

NOTICE

To all the Members of the Company

Notice is hereby given that the **20th** Extra Ordinary General Meeting (“**EGM**”) of the Members of **Magma HDI General Insurance Company Limited (“the Company”)** will be held at shorter notice on Tuesday, the January 16, 2024 at 3.00 PM through Video Conferencing (“**VC**”) / Other Audio Visual Means (“**OAVM**”) in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 03/2022 dated 5 May, 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. 20/2021 dated December 08, 2021 and General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as “MCA Circulars”) respectively to transact the following businesses:

SPECIAL BUSINESS:

1. Amendment of Magma HDI Employee Stock Option Plan, 2018

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 Section 62 and 67 of the Companies Act, 2013 (the “Act”) read with Rule 12 and 16 of the Companies (Share Capital and Debentures) Rules, 2014 (“Companies Rules”), the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 as amended from time to time (hereinafter “SEBI SBEB Regulations”), Section 34A of the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority of India (“IRDAI”), Insurance Regulatory and Development Authority of India (Remuneration of Key Managerial Persons of Insurers) Guidelines, 2023, if any, of the Act and the Rules notified thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), provisions contained in the memorandum of association and the articles of association of Magma HDI General Insurance Company Limited (“Company”), and such other rules, regulations, circulars and guidelines of any / various statutory / regulatory authority(ies) that are or may become applicable (collectively referred herein as the “Applicable Laws”), in accordance with the terms of Magma HDI ESOP Plan, 2018 (“2018 Plan”), and pursuant to the approval of the Board of Directors of the Company (hereinafter referred to as the “Board”), the consent of the members of the Company be and is hereby accorded to the Board of the Company (which term shall be deemed to include the Nomination and Remuneration Committee of the Board, hereinafter referred to as ‘the Compensation Committee’) in relation to the proposed amendment to Magma HDI ESOP Plan, 2018 (“2018 Plan”), as tabled before the Members.

RESOLVED FURTHER THAT, it is hereby noted that the proposed amendments to 2018 Plan are not prejudicial to the interests of the current Employee Stock Option holder of the Company.

RESOLVED FURTHER THAT, the consent of the members be and is hereby accorded for extension of ESOP plan 2018 for period of 12 years from the effective date i.e. April 17, 2018 upto April 17, 2030 or such other extended period as may be recommended by the Compensation Committee to the Board for approval.

RESOLVED FURTHER THAT, the consent of the Members be and is hereby accorded to increase Employee Stock Option pool from 45,00,000 (forty five lakhs) Employee Stock Options to 71,90,000 (seventy one lakhs and ninety thousand) Employee Stock Options, with each such option conferring a right to apply for 1 (one) share of the Company, in accordance with the terms and conditions of the 2018 Plan.

RESOLVED FURTHER THAT in accordance with the provisions contained in Section 62 and Section 67 read with Rule 12 and 16 of the Companies (Share Capital and Debentures) Rules, 2014 (“Companies Rules”) respectively and all other applicable provisions of the Act, the provisions of the Articles of Association of the Company, provisions of the SEBI SBEB Regulations as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the members be and is hereby accorded, for the transfer of, 26,90,000 (twenty six lakhs and ninety thousand) Employee Stock Options, through Magma HDI General Insurance Company ESOP Trust (herein after referred to as “Trust”), at any time, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the 2018 Plan, SEBI SBEB Regulations and in due compliance with other applicable laws and regulations.

RESOLVED FURTHER THAT in accordance with the provisions contained in Section 62 and Section 67 read with Rule 12 and 16 of the Companies (Share Capital and Debentures) Rules, 2014 (“Companies Rules”) respectively and all other applicable provisions, of the Act, the provisions of the Articles of Association of the Company, provisions of the SEBI SBEB Regulations as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force), the approval of the members be and is hereby accorded for the allotment/transfer of at any time, 26,90,000 (twenty six lakhs and ninety thousand) Equity Shares of Rs. 10/- each, upon exercise of the Employee Stock Options, at such price, in one or more tranches and on such terms and conditions and upon meeting of such vesting criteria as may be fixed or determined by the Compensation Committee in its sole and exclusive discretion.

