company’s data & information systems for collection, aggregation, analysis and review.

Data on various BRSR disclosures were assessed for the locations that were visited. Later, it was confirmed that the same assessed data went into preparation of the final data within the Sustainability Report 2024-25.

MANAGEMENT RESPONSIBILITY

The Selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information in the Sustainability report are the sole responsibility of the Company and its management. We are not involved in drafting or preparation of Sustainability Report. Our sole responsibility is to provide Independent Assurance on the Sustainability report for the financial year ended 31st March 2025.

OUR FINDINGS

On the basis of our methodology and the activities described above,

- Nothing has come to our attention to indicate that the BRSR disclosures are inaccurate or that the information included therein is not fairly stated.
- It is our opinion that Company has established appropriate systems for the collection, aggregation, and analysis of data on Sustainability/Non-Financial performance disclosures with reference to BRSR.
- The Business Responsibility & Sustainability Report provides a fair representation of the Company’s activities as included therein.
- The information is presented in a clear, understandable, and accessible manner, and allows readers to form a balanced opinion over the Company and status during the reporting period.



LIMITATIONS AND EXCLUSIONS

Excluded from the scope of our work is any assurance of information relating to:

- Activities outside the defined assurance period.
- Positional statements (expressions of opinion, belief, aim or future intention by the Company and statements of future commitment).
- Competitive claims in the report claiming, “first company in India”, “first time in India”, “first of its kind”, etc.

Our assurance does not extend to the activities and operations of the Company outside of the scope and geographical boundaries as well as the operations undertaken by any subsidiaries or joint ventures of the Company.

Our assurance on economic and financial performance data or information of the Company is based only on the annual audited statement of accounts of the Company for the Financial Year 2024-25 and our conclusions rest solely upon that audited report.

This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist within the Report.

STATEMENT OF INDEPENDENCE, INTEGRITY, AND COMPETENCE

Bureau Veritas is an independent professional services company that specializes in quality, environmental, health, safety, and social accountability with over 196 years history. Its assurance team has extensive experience in conducting assessment over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified Quality Management System which complies with the requirements of ISO 9001:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Ahamed Mohiuddin SYED

Lead Assuror

Bureau Veritas (India) Private Limited

Hyderabad, India

Dt: 23.06.2025

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA), across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and high ethical standards in their day-to-day business activities.

The assurance team for this work does not have any involvement in any other Bureau Veritas projects with Kshema General Insurance Limited.

COMPETENCE

The assurance team has extensive experience in conducting assurance over environmental, social, ethical, and health & safety information, systems and processes and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

CONCLUSION

On the basis of our methodology and the activities described above, it is our opinion that the BRSR for FY 2024-25 of “Kshema” from the operations within the reporting boundary and the reporting period, as described above, is prepared in all material respects in line with the applicable criteria here before stated.

The reviewed statements within the scope of our verification are transparent and the information included therein are fairly stated.

RESTRICTION ON USE OF OUR REPORT

Our Limited Assurance report for Sustainability Report have been prepared and addressed to the Management of Kshema General Insurance Limited at the request of the company solely to assist the company in reporting on the Company's Sustainability performance and activities. Accordingly, we accept no liability to anyone other than the Company. Our deliverables should not be used for any other purpose or by any person other than the addressees of our deliverables. The Firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

Munji Rama Mohan RAO

Technical Reviewer

Bureau Veritas (India) Private Limited

Hyderabad, India

Dt: 24.06.2025

Management Report

For the Financial Year ended March 31, 2025

The Management Report has been prepared in accordance with the Insurance Regulatory and Development Authority of India ('IRDAI') (Actuarial, Finance and Investment) Regulations, 2024, for the financial year ended March 31, 2025.

With respect to the operations of Kshema General Insurance Limited ("the Company") for the year ended March 31, 2025 and results thereof, the Management of the Company confirms and declares as follows:

1. CERTIFICATE OF REGISTRATION

The Company holds a valid Certificate of Registration dated January 11, 2023; granted by the Insurance Regulatory and Development Authority of India ('IRDAI').

2. STATUTORY LIABILITIES

All dues payable to the statutory authorities have been duly paid.

3. SHAREHOLDING PATTERN AND TRANSFER OF SHARES

The shareholding pattern and transfer of shares during the year are in accordance with the statutory and regulatory requirements.

4. INVESTMENTS OUTSIDE INDIA

The Management has not invested any funds of holders of policies issued in India, directly or indirectly, outside India.

5. SOLVENCY MARGIN

We confirm that the required solvency margin has been maintained.

6. VALUATION OF ASSETS IN THE BALANCE SHEET

We certify that the values of all the assets have been reviewed on the date of the Balance Sheet and to the best of our knowledge and belief, the assets set forth in the Balance Sheet are shown in the aggregate at amounts not exceeding their realisable or market value under the several headings – "Loans", "Investments", "Agents balances", "Outstanding

Premiums", "Interest, Dividends and Rents outstanding", "Interest, Dividends and Rents accruing but not due", "Amounts due from other persons or bodies carrying on insurance business", "Sundry Debtors", "Bills Receivable", "Cash" and the several items specified under "Other Accounts", except Debt securities which are stated at cost/amortised cost.

7. OVERALL RISK EXPOSURE AND STRATEGY ADOPTED TO MITIGATE THE SAME

Risk Management is core to Kshema's business and operations, as the Company is into its third year of operations, as on the date of this report. The Company is exposed to a variety of risks, specifically pertaining to its insurance operations and investment portfolio. Operational risks are sought to be managed by robust internal control processes, independent internal audit, appropriate segregation of duties and robust IT systems. The Company has robust IT systems with an offsite disaster recovery centre for data backup.

The investment portfolio is well-diversified with periodic monitoring by the Investment Committee, Audit Committee and the Board of Directors, apart from quarterly audit by an independent firm of Chartered Accountants.

The Company's operations are significantly concentrated on crop line of business. While there is geographical and other diversification that mitigates risk to a large extent, the Company is taking appropriate measures to scale-up in other lines of business such as Motor, Fire, Personal Accident and Health. The Company is also seeking to reinsure higher quantum of its business during the upcoming Financial Years.

By integrating technology into the claims process, the Company mitigates risk of fraudulent claims and reduce operational inefficiencies. Comprehensive training and ongoing audits further ensure that internal processes are aligned with best practices.

8. OPERATIONS OUTSIDE INDIA

The Company does not have operations in any country other than India.



9. AGEING OF CLAIMS

- a. Ageing analysis of Gross claims outstanding as on March 31, 2025 (INR in Lakhs):

Period	Crop		Fire		Motor		Miscellaneous	
	No. of claims	Amount involved	No. of claims	Amount involved	No. of claims	Amount involved	No. of claims	Amount involved
0-30 days	9,476	2,793.54	-	-	-	-	-	-
31 days-6 months	31,890	9,711.13	-	-	-	-	-	-
6 months-1 year	14,548	6,878.18	-	-	-	-	-	-
1 year to 5 years	-	-	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-
Total	55,914	19,382.86	-	-	-	-	-	-

- b. Details of average claim settlement time during the preceding five years (INR in Lakhs):

The Company's first year of operations was F.Y. 2023-24, hence the details for preceding five years are not applicable.

Segment	F.Y. 2024-25			F.Y. 2023-24		
	Avg. settlement time (days)	No. of claims settled	Amount settled	Avg. settlement time (days)	No. of claims settled	Amount settled
Crop	39	1,49,643	47,616.56	2	2	0.12
Fire	-	-	-	-	-	-
Motor	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total	39	1,49,643	47,616.56	2	2	0.12

10. VALUATION OF INVESTMENTS

Investments in debt securities are valued at historical cost subject to amortization of premium/discount, in accordance with IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024.

For the purpose of comparison, the fair value of debt securities has been arrived on a Yield to maturity (YTM) basis by using the appropriate discount rates derived from the yield curve data provided by the Fixed Income and Money Market Dealers Association (FIMMDA) in respect of Government Securities and Crisil's Security Level Valuation (SLV) in respect of other debt instruments.

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

11. REVIEW OF ASSET QUALITY AND PERFORMANCE OF INVESTMENTS

The Company adheres to a prudent investment policy that receives regular approval and review from the Board of Directors and the Investment Committee. Investments have been prioritized with safety, liquidity, and reasonable returns, considering the risk appetite of both Policyholder and Shareholders funds. Currently, majority of investments are in sovereign and other highly rated debt instruments with low risk. The portfolio is well-diversified across various issuers, groups, and sectors, and it complies with IRDAI's regulations and guidelines. Asset-liability matching is ensured in the Policyholder fund. To date, there are no non-performing investments.

12. MANAGEMENT RESPONSIBILITY STATEMENT

The Management of the Company hereby certifies that:

- In the preparation of financial statements, the applicable accounting standards, principles and policies have been followed with no material departures;
- The management has adopted accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the operating profit and of the profit of the Company for the year;
- The management has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the applicable provisions of the Insurance Act, 1938 and 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 management has set up an internal audit system commensurate with the size and nature of the business and the same was operational during the year ended March 31, 2025.

13. PAYMENTS MADE TO PARTIES IN WHICH DIRECTORS ARE INTERESTED

A schedule of payments which have been made to individuals, firms, companies and organisations in which Directors of the Company are interested is given below.

S. No.	Name of the Director with designation	Entity in which Director is interested	Interested as	Description of transactions/ Payment made for	During F.Y. 2024-25	During F.Y. 2023-24
1	Natraj Nukala, Director	Kshema Capital Private Limited	Director	Purchase of technical know-how	1,770.00	-
				Trademark Fee	283.20	240.00
				Arrangers Fee	2,024.88	1,260.00
2	Natraj Nukala, Director	Itus Insurance Brokers Private Limited	Shareholder	Purchase of software	395.00	-
				Commission	5.15	-
3	Natraj Nukala, Director	Kshema Holdings Private Limited	Shareholder	Share Capital allotted	1,000.00	-
				Dividend paid	1,502.32	-

14. COMPLIANCE WITH LAWS IN RELATION TO SUBSIDIARIES, ASSOCIATES, JOINT VENTURES ETC.

The Company does not have any subsidiaries, associates, joint ventures and/or other arrangements.

For and on behalf of the Board of Directors

Kshema General Insurance Limited

CIN: U66000TG2018PLC125484

Sd/-

Natraj Nukala

Chairman

DIN: 02119316

Sd/-

Vyasa Krishna Burugupalli

Managing Director & CEO

DIN: 03072517

Sd/-

Prabha Vadlamannati

Company Secretary

Sd/-

Prashant Shenoy

Chief Financial Officer

Place: **Hyderabad**

Date: **June 17, 2025**



Independent Auditors' Report

To,
The Members of Kshema General Insurance Limited

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying financial statements of Kshema General Insurance Limited ("the Company") which comprise the Balance Sheet as at March 31, 2025, 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 (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by 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 of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, circulars/ orders/ directions/ guidelines 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") read with the Companies (Accounting Standards) Rules, 2021 as amended 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, 2025;
- ii. in case of Revenue Accounts, of the surplus for the year ended on that date;
- iii. in case of Profit and Loss Account, of the profit 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 Act. 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 Act and the Rules thereunder, the Insurance Act, the IRDA Act, the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 and other

circulars/ orders/ directions/ guidelines 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.

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, which are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not and will 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 during the course of our 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 and take appropriate action thereon.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matter 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 payments of the Company in accordance with the accounting principles generally accepted in India, including the provisions of the Insurance Act, IRDA Act, Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, 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 board of directors and 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 with reference to financial statements 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 the board of directors and management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Matters

1. The actuarial valuation of liabilities in respect of Claims Incurred But Not Reported (IBNR), Claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve (the "PDR") is the responsibility of the Company's Appointed Actuary. The actuarial valuation of these liabilities as at March 31, 2025, has been duly certified by the Appointed Actuary. The Appointed Actuary has also certified that in his opinion, the assumptions for such valuation are in accordance with guidelines and norms, issued by the IRDAI and the Institute of Actuaries 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 valuation of the above liabilities disclosed in the financial statements of the Company.
2. The Financial Statements of the Company for the year ended March 31, 2024 were audited by the predecessor joint statutory auditors of the Company M/s. Jawahar and Associates, Chartered Accountants, and M/s. SCV & Co. LLP, Chartered Accountants who have expressed unmodified opinion vide their audit report dated July 17, 2024, whose reports have been furnished to us which have been relied upon by us for the purpose of our audit of the Financial Statements.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, we have issued a separate certificate dated June 17, 2025 certifying the matters specified in paragraphs 3 and 4 of Part III of Schedule II to the aforesaid Regulations.
2. This Report does not include a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("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 as specified under Paragraph 2 of the Order.

3. As required by the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 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 and we have found them satisfactory.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 3(k)(vi) below on reporting Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c) As the Company's financial accounting is centralized, 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 Companies (Accounting Standards) Rules, 2021 as amended to the extent they are not inconsistent with the accounting principles prescribed in the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, circulars/ orders/ directions/ guidelines issued by the Insurance Regulatory and Development Authority of India in this regard.
- f) Investments have been valued in accordance with the provisions of the Insurance Act, Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, circulars/ orders/ directions/ guidelines issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") 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 Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 and circulars/ orders / directions issued by IRDAI in this regard;
- h) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

- i) The modification relating to the maintenance of accounts and other matters connected there with are as stated in paragraph 3(b) above and paragraph 3(k)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- j) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure-A wherein we have expressed an unmodified opinion.
- 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 Schedule 16 – Note 3.01]
 - 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.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in Schedule 16 - Note 3.09 to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries") with the understanding, whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in Schedule 16-Note 3.09 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding,

whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act, except for not transferring the amount of dividend to a separate bank account within the timeline specified in sub-section (4) of section 123 of the Act. [Refer Schedule 16 – Note 3.38]
- vi. Based on our examination which included test checks and as disclosed in Schedule 16 – Note 3.44 to the financial statements,
 - a. in case of an accounting software used for maintaining general ledger, the feature of audit trail (edit log) facility is enabled at application level from April 18, 2024. Further, the audit trail facility has been operating throughout the period for all relevant transactions recorded in the software from the date on which audit trail (edit log) was enabled. Further, during the course of our audit we did not come across any instance of audit trail (edit log) feature being tampered with. The feature of recording audit trail (edit log) facility was not enabled at database level to log any direct data changes.

- b. in case of an accounting software, which is operated by a third party service provider, used for maintaining books of account relating to payroll, the feature of recording audit trail (edit log) facility is enabled at application level and at the database level as per the report received from the third party. Further as per the said report the audit trail (edit log) has been operated throughout the year for all relevant transactions recorded in the software and we did not come across any instance of the audit trail (edit log) feature being tampered with.
- c. in case of an accounting software used for maintaining books of account relating to investments and retail products, in the absence of information, we are unable to comment on whether audit trail (edit log) feature was enabled and operated throughout the year or tampered with.
- d. the Company has maintained and preserved the audit trail (edit log) as per the statutory requirements for record retention.

- 4. 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 managerial remuneration is governed by the provisions of Section 34A of the Insurance Act and the approval of the IRDAI and therefore the requirements of section 197(16) of the Act are not applicable.

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

GEORGY MATHEW
Partner
Membership No. 209645
UDIN - 25209645BMMIAI4891

Place: Hyderabad
Date: June 17, 2025

For **M. ANANDAM & CO.,**
Chartered Accountants
Firm's Regn. No. 000125S

M. V. RANGANATH
Partner
Membership No. 028031
UDIN- 25028031BMOQJH2942

Place: Hyderabad
Date: June 17, 2025



Annexure - A to the Independent Auditor's Report

[Referred to in paragraph 3(j) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of the Company on the Financial Statements for the year ended March 31, 2025]

REPORT ON THE INTERNAL FINANCIAL CONTROLS 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 Kshema General Insurance Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("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 the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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 Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 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 financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 authorization 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 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control

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

GEORGY MATHEW
Partner
Membership No. 209645
UDIN - 25209645BMMIAI4891

Place: Hyderabad
Date: June 17, 2025

with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

OTHER MATTER

The actuarial valuation for claims Incurred But Not Reported (the "IBNR") and claims Incurred But Not Enough Reported (the "IBNER), have been duly certified by the Company's Appointed Actuary in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India (the "Authority") and the Institute of Actuaries of India in concurrence with the Authority and has been relied upon by us, as mentioned in "Other Matter" paragraph of our audit report on the financial statements of the Company as at and for the year ended March 31, 2025. Accordingly, our opinion on the internal financial controls with reference to financial statements do not include reporting on the adequacy and operating effectiveness of internal controls over valuation and accuracy of aforesaid actuarial liabilities.

Our opinion is not modified in respect of this matter.

For **M. ANANDAM & CO.,**
Chartered Accountants
Firm's Regn. No. 000125S

M. V. RANGANATH
Partner
Membership No. 028031
UDIN- 25028031BMOQJH2942

Place: Hyderabad
Date: June 17, 2025



Independent Auditors' Certificate

(Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements forming part of the Independent Auditors Report dated June 17, 2025)

1. This certificate is issued to comply with the provisions of paragraph 3 and 4 of Part III of Schedule II of Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 and may not be suitable for any other purpose.

