

## **NOTICE**

### **To all the Members of the Company**

Notice is hereby given that the 15<sup>th</sup> Extra Ordinary General Meeting (“**EGM**”) of the Members of **Magma HDI General Insurance Company Limited (“the Company”)** will be held at shorter notice on **30<sup>th</sup> May 2022 at 5.00 P.M.** through Video Conferencing (“**VC**”) / Other Audio Visual Means (“**OAVM**”) in accordance with the applicable provisions of the Companies Act, 2013 read with its rules made thereunder and MCA General Circular No. 03/2022 dated May 05, 2022 which is in continuation of General Circular No. 14/2020 dated April 08, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020 General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 20/2021 dated December 08, 2021 respectively to transact the following business:

### **SPECIAL BUSINESS**

#### **1. Approval of Private Placement and issue of Equity shares of Company**

To consider and if thought fit, to pass, with or without modifications(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 42 and Section 62 and other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”) read with Rules framed thereunder, the Insurance Regulatory and Development Authority of India (Transfer of Equity Shares of Insurance Companies) Regulation, 2015, and the provisions of any other applicable laws, rules and regulations (including any amendments thereto or re-enactments thereof), if any, and subject to the Memorandum and Articles of Association of the Company and subject to all such statutory and regulatory approvals as may be necessary and subject to the permissions, consents, sanctions and approval, as may be necessary and subject to such conditions and modifications as might be prescribed and as per the provisions of the Share Subscription Agreement and Shareholders’ Agreement, and/or communications received by the Company from the investor/allottee, from time to time, the consent of Shareholders be and are hereby accorded to offer, issue and allot, on a preferential basis, by way of issuance of Private Placement Offer cum Application Letter (hereinafter referred to as “**PPOAL**”/“**PAS 4**”) for issuance of 5,60,60,000 Equity shares having Face Value of Rs.10/- each at the price of Rs. 80.258 per share (including Premium of Rs. 70.258 per share) amounting to Rs. 4,49,92,63,480/- (Rupees Four Hundred and Forty-Nine Crore Ninety-Two Lacs Sixty Three Thousand Four Hundred and Eighty Only) to Sanoti Properties LLP, determined as per the Valuation Report obtained from the Corporate Professionals Valuation Services Private Limited, Registered Valuer to the proposed allottees/investors as mentioned in the explanatory statement.

**RESOLVED FURTHER THAT** the Private Placement Offer cum Application Letters, serially numbered and addressed to the Identified Investor, as required under Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42(3) of the Act, be and is hereby approved.

**RESOLVED FURTHER THAT** any of the Directors or the Company Secretary of the Company be and are hereby severally authorized for sending the PPOAL / PAS 4 along with all other documents as required in this regard to the person(s) / entity(ies) either in writing or in electronic mode for the issuance of the equity shares on a Private Placement basis.

**RESOLVED FURTHER THAT** the Equity Shares to be issued and allotted as aforesaid shall rank pari passu with the existing Equity Shares of the Company in all respects including as to dividend and shall be subject to the provisions of the Memorandum of Association and the Articles of Association of the Company.

**RESOLVED FURTHER THAT** any of the Directors or the Chief Financial Officer or Head Legal & Compliance Officer or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things necessary or expedient to give effect to this resolution including but not limited to the filing with the Registrar of Companies, West Bengal, Insurance Regulatory and Development Authority of India and such other authorities as may be required from time to time.”

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No.1**

For maintaining Company's solvency margin and for the future expansion of the business of the Company, there is a need for further infusion of capital in the Company, given the aforesaid requirements, the Board of Directors in their meeting held on February 28,2022 have approved to raise capital upto Rs. 4,49,92,63,480/- (Rupees Four Hundred and Forty Nine Crore Ninety Two Lacs Sixty Three Thousand Four Hundred and Eighty Only) by issuance of 5,60,60,000 equity shares of face value of Rs. 10/- at an issue price of Rs. 80.258/- (including premium of Rs. 70.258/-) each by further issue of equity shares on a preferential basis by way of issuance of the private placement offer cum application letter to the following Investor:

Sr. No.	Name of the proposed investor	% of proposed investment in the preferential issue
1	Sanoti Properties LLP	26.598

Pursuant to the acquisition, Sanoti Properties LLP will be classified as a 'Promoter' as per the relevant IRDAI regulations and IRDAI approval vide letter (Ref No.671/F&A(NL) /ToS/ Magma HDI /2022-2023/16) dated May 27,2022. The copy of said letter is enclosed herewith as Annexure 1.

