

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

CIN: U66000MH2012PLC227948

Regd. Office: 401/402, 4th Floor, Raheja Titanium, Western Express Highway, Goregaon (East) MUMBAI - 400063

NOTICE IS HEREBY GIVEN THAT THE EXTRAORDINARY GENERAL MEETING OF MEMBERS OF MANIPALCIGNA HEALTH INSURANCE COMPANY LIMITED WILL BE HELD ON NOVEMBER 17, 2021, WEDNESDAY AT 5.30 PM, THROUGH VIDEO CONFERENCING (“VC”) TO TRANSACT THE FOLLOWING BUSINESS:

SPECIAL BUSINESS:

1. TO CONSIDER APPROVAL OF WITHDRAWAL OF THE OFFER OF FURTHER ISSUE OF 1,47,05,881 EQUITY SHARES TO MEMG FUND ADVISORS, LLP AND CIGNA HOLDINGS OVERSEAS, INC.:

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

“**RESOLVED THAT** pursuant to Section 42(5) of the Companies Act, 2013 (hereinafter referred to as the “Act”) and any other provisions as may be applicable, if any, under the Act read with the relevant Rules made there under, consent of the Members of the Company be and is hereby accorded to withdraw the offer of further issue of the remaining 1,47,05,881 Equity Shares to MEMG Fund Advisors, LLP and Cigna Holdings Overseas, Inc. which was earlier approved by the Members of the Company in their Meeting held on 30th August, 2021;

RESOLVED FURTHER THAT Mr. Prasun Sikdar, Managing Director & CEO and Mr. Sameer Bhatnagar, Chief Compliance & Risk Officer and Ms. Gauri Takale, Company Secretary of the Company be and are hereby, jointly or severally, authorized to take and/or cause to be taken necessary steps to give effect to aforesaid resolution.”

2. TO CONSIDER APPROVAL OF FURTHER ISSUE OF SHARES BY THE COMPANY BY WAY OF PREFERENTIAL ISSUE ON PRIVATE PLACEMENT BASIS:

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

“**RESOLVED THAT** pursuant to Section 6A(b)(iii) of the Insurance Act, 1938 and pursuant to the provisions of Section 62(1)(c) of the Companies Act, 2013 (the Act) read with the Companies (Share Capital and Debentures) Rules, 2014 and pursuant to the provisions of Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and in accordance with such other applicable Acts, Rules, Regulations, Guidelines, if any, consent of the members of the Company be and is hereby accorded and the Board of Directors be and are hereby authorized to issue, offer and allot 6,78,73,291 Equity Shares aggregating to Rs.90,00,00,000 in one or more tranches, out of which 3,16,74,206 Equity Shares aggregating to Rs.42,00,00,000, will be issued, offered and allotted to

following entities of the Company, by way of preferential issue on private placement basis in the first tranche:

- 1,61,53,846 Equity Shares of Rs.10/- each at a premium of Rs.3/- aggregating to INR 20,99,99,998 to MEMG Fund Advisors, LLP
- 1,55,20,360 Equity Shares of Rs.10/- each at a premium of Rs.3.5306/- aggregating to INR 20,99,99,783.02 to Cigna Holdings Overseas, Inc.

RESOLVED FURTHER THAT Mr. Prasun Sikdar, Managing Director & CEO, Mr. Srikanth Kandikonda, Chief Financial Officer and Mr. Sameer Bhatnagar, Chief Compliance & Risk Officer be and are hereby authorised to determine and decide the fund requirements of the Company and accordingly offer remaining Equity shares not exceeding 3,61,99,085 to the following entities in one or more tranches from time to time;

- MEMG Fund Advisors, LLP at premium (Rs.13)
- Cigna Holdings Overseas, Inc. at premium (Rs.13.5306)

RESOLVED FURTHER THAT pursuant to Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Letter of Offer for Private Placement of Equity Shares along with application form be and is hereby approved and Mr. Prasun Sikdar, Managing Director & CEO and Ms. Gauri Takale, Company Secretary be and is hereby authorized, jointly or severally, to sign and issue the Letter of Offer for Private Placement of Equity Shares accompanied by an application form;

RESOLVED FURTHER THAT Mr. Prasun Sikdar, Managing Director & CEO, Mr. Sameer Bhatnagar, Chief Compliance & Risk Officer and Ms. Gauri Takale, Company Secretary be and are hereby authorized, jointly or severally, to file necessary forms with IRDAI and RBI and other appropriate authorities, if any and to take and/or cause to be taken necessary steps to give effect to this resolution;

RESOLVED FURTHER THAT Mr. Prasun Sikdar, Managing Director & CEO, Mr. Sameer Bhatnagar, Chief Compliance and Risk Officer and Ms. Gauri Takale, Company Secretary of the Company be and are hereby, jointly and severally, authorized to take and/or cause to be taken necessary steps to give effect to this resolution”.