MANAGEMENT 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 of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024, circulars/ orders/ directions/ guidelines issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") which includes (i) preparation of management report consistent with the financial statements; (ii) compliance with the terms and conditions of the registration stipulated by the Authority; (iii) maintenance and custody of cash balances and maintenance of investments with custody and depository; and (iv) ensuring that no part of the assets of the policyholders' funds has been directly or indirectly applied in contravention of the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Funds. This includes collecting, collating and validating data and designing, implementing and monitoring of internal controls suitable for ensuring compliance as aforesaid and applying an appropriate basis of preparation; and making estimates and judgments that are reasonable in the circumstances.

INDEPENDENT AUDITORS' RESPONSIBILITY

3. Pursuant to the requirements, it is our responsibility to obtain reasonable assurance and form an opinion based on our audit and examination of books and records as to whether the Company has complied with the matters contained in paragraphs 3 and 4 of Part III of Schedule II of the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024.

4. We have audited financial statements of the Company as of and for the financial year ended March 31, 2025 on which we issued an unmodified audit opinion vide our report dated June 17, 2025. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').
6. The Guidance Note requires that we comply with the independence and other ethical requirements of the Code of ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services engagements.

OPINION

7. 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 by **Kshema General Insurance Limited** ("the Company") for the year end date March 31, 2025, we certify that:
 - a) We have reviewed the Management Report attached to the financial statements for the year ended March 31, 2025, 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 audit procedures performed by us, we certify that the Company has complied with the terms and conditions of registration stipulated by IRDAI;
- c) We have verified the cash and bank balances, and securities relating to the Company's investments as at March 31, 2025, by actual inspection or on the basis of certificates/ confirmations received from the Company/ Custodian/ banks and/ or Depository Participants appointed by the Company, as the case may be. The Company had no loans as at March 31, 2025;
- d) The Company is not a trustee of any trust; and

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

GEORGY MATHEW
Partner
Membership No. 209645
UDIN - 25209645BMMIAJ4040

Place: Hyderabad
Date: June 17, 2025

- e) No part of the assets of the Policy Holders' Funds have been directly or indirectly applied in contravention to the provisions of the Insurance Act, relating to the application and investments of the Policyholders' Fund.

RESTRICTION ON USE

This certificate is issued at the request of the Company solely for use of the Company for inclusion in the annual accounts in order to comply with the provisions of paragraphs 3 and 4 of Part III of Schedule II of Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 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 **M. ANANDAM & CO.,**
Chartered Accountants
Firm's Regn. No. 000125S

M. V. RANGANATH
Partner
Membership No. 028031
UDIN- 25028031BMOQJI6773

Place: Hyderabad
Date: June 17, 2025

**Kshema General Insurance Limited****Form B-RA | IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484****Revenue Account for Fire Segment for the year ended March 31, 2025**

(Amt. in INR lakhs)			
Particulars	Schedule No	For the year ended March 31, 2025	For the year ended March 31, 2024
1 Premiums earned (Net)	1	0.04	0.00
2 Profit/Loss on sale/redemption of Investments		-	-
3 Interest, Dividend and Rent - Gross (Refer note no.1)		-	-
4 Others			
(a) Other Income			
(i) Foreign exchange gain / (loss)		-	-
(b) Contribution from the Shareholders' Account			
(i) Towards Excess Expenses of Management		-	-
(ii) Towards remuneration of MD/CEO/WTG/Other KMPs		-	-
(iii) Others		-	-
TOTAL (A)		0.04	0.00
5 Claims Incurred (Net)	2	0.02	0.00
6 Commission	3	-	-
7 Operating expenses related to Insurance Business	4	-	-
TOTAL (B)		0.02	0.00
8 Operating Profit/(Loss) C= (A-B)		0.02	0.00
9 Appropriations			
Transfer to shareholders' Account		0.02	0.00
Transfer to Catastrophe Reserve		-	-
Transfer to other Reserves		-	-
TOTAL (C)		0.02	0.00
Significant accounting policies and notes to accounts	16		

The schedules referred to above & notes to accounts form an integral part of the financial statements

NOTE-1

(Amt. in INR lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest, Dividend & Rent	-	-
Add/Less:-		
Investment Expenses	-	-
Amortisation of Premium/ Discount on Investments	-	-
Amount written off in respect of depreciated investments	-	-
Provision for Bad and Doubtful Debts	-	-
Provision for diminution in the value of other than actively traded Equities	-	-
Investment income from Pool	-	-
Interest, Dividend & Rent – Gross*	-	-

*Inclusive of TDS

For and on behalf of Board

Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
FRN: 004532S

For M. Anandam & Co.
Chartered Accountants
FRN: 000125S

Natraj Nukala
Chairman
DIN: 02119316

Vyasa Krishna Burugupalli
Managing Director & CEO
DIN: 03072517

Georgy Mathew
Partner
M. No. 209645

M V Ranganath
Partner
M. No. 028031

Prabha Vadlamannati
Company Secretary

Prashant Shenoy
Chief Financial Officer

Place: **Hyderabad**
Date: **June 17, 2025**

Kshema General Insurance Limited
Form B-RA | IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484
Revenue Account for Marine Segment for the year ended March 31, 2025

Particulars	Schedule No	(Amt. in INR lakhs)	
		For the year ended March 31, 2025	For the year ended March 31, 2024
1 Premiums earned (Net)	1	-	-
2 Profit/Loss on sale/redemption of Investments		-	-
3 Interest, Dividend and Rent - Gross (Refer note no.1)		-	-
4 Others			
(a) Other Income		-	-
(i) Foreign exchange gain / (loss)		-	-
(b) Contribution from the Shareholders' Account			
(i) Towards Excess Expenses of Management		-	-
(ii) Towards remuneration of MD/CEO/WTG/Other KMPs		-	-
(iii) Others		-	-
TOTAL (A)		-	-
5 Claims Incurred (Net)	2	-	-
6 Commission	3	-	-
7 Operating expenses related to Insurance Business	4	-	-
TOTAL (B)		-	-
8 Operating Profit/(Loss) C= (A-B)		-	-
9 Appropriations			
Transfer to shareholders' Account		-	-
Transfer to Catastrophe Reserve		-	-
Transfer to other Reserves		-	-
TOTAL (C)		-	-
Significant accounting policies and notes to accounts	16		

The schedules referred to above & notes to accounts form an integral part of the financial statements

NOTE-1

Particulars	(Amt. in INR lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest, Dividend & Rent	-	-
Add/Less:-		
Investment Expenses	-	-
Amortisation of Premium/ Discount on Investments	-	-
Amount written off in respect of depreciated investments	-	-
Provision for Bad and Doubtful Debts	-	-
Provision for diminution in the value of other than actively traded Equities	-	-
Investment income from Pool	-	-
Interest, Dividend & Rent – Gross*	-	-

*Inclusive of TDS

For and on behalf of Board
Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
FRN: 004532S

For M. Anandam & Co.
Chartered Accountants
FRN: 000125S

Natraj Nukala
Chairman
DIN: 02119316

Vyasa Krishna Burugupalli
Managing Director & CEO
DIN: 03072517

Georgy Mathew
Partner
M. No. 209645

M V Ranganath
Partner
M. No. 028031

Prabha Vadlamannati
Company Secretary

Prashant Shenoy
Chief Financial Officer

Place: **Hyderabad**
Date: **June 17, 2025**

**Kshema General Insurance Limited****Form B-RA | IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484****Revenue Account for Miscellaneous Segment for the year ended March 31, 2025**

(Amt. in INR lakhs)			
Particulars	Schedule No	For the year ended March 31, 2025	For the year ended March 31, 2024
1 Premiums earned (Net)	1	53,038.33	39,224.65
2 Profit/Loss on sale/redemption of Investments		223.87	54.48
3 Interest, Dividend & Rent - Gross (Refer note no.1)		1,669.67	568.74
4 Other		-	-
(a) Other Income			
(i) Foreign exchange gain / (loss)		(8.68)	0.93
(b) Contribution from the Shareholders' Account			
(i) Towards Excess Expenses of Management		-	-
(ii) Towards remuneration of MD/CEO/WTD/Other KMPs		-	-
(iii) Others		-	-
TOTAL (A)		54,923.19	39,848.78
5 Claims Incurred (Net)	2	34,859.14	28,132.74
6 Commission	3	(991.34)	(383.92)
7 Operating Expenses related to Insurance Business	4	16,548.29	6,733.96
TOTAL (B)		50,416.09	34,482.78
8 Operating Profit/(Loss) C= (A-B)		4,507.10	5,366.01
9 Appropriations			
Transfer to Shareholders' Account		4,507.10	5,366.01
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		4,507.10	5,366.01
Significant accounting policies and notes to accounts	16		

The schedules referred to above & notes to accounts form an integral part of the financial statements

NOTE-1

(Amt. in INR lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest, Dividend & Rent	1,585.15	549.70
Add/Less:-		
Investment Expenses	-	-
Amortisation of Premium/ Discount on Investments	84.52	19.04
Amount written off in respect of depreciated investments	-	-
Provision for Bad and Doubtful Debts	-	-
Provision for diminution in the value of other than actively traded Equities	-	-
Investment income from Pool	-	-
Interest, Dividend & Rent – Gross*	1,669.67	568.74

*Inclusive of TDS

For and on behalf of Board
Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
FRN: 004532S

For M. Anandam & Co.
Chartered Accountants
FRN: 000125S

Natraj Nukala
Chairman
DIN: 02119316

Vyasa Krishna Burugupalli
Managing Director & CEO
DIN: 03072517

Georgy Mathew
Partner
M. No. 209645

M V Ranganath
Partner
M. No. 028031

Prabha Vadlamannati
Company Secretary

Prashant Shenoy
Chief Financial Officer

Place: **Hyderabad**
Date: **June 17, 2025**

Kshema General Insurance Limited
Form B-RA | IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484
Revenue Account for the Company (total) for the year ended March 31, 2025

(Amt. in INR lakhs)			
Particulars	Schedule No	For the year ended March 31, 2025	For the year ended March 31, 2024
1 Premiums earned (Net)	1	53,038.37	39,224.65
2 Profit/Loss on sale/redemption of Investments		223.87	54.48
3 Interest, Dividend and Rent - Gross (Refer note no.1)		1,669.67	568.73
4 Others			
(a) Other Income			
(i) Foreign exchange gain / (loss)		(8.68)	0.93
(b) Contribution from the Shareholders' Account			
(i) Towards Excess Expenses of Management		-	-
(ii) Towards remuneration of MD/CEO/WTG/Other KMPs		-	-
(iii) Others		-	-
TOTAL (A)		54,923.23	39,848.78
5 Claims Incurred (Net)	2	34,859.16	28,132.74
6 Commission	3	(991.34)	(383.92)
7 Operating Expenses related to Insurance Business	4	16,548.29	6,733.96
8 Premium Deficiency		-	-
TOTAL (B)		50,416.11	34,482.78
9 Operating Profit/(Loss) C= (A-B)		4,507.12	5,366.01
10 Appropriations			
Transfer to Shareholders' Account		4,507.12	5,366.01
Transfer to Catastrophe Reserve		-	-
Transfer to Other Reserves		-	-
TOTAL (C)		4,507.12	5,366.01
Significant accounting policies and notes to accounts	16		

The schedules referred to above & notes to accounts form an integral part of the financial statements

NOTE-1

(Amt. in INR lakhs)		
Pertaining to Policyholder's funds	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest, Dividend & Rent	1,585.15	549.70
Add/Less:-		
Investment Expenses	-	-
Amortisation of Premium/ Discount on Investments	84.52	19.04
Amount written off in respect of depreciated investments	-	-
Provision for Bad and Doubtful Debts	-	-
Provision for diminution in the value of other than actively traded Equities	-	-
Investment income from Pool	-	-
Interest, Dividend & Rent – Gross*	1,669.67	568.73

*Inclusive of TDS

For and on behalf of Board
Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
FRN: 004532S

For M. Anandam & Co.
Chartered Accountants
FRN: 000125S

Natraj Nukala
Chairman
DIN: 02119316

Vyasa Krishna Burugupalli
Managing Director & CEO
DIN: 03072517

Georgy Mathew
Partner
M. No. 209645

M V Ranganath
Partner
M. No. 028031

Prabha Vadlamannati
Company Secretary

Prashant Shenoy
Chief Financial Officer

Place: **Hyderabad**
Date: **June 17, 2025**

**Kshema General Insurance Limited****Form B-PL | IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484****Profit and Loss Account for the year ended March 31, 2025**

(Amt. in INR lakhs)			
Particulars	Schedule No	For the year ended March 31, 2025	For the year ended March 31, 2024
1 Operating Profit/(Loss)			
(a) Fire insurance		0.02	0.00
(b) Marine insurance		-	-
(c) Miscellaneous insurance		4,507.10	5,366.01
2 Income from Investments			
(a) Interest, Dividend & Rent - Gross		706.67	609.33
(b) Profit on sale of investments		6.03	2.89
(c) (Loss on sale/redemption of Investments)		-	-
(d) Amortization of Premium/Discount on Investments		8.77	0.15
3 Other income-Miscellaneous income			
(a) Excess provision written back		61.03	-
(b) Interest on Fixed deposits with banks		6.66	-
TOTAL (A)		5,296.28	5,978.38
4 Provisions (other than taxation)			
(a) For diminution in the value of investments		-	-
(b) For doubtful debts		-	-
(c) Others		-	-
5 Other expenses			
(a) Expenses other than those related to insurance business		-	-
(b) Bad debts written off		-	-
(c) Interest on subordinated debt		-	-
(d) Expenses towards CSR activities		35.56	-
(e) Penalties		-	-
(f) Contribution to Policyholders' A/c		-	-
(i) Towards Excess Expenses of Management		-	-
(ii) Towards remuneration of MD/CEO/WTG/Other KMPs		-	-
(g) Others		-	-
TOTAL (B)		35.56	-
Profit/(Loss) Before Tax		5,260.72	5,978.38
Provision for taxation (Refer note 3.19 of Schedule 16)		1,479.43	1,512.68
Profit/(Loss) after tax		3,781.29	4,465.69
Appropriations			
(a) Interim dividends paid during the year		1,502.38	-
(b) Final dividend paid		-	-
(c) Transfer to any reserves or other accounts		-	-
Balance of Profit/(loss) brought forward from last year		3,673.63	(792.06)
Balance carried forward to Balance Sheet		5,952.54	3,673.63
Earning per share:(Face Value of INR 10 each)			
Basic (Refer note 3.18 of Schedule 16)		3.39	4.01
Diluted (Refer note 3.18 of Schedule 16)		3.39	4.01
Significant accounting policies and notes to accounts	16		

The schedules referred to above & notes to accounts form an integral part of the financial statements

For and on behalf of Board
Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
FRN: 004532SFor M. Anandam & Co.
Chartered Accountants
FRN: 000125SNatraj Nukala
Chairman
DIN: 02119316Vyasa Krishna Burugupalli
Managing Director & CEO
DIN: 03072517Georgy Mathew
Partner
M. No. 209645M V Ranganath
Partner
M. No. 028031Prabha Vadlamannati
Company SecretaryPrashant Shenoy
Chief Financial OfficerPlace: Hyderabad
Date: June 17, 2025

Kshema General Insurance Limited
Form B-BS | IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484
Balance Sheet as at March 31, 2025

(Amt. in INR lakhs)

Particulars	Schedule No	For the year ended March 31, 2025	For the year ended March 31, 2024
SOURCES OF FUNDS			
Share capital	5 & 5A	12,128.76	11,128.76
Share application money pending allotment		-	-
Reserves and surplus	6	5,952.54	3,673.63
Fair value change account			
- Shareholders' funds		0.12	0.76
- Policyholders' funds		(74.29)	22.01
Borrowings	7	-	-
TOTAL		18,007.13	14,825.17
APPLICATION OF FUNDS			
Investments - Shareholders	8	10,706.99	8,422.57
Investments - Policyholders	8A	42,649.95	31,811.03
Loans	9	-	-
Fixed assets	10	9,980.43	1,798.15
Deferred tax assets (net)		-	-
Current Assets			
- Cash and bank balances	11	654.97	149.85
- Advances and other assets	12	28,049.29	34,824.14
Sub-Total (A)		28,704.26	34,973.99
Deferred tax liabilities (net)		163.17	33.00
Current liabilities	13	73,567.12	61,173.91
Provisions	14	304.20	973.65
Sub-Total (B)		74,034.49	62,180.57
Net Current Assets (C) = (A-B)		(45,330.23)	(27,206.58)
Miscellaneous expenditure (to the extent not written off or adjusted)	15	-	-
Debit Balance in Profit and Loss Account			
Total		18,007.13	14,825.17
Contingent liabilities - (Refer Note no. 3.01 of Schedule 16)			
Significant accounting policies and notes to accounts	16		
The schedules referred to above & notes to accounts form an integral part of the financial statements			

For and on behalf of Board

Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma

Chartered Accountants
FRN: 004532S

For M. Anandam & Co.