RESOLVED FURTHER THAT the 2018 Plan be administered by the Compensation Committee of the Board/Trust, which is hereby empowered to determine in its absolute discretion the terms governing the 2018 Plan including any variation thereof in accordance with Companies Act, 2013 (including rules framed thereunder) SEBI SBEB Regulations including but not limited to determination of number of Employee Stock Options, quantum, time of grant, vesting criteria, vesting schedule, eligibility, exercise price, framing other relevant and appropriate procedure for grant, vesting etc. of the Employee Stock Options, etc., subject however to the overall superintendence and control of the Board.

RESOLVED FURTHER THAT the Company shall continue to conform to the accounting policies prescribed from time to time under the SEBI SBEB Regulations as well as the Accounting Standards and any other applicable laws and regulations to the extent relevant and applicable to the 2018 Plan.

RESOLVED FURTHER THAT the Equity Shares to be allotted / transferred under the 2018 Plan shall in all respects rank *pari-passu* with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT, for the purpose of giving effect to the above resolutions, any member of the Board or Chief Financial Officer or Compliance Officer or Company Secretary Board be and is hereby severally authorized, on behalf of the Company, to do all such acts,

matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable.

RESOLVED FURTHER THAT, any Director or Chief Financial officer or Company Secretary of the Company be and is hereby authorised to certify a copy of this resolution and issue the same to all concerned parties.”

2. Re-appointment of Mr. Rajive Kumaraswami as the MD and CEO of the 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 178,179, 196 and 203 and other applicable provisions of the Companies Act, 2013 (‘the Act’) and relevant rules made thereof, Section 34A of the Insurance Act, 1938 read with the Insurance Regulatory and Development Authority of India (‘IRDAI’), Guidelines on Remuneration of Directors and Key Managerial Persons of Insurers and other applicable laws (including any amendments thereto made from time to time) and in terms of the Articles of Association of the Company and based on the recommendation of the Nomination & Remuneration Committee (‘Compensation Committee’) and the Board of Directors of the Company and subject to the approval of Insurance Regulatory and Development Authority of India (IRDAI) and such other approvals as may be necessary, the consent of the members be accorded to re-appoint Mr.Rajive Kumaraswami (DIN 07501971) as the Managing Director to be designated as Managing Director & Chief Executive Officer (MD & CEO) and thus a Key Managerial Personnel (KMP) of the Company whose office shall not be liable to retire by rotation under the Act, at a remuneration and on terms set out below for a period of 5 years with effect from June 15, 2024 to June 14, 2029, subject to the superintendence, control and direction of the Board of Directors (hereinafter referred to as ‘Board’ which term shall be deemed to include the Compensation Committee of the Board) to alter and vary the terms and conditions of such re-appointment as it may deem fit and as may be acceptable to Mr. Rajive Kumaraswami subject to such other regulatory approvals as may be necessary in this regard;

RESOLVED FURTHER THAT any of the Director or Chief Financial Officer or Compliance Officer or Company Secretary of the Company be and is hereby severally authorized to do, or cause to be done all such acts, deeds and things, and execute, deliver and/or file all such documents, as may be necessary or desirable in connection with and to give effect to the above resolutions, including filing necessary forms for seeking approval of IRDAI and the filing of requisite forms and returns with the Registrar of Companies, West Bengal and to take all necessary actions in this regard.”

Place: Mumbai

Date: January 11, 2024

Registered Office
24, Park Street,
Kolkata – 700 016

By Order of the Board of Directors
For **Magma HDI General Insurance Company Limited**

Sweta Bharucha
Company Secretary
Membership No. A22946

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

ITEM NO. 1

Based on the recommendations and approval of the Nomination and Remuneration Committee (“**Compensation Committee**”), approval of the Board of Directors (“**Board**”) and subject to approval of the members, it is proposed that Magma HDI ESOP Plan, 2018 (“**2018 Plan**”) adopted by Magma HDI General Insurance Company Limited (“**Company**”) be amended.