The Companies Act, 2013 and the rules made thereunder require the consent of the Shareholders by way of Special Resolution for offer and issue of any Securities through Private Placement.

**Disclosures as required under section 42 and 62 of the Act and relevant rules made thereunder, for the issue of equity shares on preferential basis:**

<b>(a) particulars of the offer including date of passing of Board resolution</b>	5,60,60,000 equity shares of face value of Rs. 10/- at an issue price of Rs. 80.258/- (including premium of Rs. 70.258/-) issued to Sanoti Properties LLP.  Date of passing the resolution by the Board of Directors: February 28,2022 and circular resolution dated May 29,2022
<b>(b) Object of the issue</b>	The Company is proposing to issue the Equity Shares to the proposed allottees / investors by way of private placement as approved by the Board Member at its meeting held on February 28, 2022 to achieve the following objectives: <ul style="list-style-type: none"> <li>For maintaining Company's solvency margin as per the Regulatory requirement</li> <li>For the future expansion of the business of the Company.</li> </ul>
<b>(c) Kinds of Securities offered and total number of shares or other securities to be issued</b>	5,60,60,000 Equity Shares of Face Value of Rs. 10/- each

<b>(d) the price or price band at/within which the allotment is proposed</b>	Rs. 80.258 each (including premium of Rs. 70.258 each)
<b>(e) amount which the company intends to raise by way of such securities</b>	Rs. 4,49,92,63,480/-
<b>(f) name and address of the registered valuer;</b>	Corporate Professionals Valuation Services Private Limited, D 28, South Extn., Part -1, New Delhi - 110049
<b>(g) basis on which the price has been arrived at along with report of the registered valuer</b>	As per the Valuation Report of the Registered Valuer
<b>(h) relevant date with reference to which the price has been arrived at</b>	January 31, 2022
<b>(i) the class or classes of persons to whom the allotment is proposed to be made</b>	Limited Liability Partnership
<b>(j) intention of promoters, directors or key managerial personnel to subscribe to the offer</b>	The intention of Sanoti to subscribe to the offer is to enable the Company to maintain the Solvency Margins as per IRDAI Regulations and to help in future expansion of business of the Company
<b>(k) the proposed time within which the allotment shall be completed</b>	Within 60 days from the date of receipt of application money
<b>(l) the change in control, if any, in the company that would occur consequent to the preferential offer</b>	Sanoti will also be classified as a promoter entity and accordingly will be in joint control with the current promoters.
<b>(m) the number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price</b>	Nil
<b>(n) the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer</b>	N.A.
<b>(o) Contribution being made by the promoters or</b>	N.A.

directors either as part of the offer or separately in furtherance of such objects	
(p) Principle terms of assets charged as security, if applicable	N.A.
(q) Material terms of raising such securities:	<p>Sanoti Properties LLP will be classified as a promoter of the Company as per the rules and regulations framed by the IRDAI and have been broadly provided <i>inter alia</i> with the following rights including:</p> <p>(a) 2 Nominee Directors on the Board (b) 1 Nominee Director on the Board Committee / sub committee (c) Affirmative Vote Matters</p>

a) the names of the proposed allottees and the percentage of post preferential offer capital to be held by them:

SL No.	Name and Address of Proposed Allottees	No. of Equity Shares	Amount (In Rs.)	% post preferential allotment
1	Sanoti Properties LLP Office No. 401, Sarosh Bhavan, 16-B/1, Dr. Ambedkar Road, Pune – 411001	56,060,000	4,49,92,63,480/-	26.598

b) The pre-issue and post-issue shareholding pattern of the company in the format provided in Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014

Sl. No.	Category	Pre-Issue		Post-Issue	
		No. of Share held	% of shares holding	No. of shares held	% of shares holding
A	Promoters' holding				
1	Indian	-	-	-	-
	Individual	-	-	-	-
	Bodies Corporate	10,38,28,512	67.113	15,98,88,512	75.860
	<b>Sub-total</b>	10,38,28,512	67.113	15,98,88,512	75.860
2	Foreign Promoters	3,20,00,000	20.684	3,20,00,000	15.183
	<b>Sub- total (A)</b>	<b>13,58,28,512</b>	<b>87.797</b>	<b>19,18,88,512</b>	<b>91.043</b>
B	Non Promoters' holding				
1	Institutional Investors	-	-	-	-