Chartered Accountants
FRN: 000125S

Natraj Nukala

Chairman
DIN: 02119316

Vyasa Krishna Burugupalli

Managing Director & CEO
DIN: 03072517

Georgy Mathew

Partner
M. No. 209645

M V Ranganath

Partner
M. No. 028031

Prabha Vadlamannati

Company Secretary

Prashant Shenoy

Chief Financial Officer

Place: **Hyderabad**

Date: **June 17, 2025**

**Kshema General Insurance Limited**

IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484

Receipts and Payments Account (Cash Flow Statement) Direct Basis for the year ended March 31, 2025

(Amt. in INR lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOWS FROM THE OPERATING ACTIVITIES:		
1. Premium received from policyholders, including advance receipts	96,496.35	45,613.07
2. Other receipts	386.78	3.81
3. Payment to the re-insurers, net of commission and claims	(10,057.59)	(5,790.98)
4. Payment to co-insurers, net of claims recovery	-	-
5. Payment of claims	(47,616.60)	-
6. Payment of commission and brokerage	(160.70)	(62.07)
7. Payment of other operating expenses	(17,447.41)	(7,630.78)
8. Preliminary and pre-operative expenses	-	-
9. Deposits, advances and staff loans	(158.30)	(189.54)
10. Income taxes paid (Net)	(5,003.81)	(632.36)
11. Goods & Services tax paid	(274.92)	(35.89)
12. Other payments	(324.39)	(61.17)
13. Cash flows before extraordinary items	15,839.41	31,214.09
14. Cash flows from extraordinary operations	-	-
15. Net cash flows from operating activities(A)	15,839.41	31,214.09
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
1. Purchase of fixed assets	(4,622.33)	(633.65)
2. Proceeds from sale of fixed assets	-	-
3. Purchase of investments	(7,24,821.64)	(1,08,257.24)
4. Loans disbursed	-	-
5. Sale of Investments	7,14,686.46	83,305.51
6. Repayments received	-	-
7. Rents/interest/dividend received	842.60	845.50
8. Investments in money market instruments and in liquid mutual fund (Net)	(1,067.23)	(6,406.39)
9. Expenses related to investments	-	(0.08)
10. Net cash flows from Investing activities(B)	(14,982.14)	(31,146.36)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
1. Proceeds from issuance of share capital	1,000.00	-
2. Proceeds from Borrowings	-	-
3. Repayment of Borrowings	-	-
4. Interest and dividend paid	(1,352.15)	-
5. Net cash flows from financing activities (C)	(352.15)	-
D. EFFECT OF FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS, NET	-	-
E. NET INCREASE IN CASH AND CASH EQUIVALENTS: (E)=(A)+(B)+(C)+(D)	505.12	67.73
Cash and cash equivalents at the beginning of the year	139.85	72.12
Cash and cash equivalents at the end of the year	644.97	139.85

Kshema General Insurance Limited

IRDAI Registration No. 162 dated January 11, 2023 | CIN:U66000TG2018PLC125484

Receipts and Payments Account (Cash Flow Statement) Direct Basis for the year ended March 31, 2025

(Amt. in INR lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
F. COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	644.97	139.85
(a) Cash (including Stamps on hand)	0.02	0.02
(b) Cheques on hand	-	-
(c) Bank balances	644.95	139.83
(d) Short term Fixed Deposits	-	-
(e) Money at call and short notice (only due within 3 months)	-	-
(f) Temporary overdraft as per books of accounts -	-	-
Cash and cash equivalents at the end of the year (a)+(b)+(c)+(d)+(e)	644.97	139.85
Add: Fixed Deposits maturing after 3 Months	10.00	10.00
Add: Temporary overdraft as per books of accounts	-	-
Cash and Bank balance as per Balance Sheet (Refer Schedule No. 11)	654.97	149.85

For Cash and cash equivalents – Refer note 2.24 of schedule 16

The above Receipts and Payments Account has been prepared as per IRDAI (Actuarial, Finance & Investment Functions of Insurers) Regulations, 2024 under the 'Direct method' in accordance with Accounting Standard 3 on Cash Flow Statements notified under the Section 133 of the Companies Act, 2013.

For and on behalf of Board

Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma

Chartered Accountants

FRN: 004532S

For M. Anandam & Co.

Chartered Accountants

FRN: 000125S

Natraj Nukala

Chairman

DIN: 02119316

Vyasa Krishna Burugupalli

Managing Director & CEO

DIN: 03072517

Georgy Mathew

Partner

M. No. 209645

M V Ranganath

Partner

M. No. 028031

Prabha Vadlamannati

Company Secretary

Prashant Shenoy

Chief Financial Officer

Place: Hyderabad

Date: June 17, 2025

Schedules

forming part of the financial statements

SCHEDULE NO.1 | PREMIUM EARNED (NET)

Particulars	For the year ended March 31, 2025						For the year ended March 31, 2024						(Amt. in INR Lakhs)
	Fire	Marine	Miscellaneous			Total	Fire	Marine	Miscellaneous			Total	
			Crop	Motor	Personal Accident				Crop	Motor	Personal Accident		
Gross Direct Premium	0.00	-	77,144.54	1.16	0.22	77,145.92	0.04	-	56,849.50	-	-	56,849.54	
Add: Premium on reinsurance accepted	-	-	-	-	-	-	-	-	-	-	-	-	
Less: Premium on reinsurance ceded	0.00	-	24,100.81	0.03	0.01	24,100.85	-	-	17,624.80	-	-	17,624.80	
Net Written Premium / Net Premium Income	0.00	-	53,043.73	1.13	0.21	53,045.07	0.04	-	39,224.70	-	-	39,224.74	
Add: Opening balance of Unearned Premium Reserve (UPR)	0.04		0.06	-	-	0.10	-	-	-	-	-	-	
Less: Closing balance of Unearned Premium Reserve (UPR)	0.00		5.77	0.92	0.11	6.80	0.04		0.06			0.10	
Net Earned Premium	0.04	-	53,038.02	0.21	0.10	53,038.37	0.00	-	39,224.65	-	-	39,224.65	
Note :													
Gross Direct Premium													
- In India	0.00	-	77,144.54	1.16	0.22	77,145.92	0.04	-	56,849.50	-	-	56,849.54	
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	
Net Earned Premium	0.04	-	53,038.02	0.21	0.10	53,038.37	0.00	-	39,224.65	-	-	39,224.65	

(Amt. in INR lakhs)

Schedules

forming part of the financial statements

SCHEDULE NO.2 | CLAIMS INCURRED (NET)

Particulars	For the year ended March 31, 2025						For the year ended March 31, 2024						(Amt. in INR lakhs)
	Fire	Marine	Miscellaneous			Total	Fire	Marine	Miscellaneous			Total	
			Crop	Motor	Personal Accident				Crop	Motor	Personal Accident		
Claims Paid (Direct)	-	-	48,076.25	-	-	48,076.25	-	-	0.12	-	-	0.12	0.12
Add: Re-insurance accepted to direct claims	-	-	-	-	-	-	-	-	-	-	-	-	-
Less: Re-insurance ceded to claims paid	-	-	14,329.96	-	-	14,329.96	-	-	-	-	-	-	-
Net Claim Paid	-	-	33,746.29	-	-	33,746.29	-	-	0.12	-	-	0.12	0.12
	-	-	-	-	-	-	-	-	-	-	-	-	-
Add: Claims Outstanding at the end of the year	0.02	-	29,245.27	0.17	0.04	29,245.50	0.00	-	28,132.63	-	-	28,132.63	28,132.63
Less: Claims Outstanding at the beginning of the year	0.00	-	28,132.63	-	-	28,132.63	-	-	-	-	-	-	-
Net Incurred Claims	0.02	-	34,858.93	0.17	0.04	34,859.16	0.00	-	28,132.74	-	-	28,132.74	28,132.74
Claims Paid (Direct)						-							
- In India	-	-	48,076.25	-	-	48,076.25	0.00	-	28,132.74	-	-	28,132.74	28,132.74
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-	-
Estimates of IBNR and IBNER at the end of the period (net)	0.02	-	17,447.11	0.17	0.04	17,447.34	-	-	4,404.12	-	-	4,404.12	4,404.12
Estimates of IBNR and IBNER at the beginning of the period (net)	0.00	-	4,404.12	-	-	4,404.12	-	-	-	-	-	-	-
Net Incurred Claims	0.02	-	34,858.93	0.17	0.04	34,859.16	0.00	-	28,132.74	-	-	28,132.74	28,132.74

Refer note 3.11 of Schedule 16 for Claims incurred and Claims incurred but not reported and claims incurred but not enough reported



Schedules

forming part of the financial statements

SCHEDULE NO.3 | COMMISSION

Particulars	For the year ended March 31, 2025						For the year ended March 31, 2024					
	Fire	Marine	Miscellaneous			Total	Fire	Marine	Miscellaneous			Total
			Crop	Motor	Personal Accident				Crop	Motor	Personal Accident	
Gross Commission	-	-	717.04	0.06	0.01	717.11	-	-	496.10	-	-	496.10
Add : Commission on Re-insurance accepted	-	-	-	-	-	-	-	-	-	-	-	-
Less: Commission on Re-insurance ceded	-	-	1,708.45			1,708.45	-	-	880.03	-	-	880.03
Net Commission	-	-	(991.41)	0.06	0.01	(991.34)	-	-	(383.92)	-	-	(383.92)
Channel wise break-up of Commission (Gross):	-	-	-	-	-	-	-	-	-	-	-	-
Agents	-	-	-	-	-	-	-	-	-	-	-	-
Brokers	-	-	-	-	-	-	-	-	-	-	-	-
Individual Agents	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Agents-Banks/FII/HFC	-	-	660.83	-	-	660.83	-	-	419.14	-	-	419.14
Corporate Agents-Others	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Brokers	-	-	-	-	-	-	-	-	-	-	-	-
Direct Business - Online (c)	-	-	-	0.06	0.01	0.07	-	-	-	-	-	-
MISP (Direct)	-	-	-	-	-	-	-	-	-	-	-	-
Web Aggregators	-	-	-	-	-	-	-	-	-	-	-	-
Insurance Marketing Firm	-	-	-	-	-	-	-	-	-	-	-	-
Common Service Centers	-	-	56.21	-	-	56.21	-	-	76.96	-	-	76.96
Micro Agents	-	-	-	-	-	-	-	-	-	-	-	-
Point of Sales (Direct)	-	-	-	-	-	-	-	-	-	-	-	-
Other (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	717.04	0.06	0.01	717.11	-	-	496.10	-	-	496.10
Commission (Excluding Reinsurance) Business written :	-	-	-	-	-	-	-	-	-	-	-	-
- In India	-	-	717.04	0.06	0.01	717.11	-	-	496.10	-	-	496.10
- Outside India	-	-	-	-	-	-	-	-	-	-	-	-
Net commission	-	-	(991.41)	0.06	0.01	(991.34)	-	-	(383.92)	-	-	(383.92)

(Amt. in INR lakhs)

(c) Commission on Business procured through Company website/Application

Schedules

forming part of the financial statements

SCHEDULE NO.4 | OPERATING EXPENSES RELATED TO INSURANCE BUSINESS

(Refer Note No. 3.43 of Schedule 16)

Particulars	For the year ended March 31, 2025						For the year ended March 31, 2024						(Amt. in INR lakhs)
	Miscellaneous					Total	Miscellaneous					Total	
	Fire	Marine	Crop	Motor	Personal Accident		Fire	Marine	Crop	Motor	Personal Accident		
Employees' remuneration & welfare benefits	-	-	4,192.52	-	-	4,192.52	-	-	1,252.31	-	-	1,252.31	
Travel, conveyance and vehicle running expenses	-	-	227.41	-	-	227.41	-	-	265.27	-	-	265.27	
Training expenses	-	-	-	-	-	-	-	-	-	-	-	-	
Rents, rates and taxes	-	-	413.68	-	-	413.68	-	-	229.57	-	-	229.57	
Repairs	-	-	114.89	-	-	114.89	-	-	50.91	-	-	50.91	
Printing and stationery	-	-	19.35	-	-	19.35	-	-	12.94	-	-	12.94	
Communication expenses	-	-	46.01	-	-	46.01	-	-	22.10	-	-	22.10	
Legal and professional charges	-	-	2,881.48	-	-	2,881.48	-	-	1,877.14	-	-	1,877.14	
Auditors' fees, expenses, etc.	-	-	-	-	-	-	-	-	-	-	-	-	
(a) as auditors	-	-	35.44	-	-	35.44	-	-	19.54	-	-	19.54	
(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	-	-	-	-	-	-	-	-	-	-	-	-	
Advertisement and publicity	-	-	1,160.28	-	-	1,160.28	-	-	403.41	-	-	403.41	
Interest and bank charges	-	-	2.57	-	-	2.57	-	-	7.06	-	-	7.06	
Depreciation / Amortisation	-	-	548.31	-	-	548.31	-	-	70.85	-	-	70.85	
Brand/Trade Mark usage fee/charges	-	-	283.20	-	-	283.20	-	-	240.00	-	-	240.00	
Business Development and Sales Promotion Expenses	-	-	-	-	-	-	-	-	-	-	-	-	
Information Technology Expenses	-	-	385.15	-	-	385.15	-	-	92.98	-	-	92.98	
Goods and Services Tax (GST)	-	-	-	-	-	-	-	-	65.32	-	-	65.32	
Others	-	-	-	-	-	-	-	-	-	-	-	-	
Business support services	-	-	5,931.56	-	-	5,931.56	-	-	1,896.36	-	-	1,896.36	
Facilitation charges	-	-	306.44	-	-	306.44	-	-	228.22	-	-	228.22	
Total	-	-	16,548.29	-	-	16,548.29	-	-	6,733.96	-	-	6,733.96	
In India	-	-	16,548.29	-	-	16,548.29	-	-	6,733.96	-	-	6,733.96	
Outside India	-	-	-	-	-	-	-	-	-	-	-	-	

(Amt. in INR lakhs)



Schedules

forming part of the financial statements

SCHEDULE NO.5 | SHARE CAPITAL

(Amount in INR Lakhs)

S.No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Authorized Capital		
	22,00,00,000 (previous year : 22,00,00,000) equity shares of INR 10/- each	22,000.00	22,000.00
2	Issued Capital		
	12,12,87,643 (previous year : 11,12,87,643) equity shares of INR 10/- each	12,128.76	11,128.76
3	Subscribed Capital		
	12,12,87,643 (previous year : 11,12,87,643) equity shares of INR 10/- each	12,128.76	11,128.76
4	Called-up Capital		
	12,12,87,643 (previous year : 11,12,87,643) equity shares of INR 10/- each	12,128.76	11,128.76
	Less: Calls Unpaid		
	Add: Equity shares forfeited (Amount originally paidup)	-	-
	Less: Par value Equity shares bought back	-	-
	Less: Preliminary expenses to the extent not written of	-	-
	Expenses including commission or brokerage on underwriting or subscription of shares	-	-
	Total	12,128.76	11,128.76

Schedule - 5A | Pattern of Shareholding (As certified by the Management)

Shareholder	As at March 31, 2025		As at March 31, 2024	
	No of Shares	% of Holding	No of Shares	% of Holding
Promoters				
Indian				
Kshema Holdings Private Limited	12,12,83,143.00	99.996%	11,12,83,143.00	99.996%
Others	3,150.00	0.003%	3,150.00	0.003%
Foreign				
Nil	-		-	
Investors	-		-	
Indian	1,350.00	0.001%	1,350.00	0.001%
Foreign	-		-	
Others	-		-	
Indian				
Foreign	-		-	
Total	12,12,87,643.00	100.000%	11,12,87,643.00	100.000%

Schedules

forming part of the financial statements

SCHEDULE NO.6 | RESERVES AND SURPLUS

(Amount in INR Lakhs)

S.No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Capital reserve	-	-
2	Capital redemption reserve	-	-
3	Share premium	-	-
4	Revaluation Reserve	-	-
5	General reserve	-	-
	Less: Amount utilized for Buy-back	-	-
	Less: Amount utilized for issue of Bonus shares	-	-
6	Catastrophe reserve	-	-
7	Other reserves	-	-
8	Balance of Profit in Profit & Loss Account:	-	-
	Opening balance	3,673.63	(792.06)
	Additions		
	Profit / (loss) during the period	2,278.91	4,465.69
	Closing balance	5,952.54	3,673.63
	Total	5,952.54	3,673.63

SCHEDULE NO.7 | BORROWINGS

(Amount in INR Lakhs)

S.No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Debentures/Bonds	-	-
2	Banks	-	-
3	Financial Institutions	-	-
	Total	-	-

Disclosures for Secured Borrowings

(Amount in INR Lakhs)

S.No.	Particulars	Amount Borrowed	As at March 31, 2025	As at March 31, 2024
1	Source/Investment		-	-



Schedules

forming part of the financial statements

SCHEDULE NO.8 AND 8A | INVESTMENTS

(Amount in INR Lakhs)

