

NOTICE IS HEREBY GIVEN THAT THE EXTRAORDINARY GENERAL MEETING (04/2021-22) OF THE MEMBERS OF STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED (THE COMPANY) WILL BE HELD AT SHORTER NOTICE THROUGH VIDEO CONFERENCING ('VC') AND OTHER AUDIO VISUAL MEANS ('OAVM) ON THURSDAY THE 11TH NOVEMBER 2021 AT 01.30 P.M. TO TRANSACT THE FOLLOWING SPECIAL BUSINESS:

SPECIAL BUSINESS:

Item No. 1

Approval of the Star Health and Allied Insurance Company Limited Employee Stock Option Plan, 2021 ("ESOP Plan") for the eligible employee of Star Health and Allied Insurance Company Limited ("Company")

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 Section 62 of the Companies Act, 2013 (the "Act") read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 ("Rules") and all other applicable provisions, 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), and pursuant to the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the time being in force and as maybe modified from time to time, as may be applicable, provisions contained in the memorandum of association and the articles of association of the 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**"), and subject to any approvals, permissions and sanctions of any / various authority(ies) as may be required and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include the Nomination and Remuneration Committee ("**NRC**")), the approval of the members be and is hereby accorded to introduce, offer, issue and allot share-based options to the eligible employee as defined under the Star Health and Allied Insurance Company Limited Employee Stock Option Plan, 2021 ("**ESOP Plan**") of the Company, the salient features of which are furnished in the Explanatory Statement to this Notice and to grant such options to eligible employees on such terms and conditions as provided in the ESOP Plan and as may be fixed or determined by the NRC and/or the Board.

RESOLVED FURTHER THAT, the maximum number of options granted to the eligible employee under the ESOP Plan shall not exceed 25,00,000 and each option on exercise shall entitle the employee 1 (one) equity share of the Company.

RESOLVED FURTHER THAT, the equity shares, if any, issued/allotted from time to time in accordance with the ESOP Plan, shall rank *pari-passu* in all respects with the existing equity shares of the Company.

RESOLVED FURTHER THAT, the approval of the members of the Company, is hereby accorded to the Board and the NRC to take necessary steps for compliance with the Applicable Laws.

RESOLVED FURTHER THAT, in case of any corporate action(s) such as rights issue, bonus issue, split or consolidation of shares, merger/ amalgamation or sale of division/undertaking or other re-organization etc. the number of above mentioned options in the ESOP Plan shall be appropriately adjusted.

RESOLVED FURTHER THAT, for the purpose of bringing into effect and implementing the ESOP Plan and generally for giving effect to these resolutions, each member of the Board and the NRC be and are hereby severally authorized, on behalf of the Company, to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for such purpose and with power to settle any issues, questions, difficulties or doubts that may arise in this regard.”

Place: Chennai.

Date : 11-11-2021

By the Order of the Board



Jayashree Sethuraman

Company Secretary

PAN: DLIPS3826Q

Membership No. A55099

Address: No.1 New Tank St,

Valluvar Kottam High Road,

Chennai-34.

NOTES:

- 1. In view of the Continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circular dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of Extra Ordinary General Meeting (“EGM”) through video conferencing (‘VC’) and other audio visual means (‘OAVM’), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), and MCA Circulars, the EGM of the Company is being held through VC/ OVAM*
- 2. 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 as permitted by the MCA and hence the Proxy Form and attendance Slip are not annexed to this Notice.*

3. *Members attending the EGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.*
4. *All communications including notice of Extra Ordinary General Meeting, Annual report etc will be sent to the registered emails.*
5. *Since the EGM will be held through VC/ OAVM, Route Map is not annexed in this Notice*

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM THROUGH VIDEO CONFERENCING ('VC') AND OTHER AUDIO VISUAL MEANS ('OAVM') ARE AS UNDER:

1. Members may attend the EGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID/ Password/ and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via browser or by running Temporary Application. In order to join the Meeting, follow the steps and provide the required details (mentioned above – Meeting Id/Password/Email Address) and Join the Meeting. Members are encouraged to join the Meeting through Laptops for better experience.
2. In case of Android/ Iphone connection, Participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.
3. Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. The helpline numbers on any queries on how to join and participate in the meeting through the link provided is +91 9940355778/ 044 28288878. Members can also send their queries through email to s.jayashree@starhealth.in
6. Facility of joining the EGM through VC/ OAVM shall open 30 minutes before the time scheduled for the EGM and shall be open for fifteen minutes after the scheduled starting time of the EGM.

7. Members can send their queries on the matters relating to the EGM by emailing to s.jayashree@starhealth.in from their registered email IDs quoting their folio numbers or they can speak during the proceeding of the EGM with a two way communication facility. Queries will be addressed to the extent feasible on a first come first served basis by the Chairman or appropriate officials / Auditors as the case may be.
8. Representatives of institutional / corporate members or other authorities can send their authorisation through email to the email id of the company referred above giving the resolution / authority along with name and email ID of the representative. The representative can use the link for attending the meeting and speak at the meeting.
9. Voting by show of hands is permitted as advised by MCA and in case of demand for poll the members / representatives have to send emails to the designated email Id (s.jayashree@starhealth.in) signifying their choice on voting in the affirmative or negative in respect of each resolution during the course of the meeting. E-votes will be counted during the meeting and results will be announced by the Chairman. In case it would take time to count the e-votes the meeting may be adjourned for announcing the results of the e-votes for all resolutions.
10. Any special business considered unavoidable by the Board can only be considered at the EGM.

