

ROYAL SUNDARAM GENERAL INSURANCE CO. LIMITED

[Formerly known as Royal Sundaram Alliance Insurance Company Limited]

(Regd Office: 21 Patullos Road, Chennai 600 002) CIN: U67200TN2000PLC045611

Email: sr.balachandher@royalsundaram.in Website: www.royalsundaram.in

Corp. Office: 'VISHRANTHI MELARAM TOWERS' 2/319, RAJIV GANDHI SALAI

KARAPAKKAM, CHENNAI 600 097, Ph: 91-44-7117 7117, Fax: 91-44-71137121

NOTICE OF THE SEVENTEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Shareholders of the Company will be held on Friday, **14th July 2017, at 2 p.m** at the Registered office of the Company at 21 Patullos Road, Chennai 600 002, to transact the following business:

ORDINARY BUSINESS

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

"**RESOLVED** that the Audited Balance Sheet of the Company as at 31st March 2017 and the Profit & Loss Account for the year ended as on that date together with the Revenue Accounts and the Board's and the Auditors' Reports thereon be and are hereby adopted."
2. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED** that Mr. T T Srinivasaraghavan (DIN: 00018247), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation."
3. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED** that Mr. Harsha Viji (DIN: 00602484), the retiring Director, be and is hereby re-elected as Director of the Company, liable for retirement by rotation."
4. To appoint/re-appoint Statutory Auditors and fix their remuneration.
 - (i) To consider, and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED** that M/s N.C Rajagopal & Co, Chartered Accountants, Chennai (Registration No.003398S), the retiring Auditors, be and are hereby reappointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the 20th Annual General Meeting, in accordance with the provisions of Sections 139 and other applicable provisions of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactment thereof for the time being in force, at a remuneration of Rs.12,00,000/- (Rupees Twelve lakhs only) in addition

to tax audit fee of Rs.2,50,000/- (Rupees Two lakhs and fifty thousand only) and certification fee, service tax and reimbursement of travelling and other out of pocket expenses incurred by them in connection with the Audit, subject to the approval of the Shareholders at the ensuing 17th Annual General Meeting and ratification at every Annual General Meeting thereafter.”

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

“**RESOLVED** that M/s. Brahmayaa & Co., Chartered Accountants, Chennai (Registration. No. 000511S), the retiring Auditors, be and are hereby reappointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Meeting until the conclusion of the 21st Annual General Meeting, in accordance with the provisions of Sections 139 and other applicable provisions of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactment thereof for the time being in force, at a remuneration of Rs.12,00,000/- (Rupees Twelve lakhs only) and certification fee, service tax and reimbursement of travelling and other out of pocket expenses incurred by them in connection with the Audit, subject to the approval of the Shareholders at the ensuing 17th Annual General Meeting and ratification at every Annual General Meeting thereafter.”

SPECIAL BUSINESS

5. Revision in terms of remuneration 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** in partial modification of the Resolution No. 7 passed by the Members at the 15th Annual General Meeting held on 7th September 2015, approving the appointment and terms of remuneration of the Managing Director Mr. M S Sreedhar (DIN:07153983), the Company, in accordance with the applicable provisions of the Companies Act, 2013 and Section 34A of the Insurance Act, 1938, hereby approves that the performance bonus be payable up to be a “maximum of 100%” of the annual Salary instead of the earlier approved “maximum of 65%” of the annual salary.”

“**RESOLVED FURTHER THAT** all other terms and conditions of appointment of Mr. M S Sreedhar, Managing Director, as approved earlier by the Members, shall remain unchanged.”

“**RESOLVED FURTHER THAT** any one of the Directors or the Company Secretary of the Company be and is hereby authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolutions.

6. **Revision in remuneration of Managing Director for 2017-18**

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

“RESOLVED that in accordance with the applicable provisions of the Companies Act, 2013 and subject to the approval of the Insurance Regulatory and Development Authority of India (IRDAI) under Section 34A of the Insurance Act, 1938 and any other Authority as may be required the Company hereby accords its approval for the payment of the following Remuneration to Mr. M S Sreedhar, Managing Director (DIN: 07153983) including value of all perquisites effective from 1st April 2017:-

Basic Salary :: Rs.4,04,000/- (Rupees Four lakhs and four thousand only) per month in the scale of Rs.3,51,000/- to Rs.5,50,000/-.