S. No.	Particulars	SCH-8		SCH-8A		Total	
		Shareholders		Policyholders			
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Long-term investments						
1	Government securities and government guaranteed bonds including Treasury bills	4,143.35	3,023.42	-	54.97	4,143.35	3,078.40
2	Other Approved Securities	-	-	-	-	-	-
3	Other Investments	-	-	-	-	-	-
	(a) Shares	-	-	-	-	-	-
	(i) Equity	-	-	1,163.00	-	1,163.00	-
	(ii) Preference	-	-	-	-	-	-
	(b) Mutual Funds	-	-	-	-	-	-
	(c) Derivative Instruments	-	-	-	-	-	-
	(d) Debentures/Bonds	1,502.95	997.11	-	-	1,502.95	997.11
	(e) Other Securities:					-	-
	(i) ATI Bonds	-	-	-	-	-	-
	(ii) Tri-party repo (TREPs)	-	-	-	-	-	-
	(f) Subsidiaries	-	-	-	-	-	-
	(g) Investment Properties-Real Estate	-	-	-	-	-	-
4	Investments in Infrastructure and Housing	4,487.57	3,983.71	263.55	-	4,751.12	3,983.71
5	Other than Approved investments	500.00	-	-	-	500.00	-
	Sub-Total (A)	10,633.87	8,004.24	1,426.55	54.97	12,060.42	8,059.21
	Short Term Investments						
1	Government securities and government guaranteed bonds including Treasury bills	-	286.57	18,354.27	11,355.59	18,354.27	11,642.16
2	Other Approved Securities	-	-	-	-	-	-
3	Other Investments	-	-	-	-	-	-
	(a) Shares	-	-	-	-	-	-
	(i) Equity	-	-	-	-	-	-
	(ii) Preference	-	-	-	-	-	-
	(b) Mutual Funds	73.12	131.76	4,948.60	3,567.01	5,021.72	3,698.77
	(c) Derivative Instruments	-	-	-	-	-	-
	(d) Debentures/Bonds	-	-	6,952.67	9,860.97	6,952.67	9,860.97
	(e) Other Securities:			-	-	-	-
	(i) ATI Bonds	-	-	-	-	-	-
	(ii) Tri-party repo (TREPs)	-	-	4,478.62	3,509.30	4,478.62	3,509.30
	(f) Subsidiaries	-	-	-	-	-	-
	(g) Investment Properties-Real Estate	-	-	-	-	-	-
4	Investments in Infrastructure and Housing	-	-	6,489.24	3,463.18	6,489.24	3,463.18
5	Other than Approved investments	-	-	-	-	-	-
	Sub-Total (B)	73.12	418.33	41,223.40	31,756.05	41,296.52	32,174.39
	Total (A+B)	10,706.99	8,422.57	42,649.95	31,811.03	53,356.94	40,233.60
	Investments						
	In India	10,706.99	8,422.57	42,649.95	31,811.03	53,356.94	40,233.60
	Outside India	-	-	-	-	-	-
	Total	10,706.99	8,422.57	42,649.95	31,811.03	53,356.94	40,233.60

*Investments are segregated into Policyholders' and Shareholders' fund as per the directions from IRDAI - Refer note no. 2.14 and 2.15 of Schedule 16

Schedules

forming part of the financial statements

Notes:

- (a) Investments in subsidiary/holding companies, joint ventures and associates - INR Nil (Previous Year INR Nil).
- (b) Investments made out of Catastrophe reserve - INR Nil (Previous Year INR Nil).
- (c) Debt securities are considered as 'held to maturity' securities and are measured at historical cost subject to amortisation.
- (d) All investments are considered as performing investments.
- (e) Aggregate amount of company's investments other than listed equity securities and derivative instruments and also the market value thereon is disclosed below.

Aggregate value of Investments other than Listed equity securities and derivative instruments

(Amount in INR Lakhs)

Particulars	Shareholders		Policyholders		Total	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Long-term investments						
Book value	10,633.87	8,004.24	-	54.97	10,633.87	8,059.21
Market value	10,267.28	8,027.83	-	54.88	10,267.28	8,082.70
Short-term investments						
Book value	73.12	418.33	36,274.80	28,189.04	36,347.92	28,607.37
Market value	73.12	418.31	36,288.96	28,200.05	36,362.08	28,618.36

SCHEDULE NO.9 | LOANS

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	SECURITY-WISE CLASSIFICATION		
	Secured	-	-
	(a) On mortgage of property		
	(i) In India	-	-
	(ii) 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) Companies	-	-
	(f) Others	-	-
	Total	-	-
3	PERFORMANCE-WISE CLASSIFICATION		
	(a) Loans classified as standard		
	(i) In India	-	-
	(ii) outside India	-	-
	(b) Non-performing loans less provisions		
	(i) In India	-	-
	(ii) outside India	-	-
	Total	-	-



Schedules

forming part of the financial statements

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
4	MATURITY-WISE CLASSIFICATION		
	(a) Short-Term	-	-
	(b) Long-Term	-	-
	Total	-	-
	Grand Total	-	-

Provisions against Non-performing Loans

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Sub-standard	-	-
2	Doubtful	-	-
3	Loss	-	-
	Total	-	-

SCHEDULE 10 | FIXED ASSETS

(Amount in INR Lakhs)

Particulars	Cost/Gross Block				Depreciation/Amortisation				Net Block	
	Opening	Additions	Deductions	Closing	Upto last year	For the period	On Sales / Adjustments	To date	As at March 31, 2025	As at March 31, 2024
Goodwill	-	-	-	-	-	-	-	-	-	-
Intangibles - Computer Software	1,025.68	2,912.75	-	3,938.43	18.73	376.30	-	395.03	3,543.40	1,006.94
Intangibles -Technical know-how	-	1,770.00	-	1,770.00	-	27.16	-	27.16	1,742.84	-
Land-Freehold	-	-	-	-	-	-	-	-	-	-
Leasehold Property	232.25	837.42	-	1,069.67	18.38	40.62	-	59.00	1,010.67	213.87
Buildings	-	-	-	-	-	-	-	-	-	-
Furniture & Fittings	43.15	332.09	-	375.24	1.59	6.86	-	8.45	366.79	41.56
Information Technology Equipment	150.62	226.05	-	376.67	36.75	58.03	-	94.78	281.89	113.88
Vehicles	54.50	3.88	-	58.38	3.33	6.45	-	9.77	48.60	51.17
Office Equipment	107.07	431.68	-	538.75	7.89	28.54	-	36.43	502.32	99.18
Electrical Equipment	-	538.97	-	538.97	-	4.35	-	4.35	534.62	-
Total	1,613.27	7,052.84	-	8,666.11	86.67	548.31	-	634.97	8,031.13	1,526.60
Work in Progress*	271.55	8,080.23	6,402.48	1,949.30	-	-	-	-	1,949.30	271.55
Grand total	1,884.82	15,133.07	6,402.48	10,615.41	86.67	548.31	-	634.97	9,980.43	1,798.15
Previous Year	416.39	2,494.10	1,025.68	1,884.81	15.81	70.85	-	86.66	1,798.15	400.58

*Including Intangible assets under development.

Schedules

forming part of the financial statements

SCHEDULE NO.11| CASH AND BANK BALANCES

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Cash (including cheques*, drafts and stamps)	0.02	0.02
2	Bank Balance		
	(a) Deposit Accounts	-	-
	(aa) Short term (due within 12 months)**	10.00	10.00
	(bb) Others	-	-
	(b) Current Accounts	644.95	139.83
	(c) Others	-	-
3	Money at call and short notice		
	(a) with Banks	-	-
	(b) with other Institutions	-	-
4	Others	-	-
	Total	654.97	149.85
	Balance with non scheduled banks included in 2 and 3 above	-	-
	CASH & BANK BALANCES	654.97	149.85
	In India	654.97	149.85
	Outside India	-	-

*Cheques on hand amount to INR Nil (Previous Year: INR Nil)

**represents Fixed Deposit placed with ICICI Bank for issuance of credit card

SCHEDULE NO.12 | ADVANCES AND OTHER ASSETS

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
	Advances		
1	Reserve deposits with ceding companies	-	-
2	Application money for investments	-	-
3	Prepayments	426.66	57.51
4	Advances to directors/officers	-	-
5	Advance tax paid and taxes deducted at source (Net of provision for taxation)	1,286.93	-
6	Goods & Service tax credit	165.62	-
7	Others		
	(a) Advance to Employees	0.44	0.40
	(b) Capital Advances	-	750.00
	Less: Provision for doubtful advances	-	-
	(c) Unutilized Tax credit carried forward	-	-
	(d) Other Short term advances	300.07	30.57
	Total (A)	2,179.72	838.48



Schedules

forming part of the financial statements

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
	Other Assets		
1	Income accrued on investments	828.20	1,012.37
2	Outstanding premiums	17,073.48	22,458.57
	Less: Provision for doubtful if any	-	-
3	Agents Balances	-	-
4	Foreign Agencies Balances	-	-
5	Due from other entities carrying on insurance business (including reinsurers)	7,593.56	10,169.36
	Less: Provision for doubtful amounts	-	-
6	Due from Subsidiaries/holdings	-	86.00
7	Investments held for Unclaimed Amount of Policyholders		
8	Interest on investments held for Unclaimed Amount of Policyholders		
9	Others	-	-
	(a) Other Deposits	290.75	205.45
	(b) Deposit under lien	50.00	50.00
	(c) Margin money Deposits	27.00	2.00
	(d) Interest on Fixed Deposit receivable	6.58	1.91
	Total (B)	25,869.57	33,985.66
	Grand Total (A+B)	28,049.29	34,824.14

SCHEDULE NO.13 | CURRENT LIABILITIES

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Agents' Balances	-	-
2	Balances due to other insurance companies	10,538.59	10,952.98
3	Deposits held on re-insurance ceded	-	-
4	Premiums received in advance		
	(a) For Long term policies	-	-
	(b) for Other Policies	-	-
5	Unallocated Premium	23,499.01	11,222.02
6	Sundry creditors (refer note 3.30)	2,164.90	690.21
7	Due to subsidiaries/holding Company	29.34	-
8	Claims outstanding	35,274.84	38,151.99
9	Due to Officers/Directors	-	-
10	Unclaimed Amount of policyholders	-	-
11	Income accrued on Unclaimed amounts	-	-
12	Interest payable on debentures/bonds	-	-
13	Goods and Service tax Liabilities	30.00	1.88
14	Others		
	(a) Premium refundable	1,661.85	-
	(b) Statutory dues	128.95	130.30
	(c) Provision for Audit Fee	27.00	17.74
	(d) Salary Payable	1.90	1.25
	(e) Provision for Bonus	177.73	-
	(f) Staff Reimbursement Payable	13.90	5.54
	(g) Lease equalisation reserve	19.11	-
	Total	73,567.12	61,173.92

Schedules

forming part of the financial statements

SCHEDULE NO.14 | PROVISIONS

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Reserve for unexpired Risk	6.79	0.10
2	Reserve for Premium Deficiency	-	-
3	For taxation (less advance tax paid and taxes deducted at source)	-	899.67
4	For Employee Benefits		
	(a) Gratuity	111.48	58.05
	(b) Accrued leaves	185.72	15.83
5	Others		
	CSR Provision	0.21	
	Total	304.20	973.65

SCHEDULE NO.15 | MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Discount Allowed in issue of shares/debentures	-	-
2	Others (to be specified)	-	-
	Total	-	-



Schedule No. 16

Notes forming part of the Financial Statements for the year ended March 31, 2025

1 CORPORATE INFORMATION

Kshema General Insurance Limited ('the Company') was incorporated on July 05, 2018, as a company under the Companies Act, 2013. The Company is registered with Insurance Regulatory and Development Authority of India ('IRDAI') and is in the business of underwriting general insurance policies. The Company holds a valid certificate of registration issued by IRDAI, No. 162 dated January 11, 2023.

2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements. The management evaluates all newly issued or revised accounting pronouncements on an ongoing basis to ensure due compliance.

2.01 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared and presented on going concern basis in accordance with the Generally Accepted Accounting Principles in India under the historical cost convention and accrual basis of accounting and comply with applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules, 2021 to the extent applicable, and in accordance with the statutory requirements of the Insurance Act, 1938, the Insurance Regulatory and Development Authority (Actuarial, Finance & Investment Functions of Insurers) Regulations, 2024 and other orders/circulars/guidelines and directions issued by the IRDAI, the Companies Act, 2013 to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest lakh with two decimals.

2.02 Use of estimates

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles in India requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as on the date of the Balance Sheet and the reported revenue and expenses for the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. The estimates and assumptions used in accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as on the date of the financial statements. Future results could differ due to these estimates and the differences between the actual results and the estimates are prospectively recognised in the periods in which the results are known / materialised.

2.03 Revenue Recognition

1. Premium Income:

Premium in respect of other than long term products, net of goods and services tax, including reinstatement premium, if any, on direct business and reinsurance accepted, is recognized as income over the period of risk or the policy period based on 1/365 method whichever is appropriate, on a gross basis. In respect of Long Term products, Gross Written Premium is recognised as premium due multiplied by $1/n$, where 'n' is the policy duration in days. In respect of Government Schemes being implemented for crop insurance, premium is recognized (including share of Central Government and respective State Government) upon remittance of farmer's share received from the Nodal Banks/Service Centers (out of such premium collected by them) and subject to acceptance of proposal/ declaration by the Company.

2. Interest / dividend income:

Interest income is recognized on accrual basis and dividend income is recognized when the right to receive the dividend is established.

3. Premium / discount on purchase of investments:

Amortisation of Premium or accretion of discount on acquisition, as the case may be, in respect of fixed income securities, is recognised on constant yield to maturity basis over the period of maturity/holding.

4. Profit / loss on sale of Equity shares and Mutual fund:

Profit or loss on sale/redemption of equity shares and mutual fund units, being the difference between the net sale consideration and the weighted average cost in the books of the Company, is recognized on trade/redemption date and includes effects of accumulated fair value changes, as applicable and previously recognized.

5. Commission income from reinsurance ceded:

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

'In case of treaties having sliding scale commission, initial recognition is done once the underlying season's risk exposure is complete and significant portion of claims are settled/finalized. As at end of each balance sheet date, the loss ratio of such season is estimated and based on such estimate the applicable sliding commission income is recognized. These loss ratios are reviewed at each reporting period and suitable adjustments based on loss ratios are considered as applicable.

Schedule No. 16

Notes forming part of the Financial Statements for the year ended March 31, 2025

2.04 Reinsurance Premium ceded

Reinsurance premium ceded is accounted in the year in which the risk commences and over the period of risk in accordance with the treaty arrangements with the reinsurer. Reinsurance premium ceded on unearned premium is carried forward to the period of risk and is set off against related unearned premium. Any subsequent revisions to or cancellations of premiums are accounted for in the year in which they occur. Premium on excess of loss reinsurance cover is accounted as per the terms of the reinsurance arrangements.

2.05 Acquisition costs

Acquisition costs, defined as costs that vary with, and are primarily related to, the acquisition of new and renewal insurance contracts viz., commission, rewards and incentives, policy issue expenses etc., are expensed in the year in which they are incurred.

2.06 Premium received in advance

Premium received in advance represents premium received in respect of policies issued during the year, where the risk commences subsequent to the Balance Sheet date, and is recorded on the date of commencement of risk.

2.07 Unallocated Premium

Unallocated Premium with respect to the agricultural crop schemes notified by the Government includes monies received from nodal banks and other insurance intermediaries, for which underwriting/risk is yet to commence.

2.08 Reserve for Unexpired Risk

Reserve for unexpired risk is recognised net of reinsurance ceded and represents that part of the net premium which is attributable to, and is to be allocated to succeeding accounting periods. It is calculated based on net premium written on all unexpired policies at Balance Sheet date by applying 1/365th method on the unexpired period of respective policies.

2.09 Premium deficiency

Premium deficiency is recognized if the ultimate amount of expected net claim costs, related expenses and maintenance costs exceeds the related premium carried forward to the subsequent accounting period as the reserve for unexpired risk. The Company considers maintenance costs as relevant direct costs incurred for ensuring claim handling operations. The expected claim costs are calculated and duly certified by the Appointed Actuary.

2.10 Claims

Claims are recognized as and when reported and approved. Claims incurred constitutes claims paid, change in the outstanding provision of claims and estimated liability for claims incurred but not reported ('IBNR') and claims incurred but not enough reported ('IBNER'). Claims includes specific claims settlement cost, surveyor fees, legal and other directly related costs. Claims in respect of Government schemes implemented for crop insurance are recognised when the loss assessment is complete and the claim amount is determined in accordance with the guidelines issued for implementation of such schemes from time to time. Claims paid (net of recoveries including salvage retained by the insured and includes interest paid towards claims) are charged to the revenue account when approved for payment. Where Salvage Value is taken over by the company, the recoveries from sale of salvage are recognised at the time of such sale. Provision is made for estimated value of outstanding claims at the Balance Sheet date, net of reinsurance, salvage and other recoveries. Such provision is made on the basis of the ultimate amounts that are likely to be paid against each claim, as anticipated and estimated by the management. Amounts received/receivable from the reinsurers and coinsurers, under the terms of the reinsurance and coinsurance arrangements respectively, are recognized together with the recognition of the claim.