The Resolution contained at Item no. [1] seeks to obtain the members’ approval to authorize the Compensation Committee and/or the Board to amend the 2018 Plan and do all such acts, matters, deeds and things and to take all steps and do all things and give such directions as may be required, necessary, expedient, incidental or desirable for giving effect to this amendment.

A draft of the 2018 Plan with the proposed amendments is enclosed herewith for the perusal of the Members.

A statement of disclosure as required under Section 62(1)(b) of the Companies Act, 2013 (“**Act**”) read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 (“**Rules**”) are as under:

No.	Particulars	2018 Plan
1.	Variation of terms of the 2018 Plan	<p>(a) It is proposed to increase the Employee Stock Option pool from 45,00,000 (forty-five lakhs) to 71,90,000 (seventy-one lakhs and ninety thousand), with each such Option conferring a right to apply for 1 (one) share of the Company, in accordance with the terms and conditions of the 2018 Plan.</p> <p>(b) Article 4.2 of the 2018 Plan is proposed to be amended. Currently, the 2018 Plan provides that the 2018 Plan shall be terminated and no further grant of options can be made after 5 years from the effective date i.e., April 17, 2018 (referred to as “Closing Date”). Post amendment, Article 4.2 will read as follows:</p> <p><i>“The Plan shall be terminated, and no Grants will be made after 12 (twelve) years (i.e. after April 17, 2030) from the Effective Date or such other extended period as may be determined by the Compensation Committee (“Closing Date”).”</i></p> <p>(c) Article 4.3 of the 2018 Plan is proposed to be included to state that the terminated / forfeited/ lapsed options under the 2018 Plan shall not be available for further grant under the 2018 Plan. Similar language is also proposed to be included in the articles 12.1.1, 12.2.1 and 12.3.1 of the</p>

		<p>2018 Plan, to provide clarity in relation to the lapsed options under the 2018 Plan.</p> <p>(d) Article 7 of the 2018 Plan is proposed to be amended to provide clarity that the grant of options can be made to all Eligible Employees under the 2018 Plan. Currently, under the 2018 Plan, the options can only be granted to employees at the level of Associate Vice President (AVP) and above.</p> <p>(e) Article 10.1 of the 2018 Plan is proposed to be amended to provide clarity that the options are required to be exercised within the exercise period.</p>
2.	Rationale of the variation of the 2018 Plan	<p>(a) The amendments are proposed to increase the size of the Employee Stock Option pool under the 2018 Plan.</p> <p>(b) The amendments are proposed to be made to grant further options under the 2018 Plan.</p> <p>(c) The amendments are proposed to be made to provide clarity in relation to Eligible Employees and time period for exercise of vested options.</p> <p>(d) The proposed amendments are not detrimental/prejudicial to the interest of the Employee Stock Option holders.</p>
3.	Details of the employees who are beneficiaries of such variation	The beneficiaries of such variation are all the current and future Employee Stock Option holders under the 2018 Plan.

Accordingly, the resolution set out as Item no. [1] is being placed for the approval of members.

Pursuant to Section 102 of the Act, the Board of the Company do hereby confirm that none of its directors or key managerial personnel (as defined under the Act) and their immediate relatives is concerned or interested, financially or otherwise, except to the extent that the Employee Stock Options that may be granted to them pursuant to the 2018 Plan, in accordance with applicable law.

The Board thereby recommends the passing of the proposed resolution stated in Item no. [1] of the notice of meeting for approval of the members as a Special Resolution.

ITEM NO. 2

Mr. Rajive Kumaraswami (DIN 07501971) was re-appointed as Managing Director and CEO of the Company for a period of 5 Years with effect from June 15, 2019 to June 14, 2024 by the Members of the Company at their 10th Annual General Meeting held on July 18, 2019. Mr. Rajive Kumaraswami's term is expiring on June 14, 2024.