Annual increase will be effective from 1st April every year and the quantum of increase will be decided by the Nomination and Remuneration Committee/Board of Directors.

House Rent Allowance :: 60% of the Basic Salary, per month
Supplementary Allowance :: 60% of the Basic Salary, per month

Perquisites

i) Medical reimbursement : Expenses incurred for self and family including premium payable for medical insurance subject to one month's basic salary, in accordance with the rules of the Company.

Explanation: "Family" means the spouse, dependant children and dependant parents of the appointee.

ii) Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company;

iii) Personal Accident Insurance as per the rules of the Company;

iv) Performance Bonus : Payable up to a maximum of 100% of the Annual Salary, subject to achieving specific targets, which will be defined by the Nomination and Remuneration Committee. The exact quantum of performance bonus payable to be decided by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee. Salary for this purpose will include Basic, House Rent Allowance and Supplementary Allowance.

v) Payment of Company's contributions to Provident Fund/Pension Fund/Superannuation Fund/ Gratuity Fund as per rules of the Company;

vi) Fees for clubs, subject to a maximum of two clubs, excluding entrance fees and life membership fees;

vii) Provision of chauffeur driven company car(s) or provision of company car(s) with reimbursement of chauffeur's salary, for Company business;

viii) Provision of telephone at the residence;

ix) Such other allowances, perquisites, benefits and amenities as may be provided by the Company to other senior executives from time to time;

x) Benefits under the loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time subject to the provisions of the Insurance Act, 1938 and Companies Act, 2013, including amendments, if any.

“FURTHER RESOLVED THAT Mr. P M Venkatasubramanian, Chairman, Mr.T.T.Srinivasaraghavan, Director and Mr. S R Balachandher, Company Secretary be and are hereby severally authorised to take necessary steps to give effect to the above Resolutions.

7. **(a) To Increase the Authorised Share Capital of the Company**

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

“RESOLVED THAT pursuant to Sections 61, 64 and other applicable provisions of the Companies Act, 2013, and the rules made thereunder and in accordance with the provisions of the Articles of Association of the Company, the authorised share capital of the Company be and is hereby increased from the existing Rs. 350,00,00,000/- (Rupees Three Hundred and Fifty Crore Only) divided into 35,00,00,000 (Thirty five Crore) equity shares of Rs.10/- each, to Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only) divided into 50,00,00,000 (Fifty Crore) equity shares of Rs.10/- each, by creation of further 15,00,00,000 equity shares of Rs.10/- each rank pari passu in all respect with the existing equity shares of the Company.

(b) Alteration in the Capital Clause of Memorandum of Association

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 provisions of Section 13, 61 and 64 and other applicable provisions of the Companies Act, 2013 and the rules framed thereunder, the consent of the members of the Company be and is hereby accorded for substituting the Clause V (Para 1) of the Memorandum of Association of the Company with the following Clause V (Para 1), namely,.

V. The Authorised Share Capital of the Company is Rs.500,00,00,000 (Rupees Five hundred crores only) divided into 50,00,00,000 (Fifty Crores) equity shares of Rs.10/- each."

By Order of the Board



Place: Chennai
Date: 27th April 2017

S.R. Balachandher
Company Secretary

Notes:

- a) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
- b) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company.
- c) The proxy form duly stamped and executed, should be deposited at the Registered Office of the Company at least forty-eight hours before the time fixed for the commencement of the meeting.
- d) 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.
- e) All the documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company between 10:30 a.m and 12:30 p.m. on all working days from the date hereof up to the date of the Meeting.
- f) The annual report of the Company circulated to the Members of the Company, will be made available on the Company's website www.royalsundaram.in.

Encl.: Proxy form.

Explanatory Statement under Section 102 (1) of the Companies Act, 2013

Special Business

Subject No.5

The Shareholders had earlier approved that “up to a maximum of 65%” of the Annual Salary (comprising of Basic Salary, HRA and Supplementary Allowances) can be paid as the performance bonus to the Managing Director. The actual bonus payable is subject to achieving specific business targets fixed and based on the recommendation of the Nomination & Remuneration Committee (NRC) and approval of the Board of Directors.