2.11 IBNR and IBNER (Incurred but not reported and Incurred but not enough reported)

Incurred But Not Reported (IBNR) reserve is a provision for all claims that have occurred prior to the end of the current accounting period but have not been reported to the Company. The IBNR reserve also includes provision for claims Incurred But Not Enough Reported (IBNER). The said liability is determined by Appointed Actuary based on actuarial principles. The actuarial estimate is derived in accordance with relevant IRDAI regulations and applicable guidelines issued by the Institute of Actuaries of India.

2.12 Operating expenses related to the insurance business

As required by IRDAI (Expenses of Management, including Commission, of Insurers) Regulations, 2024, the Company has a Board approved policy for allocation and apportionment of expenses of management amongst various business segments. The expenses of management are net of reimbursements and such reimbursements are allocated to the



Schedule No. 16

Notes forming part of the Financial Statements for the year ended March 31, 2025

business segments to which the same pertains, to the extent allocable. Operating expenses which are directly attributable to a particular business segment and identifiable as such are allocated directly to that segment. Operating expenses which are not directly identifiable to any business segment, but which are attached to specific functions are apportioned based on the most suitable driver of apportionment for respective functions. Operating expenses which are not attached to specific functions are apportioned based on the most suitable driver of apportionment at Company level.

2.13 Fixed Assets, Intangible Assets, Depreciation and Amortization

Fixed assets

Fixed Assets are stated at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying Tangible Fixed Assets up to the date the asset is ready for its intended use. Subsequent expenditure on Tangible Fixed Assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses, if any.

Intangible assets are recorded at its acquisition price and are amortized over their estimated useful life on a straight-line basis, commencing from the date the assets are ready for use. Significant expenditure on improvements to software are capitalized when it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably. Subsequent expenditures are amortized over the remaining useful life of original asset. The useful life of the asset is reviewed by the management at each Balance Sheet date. The Company provides pro-rata amortisation from/to the month in which the asset is acquired or put to use/disposed off as appropriate. Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Revenue Account when the asset is de-recognized.

Work-in-progress (Including Intangible assets under development)

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

Depreciation and amortisation

Depreciation on fixed assets is provided on straight-line method and at the useful life in the manner specified under Schedule II to the Companies Act, 2013. For assets acquired or disposed off during the year, depreciation is provided for on pro-rata basis with reference to the month of acquisition or disposal. Assets costing less than INR10,000 are fully depreciated in the year of acquisition to the Revenue account or to the Profit & Loss account, as the case may be. The useful lives considered for depreciation followed by the company are as follows:

Particulars	Useful lives
Furniture & Fittings	10 Years
Information Technology Equipment	3 Years
Vehicles	8-10 Years
Office Equipment	5 Years
Electrical Equipment	10 Years

Leasehold improvements are amortised over the lease period.

Intangible Assets representing Computer Software and Technical Knowhow are amortised over a period of five year INR

Impairment of assets

The carrying amounts of all assets are reviewed by the Company at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. Value in use is the present value of the estimated future cash flows expected to arise from the continuing use of the assets and from its disposal at the end of its useful life. In assessing value in use the estimated future cash flows are discounted to their present value at a rate that reflects current market assessments of the time value of money and the risks specific to the asset, as determined by the management.

2.14 Income from Investments - Segregation between Policyholders' and Shareholders' funds

Income earned from investments and gains or loss on sale of investments is allocated to Revenue Account and Profit and Loss Account on the basis of actual holding of the investments of the Policyholders and Shareholders

Schedule No. 16

Notes forming part of the Financial Statements for the year ended March 31, 2025

respectively as bifurcated according to IRDAI Master Circular No. IRDAI/ACTL/CIR/MISC/80/05/2024 dated May 17, 2024. The income earned from investments, gains or loss on sale of investments and other income from policyholders' funds are further allocated to the lines of business in proportion of net premium.

2.15 Investments

Investments are made and accounted for in accordance with the Insurance Act, 1938, as amended from time to time including the amendment brought by the Insurance Laws (Amendment) Act, 2015, the Insurance Regulatory and Development Authority of India (Actuarial, Finance & Investment Functions of Insurers) Regulations, 2024 as amended from time to time and various other circulars/notifications issued by the IRDAI in this context. Investments are recorded at cost on trade date and include brokerage, transfer charges, stamps etc., if any, and exclude pre-acquisition interest, if any.

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 that are earmarked, are allocated separately to policyholders' or shareholders', as applicable; balance investments are segregated at Shareholders' level and Policyholders' level notionally based on policyholders' funds and shareholders' funds at the end of period as prescribed by IRDAI.

Valuation

Debt Securities :-

Debt securities including government securities and redeemable preference shares are considered as "held to maturity" securities and measured at historical cost subject to amortisation.

Equity Securities and Derivative Instruments that are traded in active markets:-

Listed equity securities and derivative instruments that are traded in active markets are measured at fair value as at the balance sheet date. For the purpose of calculation of fair value, the lowest of the last quoted closing price of the stock exchanges where the securities are listed is taken.

The Company assesses on each balance sheet date whether any impairment of listed equity security(ies)/ derivative(s) instruments has occurred.

An active market shall mean a market, where the securities traded are homogenous, availability of willing buyers and willing sellers is normal and the prices are publicly available.

Unrealised gains/losses arising due to changes in the fair value of listed equity shares and derivative instruments are taken to equity under the head "Fair Value Change Account". The "Profit on sale of investments" or "Loss on sale of investments", as the case may be, includes accumulated changes in the fair value previously recognised in equity under the head Fair Value Change Account in respect of a particular security and being recycled to Profit and Loss Account on actual sale of that listed security.

For the removal of doubt, it is clarified that balance or any part thereof shall not be available for distribution as dividends. Also, any debit balance in the said Fair Value Change Account is reduced from the profits/free reserves while declaring dividends.

The Company assesses, at each balance sheet date, whether any impairment has occurred. An impairment loss is recognised as an expense in Revenue/Profit and Loss Account to the extent of the difference between the remeasured fair value of the security/ investment and its acquisition cost as reduced by any previous impairment loss recognised as expense in Revenue/Profit and Loss Account. Any reversal of impairment loss, earlier recognised in Revenue/Profit and Loss Account is also recognised in Revenue/Profit and Loss Account.

Unlisted and other than actively traded Equity Securities and Derivative Instruments:-

Unlisted equity securities and derivative instruments and listed equity securities and derivative instruments that are not regularly traded in active market are measured at historical costs. Provision is made for diminution in value of such investments. The provision so made is reversed in subsequent periods if estimates based on external evidence show an increase in the value of the investment over its carrying amount. The increased carrying amount of the investment due to the reversal of the provision shall not exceed the historical cost.

A security is considered as being not actively traded, if as per guidelines governing mutual funds laid down from time to time by SEBI, such a security is classified as "Thinly traded".



Schedule No. 16

Notes forming part of the Financial Statements for the year ended March 31, 2025

Mutual funds

The unrealized gains / losses arising due to changes in fair value of Mutual Funds are taken to Fair Value Change account. The Profit / Loss on sale of Mutual Fund units includes accumulated changes in the fair value previously recognized in Mutual Funds under the heading Fair Value Change in respect of a particular Mutual Fund and is recycled to Revenue / Profit and Loss Account on actual sale of Mutual Fund units.

Money Market Instruments

Money market instruments (including short term investment such as treasury bills, certificate of deposits, commercial papers, Tri-Party Repo - TREPs) are valued at historical cost and adjusted for amortization of premium or accretion of discount, as the case may be, in the Revenue Accounts and in the Profit and Loss Account over the holding / maturity period.

2.16 Employee benefits

Defined contribution plans

The Company's contribution to the provident fund is considered as defined contribution plans and are charged as an expense to revenue account(s) and profit and loss account. The Company also makes contributions to Employee's State Insurance Corporation which is charged to the revenue account(s) and profit and loss account, in the year the contributions are made.

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and are recognized in the period in which the employee renders the related service. These benefits include salaries, bonus, ex-gratia and compensated absences. All short term employee benefits are accounted on undiscounted basis.

Post employment - Defined benefit plans

Gratuity, which is a defined benefit scheme, is provided on the basis of an independent 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.

Long term employee benefits - Compensated absences

The Company accounts for its liability towards compensated absences based on the independent actuarial valuation done as at the Balance Sheet date by an independent actuary using projected unit credit method. The liability includes the long term component accounted on a discounted basis. The costs

of such long term employee benefits is internally funded by the Company.

Employee Stock Option Scheme (ESOS)

The Company follows the intrinsic method for computing the compensation cost, for options granted under the scheme. The difference if any between the intrinsic value being the fair market price and the grant price is the compensation cost which is amortised over the vesting period of the options. Since the company is a non-listed company the fair value of share is determined on the basis of a valuation report from an independent valuer.

2.17 Foreign Currency transactions

Transactions in foreign currencies entered into by the Company are recorded at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Foreign currency monetary items of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Non-monetary items are carried at historical cost. Revenue and expenses are translated at the exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Profit and Loss Account or Revenue account, as the case may be.

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Profit and Loss Account or Revenue account, as the case may be.

2.18 Operating leases

Leases, where the lessor effectively retains substantially all the risks and rewards of ownership of the leased item, are classified as operating lease. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Revenue Account on a straight line basis over the lease term. Initial direct costs incurred specifically for an operating lease are charged to the Revenue Account (s) and Profit and Loss Account, as the case may be.

2.19 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal

Schedule No. 16

Notes forming part of the Financial Statements for the year ended March 31, 2025

in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

2.20 Employee Stock Option Plan (ESOP)

The Company follows the intrinsic method for computing the compensation cost, for stock options granted under the Employee Stock Option Plan. The stock options granted are accounted for in accordance with the Guidance Note on Accounting for Employee Share-based Payments issued by the Institute of Chartered Accountants of India. The difference between intrinsic value and fair market value is amortised over the vesting period. Settlement of the Stock Options granted are in the form of equity shares of the Company.

2.21 Goods and Services Tax (GST)

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 "Goods & Service tax credit" and disclosed in Schedule 12 for adjustments in subsequent periods and GST liability to be remitted to the appropriate authority is disclosed under "Goods and Service tax Liabilities" in Schedule 13. GST paid for eligible input services not recoverable by way of credits is recognized in the Revenue Account as part of the relevant expense head.

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

2.22 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities:

- (i). A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- (ii). A present obligation that arises from past events but is not recognised because - :
 - a. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b. a reliable estimate of the amount of obligation cannot be made.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

2.23 Earnings per share

The basic earnings per share is calculated by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/ reporting period. Number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares. In computing diluted earnings per share, only potential equity shares that are dilutive are included.

2.24 Cash and cash equivalents

Cash and cash equivalents include cash and cheques in hand, bank balances and fixed deposits (other than fixed deposits forming part of investment portfolio as per IRDAI (Actuarial, Finance & Investment Functions of Insurers) Regulations, 2024, with original maturity of three months or less.

2.25 Segment reporting

The disclosure relating to Segment information is provided in accordance with AS-17 'Segment Reporting' and as per regulations issued by the IRDAI.



Schedule No. 16

Notes to Accounts

3 STATUTORY DISCLOSURES AS REQUIRED BY IRDAI AND OTHER DISCLOSURES

3.01 Contingent Liabilities

(Amount in INR Lakhs)

S. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Partly paid up investments	-	-
2	Underwriting commitments outstanding	-	-
3	Claims other than those under policies not acknowledged as debts	-	-
4	Guarantees given by or on behalf of the Company	-	-
5	Statutory demands/liabilities in dispute, not provided for in accounts, in respect of		
	(a) Income Tax*	0.40	-
6	Reinsurance obligations to the extent not provided for in accounts	-	-

*represents demand raised by the Income Tax Department u/s 143(1) read with Section 154 of the Income Tax Act, 1961; against which petition has been filed by the Company for rectification u/s 154.

3.02 Encumbrances of assets of the Company in and outside India

The assets of the Company are free from all encumbrances except:

- Deposits of INR 50 Lakhs (Previous year: INR 50 Lakhs) (included in Schedule No.12 Advances and Other Assets) for issuing bank guarantee.
- Margin deposits with CCIL (NDSOM) of INR 27 Lakhs (Previous year: INR 2 Lakhs) and T-bill - August 29, 2025 (Previous year: 8.97% Gol bond December 05, 2030) for TREPS (included in Schedule No.12 Advances and Other Assets and Schedule No.8A Investments-Policyholders respectively).

3.03 Commitments made and outstanding for Loans, Investments and Fixed Assets

Estimated amount of commitment pertaining to contracts remaining to be excuted in respect of fixed assets (net of advances) is INR 23.23 Lakhs (Previous year: INR 765.99 Lakhs). Commitments made and outstanding for loans and investments is INR Nil (Previous year: INR Nil).

3.04 Claims

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

(Amount in INR Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Claims Paid		
In India	33,746.29	0.12
Outside India	-	-

- Ageing of claims (net of reinsurance) outstanding is set out in the table below:

(Amount in INR Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
More than six months	14,250.15	-
Others (including IBNR)	14,995.35	28,132.63

Schedule No. 16

Notes to Accounts

- c) Claims settled and remaining unpaid for a period of more than six months as on the balance sheet date - INR Nil (Previous year: INR Nil).
- d) There are no products wherein the claims payment period, as per terms of the policy exceeds four year INR Hence actuarial assumptions for determination of such claims liabilities are not required.

3.05 Premium

- a) Premium less reinsurance written from business in/outside India.

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
In India	53,045.07	39,224.65
Outside India	-	-

- b) No premium income is recognised on varying risk pattern.
- c) Rural and Social obligation
Percentage of sector - wise (Based on gross direct premium)

Sector	(Amount in INR Lakhs)		(Count in numbers)	
	For the year ended March 31, 2025		For the year ended March 31, 2024	
	GDPI	% of GDPI	GDPI	% of GDPI
Rural	77,145.93	100.00%	56,849.51	100.00%
Urban		0.00%	0.03	0.00%
Total	77,145.93	100.00%	56,849.54	100.00%

Social Sector	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
No.of Lives	1,07,632.00	75,407
GDPI (INR in Lakhs)	8,878.74	6,896.23

3.06 Investments

- a) The Company has invested its funds as per the investment pattern prescribed by the IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 and the Company's Investment Policy. The amortised Book value of Investments of the Company (other than Equity and Mutual Fund Investment) as on March 31, 2025 is INR 46,408.66 Lakhs (Previous year: INR 36,536.83 Lakhs) and the Market value of the Company's Investments in Equity and Mutual Fund as on that date was INR 6,948.28 Lakhs (Previous year : INR 3,698.77 Lakhs). Gross Income from Investments amounting to INR 2,615.01 Lakhs (Previous year: INR 1,235.58 Lakhs) include Profit on Sale of Equity is INR 15.13 Lakhs (Previous year: INR Nil).
- b) All investments are made in accordance with Insurance Act, 1938 and IRDAI (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 and are performing investments.



Schedule No. 16

Notes to Accounts

- c) The historical cost of Investments whose reported value is based on Fair Value are:-

(Amount in INR Lakhs)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Reported Value	Historical Value	Reported Value	Historical Value
Investments Shareholders	73.12	73.00	131.76	131.00
Investments Policyholders	6,875.16	6,949.45	3567.01	3545.00
Total	6,948.28	7,022.45	3698.77	3676.00

- d) The basis of amortization/accretion of premium/discount on purchase of Debt Securities is stated in the Significant Accounting Policy No. 2.15. The effect of amortisation of premium on debt securities is INR 139.68 Lakhs (Previous year: INR 19.19 Lakhs).
- e) Value of contracts in relation to investments for:
- Purchases where deliveries are pending-nil
 - Sales where payments are overdue-nil.
- f) Allocation of investment income
Investment income is directly identifiable and has been allocated on actuals to revenue account and profit and loss account as applicable.
- g) Unrealised loss of INR 88.56 Lakhs (Previous year : INR Nil) arising due to changes in the fair value of listed equity shares is taken to equity under the head "Fair Value Change Account". This amount, upon realisation, would be reported in Profit and Loss Account. There are no investments in derivative instruments during the year (Previous year: INR Nil).
- h) Fair value of Investment Property for the year: Nil (Previous Year: Nil)
- i) During the year, the Company has invested in Bima Sugam, a section 8 Company classified the investment under policy holders' fund. This has since been transferred to share holders' fund on June 12, 2025. Accordingly, this investment has been classified in these financial statements under share holders' funds.

3.07 Employee Stock Option Plan (ESOP)

During the year ended March 31, 2025 the Company instituted the ESOP scheme pursuant to the resolutions passed by the Board and Shareholders on September 05, 2024 and September 27, 2024 respectively. The exercise price was finalised by the Nomination and Remuneration Committee, in concurrence with the Board, based on an independent valuer's report. The Company follows the intrinsic value method of accounting for stock options granted to employees.

