

NOTICE

Notice is hereby given that an Extra-ordinary General Meeting (EGM) of the Members of Cholamandalam MS General Insurance Company Limited will be held at a shorter notice on Monday, February 6, 2017, at 3.00 p.m. at the Registered Office of the Company at "Dare House", No.2, N.S.C Bose Road, Chennai - 600 001 to transact the following special business:

1. Issue of Unsecured Redeemable Non-Convertible Debentures on a Private Placement basis:

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

RESOLVED THAT pursuant to the provisions of Sections 23, 42, 71 and all other applicable provisions of the Companies Act, 2013 read with rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and pursuant to the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Insurance Act, 1938 read with rules and regulations made thereunder including the Insurance Regulatory and Development Authority of India (IRDAI) (Other Forms of Capital) Regulations, 2015, the Insurance Regulatory Development Authority Act, 1999, the Foreign Exchange Management Act, 2000 read with rules and regulations made thereunder and including any statutory amendment(s), modification(s), re-enactment thereof, for the time being in force, to any of the foregoing laws or rules or regulations and other applicable statutes as may be applicable and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued thereon from time to time by Government of India, Insurance Regulatory and Development Authority of India, Reserve Bank of India, Securities and Exchange Board of India and/or any other competent authorities, whether in India or abroad, the enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to necessary approvals, permissions, consents and sanctions of IRDAI and concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents and sanctions, consent, authority and approval of the members of the Company be and is hereby accorded to the Board to offer, issue and allot unsecured, subordinated, listed, redeemable, non-convertible debentures for cash at par upto a sum not exceeding Rs. 1100 million (Rupees one thousand one hundred million), to eligible persons on a private placement basis, under one or more disclosure documents and / or under one or more private placement offer letter as may be issued by the Company and in one or more series / tranches, during a period of one year commencing from the date of this Extra-Ordinary General Meeting and on such terms and conditions which may be agreed to by the Board at its discretion.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to engage/appoint the lead arrangers, managers, arrangers and credit rating agencies and all such agencies as may be involved or concerned in such offerings of Debentures and to do all such acts, deeds, matters and things including but not limited to finalization and approval for the preliminary as well as final offer document(s) and/or information memorandum and/or private placement offer letter, as may be required, determining the form and manner of the issue, including the class of investors to whom the Debentures are to be issued and allotted, number of Debentures to be allotted, face value, issue price, tenor, interest/coupon rate, issue schedule / period, execution of various transaction documents, setting up of the

debenture redemption reserve, making application to regulatory authorities to obtain their approval (including IRDAI, stock exchanges, etc.,) for issuance and listing of Debentures, making other necessary regulatory filings, signing necessary declarations, agreements, deeds and documents, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Debentures and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any Director(s) or Committee of Directors or Key Managerial Personnel or any other person for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.

2. Re-appointment of Managing Director:

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the approval of the Board and Article 147 and other applicable clauses of the Articles of Association of the Company and subject to approval of IRDA under section 34A of the Insurance Act, 1938 (as amended from time to time), IRDA Regulations and other applicable provisions if any, of the Insurance Act, and rules made there under and other applicable provisions, approvals and consents, if any, as may be required by any authorities including Companies Act, 2013 (including any statutory modifications or re-enactment thereof, guidelines issued by Central Government from time to time), approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. S S Gopalarathnam (DIN: 02060399) as the Managing Director of the Company, for a period of two years with effect from May 24, 2017 on the existing terms and conditions as detailed below:

a. Basic Salary

Rs. 8,18,070/- per month in the scale of Rs. 6,00,000/- to Rs. 12,00,000/-.
Increments will be decided by the Nomination & Remuneration Committee.

b. Allowances / Perquisites / Performance Incentive

As may be determined by the Nomination & Remuneration Committee.

c. Retirement benefits

PF/SAF/Gratuity/ Leave encashment as per rules of the Fund / Scheme in force from time to time.

d. General

1. Mr. S S Gopalarathnam will not be entitled to any sitting fee for attending meetings of the Board or of any Committee thereof.

2. The appointment, re-appointment including its terms of reference thereto and

revisions in the terms of appointment, if any, would be subject to the approval of the Insurance Regulatory and Development Authority (IRDA) under section 34A of the Insurance Act, 1938 read with corporate governance guidelines of IRDAI and other applicable provisions of the Companies Act, 2013.

3. Mr. S S Gopalarathnam will be subject to all other service conditions as applicable to any other employee of the Company.