3. TO CONSIDER AND APPROVE THE EMPLOYEE STOCK OPTION PLAN 2021 OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Section 62 and any other applicable provisions of the Companies Act, 2013 (hereinafter referred as the “Act”) read with Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014 and any other applicable provisions (including any statutory modification(s), re-enactment(s) and amendment(s) thereof for the time being in force) of the Act, the consent of the members be and is hereby accorded to introduce and implement the proposed Employee Stock Option Plan 2021 (hereinafter referred to as “ESOP 2021” or “Scheme 2021”) and to create, grant, offer, issue and allot at any time, to the present and/or future eligible employees as defined in ESOP 2021;

RESOLVED FURTHER THAT Mr. Prasun Sikdar, Managing Director and CEO, Mr. Sameer Bhatnagar, Chief Compliance and Risk Officer and Ms. Gauri Takale, Company Secretary of the Company be and are hereby jointly or severally authorized on behalf of the Company, to sign and execute all necessary documents, applications, forms including e-forms and returns with the Registrar of Companies Mumbai, and/or any other authorities, as may be required, for the purpose of giving effect to this resolution.”

**By Order of the Board of
ManipalCigna Health Insurance Company Limited**

**Gauri Takale
Company Secretary**

**Place: Mumbai
Date: 3rd November, 2021**

NOTES:

1. In view of existing Covid-19 pandemic and in accordance with General Circular no. 10/2021 dated 23rd June 2021 read with 20/2020 dated 5th May, 2020 issued by Ministry of Corporate Affairs read with Circulars dated 8th April, 2020 and 13th April, 2020; the Extra Ordinary General Meeting (“EOGM”) is being held through video conferencing without the physical presence of the Members at a common venue and it shall be deemed that the same is held at the registered office of the Company situated at 401/402, 4th Floor, Raheja Titanium, Western Express Highway, Goregaon (East) Mumbai - 400063. Hence, in compliance with the Circulars, the EOGM of the Company is being held through Video Conferencing;
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, regarding the Special Business is appended herewith.
3. The members are requested to note that the facility for attending the EOGM through Video Conferencing shall be kept open from 5.00 pm till 5.30 pm i.e. at least 30 minutes before the commencement of the Meeting and 15 minutes post the commencement of the Meeting. All the members who join the video conferencing portal during this time shall be considered for the purpose of quorum at the Meeting;
4. The members are requested to note that since the Meeting is being held through Video Conferencing, the facility for appointment of proxies shall not be available for the EOGM of the Company, therefore the Proxy Form and Attendance Slip are not annexed to this Notice;
5. In case of joint holders attending the meeting, 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 EOGM;
6. Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 read with its rule made thereunder along with all the documents referred to in the Notice will be available for inspection by the members in electronic mode at the EOGM, and also from the date of circulation of this Notice upto the date of EOGM, i.e. without any payment of fee by the members. Members seeking to inspect such documents can send an email to gauri.takale@manipalcigna.com;
7. Pursuant to Section 112 and 113 of the Companies Act, 2013, representative of members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through Video conference;
8. Authorized Representatives of Corporate Members and Representatives appointed in pursuance of Section 112 of the Companies Act, 2013 intending to attend the meeting are requested to send/present to the Company a Certified Copy of the Board Resolution/Authority Letter authorizing them to attend and vote on their behalf at the meeting in electronic mode to the following email address gauri.takale@manipalcigna.com;
9. Since the EOGM will be held through Video Conferencing, the Proxy Form, Attendance Slip and Route Map is not annexed to this Notice;

EXPLANATORY STATEMENT IN PURSUANCE OF SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 01:

To approve the cancellation of issue of shares of the Company approved in the Extraordinary General Meeting held on 30th August 2021

The members of the Company vide its meeting held on 30th August, 2021 accorded their consent for issue, offer and allotment of 5,88,23,519 Equity Shares aggregating to Rs.60,00,00,000, in one or more tranches, out of which 4,41,17,638 Equity Shares aggregating to Rs.45,00,00,000, had been issued, offered and allotted to MEMG Fund Advisors, LLP and Cigna Holdings Overseas, by way of preferential issue on private placement basis in the first tranche on 31st August, 2021.