The details of the scheme and the status of stock options granted to employees are given below:-

(Count in numbers)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
No. of options outstanding at the beginning of the year	-	-
No. of options granted during the year	2,50,492	-
No. of options exercised during the year	-	-
No. of options outstanding at the ending of the year	2,50,492	-

Based on Management estimate, had the Company used the fair value method to value its ESOPs, the profit in Profit and Loss account would have been lower by INR 5.56 Lakhs (Previous year: INR Nil) and consequently, Basic and Diluted Earnings per Share would have been INR 3.39/- and INR 3.38/- respectively.

Schedule No. 16

Notes to Accounts

3.08 Disclosure of expenses related to outsourcing activities:

Breakup of Outsourcing expenses pursuant to Master Circular dated May 17, 2024 on Actuarial, Finance and Investment Functions of Insurers, is as follows:

(Amount in INR Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Outsourcing expenses	4,752.13	15.74

3.09 Utilisation of Borrowed funds and Share Premium:

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

The Company has not received any funds from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3.10 Intangible Assets

Intangible Assets - Software shown in Schedule 10 represents indigenously developed policy administration system. The software cost includes direct costs and allocated overhead required to develop the software. The Company has followed Accounting Standard 26 while capitalising these costs.

3.11 Actuarial methodology

IBNR (including IBNER, where applicable) liability as of March 31, 2025 for the lines of business written during the year 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 APS21 and APS34 issued by the Institute of Actuaries of India.

3.12 Premium deficiency

The Company has provided Premium Deficiency INR Nil (Previous year INR Nil) as per IRDAI regulatory guideline - refer Schedule 16 note 2.09

3.13 Extent of risk written and reinsured based on Gross written premium (excluding stop loss)- Basis (value at risk).

Particulars	For the year ended March 31, 2025 % age of business written	For the year ended March 31, 2024 % age of business written
Risk Retained	68.76%	70.00%
Risk Reinsured	31.24%	30.00%
Total	100.00%	100.00%



Schedule No. 16

Notes to Accounts

3.14 Contribution to Environmental Relief Fund

The Company has collected an amount of INR Nil (Previous year : INR Nil) towards Environment Relief Fund from public liability policies.

3.15 Segment Reporting

The Company's primary reportable segments are business segments, which have been identified in accordance with the Regulations. The income from investments, other income and operating expenses attributable to the business segments are allocated as mentioned in Notes 2.12 to Schedule 16. Segment revenue and results have been disclosed in the financial statements in the statement annexed (refer Annexure 1) hereto. Assets and Liabilities have been identified under segments only where directly attributable or reasonably allocable. There are no reportable geographical segments since the Company provides services only to customers in the Indian market and does not distinguish any reportable regions within India.

3.16 Related Party Disclosures

Related party disclosures have been set out in a separate statement annexed (refer Annexure 2) to this schedule as per Accounting Standard 18 'Related Party Disclosures' issued under Companies (Accounting Standards) Rules, 2021 as amended from time to time.

3.17 Operating lease payments

The Company's significant leasing arrangements include agreements for official premises. These lease agreements are generally mutually renewable/cancellable by the lessor /lessee. The future minimum lease payments relating to non-cancellable leases are disclosed below:

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Payable not later than one year	668.75	313.96
Payable later than one year but not later than five years	1,919.65	979.95
Payable later than five years	1,460.86	-

Amount charged to Revenue accounts in respect of all lease arrangements aggregates INR 169.85 Lakhs (Previous year: INR 9.59 Lakhs). There are no transactions in the nature of sub leases.

3.18 Earnings per Share ('EPS')

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit after tax available to equity shareholders (A) (in INR Lakhs)	3,781.29	4,465.69
Weighted average number of equity shares		
Number of shares at the beginning of the year (in Nos.)	11,12,87,643.00	11,12,87,643.00
Shares issued during the year (in Nos.)	1,00,00,000.00	-
Total number of equity shares outstanding at the end of the year (in Nos.)	12,12,87,643.00	11,12,87,643.00
Weighted average number of equity shares outstanding during the year (in Nos.)(B)	11,13,97,232.04	11,12,87,643.00
Add: Effect of dilutive issue of options (in Nos.)	1,25,589.08	-
Diluted weighted average number of equity shares outstanding during the year (in Nos.) (C)	11,15,22,821.12	11,12,87,643.00
Nominal value of equity shares (in INR)	10.00	10.00
Basic earnings per share (A/B) (in INR)	3.39	4.01
Diluted earnings per share (A/C) (in INR)	3.39	4.01

Schedule No. 16

Notes to Accounts

3.19 Taxation

The deferred tax assets and liabilities, arising due to timing differences have been recognized in the financial statements as under:

	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Deferred tax asset		
Timing difference on account of -	-	-
Deferred tax asset		
Employee benefits	74.80	18.60
Provision for doubtful debts	40.52	-
Lease Equalisation Reserve	4.81	-
Provision for litigation	8.14	-
Total	128.27	18.60
Deferred tax liability		
Timing difference on account of -		
Depreciation as per Section 32 of Income Tax Act, 1961	(291.44)	(51.35)
Others	-	(0.25)
Net deferred tax liability	163.17	33.00
Previous Year Adjustment		
Deferred tax (income)/expense recognized in the Profit and loss account	130.17	280.33

	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Tax		
Provision for taxation		
(a) Current tax	1,213.76	1,232.36
(b) Tax expense including interest related to earlier years	135.50	-
(c) Deferred tax expense/(income)	130.17	280.33
Total	1,479.43	1,512.68

3.20 Employee benefits

i) Defined contribution plan

The Company has recognized following amounts in the Revenue and Profit and Loss account, as relevant, for the year in respect of contribution towards defined contribution plans:

	(Amount in INR Lakhs)	
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Provident fund	123.48	32.11
Employee state insurance corporation	1.74	1.02
Contribution to Employee Deposit Linked Insurance	2.30	-
Total	127.52	33.13



Schedule No. 16

Notes to Accounts

ii) Defined benefit plan (gratuity - unfunded)

The Gratuity plan of the Company provides for a lump-sum payment to vested employees at retirement/termination/death or on resignation from employment. The payment is based on employee's last drawn salary and number of years of employment with the Company. The actuarial valuation of gratuity liability of the Company is determined at each Balance Sheet date using projected unit cost method. The following table shows the amounts recognized in the Balance Sheet.

I. Revenue Account

Net employee benefit expenses (recognized in Employee cost)

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	67.40	44.41
Interest cost on defined benefit obligation	4.19	0.53
Prior Service Cost – Vested benefit	-	-
Expected return on plan assets	-	-
Net actuarial loss recognized in the year	(18.05)	6.11
Net benefit expenses	53.54	51.04

II. Balance Sheet

(i) Details of provision for gratuity

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Defined benefit obligation	111.48	58.05
Fair value of plan assets	-	-
Net liability/(asset) recognized in the Balance Sheet	111.48	58.05

(ii) Changes in the present value of the defined benefit obligation are as follows:

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening defined benefit obligation	58.06	7.01
Interest cost	4.19	0.53
Current service cost	67.40	44.41
Prior Service Cost – Vested benefit	-	-
Benefits paid	(0.11)	-
Actuarial losses/(gains) on obligation	(18.05)	6.11
Closing fair value of plan assets	111.49	58.06

Schedule No. 16

Notes to Accounts

(iii) *Changes in the fair value of plan assets are as follows:*

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening fair value of plan assets	-	-
Expected return	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial (losses)/gains	-	-
Closing fair value of plan assets	-	-

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

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	%	%
Investments with insurer	-	-
Asset allocation:		
Government securities	-	-
Debentures and bonds	-	-
Fixed Deposits	-	-
Money market instruments	-	-
Others	-	-

v) *The principles assumptions used in determining the benefit obligations for the Company's gratuity plans are shown below:*

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	%	%
Discount rate	7.03%	7.23%
Expected rate of return on assets	0.00%	0.00%
Increase in compensation cost	10.00%	10.00%

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

vi) *Experience Adjustments for the current and previous four years are as follows:*

Particulars	(Amount in INR Lakhs)				
	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2021
Defined benefit obligation	-	-	-	-	-
Plan assets	-	-	-	-	-
Surplus/(deficit)	-	-	-	-	-
Experience adjustments on Plan Liabilities	60.17	4.16	-	-	-
Experience adjustments on Plan Liabilities	-	-	-	-	-



Schedule No. 16

Notes to Accounts

vii) Other long-term benefits

Compensated absence

Liability for compensated absence for employees is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuation are:

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Defined benefit obligation	-	-
Expenses recognized in the Profit and Loss account and Revenue account during the year	174.35	12.36
Actuarial assumptions used		
Discount rate	7.03%	7.23%
Salary escalation rate*	10%	10%
Mortality rate (as % of IALM (2012-14) Ult. Mortality Table)	100%	100%

*Future salary increase considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Long-term incentive plans

Liability for the scheme is determined based on actuarial valuation which has been carried out using the projected accrued benefit method which is same as the projected unit credit method in respect of past service. The assumptions used for valuations are:

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Defined benefit obligation	-	-
Expense recognized in income statement during the year	174.35	12.36
Actuarial assumptions used		
Discount rate	7.03%	7.23%
Attrition rate	20.00%	5.00%

viii) Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. However, the date on which the Code will come into effect has not been notified as on March 31, 2025 and final rules/interpretation have not yet been issued by the respective States. The Company will assess the impact once the subject rules are notified and will give appropriate impact in its financial statements.

3.21 Quantitative and qualitative information on the insurance company's financial and operating ratios, viz. incurred claim, commission and expenses ratios.

The summary of the financial statements for the last 5 years and the ratios required to be furnished have been set out in the statement annexed hereto. (refer Annexure 3 and Annexure 4)

Schedule No. 16

Notes to Accounts

3.22 Actual solvency margin details vis-à-vis the required margin

(Amount in INR Lakhs)

Solvency Margin	For the year ended March 31, 2025	For the year ended March 31, 2024
Required solvency margin under IRDAI Regulations (A)	10,609.03	8,439.79
Available solvency margin (B)	16,232.22	14,447.78
Solvency ratio actual (times) (B/A)	1.53	1.71
Solvency ratio prescribed by Regulation	1.50	1.50

3.23 Financial performance including growth rate and current financial position of the insurance company

Financial performance including growth rate and current financial position of the insurance company has been provided in Annexure 4

3.24 Description of the risk management architecture

The Company's Risk Management Architecture aims to provide a comprehensive framework for managing risks, ensuring that customers are protected and can sustain uncertainties. The risk exposure of the Company's present portfolio comprises, almost entirely, of Crop line of business. This framework comprises of the following elements:

Risk Identification:

- Discussions are held with all functions to understand the internal/external context issues which will trigger risk events for business areas.
- Risks are identified based on internal/external issues, risk events, audit observations etc. and added to the company's risk register.

Risk Evaluation:

- Existing controls for each risk are identified and its impact on the risk is understood. This is used to assign a rating to the control based on its contribution to mitigation of the risk. This is then used to calculate a net risk rating.
- The risks are prioritised based on the net risk score for mitigation planning and implementation.

Risk Mitigation:

- A strategy for mitigation of prioritised risks and implementation of additional controls is formulated. Ownership and Timelines for implementation of these strategies are assigned.
- The impact of the strategy on the net risk score is also evaluated to understand the effectiveness of the strategy and identify the residual risk score after implementation of this strategy.

Risk Monitoring:

- The progress of each mitigation strategy against planned timelines is tracked on a quarterly basis and corrective measures are planned and implemented as required.
- Above steps are re-assessed on a periodic basis to ensure the risk-register of the company is in line with the changing business environment.

Risk Reporting:

- Key identified risks along with their analysis, evaluation and mitigation strategies are reported to the Risk Management Committee on a quarterly basis along with the changes in risk register from prior report and the progress in implementation of the planned strategies.

3.25 Details of number of claims intimated, disposed of and pending with details of duration

Details of number of claims intimated, disposed of and pending with details of duration has been provided in Annexure 5

3.26 Disclosures under the guidelines on Remuneration of Directors and Key Managerial Persons

A. Qualitative Disclosures

- Information relating to the composition and mandate of the Nomination and Remuneration Committee:

The composition of the Nomination and Remuneration Committee (hereinafter referred to as "NRC") constituted by the Board of Directors is as follows:

Ms. Deepa Karthykeyan – Independent Woman Director
Mr. Sivaramprasad Tammana – Independent Director
Mr. Natraj Nukala – Non-executive Director

The mandate of the NRC is as follows:

Determine/review the Company's policy on specific remuneration packages for the Executive Directors including any compensation.

Oversee the framing, review and implementation of remuneration policy of the Company on behalf of the Board.



Schedule No. 16

Notes to Accounts

Formulate policy, procedures and schemes and to undertake overall supervision and administration of Employee Incentive Plans in the Company.

Review the Board structure, size and composition and make recommendation for any changes.

- b. Information relating to the design and structure of remuneration policy and the key features and objective of remuneration policy:

The remuneration policy seeks to ensure that the compensation structure of the Company is in line with industry standards, with an aim to attract and retain talent and at the same time ensuring fairness and objectivity while evaluating performance.

The key features of remuneration policy are as follows:

Remuneration for non-executive directors

Remuneration for Key Managerial Persons (KMPs)

Remuneration for Senior Management Personnel (one level below MD & CEO)

Annual compensation including Fixed and Variable pay and Deferral arrangements

Malus and clawback provisions

Accounting and reporting

The objectives of remuneration policy are as under:

- To enable the Company to attract, retain and motivate highly qualified members for the Board and other executive personnel.
- To ensure that the relationship of remuneration to performance is clear and meets the performance benchmarks.
- To ensure that the remuneration involves a balance between Fixed Pay and Variable Pay reflecting the short-term and long-term performance objectives appropriate for the working of the Company and its goals.

- c. Description of the ways in which current and future risks are taken into account in the remuneration policy:

The Board of the Company approves the Risk Management Framework and all business activities of the Company revolve around this framework. This framework comprises of the Company's risk appetite, financial and non-financial risks, apart from procedures and processes to identify and mitigate such risks. The NRC takes into account all these factors while assessing the Company's overall performance and that of individual employees; and making necessary recommendations to the Board.

The remuneration policy makes it mandatory that the NRC consults the Risk Management Committee constituted by the Board to ensure that remuneration is adjusted for all risks, payouts are sensitive to time horizon risks and the mix of cash, equity and other forms of remuneration are consistent with risk alignment.

- d. Description of the ways in which the Company seeks to link performance, during a performance measurement period, with levels of remuneration:

The remuneration policy of the Company factors in both qualitative and quantitative aspects while evaluating performance. The following minimum parameters are considered in determining the performance of KMPs – (a) overall financial performance such as Networth, Solvency, growth in AUM, Net Profit etc.; (b) Compliance with EOM regulations prescribed by the IRDAI; (c) Claims efficiency in terms of settlement and outstanding; (d) Improvement in Grievance Redressal status; (e) Reduction in unclaimed amounts of policyholders; (f) Renewal rate; (g) Overall compliance status with all applicable laws.

These parameters are given atleast 60% weightage in the performance assessment matrix of MD/CEO and atleast 30% weightage for other KMPs.

Schedule No. 16

Notes to Accounts

B. Quantitative Disclosures

a. Complete details of remuneration awarded for the financial year to MD & CEO (refer Annexure 6):

(Amount in INR Lakhs)

Name of the MD & CEO		Dr. Vyasa Krishna Burugupalli
Designation		Managing Director and Chief Executive Officer
Fixed Pay	Pay and Allowances	100.00
	Perquisites etc	-
	Total	100.00
Variable Pay	Cash components	25.00
	Non-cash components (ESOPs)	25.00
	Total	50.00
Total of Fixed+Variable Pay		150.00
Amount debited to Revenue A/c		125.00
Amount debited to Profit and Loss A/c		-
Value of joining/sign-on bonus		-
Retirement benefits like gratuity, pension etc. paid during the year		-
Amount of deferred remuneration of earlier years paid/settled during the year		-

b. Details of outstanding deferred remuneration of MD/CEO at the end of the financial year:

(Amount in INR Lakhs)

Name of the MD/CEO	Designation	Remuneration pertains to Financial Year	Nature of Remuneration outstanding	Amount Outstanding (INR in Lakhs)
Dr. Vyasa Krishna Burugupalli	Managing Director and Chief Executive Officer	2024-25	Employee Stock Options	25.00*

*Represents Employee Stock Options granted during the year with a vesting period of 3 years

c. Details of Remuneration to Non-Executive Directors are as under

(Amount in INR Lakhs)

Sr. No	Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
		Remuneration	Sitting fees paid	Remuneration	Sitting fees paid
1	Natraj Nukala	-	11.60	-	3.15
2	Rajeshnani Dasari*	-	7.60	-	3.00
3	Deepa Karthykeyan	-	10.85	-	2.25
4	Sivaramprasad Tammana	-	12.60	-	3.75
5	Ravi Sharma	-	0.75	-	-

*The Shareholders of the Company have accorded their approval for appointment of Mr. Rajeshnani Dasari as Wholtime Director in the Extraordinary General Meeting held on January 10, 2025; subject to the approval from IRDAI and other regulators. IRDAI accorded its approval vide Letter dated April 24, 2025; whereas the approval from Central Government was received on May 06, 2025 effective from the date of approval by the Shareholders, subject to specific approval from IRDAI. During the year, the Company paid professional charges of INR 129.80 Lakhs to Mr. Rajeshnani Dasari.