Sl. No.	Category	Pre-Issue		Post-Issue	
		No. of Share held	% of shares holding	No. of shares held	% of shares holding
2	Non Institutional Investors	-	-	-	-
	Private corporate bodies	1,53,17,600	9.901	1,53,17,600	7.268
	Directors and relatives	-	-	-	-
-	Indian Public	26,75,650	1.730	26,75,650	1.270
	Others [including Non – resident Indians (NRI's)] Magma HDI General Insurance Company ESOP Trust <sup>#</sup>	8,85,488	0.572	8,85,488	0.420
	<b>Sub- total (B)</b>	<b>1,88,78,738</b>	<b>12.203</b>	<b>1,88,78,738</b>	<b>8.957</b>
	<b>Grand Total (A+B)</b>	<b>15,47,07,250</b>	<b>100.00</b>	<b>210,767,250</b>	<b>100.00</b>

**Notes:**

(1) Apart from the aforesaid primary issuance, a secondary market transaction is also proposed in order to comply with the Regulation 2(g)(i) of IRDAI (Registration of Indian Insurance Companies) Regulations, 2000. Accordingly, subject to the receipt of the applicable approvals, Sanoti Properties LLP is proposed to acquire (a) 4,53,62,281 Equity Shares presently held by Poonawalla Fincorp Limited (formerly, Magma Fincorp Limited) and (b) 1,53,17,600 Equity Shares presently held by Serum Institute of India private Limited in the Company aggregating to 28.789% of the Post issue Capital.

(2) till date the Company has granted 43,56,488 ESOP options under Company's ESOP Plan 2018 out of which 35,36,828 number of shares are yet to be issued and hence not included in above shareholding.

(3) Out of 8,85,488 shares held by Magma HDI General Insurance Company ESOP Trust, 15 employees of the Company are beneficial owners of 819,660 equity shares in aggregate pursuant to the exercise of options under MMDI ESOP 2018.

Your Directors recommend the Resolution proposed at Item No. 1 of this Notice for your approval.

None of the Directors and Key Managerial Personnel of your Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

Place: Mumbai  
Dated: May 30, 2022

Registered Office:  
Development House  
24, Park Street,  
Kolkata – 700 016

By order of the Board of Directors  
For & on behalf of **Magma HDI General Insurance  
Company Limited**

Sd/-  
**Sweta Bharucha**  
**Company Secretary**  
Membership No: A22946

#### NOTES:

1. Shorter Notice consent has been received from all the shareholders of the Company to convene the meeting at a shorter notice.

In view of the current extraordinary circumstances due to Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”), has vide its circular dated April 08, 2020 read with circulars dated April 13, 2020, June 15, 2020, September 28, 2020, December 31, 2020 and January 13, 2021, May 05, 2022 (collectively referred to as “MCA Circulars”), permitted the Companies to conduct their Extra Ordinary General Meeting through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of the Members at a common venue, subject to the fulfilment of conditions as specified in the MCA Circulars. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars, the EGM of the Company is being held through VC / OAVM. Further, for the purpose of technical compliance of the provisions of section 96(2) of the Companies Act, 2013 we are assuming the place of meeting as the Corporate office of the Company at Unit No. 1B & 2B, 2<sup>nd</sup> floor, Equinox Business Park, Tower – 3, LBS Marg, Kurla (West), Mumbai – 400070

2. The Statement pursuant to Section 102 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, with respect to Special Business set out in the Notice is annexed hereto and forms part of the notice.
3. In compliance with the aforesaid MCA Circulars the notice for EGM shall be given only through emails registered with the Company or with the depository participant / depository. Members may note that the Notice will also be available on the Company’s website at [www.magmahdi.com](http://www.magmahdi.com)
4. The Members can attend the meeting through VC from their laptop/mobile. Members are requested to follow the steps mentioned in the file named ‘**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VC**’ which is enclosed with the Notice of the EGM and shall also be attached separately on the e-mail, with the Notice of the EGM.