The members of the Company at the aforesaid meeting had approved that the remaining Equity shares not exceeding 1,47,05,881 would be issued, offered and allotted to MEMG Fund Advisors, LLP and Cigna Holdings Overseas, Inc. in one or more tranches from time to time depending on the fund requirements of the Company.

The Company has now proposed to cancel the aforesaid approval dated 30th August 2021 for issuance of remaining equity shares not exceeding 1,47,05,881 and in place of that, issue further Equity Shares aggregating to Rs.90,00,00,000 in one or more tranches.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors recommends the Special Resolution set out at item no.1 of the Notice for approval by the Members.

Item No. 02:

To approve the issuance of Equity shares on preferential basis to MEMG FUND ADVISORS, LLP and CIGNA HOLDING OVERSEAS INC.

The Board at its meeting held on 3rd November, 2021, pursuant to Section 6A(b)(iii) of the Insurance Act, 1938 and pursuant to the provisions of Section 62(1)(c) of the Companies Act, 2013 (the Act) read with the Companies (Share Capital and Debentures) Rules, 2014 and pursuant to the provisions of Section 42 of the Act read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and in accordance with other applicable Acts, Rules, Regulations, Guidelines accorded its consent for the issue, offer and allotment of 6,78,73,291 Equity Shares aggregating to Rs.90,00,00,000 in one or more tranches, out of which 3,16,74,206 Equity Shares aggregating to Rs.42,00,00,000, will be issued, offered and allotted to following entities (existing shareholders) of the Company, by way of preferential issue on private placement basis, in the first tranche:

- 1,61,53,846 Equity Shares of Rs.10/- each at a premium of Rs.3/- aggregating to INR 20,99,99,998 to MEMG Fund Advisors, LLP
- 1,55,20,360 Equity Shares of Rs.10/- each at a premium of Rs.3.5306/- aggregating to INR 20,99,99,783.02 to Cigna Holdings Overseas, Inc.

Further, the remaining Equity shares not exceeding 3,61,99,085 shall be offered to the following entities in one or more tranches from time to time depending on the fund requirements of the Company;

- MEMG Fund Advisors, LLP at premium (Rs.13)
- Cigna Holdings Overseas, Inc. at premium (Rs.13.5306)

The objects of the issue is to raise the capital of the Company. The Company proposes to issue 6,78,73,291 Equity Shares in total in one or more tranches and at prices as detailed above. The basis on which the prices have been arrived at is the Valuation Report issued by Mr. Kunal L. Kalantri (Registered Valuer). The relevant date with reference to the arrived price is 30th September 2021. The class of persons to whom the allotment is proposed to be made has been mentioned above. The intention of promoters i.e. MEMG Fund Advisors, LLP to subscribe 1,61,53,846 Equity Shares of Rs.10/- each at a premium of Rs.3/- and Cigna Holding Overseas Inc. to subscribe 1,55,20,360 Equity Shares of Rs.10/- each at a premium of Rs.3.5306/- in the first tranche. The proposed time within which the allotment shall be completed is One year. There will be no change in control in the company consequent to the issue.

The proposed allottees MEMG Fund Advisors, LLP and Cigna Holding Overseas Inc, post preferential offer will hold 39.56% and 49% of capital respectively.

The Company has made allotment on May 28, 2021, June 25, 2021, July 29, 2021 and August 31, 2021 on preferential basis during the year.

The pre-issue and post-issue shareholding pattern of the Company after the first tranche will be as follows:

Sr. No	Category	Pre-issue		Post-issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' holding				
1	Indian	53,53,70,108	51%	55,15,23,954	51%
	Individual				
	Bodies corporate				
	Sub-total				
2	Foreign promoters	51,43,75,167	49%	52,98,95,527	49%
	Sub-total (A)	1,04,97,45,275	100%	1,08,14,19,481	100%
B	Non-promoters' holding				
1	Institutional investors				
2	Non-institution				
3	Private corporate bodies				
4	Directors and relatives				
6	Indian public				
7	others (including NRIs)				
	Sub-total (B)				
	GRAND TOTAL	1,04,97,45,275	100%	1,08,14,19,481	100%

The pre-issue and post-issue shareholding pattern of the Company after the remaining tranche will be as follows:

Sr. No	Category	Pre-issue		Post-issue	
		No of shares held	% of share holding	No of shares held	% of share holding
A	Promoters' holding				
1	Indian	55,15,23,954	51%	56,99,85,492	51%
	Individual				
	Bodies corporate				
	Sub-total				
2	Foreign promoters	52,98,95,527	49%	54,76,33,074	49%
	Sub-total (A)	1,08,14,19,481	100%	1,11,76,18,566	100%
B	Non-promoters' holding				
1	Institutional investors				
2	Non-institution				
3	Private corporate bodies				
4	Directors and relatives				
6	Indian public				
7	others (including NRIs)				
	Sub-total (B)				
	GRAND TOTAL	1,08,14,19,481	100%	1,11,76,18,566	100%

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the said Resolution. The Board of Directors recommends the Special Resolution set out at item no.2 of the Notice for approval by the Members.

Item No. 03:

To consider and approve Employee Stock Option Scheme 2021:

The Company has proposed to issue shares to the employees of the Company under an Employee Stock Option Plan (ESOP) 2021.

The broad features of the ESOP Scheme 2021 are as follows:

1.	Total number of options approved	35,82,571 Over and above the number of options in ESOP 2021, any Options granted under the ESOP 2019 on or prior to 31 st March, 2021, where such granted Options had remain unvested, unexercised or lapse as per clause 16. (Resignation or Termination of Employment) of ESOP 2019, will be available for grant, adjusted as per the extant grant price at the time of such grant.
2.	Class of Employees entitled to participate in the ESOP plan	Band 4 and above
3.	Appraisal process for determining the eligibility of employees to the ESOP Scheme	In determining the eligibility of an Employee to receive Options under the Plan, following shall be considered- Performance of an Employee as indicated by the annual performance appraisal, minimum period of service, the position and responsibilities of an Employee, the nature and value to the Company of his services and accomplishments, his present and potential contribution to the success of the Company, past service and geographical location and such other factors that the Committee may deem relevant. The Nomination & Remuneration Committee however is authorized to change the eligibility criteria from time to time.
4.	Requirements of vesting and period of vesting	Minimum conditions for vesting are that Break-Even should be attained by the Company as at 31 st March, 2023 and capital infusion in the Company by existing shareholders should not exceed 700 crores between the period 1 st April, 2019 to 31 st March, 2023. In case any of these criteria is missed, the decision on vesting will be at the shareholders' discretion. Vesting period shall be minimum one year from the date of Grant and could be different for different Employees.
5.	Maximum period within which the options shall be vested	Vesting of the Options granted under ESOP 2021 shall be maximum four years from the date of Grant, this can be extended subject to shareholder discretion. This could be different for different Employees. The vesting period and schedule shall be provided in the Award Agreement with each Employee.
6.	Exercise price	INR 13 per share or as per the valuation at the time of an individual grant under the ESOP 2021.
7.	Exercise period and Process of exercise	<ul style="list-style-type: none"> Exercise period is within three years from date of vesting. In case of voluntary resignation, the vested Options can be exercised by an Employee prior to the expiry of Exercise Period or within 90 days of date of termination (due to voluntary resignation), whichever is

		<p>earlier.</p> <ul style="list-style-type: none"> • An Employee has the right to convert any number of his vested Options into Shares in full or in tranches at any time during the Exercise Period subject to the following conditions: • The Option may be Exercised during the continuance of an Employees' employment with the Company and / or Subsidiary(ies) subject to adherence to point 5 & 11. • The Options may be Exercised by an Employee only by a written/electronic notice (in the form prescribed by the Nomination & Remuneration Committee) to the Plan Administrator specifying the number of Options to be Exercised. The Option shall be deemed to be Exercised when an Employee pays to the Company a consideration equal to the respective Exercise Price of the Option and upon the satisfaction of the tax liability applicable from time to time. • As soon as practicable, on receipt of the notice of Exercise of Options and receipt of consideration thereof, the Plan Administrator shall make the necessary arrangement for allotment of Shares in lieu thereof. • Notwithstanding anything contained herein or elsewhere in this plan, it is hereby clarified that the Company is under no obligation to either buy the shares or pay any compensation to any employee under this clause as a result of the inability or unwillingness of the employee to acquire any shares, whether due to lack of funds, any restriction under law or otherwise. • In case, the Employee does not Exercise the Options during the Exercise Period or such earlier date, they will lapse and no rights will accrue after that date.
8.	Lock – in – period	NIL
9.	Maximum number of options to be granted per employee and in aggregate	Maximum number of options to be granted per employee would be as per Nomination and Remuneration Committee discretion. Aggregate not to exceed the total number of options under ESOP 2021 and unvested/unutilized/lapsed options under 2019 carried forward to the ESOP 2021 Plan.