Schedule No. 16

Notes to Accounts

- d. **Details of remuneration to Key Management Personnel other than MD/CEO and Wholetime Director, as per terms of appointment of the Company are as under:**

Particulars	(Amount in INR Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and Allowances	449.44	299.95
Contribution to provident and other funds	9.95	6.21

Notes:

- Provision for gratuity and compensated absences is determined actuarially on an overall basis and therefore has not been considered for the above disclosures.
- The remuneration of MD/CEO and other Key Management Personnel individually does not exceed INR 400 Lakhs.
- MD/CEO and Key Management Personnel are granted options pursuant to the Company's Employees Stock Option Scheme. The same is not included in the above disclosures.

3.27 Elements of remuneration package (including incentives) of MD & CEO and all other directors and Key Management Persons

Remuneration package (including incentives) of MD & CEO and all other Key Management Persons has been divided into Fixed and Variable Pay. Fixed pay includes Basic pay, allowances, contribution towards superannuation/retirement benefits and all other fixed terms of compensation. Variable pay includes incentives, bonus and Employee Stock Options, the settlement of which is in the form of equity shares of the Company.

3.28 Payments made to group entities from the Policyholders Funds

The information in this regard has been provided in Annexure 2.

3.29 Expenses related to Policyholder's and Shareholder's investments

Expenses directly identifiable with investment activity amounting to INR Nil (Previous year: INR Nil) are included under "expenses other than those relating to insurance business" in the Profit & Loss Account.

3.30 The Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

According to information available with the management, on the basis of information received from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED), the Company has amounts due to Micro, Small and Medium Enterprises under the said Act as follows:

S. No.	Particulars	(Amount in INR Lakhs)	
		For the year ended March 31, 2025	For the year ended March 31, 2024
1	The principal amount remaining unpaid to any supplier as at the end of the year	4.97	1.25
2	Interest due on the above amount	-	-
3	The amount of interest paid by in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
4	Amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
5	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
6	Amount of interest accrued and remaining unpaid at the end of the year	-	-
7	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Schedule No. 16

Notes to Accounts

3.31 Fines and Penalties

Details of Penal actions taken by various Government Authorities as below:

(Amount in INR Lakhs)					
S. No.	Authority	Non-Compliance/ Violation	Penalty Awarded	Penalty Paid	Penalty Waived/ Reduced
1	Insurance Regulatory and Development Authority of India (IRDAI)	Nil	Nil	Nil	Nil
2	Income Tax authorities	Nil	Nil	Nil	Nil
3	GST authorities	Nil	Nil	Nil	Nil
4	Any other Tax authorities	Nil	Nil	Nil	Nil
5	Enforcement Directorate/Adjudicating authority/ Tribunal or any Authority under FEMA	Nil	Nil	Nil	Nil
6	Registrar of Companies/NCLT/CLB/Department of Corporate Affairs or any Authority under Companies Act, 2013	Nil	Nil	Nil	Nil
7	Penalty awarded by any Court/Tribunal for any matter including claim settlement but excluding compensation	Nil	Nil	Nil	Nil
8	Securities and Exchange Board of India	Nil	Nil	Nil	Nil
9	Competition Commission of India	Nil	Nil	Nil	Nil
10	Any other Central/State/Local Government/ Statutory Authority	Nil	Nil	Nil	Nil

3.32 Unallocated Premium

Unallocated Premium of INR 23,499.01 Lakhs (Previous year: INR 11,222.02 Lakhs) shown in Schedule. No. 13 represents monies received from banks and other insurance intermediaries during the financial year in respect of Pradhan Mantri Fasal Bima Yojana (PMFBY) for which the Company could not complete its underwriting, owing, inter-alia, to non-tagging of applications to premium. The Company recognises revenue against such monies received upon completion of underwriting, in accordance with its accounting policy.

3.33 Pending Litigations:

Pending Litigations comprise of claims against the Company. All these litigations have been reviewed by the management; and the Company does not expect any adverse outcome from settlement of these litigations.

3.34 Long Term Contracts

The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

3.35 Contribution to Investor Education and Protection Fund

For the year ended March 31, 2025 (Previous year: Nil) there is no amount that needs to be transferred to the Investor Education and Protection Fund.

3.36 Corporate Social Responsibility

- As per requirement of Section 135 and Schedule VII of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), the Company has constituted a Corporate Social Responsibility (CSR) Committee and has formulated its CSR Policy adopting the activities to be undertaken by the Company. The Company, on the recommendation of CSR Committee, has undertaken CSR activities in accordance with Section 135 of Companies Act, 2013.
- In accordance with the above provisions, the Company was required to incur an expenditure of INR 35.56 Lakh during the year (Previous year: INR Nil). Of this amount, the following expenditures have been made towards the specified activities during the year, while the remaining INR 0.22 Lakhs is to be transferred to the specified funds under Schedule VII of Companies Act, 2013.



Schedule No. 16

Notes to Accounts

(Amount in INR Lakhs)

S. No.	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1	Construction/Acquisition of asset	30.24	-
2	Purposes other than (1) above	5.10	-
3	Shortfall at the end of the year	0.22	-
4	The total of previous years' shortfall amounts	-	-
5	Reasons for the shortfall	Being the first year of implementation, there are delays in spending CSR amounts	-
6	Nature of CSR Activities	Promoting Health, Wellness, Water and Education	

3.37 Repo and Reverse Repo Transactions

(Amount in INR Lakhs)

Particulars		Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on March 31, 2025
Securities sold under (treps) repo (At cost)					
1. Government Securities	FY2025	-	-	-	-
	FY2024	-	-	-	-
2. Corporate Debt Securities	FY2025	-	-	-	-
	FY2024	-	-	-	-
Securities purchased under (treps) reverse repo (At cost)					
1. Government Securities	FY2025	-	5,100.00	2,584.86	4,478.62
	FY2024	444.92	3,503.41	1,884.56	3,503.41
2. Corporate Debt Securities	FY2025	-	-	-	-
	FY2024	-	-	-	-

3.38 Dividend

The Board of Directors, in their meeting held on February 07, 2025 declared an interim dividend of INR 1.35/- per equity share of face value of INR 10/- each. As per the provisions of Section 123 of the Companies Act, 2013; the amount of dividend needs to be deposited in a scheduled bank in a separate bank account within five days from the date of declaration of dividend. However, the amount of interim dividend was deposited in a separate bank account on February 14, 2025.

3.39 Foreign exchange gain/(loss)

The foreign exchange (loss)/gain debited to Revenue Account for the year ended March 31, 2025 is (INR 8.68 Lakhs) (Previous Year: INR 0.93 Lakhs).

Schedule No. 16

Notes to Accounts

3.40 Disclosures on other work given to auditors

Pursuant to Master Circular on Corporate Governance for Insurers, 2024 vide Ref: IRDAI/F&I/CIR/MISC/82/5/2024 dated May 22, 2024, the additional works (other than statutory audit) given to the auditors are detailed below:

		(Amount in INR Lakhs)	
Name of the Firm		For the year ended March 31, 2025	For the year ended March 31, 2024
Jawahar and Associates	Tax Audit	-	3.00
SCV & Co. LLP	Certification charges	3.00	-
Uma Maheshwara Rao & Co.	Certification charges	2.25	-
M. Anandam & Co.	Tax Audit	4.00	-
	Certification charges	0.75	-
Varma & Varma	Certification charges	0.25	-

3.41 Statement containing names, descriptions, occupations of and directorships held by the persons in charge of management of the business under section 11 (3) of Insurance Act, 1938 (amended by the Insurance Laws (Amendment) Act, 2015)

Particulars	From April 01, 2024 to March 31, 2025
Name of the person in-charge	Dr. Vyasa Krishna Burugupalli
Designation of person in-charge	Managing Director and Chief Executive Officer
Occupation of person in-charge	Service
Directorship	Kshema General Insurance Limited
Name of the person in-charge	Prabha Vadlamannati
Designation of person in-charge	Company Secretary & Chief Compliance Officer*
Occupation of person in-charge	Service
Directorship	Nil
Name of the person in-charge	Badarish H Chimalgi
Designation of person in-charge	Chief Compliance Officer (w.e.f. April 08, 2025)
Occupation of person in-charge	Service
Directorship	Nil
Name of the person in-charge	Prashant Shenoy
Designation of person in-charge	Chief Financial Officer
Occupation of person in-charge	Service
Directorship	Nil
Name of the person in-charge	Piyush Jain
Designation of person in-charge	Appointed Actuary
Occupation of person in-charge	Service

*Chief Compliance Officer upto April 07, 2025

3.42 Contribution from Shareholders' account to Policyholders' account

In line with IRDAI (Expenses of Management, including Commission, of Insurers) Regulations, 2024, we confirm that at an overall level the Company's expenses are well within expense limits set thereunder. Therefore, contribution from Shareholders' account to Policyholders' account is not applicable during the year.



Schedule No. 16

Notes to Accounts

3.43 Operating Expenses

Operating expenses of the Company during the year pertain virtually, in its entirety, to Crop insurance, as premium from other lines of business was significantly immaterial.

3.44 In the accounting software used for maintaining general ledger, the feature of audit trail (edit log) facility is enabled at application level from April 18, 2024. The audit trail facility has been operating throughout the period for all relevant transactions recorded in the software from the date on which audit trail (edit log) was enabled. The feature of recording audit trail (edit log) facility was not enabled at database level to log any direct data changes.

In the accounting software operated by a third party service provider for maintaining books of account relating to payroll, the feature of recording audit trail (edit log) facility is enabled at application level and at the database level as per the report received from the third party. As per the said report the audit trail (edit log) has been operated throughout the year for all relevant transactions recorded in the software.

The Company is in the process of implementation of audit trail (edit log) feature in the accounting software used for maintaining books of account relating to investments and retail products.

The Company has maintained and preserved the audit trail (edit log) as per the statutory requirements for record retention as required by the Companies (Accounts) Rules, 2014."

3.45 Roadmap for implementation of Indian Accounting Standards (Ind AS)

IRDAI has issued a letter dated September 15, 2023 wherein phase-wise implementation of Ind AS has been proposed. All the insurers have been divided into three phases, and the Company falls under Phase-3. Additionally, vide its communications dated September 30, 2024 and January 10, 2025; the IRDAI has advised insurers to set up a Steering Committee for effective implementation of Ind AS (providing reference to its letter dated July 14, 2022). In compliance of this requirement, the Company has constituted a Steering Committee headed by the Chief Financial Officer to oversee the implementation of Ind AS. The Steering Committee comprises of members from cross functional teams such as Actuarial, IT and Underwriting.

The Appointed Actuary and the Chief Financial Officer have conducted various meetings to update the members of Audit Committee and the Board of Directors on the plan for implementation of Ind AS. Pursuant to such plans, a knowledge partner has been appointed to assist the Company with Ind AS gap assessment and preparation of proforma financials as per the directives of IRDAI. The Ind AS gap assessment report has been submitted to the IRDAI within stipulated timelines. The Company is also in the process of appointing a technology partner to assist in Ind AS convergence.

3.46 Figures presented as 0.00 are below the rounding off norms adopted by the Company.

3.47 Provisions for policy cancellations during free look period are INR Nil (Previous year INR Nil) as confirmed by the Appointed Actuary.

Schedule No. 16

Notes to Accounts

3.48 Regrouping Statement

(Amount in INR Lakhs)

S. No.	Particulars		Regrouped/ Restated amount	Amount as per Financials of previous year	Difference	Reason for regrouping/ restatement
	Regrouped from	Regrouped to				
1	GST on premium/ expenses account	Employees' remuneration & welfare benefits	0.47	0.47	-	Ineligible GST upto March 31, 2024 has been regrouped into respective expense heads.
2		Travel, conveyance and vehicle running expenses	22.00	22.00	-	
3		Rents, rates and taxes	44.40	44.40	-	
4		Repairs and maintenance	10.56	10.56	-	
5		Printing and stationery	1.77	1.77	-	
6		Communication	0.95	0.95	-	
7		Legal and professional charges	334.78	334.78	-	
8		Auditors' fees, expenses, etc.-as auditors	0.54	0.54	-	
9		Advertisement and publicity	323.76	323.76	-	
10		Business support services	12.53	12.53	-	
11		Information technology	29.03	29.03	-	
12		Miscellaneous expenses	91.68	91.68	-	
13		Gross Commission	12.11	12.11	-	
14	Miscellaneous expenses	Employees' remuneration & welfare benefits	11.57	11.57	-	For better presentation and classification of expense heads, Miscellaneous expenses have been regrouped into specific head of expenditure.
15		Rents, rates and taxes	0.18	0.18	-	
16		Legal and professional charges	13.65	13.65	-	
17		Business support services	91.65	91.65	-	
18		Brand/Trade Mark usage fee/charges	240.00	240.00	-	



Schedule No. 16

Notes to Accounts

(Amount in INR Lakhs)

S. No.	Particulars		Regrouped/ Restated amount	Amount as per Financials of previous year	Difference	Reason for regrouping/ restatement
	Regrouped from	Regrouped to				
19	Advertisement and publicity	Business support services	1147.72	1,147.72	-	Business support services have been carved out for better presentation.
20	Sundry Creditors	Advances and Other Assets-Other Short term advances	30.27	30.27	-	For better representation of vendor balances.
21	Cash and Bank Balances	Advances and Other Assets	50.00	50.00	-	Fixed Deposit under lien has been regrouped under Other Deposits.
22	Short Term Investments	Advances and Other Assets	2.00	2.00	-	Margin deposit with CCIL (NDSOM) regrouped for appropriate classification.
23	Claims outstanding	Advances and Other Assets	10,169.36	10,169.36	-	Reinsurance portion on claims outstanding has been appropriately regrouped.
24	Income accrued on investments	Interest on Fixed Deposit receivable	1.91	1.91	-	Interest receivable on Fixed Deposit posted to appropriate head within the Schedule.
25	Advance to Employees	Other Short term advances	0.30	0.30	-	Short term advances posted to appropriate head within the Schedule.
26	Amortization of Premium/Discount on Investments	Interest, Dividend and Rent	19.04	19.04	-	As per regulatory requirements.
27	Deferred tax assets (net)	Deferred tax liabilities (net)	33.00	33.00	-	Deferred Tax asset shown as negative number in Deferred Tax liabilities has been regrouped.

3.49 The Financial Statements for the year ended March 31, 2025 were approved by the Board of Directors of the Company on June 17, 2025.