Registered. Office: Development House, 24 Park Street, Kolkata – 700 016

5. The Company shall provide VC facility via **ZOOM VIDEO COMMUNICATIONS (“Zoom”)** in order to make it convenient for the Members to attend the Meeting. Members are required to use the following link or details to join the meeting through VC facility of Zoom:

<b>Zoom Meeting Link</b>	<a href="https://zoom.us/j/97743647559?pwd=T3BaRnNWOTThPT1RneEphcDZ5bFRyUT09">https://zoom.us/j/97743647559?pwd=T3BaRnNWOTThPT1RneEphcDZ5bFRyUT09</a>
<b>Meeting ID</b>	977 4364 7559
<b>Password</b>	178160

6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the EGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this EGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the EGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. Corporate Members are requested to send a duly certified scanned copy (PDF/JPG Format) of the Board Resolution/Power of Attorney authorizing their representative(s) pursuant to Section 113 of the Companies Act, 2013 to attend and vote on their behalf at the EGM through email to [Sweta.bharucha@magmahdi.co.in](mailto:Sweta.bharucha@magmahdi.co.in).
8. The members desiring to inspect the relevant documents referred to in the accompanying notice and other statutory registers are required to send requests on the Company Secretary’s email address: [Sweta.bharucha@magmahdi.co.in](mailto:Sweta.bharucha@magmahdi.co.in). An extract of such documents would be sent to the members on their registered email address. The same will also be made available for inspection by the members at the Meeting in electronic mode.
9. Members seeking any information with regard to the matters to be placed at the EGM, are requested to write to the Company Secretary at [Sweta.bharucha@magmahdi.co.in](mailto:Sweta.bharucha@magmahdi.co.in). The same shall be taken up in EGM and replied by the Company suitably.
10. Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 read with Rules issued thereunder will be made available for inspection by the members at the Meeting in electronic mode.
11. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the EGM.
12. Members attending the EGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.



13. Since the EGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

Place: Mumbai  
Dated: May 30,2022

Registered Office:  
Development House  
24, Park Street,  
Kolkata – 700 016

By order of the Board of Directors  
For & on behalf of **Magma HDI General Insurance Company  
Limited**

Sd/-  
**Sweta Bharucha**  
**Company Secretary**  
Membership No: A22946

**Instructions for participating in the 15th Extra Ordinary General Meeting of the Members of Magma HDI General Insurance Company Limited, to be held at shorter notice on May 30, 2022, at 5.00 P.M. through Video Conference, by using Zoom Meeting Application**

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**Instructions for participating the aforesaid EGM through Video Conference:**

**Step 1**

Download the Zoom Meeting Application in your Mobile or Laptop. You may use this link to download the application [<https://zoom.us/>].

**Step 2**

Click on “Sign up”

**Step 3**

For verification, please enter your “Date of Birth”

**Step 4**

Please enter “Your email”, “First Name” and “Last Name” and click on “I agree to the Terms of Service”

**Step 5**

Now go to your registered email provided, check Inbox for the registration email and click on the “Activate Account”

**Step 6**

Go to your Zoom Application, click on the “Join” and enter the Meeting Id and password and now click on the “Join Meeting” Tab and ensure that you have proper internet facility through Mobile phone or Wi-Fi connected to your device.

**Other instructions:**

1. Please note that, if you have already downloaded /using Zoom Application, then you need not to do the aforesaid activities and you have to just enter the Zoom Meeting Id and Password, as provided in this Notice.
2. You can sign-in/join the meeting before 15 minutes on the meeting day for timely participation in the EGM through video conference. Further, any member may join the meeting within 15 minutes from the commencement of the meeting.
3. Please listen and participate in the discussion carefully.
4. Please Propose and Second any of the Resolution by raising your hand/ Show of hands and by saying “I Propose the Resolution” or “I Second the Resolution” whenever it is asked by the Company Secretary.
5. The members attending the EGM through VC will be required to send their assent or dissent through their registered email-id to the email-id of the Company Secretary at [Sweta.bharucha@magma-hdi.co.in](mailto:Sweta.bharucha@magma-hdi.co.in).
6. Please click on the “Mute” tab, when there is any disturbance or noise around you or not talking.
7. *Please ensure that, no other person is sitting with you /participating in the aforesaid Meeting through Video Conference.*
8. Please click on “Unmute” tab when you want to say something.

9. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
  10. In case of multiple votes on the same resolution, the first one shall be counted for the purpose of counting Votes.
  11. In case of any assistance before or during the video conference as aforesaid, you can contact the Company Secretary, Ms. Sweta Bharucha, at [Sweta.bharucha@magma-hdi.co.in](mailto:Sweta.bharucha@magma-hdi.co.in).
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