Based on the strong performance turned out by the Company during 2016-17 and considering the industry benchmark for remuneration paid to CEOs, the Board, based on the recommendations of the NRC, approved a variable performance bonus of Rs.70,00,000/- (Rupees Seventy Lakhs only) to be paid to the Managing Director for 2016-17. This amount constitutes about 70.238% of the total salary and therefore will marginally exceed the limit of 65% fixed by the Shareholders for payment of performance bonus.

Hence, the approval of the members is sought for increasing the limit for performance bonus from the earlier 65% to 100% of the Annual Salary. The other terms and conditions remain unchanged.

Interest of Directors

Except Mr. M S Sreedhar (DIN:07153983), being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the above subject.

Subject No.6

Based on the recommendations of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on March 27, 2017 have revised the remuneration of Mr. M S Sreedhar, Managing Director of the Company effective 1st April 2017. The Subject is placed before the Members for their approval.

Interest of Directors

Except Mr. M S Sreedhar (DIN:07153983), being the appointee, none of the other Directors and Key Managerial Personnel of the Company and their relatives, is concerned or interested, financially or otherwise, in the above subject.

Subject No.7

The Authorised capital of the Company at present is Rs.350,00,00,000 (Rupees Three hundred and fifty crores) divided in to 35,00,00,000 (Thirty-five crores) equity shares of Rs.10 each. To further strengthen the Company's financial position and having regard to the future

business plans of the Company, it is now proposed to increase the Authorised Share Capital of the Company to Rs.500,00,00,000 (Rupees Five hundred crores) divided in to 50,00,00,000 (Fifty crores) equity shares of Rs.10 each, by creation of further 15,00,00,000 (Fifteen crores) equity shares of Rs.10/- each.

The provisions of the Companies Act, 2013 require the Company to seek the approval of the Members for increase in the Authorised Share Capital and for alteration of the Capital Clause of the Memorandum of Association of the Company.

Necessary Resolutions are submitted for the said purpose and the Board recommends that the said Resolutions be passed.

A copy of the Memorandum and Articles of Association is available for inspection at the Registered Office of the Company during the office hours.

Interest of Directors

None of the Directors is interested in the said Resolutions.

Royal Sundaram General Insurance Co. Limited
Formerly Known as Royal Sundaram Alliance Insurance Company Limited
'VISHRANTHI MELARAM TOWERS' 2/319 RAJIV GANDHI SALAI,
KARAPAKKAM, CHENNAI 600 097, Ph : 91-44-7117 7117
Regd Office: 21 Patullos Road, Chennai 600 002 CIN: U67200TN2000PLC045611

Form MGT 11

PROXY FORM

[Pursuant to 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 :
Folio No/Client Id & DP ID :
E-mail Id:

I/We, being the member (s) of shares of the above named company, hereby appoint

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

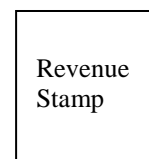
2. Name :
Address:
E-mail Id :
Signature:....., or failing him

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 16th Annual general meeting of the company, to be held on Friday, **14th July 2017, at 2 p.m** at the Registered office of the Company at 21 Patullos Road, Chennai 600 002 and at any adjournment thereof in respect of such resolutions as indicated overleaf:

Signed this..... day of..... 2017

Signature of shareholder: Signature of Proxy holder(s):



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.

Resolution Number	Resolution	Vote (Optional)		
		For	Against	Abstain
Ordinary Business				
1.	Adoption of accounts for the financial Year 2016-17			
2.	Appointment of Director in the place of Mr. T T Srinivasaraghavan (DIN:00018247), who retires by rotation and being eligible, offers himself for re-election			
3.	Appointment of Director in the place of Mr. Harsha Viji (DIN:00602484), who retires by rotation and being eligible, offers himself for re-election			
4.	Appointment of Statutory Auditors of the Company:			
	a) Reappointment of M/s. N C Rajagopal & Co., Chartered Accountants, Chennai			
	b) Appointment of M/s. Brahmayya & Co., Chartered Accountant, Chennai			
Special Business				
5.	Partial modification in the terms of remuneration of Managing Director for 2016-17			
6.	Revision in remuneration of Managing Director for 2017-18			
7.	a) To Increase the Authorised Share Capital of the Company			
	b) Alteration in the Capital Clause of Memorandum of Association			

Route Map: 21, Patullos Rd. Royal Sundaram Registered Office