For and on behalf of Board

Kshema General Insurance Limited

As per our separate report of even date attached

For Varma & Varma
Chartered Accountants
FRN: 004532S

For M. Anandam & Co.
Chartered Accountants
FRN: 000125S

Natraj Nukala
Chairman
DIN: 02119316

Vyasa Krishna Burugupalli
Managing Director & CEO
DIN: 03072517

Georgy Mathew
Partner
M. No. 209645

M V Ranganath
Partner
M. No. 028031

Prabha Vadlamannati
Company Secretary

Prashant Shenoy
Chief Financial Officer

Place: **Hyderabad**
Date: **June 17, 2025**

Schedule No. 16

ANNEXURE 1 - SEGMENTAL REPORTING FOR THE YEAR ENDED MARCH 31, 2025

Segmental Reporting of Revenues and Expenditure for “Fire” and “Miscellaneous” business for the year ended March 31, 2025

(Amount in INR Lakhs)

Particulars	Fire		Misc- Crop		Misc- Motor		Misc- Personal Accident		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Premium Earned (Net)	0.04	0.00	53,038.02	39,224.70	0.21	-	0.10	-	53,038.37	39,224.70
Profit/Loss on sale/ redemption of Investments (net)	-	-	223.87	54.48	-	-	-	-	223.87	54.48
Interest, Dividend and Rent - Gross	-	-	1,669.67	568.74	-	-	-	-	1,669.67	568.74
Other Income:									-	-
Contribution from the Shareholders' Account	-	-	-	-	-	-	-	-	-	-
Foreign exchange gain / loss	-	-	(8.68)	0.93	-	-	-	-	(8.68)	0.93
Total (A)	0.04	0.00	54,922.88	39,848.84	0.21	-	0.10	-	54,923.23	39,848.84
EXPENDITURE									-	-
Claims Incurred (Net)	0.02	0.00	34,858.93	28,132.74	0.17	-	0.04	-	34,859.16	28,132.74
Commission (Net)	-	-	(991.41)	(383.92)	0.06	-	0.01	-	(991.34)	(383.92)
Operating Expenses related to Insurance Business	-	-	16,548.29	6,733.96	-	-	-	-	16,548.29	6,733.96
Total (B)	0.02	0.00	50,415.81	34,482.78	0.23	-	0.05	-	50,416.11	34,482.78
Operating Profit/(Loss) C= (A-B)	0.02	0.00	4,507.07	5,366.07	(0.02)	-	0.05	-	4,507.12	5,366.07

Segmental Reporting of Assets and Liabilities as at March 31, 2025

(Amount in INR Lakhs)

Particulars	Fire		Misc- Crop		Misc- Motor		Misc- Personal Accident		Total	
	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024	FY 2025	FY 2024
Premium Received in Advance/ Unallocated Premium	-	-	23,499.01	11,222.02	-	-	-	-	23,499.01	11,222.02
Claims Outstanding	-	-	35,274.84	38,151.99	-	-	-	-	35,274.84	38,151.99
Reserve for Unexpired Risk	0.00	0.04	5.77	0.06	0.92	-	0.11	-	6.80	0.10
Outstanding premium	-	-	17,073.48	22,458.57	-	-	-	-	17,073.48	22,458.57



Schedule No. 16

ANNEXURE 2 - RELATED PARTIES AND NATURE OF RELATIONSHIP WHERE TRANSACTIONS MADE DURING THE YEAR:

Nature of Relationship	Name of the Related party
Holding Company	Kshema Holdings Private Limited
Non-executive, Non-independent Director	Natraj Nukala
Independent Director	Rajeshnani Dasari (upto September 27, 2024)
Non-executive, Non-independent Director	Rajeshnani Dasari (upto April 24, 2025)
Key Management Persons (KMP)	
Managing Director and Chief Executive Officer	Dr. Vyasa Krishna Burugupalli
Wholetime Director	Rajeshnani Dasari (from April 25, 2025)
Company Secretary & Chief Compliance Officer*	Prabha Vadlamannati
Chief Compliance Officer	Badarish H Chimalgi (from April 08, 2025)
Chief Financial Officer	Prashant Shenoy
Appointed Actuary	Piyush Jain
Chief Risk Officer	Kumar Saurav
Chief Marketing Officer	Bhaskar Thakur
Chief Investment Officer	Arinjay Jaini
*Chief Compliance Officer upto April 07, 2025	
Companies in which the Directors have substantial interest	
	Kshema Capital Private Limited
	ITUS Insurance Brokers Private Limited

Relatives of Key Management Persons

Dr. Vyasa Krishna Burugupalli - Managing Director and Chief Executive Officer

Nature of Relationship	Relative's Name
NA	Nil

Related Party Disclosures under AS 18 for the year 2024-25

Transactions during the year

(Amount in INR Lakhs)				
S. No	Name of the related party	Description	FY 2025	FY 2024
1	Kshema Holdings Private Limited	Share Application money received	-	-
		Share Capital allotted		
		Refund of Share application money		
		Dividend paid		
2	Kshema Capital Private Limited	Expenditure:		
		Arrangers Fee	2,024.88	1,260.00
		Trademark Fee	283.20	240.00
		Purchase of technical know-how / sale of service	1,770.00	-
4	Dr. Vyasa Krishna Burugupalli	Expenditure:		
		Remuneration	125.00	60.00
		Reimbursements	1.50	-
		Dividend paid	0.01	

Schedule No. 16

(Amount in INR Lakhs)

S. No	Name of the related party	Description	FY 2025	FY 2024
5	Rajeshnani Dasari	Expenditure:		
		Professional charges	129.80	-
		Director Sitting fee	7.60	3.00
6	ITUS Insurance Brokers Private Limited	Expenditure:		
		Commission expenditure	5.15	-
		Procurement of IT Software	395.00	-

Outstanding Balances Assets/(Liabilities)

(Amount in INR Lakhs)

S. No	Name of the related party	Description	For the year ended March 31, 2025	For the year ended March 31, 2024
1	Kshema Holdings Private Limited	Reimbursements Receivable	-	86.00
2	Kshema Capital Private Limited	Advance for purchase of technical know-how / sale of service	-	750.00
		Arrangers Fee	25.74	-
		Trademark Fee	3.60	-
3	Natraj Nukala	Reimbursements Payable	-	(11.93)
4	Dr. Vyasa Krishna Burugupalli	Reimbursements Payable	(0.13)	-
5	Rajeshnani Dasari	Director Sitting fee Payable	(0.68)	-
6	ITUS Insurance Brokers Private Limited	Commission Payable	-	-

ANNEXURE 3 - SUMMARY OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(Amount in INR Lakhs)

S. No	Particulars	2025	2024	2023	2022	2021
	OPERATING RESULTS					
1	Gross Direct Premium	77,145.92	56,849.54			
2	Gross Written Premium	77,145.92	56,849.54	-	-	-
3	Net Premium Income (net of Reinsurance)	53,045.07	39,224.74	-	-	-
4	Income from Investments (net of losses)	1,893.54	623.21	-	-	-
5	Other Income (Foreign exchange gain / (loss))	(8.68)	0.93	-	-	-
6	Contribution from the Shareholders account	-	-	-	-	-
	Towards excess EOM	-	-	-	-	-
	Others to be specified	-	-	-	-	-
	Total Income	54,929.93	39,848.88	-	-	-
7	Commissions (net including brokerage)	(991.34)	(383.92)	-	-	-
8	Operating Expenses	16,548.29	6,733.96	464.90	-	-
9	Premium Deficiency	-	-	-	-	-
10	Net Incurred Claims	34,859.16	28,132.74	-	-	-
11	Change in Unearned premium reserve	6.70	0.10	-	-	-



Schedule No. 16

(Amount in INR Lakhs)

S. No	Particulars	2025	2024	2023	2022	2021
12	Operating Profit/ (Loss)	4,507.12	5,366.00	(464.90)	-	-
	NON OPERATING RESULTS					
13	Total income under Shareholder's Account	685.91	612.37	262.45	-	-
14	Total expenses under Shareholder's Account	-	-	-	-	-
15	Profit / (Loss) before Tax	5,193.03	5,978.37	(484.17)	-	-
16	Provision for Tax	1,479.43	1,512.68	(247.33)	-	-
17	Profit / (Loss) after Tax	3,713.60	4,465.68	(236.84)	-	-
	MISCELLANEOUS					
18	Policyholder's Account					
	Total Funds	44,652.19	27,699.17	-	-	-
	Total Investments	42,649.95	31,811.03	-	-	-
	Yield on Investments	6.78%	7.00%	-	-	-
19	Shareholder's Account					
	Total Funds	18,081.42	14,803.16	-	-	-
	Total Investments	10,706.99	8,422.57	-	-	-
	Yield on Investments	8.06%	7.60%	-	-	-
20	Paid up Equity Capital	12,128.76	11,128.76	11,128.76	-	-
21	Net Worth	18,007.14	14,825.17	10,336.70	-	-
22	Total Assets	92,041.63	77,005.74	-	-	-
23	Yield on Total Investments	7.09%	7.00%	-	-	-
24	Earning Per Share (Basic)	3.39	4.01	-	-	-
25	Book value per Share	14.85	13.32	-	-	-
26	Total Dividend declared/ paid for the year	-	-	-	-	-
27	Dividend per share	-	-	-	-	-
28	Solvency Ratio	-	-	-	-	-

ANNEXURE 4 - RATIOS FOR THE YEAR ENDED

(Amount in INR Lakhs)

S. No	Particulars	2025	2024	Basis of calculations
1	Gross Direct Premium Growth Rate	35.70%	100.00%	[GDPI(CY)-GDPI(PY)] / GDPI(PY)
	Fire	-91.55%	100.00%	
	Marine	NA	NA	
	Crop	35.70%	100.00%	
	Motor	100.00%	NA	
	Personal Accident	100.00%	NA	
2	Gross Direct Premium to Net Worth Ratio	426.66%	384.06%	GDPI / Shareholder's funds*
3	Growth Rate of Net Worth	22.15%	43.20%	(Shareholder's funds(CY)-Shareholder's funds(PY)) / Shareholder's funds(PY)
4	Net Retention Ratio	68.76%	69.00%	Net written premium / (Gross Direct Premium Income + Reinsurance Accepted)
	Fire	95.87%	100.00%	
	Marine	NA	NA	
	Crop	68.76%	69.00%	
	Motor	97.05%	NA	
	Personal Accident	96.00%	NA	

Schedule No. 16

(Amount in INR Lakhs)

S. No	Particulars	2025	2024	Basis of calculations
5	Net Commission Ratio	-1.87%	-0.98%	Net Commission / Net written premium
	Fire	0.00%	0.00%	
	Marine	NA	NA	
	Crop	-1.87%	-0.98%	
	Motor	5.15%	NA	
	Personal Accident	5.21%	NA	
6	Expenses of Management to Gross Direct Premium Ratio	22.38%	12.72%	(Direct Commission+Operating Expenses) / Gross direct premium
	Fire	0.00%	0.00%	
	Marine	NA	NA	
	Crop	22.38%	12.72%	
	Motor	5.00%	NA	
	Personal Accident	5.00%	NA	
7	Expenses of Management to Net Written Premium Ratio	29.33%	16.19%	(Net Commission+Operating Expenses) / Net Written Premium
	Fire	0.00%	0.00%	
	Marine	NA	NA	
	Crop	29.33%	16.19%	
	Motor	5.15%	NA	
	Personal Accident	5.21%	NA	
8	Net Incurred Claims to Net Earned Premium	65.72%	71.72%	Net Incurred Claims / Net Earned Premium
	Fire	57.40%	81.78%	
	Marine	NA	NA	
	Crop	65.72%	71.72%	
	Motor	79.83%	NA	
	Personal Accident	40.75%	NA	
9	Claims paid to claims provisions	100.00%	NA	Claim Paid (pertaining to provisions made previously) / claims provision made previously
	Fire	0.00%	0.00%	
	Marine	NA	0.00%	
	Crop	100.00%	100.00%	
	Motor	0.00%	0.00%	
	Personal Accident	0.00%	0.00%	
10	Combined Ratio	95.05%	87.91%	(7) +(8)
	Fire	57.40%	81.78%	
	Marine	NA	NA	
	Crop	95.05%	87.91%	
	Motor	84.98%	NA	
	Personal Accident	45.96%	NA	
11	Investment income ratio	7.09%	6.00%	Investment income / Average Assets under management
12	Technical Reserves to Net Premium Ratio	66.51%	97.27%	[(Reserve for unexpired risks+premium deficiency+reserve for outstanding claims(including IBNR and IBNER)] / Net premium written
	Fire	768.05%	99.90%	
	Marine	NA	NA	
	Crop	66.51%	71.72%	
	Motor	96.20%	NA	
	Personal Accident	69.93%	NA	



Schedule No. 16

(Amount in INR Lakhs)

S. No	Particulars	2025	2024	Basis of calculations
13	Underwriting Balance Ratio	4.94%	12.09%	Underwriting results / Net earned premium
14	Operating Profit Ratio	8.50%	13.68%	Operating profit / Net Earned premium
15	Liquid Assets to liabilities ratio (Times)	93.95%	116.70%	Liquid Assets /Policyholders liabilities
16	Net Earning Ratio	7.13%	11.38%	Profit after tax / Net Premium written
17	Return on Net worth	20.91%	30.17%	Profit after tax / Net Worth
18	Available Solvency Margin (ASM) to Required Solvency Margin (RSM) Ratio	153.00%	172.00%	to be taken from solvency margin reporting
19	NPA Ratio			to be taken from NPA reporting
	Policyholders' Funds			
	Gross NPA Ratio	NA	NA	
	Net NPA Ratio	NA	NA	
	Shareholders' Funds			
	Gross NPA Ratio	NA	NA	
	Net NPA Ratio	NA	NA	
20	Debt Equity Ratio	NA	NA	(Debt/Equity)
21	Debt Service Coverage Ratio	NA	NA	(Earnings before Interest and Tax/ Interest and Principal Instalments Due)
22	Interest Service Coverage Ratio	NA	NA	(Earnings before Interest and Tax/ Interest due)
23	Equity Holding Pattern for other than life Insurers and information on earnings:			Profit /(loss) after tax / No. of shares
	No. of shares	12,12,87,643	11,12,87,643	
	Percentage of shareholding			
	Indian	100.00%	100.00%	
	Foreign	-	-	
	Percentage of Government holding (in case of public sector insurance companies)	NA	NA	
	Basic EPS before extraordinary items (net of tax expense) for the period (not to be annualized)	3.39	4.01	
	Diluted EPS before extraordinary items (net of tax expense) for the period (not to be annualized)	3.39	4.01	
	Basic EPS after extraordinary items (net of tax expense) for the period (not to be annualized)	3.39	4.01	
	Diluted EPS after extraordinary items (net of tax expense) for the period (not to be annualized)	3.39	4.01	
24	Book value per share (INR)	14.91	13.30	Net worth / No. of shares

Notes :

The ratios are calculated in accordance with instructions provided by the Authority under circular on public disclosures by the insurers as specified from time to time

- GDPI= Premium from direct business written, NWP =Net written premium
- Shareholder's funds/Net Worth =Share capital+reserve and surplus-Miscellaneous expenditure-debit balance in profit and loss account)
Shareholders' funds /Net Worth comprise of Share Capital plus all Reserves and Surplus (except revaluation Reserve and fair value change account) net of accumulated losses and Miscellaneous expenditure to the extent not written off as at the Balance Sheet date"
- Investment income = Profit/ Loss on sale/redemption of Investments+Interest, Dividend & Rent – Gross (net of investment expenses) including investment income from pool

Schedule No. 16

4. Underwriting results= Net earned premium-Net incurred claims-Net commission-Operating Expenses (Before adjusting transfer to Profit and loss account as per Section 40C)- Premium Deficiency
5. Liquid Assets = Short term investments+Short term loans+Cash & Bank balances
6. Policyholders liabilities=Outstanding Claims including Incurred But Not Reported (IBNR) & Incurred But Not Enough Reported (IBNER)+Unearned Premium Reserve+ Premium Deficiency Reserve, if any+ Catastrophe Reserve, if any; and+ Other Liabilities net off Other Assets Other Liabilities in point (e) above, comprise of (i) Premium received in advance (ii) Unallocated premium (iii) Balance due to OTHER Insurance Companies (iv) Due to other Members of a Pool such as Third Party Pool; Terrorism Pool; etc. (vi) Sundry creditors (due to Policyholders). Other Assets in point (e) above, comprise of (i) Outstanding premium (ii) due from other entities carrying on Insurance business including Reinsurers (iii) Balance with Pool such as Thirty Party Pool; Terrorism pool; etc.
7. Debt=(Borrowings+Redeemable Preference shares, if any) Equity=Shareholders' Funds excluding Redeemable Preference shares, if any

ANNEXURE 5 - DETAILS OF NUMBER OF CLAIMS INTIMATED, DISPOSED OF AND PENDING (EXCLUDING CLAIM RELATED EXPENSES AND IBNR) WITH DETAILS OF DURATION

(Amount in INR Lakhs)

S. No	Particulars	No of Claims Intimated	Disposal	Pending
1	Crop	2,05,557.00	1,49,643.00	55,914.00
2	Fire	-	-	-
3	Motor	-	-	-
4	Miscellaneous	-	-	-

Details of duration of pending claims

Period	Fire		Crop		Motor		Personal Accident		Total	
	No. of claims	Amount involved	Amount involved	Amount involved	No. of claims	Amount involved	No. of claims	Amount involved	No. of claims	Amount involved
0-30 days	-	-	-	-	-	-	-	-	-	-
31 days to 6 months	-	-	9,741.00	3,447.52	-	-	-	-	-	-
6 months to 1 year	-	-	33,019.00	4,320.43	-	-	-	-	-	-
1 year to 5 years	-	-	13,154.00	9,929.72	-	-	-	-	-	-
5 years and above	-	-	-	-	-	-	-	-	-	-
Total	-	-	55,914.00	17,697.67	-	-	-	-	-	-



Schedule No. 16

ANNEXURE 6

Remuneration and other payments made during the Financial Year to MD/CEO/WTd & KMPs

Sl. No	Name of the MD/ CEO/ WTD & KMP	Designation	Fixed Pay		Variable Pay			Total of Fixed and Variable Pay (c)+(f)	Amount Debited to Revenue A/c		Value of Joining / Sign on Bonus	Retirement benefits like gratuity, pension, etc. paid during the year	Amount of deferred remuneration of earlier years paid/settled during the year
			Pay and Allowances (a)	Perquisites, etc. (b)	Total (c)=(a)+(b)	Cash components (d)	Share-linked components (e)		Total (f) = (d) + (e)	A/c			
1	Dr. Vvasa Krishna Burugupalli	MD / CEO	100.00	-	100.00	25.00	-	25.00	25.00	150.00	-	-	-
Total			100.00	-	100.00	25.00	-	25.00	25.00	150.00	-	-	-

This image shows a full page of blank handwriting practice paper. It features 20 evenly spaced, thin grey horizontal lines extending across the entire width of the page. The background is plain white, providing a clear guide for letter height and placement. There are no margins, text, or other markings present.

[illegible]

kshema

KSHEMA GENERAL INSURANCE LIMITED

No. 413, 4th Floor, My Home, Tycoon
Building Begumpet, Hyderabad,
Telangana - 500 016

Contact: 1800 572 3013 (Toll-free)

Email: info@kshema.co