The Board of Directors on the recommendation of Nomination and Remuneration Committee at their respective meetings held on January 11, 2024, re-appointed Mr. Rajive Kumaraswami as the Managing Director and CEO of the Company pursuant to Sections 179, 196 and 203 and other applicable provisions of the Companies Act, 2013 ('the Act') and relevant rules made thereof and other applicable laws (including any amendments thereto made from time to time) and in terms of the Articles of Association of the Company for a time period of 5 years with effect from June 15, 2024 to June 14, 2029 considering the growth made by the Company under his leadership.

Further, the Company has received the consent of Mr. Rajive Kumaraswami to act as a Director in Form DIR-2 and intimation in Form DIR-8 to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013. Further, the declaration of 'Fit and Proper criteria for Directors' in accordance with IRDAI Corporate Governance Guidelines was also received from him.

Mr. Rajive Kumaraswami, aged 53 years, is a Commerce Graduate from Delhi University and a Fellow Member of the Institute of Chartered Accountants of India and Associate Member of the Institute of Cost and Works Accountants of India. He has 29 years of work experience. He has been involved with the Insurance Industry since its opening to the private sector and has had exposure to various facets of the industry.

He started his career as a Banker with ICICI Bank Limited and spent the first 7 years of his career in Project appraisals, corporate funding and loan restructuring activities. He was associated with ICICI Lombard (ICICI Lombard) General Insurance Company Limited as the Head - Corporate Centre, responsible for the Reinsurance function, the Legal & Compliance function, the Actuarial function and the Finance & Accounts function (CFO) and also served as the Chief Risk Officer of ICICI Lombard from October 2011 to May 2012. He had also headed Corporate Underwriting & Claims department in ICICI Lombard prior to October 2011. Before joining the Company in June 2016 as its MD & CEO he was acting as the Chief Representative of SCOR SE - India Liaison Office since May 2012.

The Board, therefore, recommends the proposed resolutions as set forth in Item no. 2 for the approval of Members as a Special Resolution.

In accordance with the requirement of para 1.2.5 of the Secretarial Standards 2 issued by The Institute of Company Secretaries of India, information pertaining to the re-appointment of Managing Director and CEO i.e., Mr. Rajive Kumaraswami is given below:

Sl. No.	General Information	
1.	Date of birth	February 28, 1970
2.	Age	53 years
3.	DIN	07501971
4.	Qualifications	Commerce Graduate from Delhi University Fellow Member of the Institute of Chartered Accountants of India and Associate Member of the Institute of Cost and Works Accountants of India

5.	Experience	He has 29 years of work experience. He has been involved with the Insurance Industry since its opening to the private sector and has had exposure to various facets of the industry.
6.	Terms and conditions of reappointment along with details of remuneration	As mutually discussed, and agreed between Mr. Rajive Kumaraswami and Nomination and Remuneration Committee
7.	Date of first appointment on the Board	June 15, 2016
8.	Date of second appointment on the Board	June 15, 2019
9.	Shareholding in the Company (as on 31.12.23)	0.336%
10.	Number of Board Meetings attended in a year	8 meetings (in current FY)
11.	Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	N.A.
12.	Other Directorships	None
13.	Membership/ Chairmanship of Committees of other Boards	None

Mr. Rajive Kumaraswami is concerned or interested in the proposed Resolution as it relates to his own appointment and remuneration payable to him. None of the other 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
Date: January 11, 2024

By Order of the Board of Directors
For **Magma HDI General Insurance Company Limited**

Registered Office
24, Park Street,
Kolkata – 700 016

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.

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 General Circular No. 09/2023 dated September 25, 2023 (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 Head office of the Company at Unit No. 1B & 2B, 2nd 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 email 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
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.
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:

Zoom Meeting Link	https://zoom.us/j/92718360799?pwd=RWl4dU9MK3RJNUZwTjJ4RjIKazl5dz09
Meeting ID	927 1836 0799
Password	716844

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@magma-hdi.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@magma-hdi.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@magma-hdi.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.