10.	Method which the company has used to value its options	Fair Market Value method has been used by the Company to value its options
11.	Conditions under which option vested in employees may lapse	<ul style="list-style-type: none"> • If a Grantee’s employment with the Company terminates for Cause, then the Options, to the extent not previously exercised on the date of termination, will lapse on the date of such termination of employment. <p>“Cause” shall mean, as determined by the Nomination & Remuneration Committee, (i) engaging by an Employee in wilful, reckless or grossly negligent misconduct which is determined by the Nomination & Remuneration Committee to be detrimental to the interest of the Company or any of its affiliates, monetarily or otherwise, or (ii) an Employee pleading guilty to or conviction of a felony, or (iii) fraud, misfeasance, breach of trust or wrongful disclosure of any secret or confidential information about the Company to any third party, or (iv) employment of an Employee in any other organisation or provision of services by an Employee for any other organisation, or (v) any other reason which is determined by the Nomination & Remuneration Committee to be detrimental to the interest of the Company.</p> <ul style="list-style-type: none"> • If a Grantee’s employment with the Company terminates due to voluntary resignation on the part of the Grantee, then all Options not vested in the Employee as on the date of resignation shall lapse forthwith. The vested Options can be exercised by an Employee prior to the expiry of Exercise Period as specified in the Award Agreement or within 90 days of date of resignation of Grantee, whichever is earlier. If a Grantee’s employment with the Company terminates due to completion of his contract, then all Options which are not vested at the time of such termination shall lapse forthwith. The vested Options can be exercised by an Employee prior to the expiry of Exercise Period as specified in the Award Agreement. For the purposes of this clause, employment shall be deemed to have terminated on the last day of such Employee’s employment with the Company • However, resignation on account of leaving the Company for joining any of the group company of the Company will be regarded as employment transfers within the Company and

		<p>will not be regarded as resignation or termination under this clause.</p> <ul style="list-style-type: none"> • If a Grantee dies while in the employment of the Company, the Options that have been Granted but not Vested as on the date of Death / Total and Permanent Disability of the Grantee - shall forthwith vest in him or his legal heirs or designated nominees and such Options must be exercised as below: <ul style="list-style-type: none"> a. In case of death of Grantee, within 1 (one) year from the date of death or such extended time provided by the Nomination & Remuneration Committee. b. In case of total and permanent disability of Grantee, within one year from the date of total and permanent disability or such extended time provided by the Nomination & Remuneration Committee. <p>Further such granted Options that have Vested but have not Exercised as on the date of death / total and permanent disability of the Grantee – shall be exercised within the Exercise Period as specified in the Award Agreement of the Grantee or such extended time provided by the Nomination & Remuneration Committee.</p> <ul style="list-style-type: none"> • In the event of a termination of employment for reasons other than referred above, all Options which have not vested will lapse forthwith. The vested Options can be exercised by the Employee prior to the expiry of Exercise Period or such extended period as determined by the Nomination and Remuneration Committee
12.	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 vested Options can be exercised by an Employee prior to the expiry of Exercise Period or within 90 days of date of termination, whichever is earlier, subject to conditions as specified in above clause 11 (and as per clause 16 of the Plan).
13.	Implementation and administration of the ESOP Plan	Implementation – Nomination and Remuneration Committee Administration - Company Secretary
14.	Statement to the effect that the company shall comply with the	Yes

	applicable standards.	accounting	
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The Company further undertakes that it shall comply with the applicable accounting standards.

Members are requested to note that it is proposed to seek the approval of the Members of the Company in terms of Section 62 of the Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 for the implementation of the ESOP Plan 2021.

The Board therefore recommends the Resolution set out at Item No. 3 of this EOGM Notice to the Members for their consideration and approval by way of Special Resolution.

Managing Director and CEO and Key Managerial Personnel of the Company in Band 4 and above may be concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 3 of this EOGM Notice.

Except for the above mentioned, none of the Directors of the Company and their relatives are in any way concerned or interested, financially or otherwise.

**By Order of the Board of
ManipalCigna Health Insurance Company Limited**

**Place: Mumbai
Date: 3rd November, 2021**

**Gauri Takale
Company Secretary**