Place: Chennai.
Date : 11-11-2021

By the Order of the Board



Jayashree Sethuraman
Company Secretary
PAN: DLIPS3826Q
Membership No. A55099
Address: No.1 New Tank St,
Valluvar Kottam High Road,
Chennai-34.

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

Item No.1

Based on the recommendations and approval of the Nomination and Remuneration Committee (“NRC”), approval of the Board of Directors (“Board”), subject to approval of the members, the Star Health and Allied Insurance Company Limited Employee Stock Option Plan, 2021 (“ESOP Plan”) has been adopted for the eligible employee (as defined under the ESOP Plan) of the Star Health and Allied Insurance Company Limited (“Company”).

The purpose of the ESOP Plan is to enable Mr. Venkatasamy Jagannathan, Chairman & CEO of the Company to take part in the value creation journey by aligning his incentive to the long-term performance of the Company. The ESOP Plan shall be administered by the NRC and/or the Board constituted by the Company.

The Resolution contained at Item no. 1 seek to obtain the members’ approval to authorize the NRC and/or the Board to create, issue, offer and allot shares or cash, from time to time, to the employees of the Company under the ESOP Plan and undertake such action as may be necessary for the administration of the options.

The salient features and other details of the ESOP Plan are as under:

(a) **Brief description of the ESOP Plan:**

The ESOP Plan shall be called as Star Health and Allied Insurance Company Limited Employee Stock Option Plan, 2021.

The main objectives of the ESOP Plan is to enable Mr. Venkatasamy Jagannathan, Chairman & CEO of the Company take part in the value creation journey by aligning his incentive to the long-term performance of the Company.

(b) **Total number of stock options to be granted:**

The aggregate number of options that shall be granted under the ESOP Plan, shall be 25,00,000 (twenty five lakh) which shall be convertible into equal number of equity shares, being less than 1% of the fully diluted paid-up equity share capital of the Company as on the date of the adoption of the ESOP Plan.

Further, the maximum number of options that can be granted and the shares arising upon exercise of these options shall stand adjusted in case of corporate action.

(c) **Identification of classes of employees entitled to participate in ESOP Plan:**

Mr. Venkatasamy Jagannathan, Chairman & CEO of the Company is entitled to participate in the ESOP Plan.

(d) **The appraisal process for determining the eligibility of employees for the ESOP Plan:**

Not applicable.

(e) **Requirements of vesting and period of vesting:**

The options granted under the ESOP Plan would vest post completion of 1 (one) year from the date of grant, subject to receipt of relevant approval in terms of the Applicable Laws (if any).

(f) **The maximum period within which the options shall be vested:**

The stock options granted under the ESOP Plan shall vest within 1 (one) year from the date of grant, subject to receipt of relevant approval in terms of the Applicable Laws (if any).

(g) **The exercise price or the formula for arriving at the same:**

The exercise price shall be Rs. 10 (Rupees Ten only).

(h) **The exercise period and process of exercise:**

The options granted to a grantee shall be capable of being exercised within a period of 10 (ten) year from the date of vesting of options.

The options can be exercised by the eligible employee only by way of an exercise notice (in the form prescribed by the Nomination & Remuneration Committee) to the scheme administrator (as specified in the ESOP Plan) detailing the number of options to be exercised. The option shall be deemed to be exercised when the eligible employee pays to the Company, a consideration equal to the respective exercise price of the Option and upon the satisfaction of the tax liability.

(i) **Lock in period, if any**

Nil

(j) **The maximum number of options to be granted per employee and in aggregate:**

Not applicable.

(k) **The method which the Company shall use to value its Options**

As per applicable accounting standards.

(l) **The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct**

In case, the eligible employee does not exercise the vested options during the exercise period or such earlier date, they will lapse, and no rights will accrue after that date.

- (m) **The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee:**

The options are to be exercised within the exercise period of 10 (ten) years.

- (n) **A statement to the effect that the Company shall conform to the applicable accounting standards:**

The Company shall conform to the with the requirements of the ‘Guidance Note on Accounting for employee share-based Payments’ or Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (“ICAI”) or such other accounting standard as may be applicable from time to time, including the disclosure requirements prescribed therein. Where the existing Guidance Note or Accounting Standard do not prescribe accounting treatment or disclosure requirements for employee stock option plans then the Company shall comply with the relevant Accounting Standard as may be prescribed by the ICAI from time to time.

Accordingly, the resolutions set as Item no. [1] are being placed for the approval of Members.

The directors, key managerial personnel or their relatives may be deemed to be concerned or interested in these resolutions to the extent of options that be granted to them and to the extent of their shareholding as Members.

The Board recommends the passing of the proposed resolutions stated in Item no. [1] as special resolution.