4. As per Article 150, Mr. S S Gopalarathnam will not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any Director(s) or Key Managerial Personnel or any other person for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

3. Re-appointment of Whole-time Director:

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

RESOLVED THAT the pursuant to the approval of the Board and Article 151 of the Articles of Association of the Company and subject to the approval of the Insurance Regulatory and Development Authority of India under Section 34A and other applicable provisions if any, of the Insurance Act, 1938 (as amended from time to time) and rules made there under and other applicable provisions, approvals and consents, if any, as may be required by any authorities including Companies Act, 2013 (including any statutory modifications or re-enactment thereof, guidelines issued by Central Government from time to time), approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Takahiko Shibakawa (DIN: 07099972), on secondment from M/s. Mitsui Sumitomo Insurance Company Limited, Japan, (MS), as Whole-time Director of the Company, for a period of 2 years with effect from April 1, 2017 on the following terms and conditions:

a. Reimbursements:

The Company will reimburse to M/s. Mitsui Sumitomo Insurance Co. Ltd, Japan the expenses as per details given below:

Particulars	Maximum Reimbursable Limit (amount in Rs.)
Remuneration benefits reimbursable to MS	Rs.18.40 lacs p.a.
Performance Incentive	Rs. 6.93 lacs p.a.

The actual reimbursable amount and other terms and conditions and the procedure for payment of reimbursement of all expenses shall be governed by the provisions of the secondment agreement between the Company and MS.

b. General:

Mr. Takahiko Shibakawa will not be entitled to any sitting fee for attending meetings of the Board or of any Committee thereof.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of its powers to any Director(s) or Key Managerial Personnel or any other person for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.

By Order of the Board
For Cholamandalam MS General Insurance Company Limited

Date: January 28, 2017
Place: Chennai


Suresh Krishnan
Company Secretary

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll, to vote instead of himself. Such proxy need not be a member of the Company. Proxies in order to be effective must be received at the registered office of the company, duly completed and signed in the format sent herewith, not less than 48 hours before the commencement of the meeting.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of businesses set out in item no. 1 is annexed hereto.
4. Members are requested to intimate immediately any change in their address, if any, to the Registered Office of the Company.
5. Relevant documents referred to in the notice are available for inspection at the registered office of the Company during normal business hours on working days up to the date of the meeting.

By Order of the Board
For Cholamandalam MS General Insurance Company Limited

Date: January 28, 2017
Place: Chennai


Suresh Krishnan
Company Secretary

Statement pursuant to Section 102 of the Companies Act, 2013

The following Statement sets out the material facts relating to the special business set out in the notice dated January 28, 2017:

ITEM No. 1 :

In the recent past, the insurance sector has witnessed many changes which included enhancement of limit of foreign direct investment (FDI) from 26% to 49%. Further it is expected that the growth prospects of the Indian economy will increase the insurance penetration levels. Accordingly, the raising of money in the form of subordinated debt will help the Company in meeting its long term growth plan objectives without dilution of equity capital and strengthening of solvency margin. Further higher solvency position would enhance the credit rating of the Company and improve the Return on Equity (ROE) of the Company. Presently, the solvency margin ratio of the Company at December 31, 2016 is 1.605 times.

In accordance with the limits prescribed in the Insurance Regulatory and Development Authority of India (IRDAI) (Other Forms of Capital) Regulations, 2015 (Regulations), the Company is permitted to raise amounts through other forms of capital upto Rs. 1105 million i.e. 25% of the total paid up equity share capital and securities premium. In view of the above, subject to necessary regulatory approvals and other considerations, the Company is proposing to issue and allot unsecured, subordinated, redeemable, non-convertible debentures upto a sum of Rs.1100 million to eligible persons, on a private placement basis. The proposed issue of the unsecured, subordinated, redeemable, non-convertible debentures being made at par, the coupon to be decided at the time of issuance.

These Debentures would be listed at any of the Stock Exchanges, as may be decided by the Board, in accordance with the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (as amended from time to time).

Since the proposed issuance of debentures would be through private placement basis, the Company is required to obtain consent of the Members by passing a special resolution in accordance with the provisions of Section 42 of the Companies Act, 2013, as amended (the Act) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

The approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made thereunder, to enable the Company to offer subscriptions of non-convertible debentures on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No.1, within the overall borrowing limits of the Company, subject to approval of the IRDAI.

The Directors recommend the adoption of the Resolution at item no.1 of the Notice as a Special Resolution.

Memorandum of Interest:

None of the Directors or Key Managerial Personnel or their respective relatives are interested, financially or otherwise, in the resolutions.

ITEM No.2:

Mr. S S Gopalarathnam was appointed as Managing Director of the Company at the 7th annual general meeting of the Company held on July 31, 2008 for a period of 5 years effective April 1, 2008. Mr. Gopalarathnam was subsequently re-appointed as Managing Director with effect from April 1, 2013 till May 23, 2017 (date of retirement) at the Extraordinary general meeting held on January 25, 2013. As his tenure of office as Managing Director expires on May 23, 2017, the Board of Directors vide their resolution dated January 28, 2017 has approved his re-appointment for a further period of two years with effect from May 24, 2017 on the terms and conditions as set out in the resolution. The appointment is subject to approval of the shareholders of the Company. Further, the Company being regulated by Insurance Regulatory and Development Authority (IRDA), prior approval of IRDA is also required to be obtained under Section 34A of the Insurance Act, 1938.

As, the re-appointment of Managing Director is required to be approved by the shareholders at their meeting, the resolution seeking approval is placed before the General Body.

Profile of Mr. Gopalarathnam:

Mr. Gopalarathnam is a Commerce graduate, a fellow member of the Institute of Cost & Works Accountants of India and has done an advanced management program in Harvard University. He has been associated with the Murugappa Group for nearly 37 years since 1979 in various leadership roles. He spent 21 years in Tube Investments of India Limited in various roles like Finance, Exports and Business operations and was head of Corporate & strategic planning at the Murugappa Group for 1 1/2 years and is a founder member of Cholamandalam MS General Insurance Company Limited from the inception since 2001. Mr. Gopalarathnam is a director on the Board of Cholamandalam MS Risk Services Limited.

Documents for inspection:

Terms of appointment of Mr. S S Gopalarathnam as approved by Board, will be open for inspection by the shareholders.

Memorandum of Interest:

Except Mr. S S Gopalarathnam, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolutions.

ITEM No.3:

Mr. Takahiko Shibakawa was appointed as Whole-time Director of the Company Shibakawa for a period of 2 years, effective April 1, 2015, at the 14th annual general meeting held on July 28, 2015. As his tenure of office as Whole-time Director expires at the close of business hours on March 31, 2017, the Board of Directors vide their resolution dated January 28, 2017 has approved his re-appointment for a further period of two years with effect from April 1, 2017 on the terms and conditions as set out in the resolution. The appointment is subject to approval of the shareholders of the Company. Further, the Company being regulated by Insurance Regulatory and Development

Authority (IRDA), prior approval of IRDA is also required to be obtained under Section 34A of the Insurance Act, 1938.

As, the re-appointment of Whole-time Director is required to be approved by the shareholders at their meeting, the resolution seeking approval is placed before the General Body.

Your directors recommend the resolution for approval.

Profile of Mr. Shibakawa:

Mr. Takahiko Shibakawa is a Graduate with Majors in Economics from the Kobe University, Japan and is working with Mitsui Sumitomo Insurance Company Limited (MSI) since 1984. Mr. Shibakawa has over 32 years of experience in general insurance industry and is a Board member of Cholamandalam MS Risk Services Limited.

Documents for inspection:

Terms of appointment of Mr. Takahiko Shibakawa as approved by Board, will be open for inspection by the shareholders.

Memorandum of Interest:

Except Mr. Takahiko Shibakawa, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolutions.

By Order of the Board
For Cholamandalam MS General Insurance Company Limited

Date: January 28, 2017

Place: Chennai


Suresh Krishnan
Company Secretary

ATTENDANCE SLIP

Name & Address of the Shareholder:

I/ We hereby certify that I /We am / are registered Member / Proxy for the registered Member of the Company and hereby record my / our presence at the Extra Ordinary General Meeting of the Company being held on Monday, February 6, 2017 at 3.00 pm at the registered office of the Company or at any adjournment thereof in respect of such resolutions as mentioned in the notice.

Member folio / Client ID No.*

Member's / Proxy's name
Block letters

Signature of Member / in
Proxy

*Applicable for members holding shares in electronic form

NOTE: Members / Proxies to Members are requested to sign and handover this slip at the entrance of the venue of the meeting.

**FORM NO. MGT - 11
PROXY FORM**

[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):
Registered Address :
E-mail ID
Folio No./ Client ID:
DP ID:

I/We being the Member(s) of _____ equity shares of Rs. 10 each of the above named Company, hereby appoint:

1. Name: _____
Address:
E-mail Id:
Signature:....., or failing him/her

2. Name: _____
Address:
E-mail Id:
Signature:....., or failing him/her

3. Name: _____
Address:
E-mail Id:
Signature:....., or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Extra Ordinary General Meeting of the Company, to be held on February 6, 2017, at 3.00 p.m. at the registered office of the Company and at any adjournment(s) thereof, in respect of the resolutions, as indicated below:

Resolution No.	Business	Particulars of resolution
1	Special Business	Issue of Unsecured Redeemable Non-Convertible Debentures on a Private Placement basis
2	Special Business	Re-appointment of Managing Director
3	Special Business	Re-appointment of Whole-time Director

Signed: this _____ day of _____ 2017
Signature of Member(s): _____
Signature of the Proxy holder(s): _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

CHOLAMANDALAM MS GENERAL INSURANCE COMPANY LIMITED

ROUTE MAP ALONGWITH PROMINENT LANDMARK

Day: Monday

Date: February 6, 2017

Time: 3.00 PM

Venue: "Dare House" No.2, N.S.C Bose Road, Chennai – 600001.

