

TATA AIG GENERAL INSURANCE COMPANY LIMITED

NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of Tata AIG General Insurance Company Ltd. will be held on Thursday, the 6th day of August 2020 at 3.30 p.m. through Video conferencing mode. The venue of the meeting shall be deemed to be the registered office of the Company at Tower 'A', 15th floor, Peninsula Business Park, G. K. Marg, Lower Parel, Mumbai-400013.

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements as at 31st March 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. PH Vijaya Deepti (DIN 08125456) who retires by rotation and being eligible offers herself for reappointment.
3. To appoint M/s. A F Ferguson Associates, Chartered Accountants (Reg. No. 102849W) as Joint Auditors of the Company and who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.
4. To appoint M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Reg. No. 001076N) as Joint Auditors of the Company and who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.

SPECIAL BUSINESS

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

“RESOLVED THAT Mr. Neil Joe Minnich (DIN 08657512) who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 and holds office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice under section 160 of the said Act, in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the Articles of Association of the Company.”

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

“RESOLVED THAT Mr. Steven Barnett (DIN 08767010) who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 and holds office up to the date of this Annual General Meeting, and in respect of whom the

Company has received a notice under section 160 of the said Act, in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company subject to retirement by rotation under the Articles of Association of the Company.”

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

Commission to Non-Executive Directors of the Company

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act 2013 and Rules made there under and the Articles of Association of the Company, the Company be and is hereby authorized to pay to its Directors (other than Managing Director and other Director of the Company who are not eligible), such sum by way of commission as the Board and/ or a Committee thereof may determine but not exceeding 1% of the net profits of the Company as may be specified under the Companies Act, 2013.”

8. **Re-appointment of Mr. Neelesh Garg (DIN: 03435242) as Managing Director and Chief Executive Officer of the Company**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 190, 196, 197, 203 and Schedule V and other applicable provisions and rules, if any, of the Companies Act, 2013, applicable provisions of the Articles of Association of the Company and Section 34A and other applicable provisions, if any, of the Insurance Act, 1938 as may be amended from time to time and subject to such sanctions and approvals as may be necessary from Insurance Regulatory and Development Authority of India, consent of the Company be and is hereby accorded to the re-appointment of Mr. Neelesh Garg (DIN No. 03435242) as Managing Director and CEO of the Company for the period of five years from 1st October 2020 on the terms and conditions as stated in the Explanatory Statement and as mentioned in the Agreement entered into by and between the Company and Mr. Garg which is placed before the meeting with the authority to the Board of Directors to alter, modify and vary the terms and conditions of the said agreement in such manner as from time to time as may be agreed to by and between the Board of Directors and Mr. Neelesh Garg.

RESOLVED FURTHER THAT the Board of Directors and / or the Company Secretary be and are hereby authorized, singly and/ or jointly, to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this resolution”

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

“RESOLVED THAT pursuant to the provisions of Section 190, 196, 197, Schedule V and other provisions, if any applicable, of the Companies Act, 2013 and Section 34A and other applicable provisions, if any, of the Insurance Act, 1938 and subject to such sanctions and approvals as may be necessary from the Insurance and Regulatory and Development Authority of India, if necessary, consent of the members be and is hereby accorded to the Company to pay the following revised remuneration to Mr. Neelesh Garg (DIN No. 03435242)

Gross Salary- Rs. 3,60,18,000/- per annum effective from 1st April 2020

Bonus- Rs. 3,60,18,000/- (The actual payment of Bonus will be decided basis the performance score and as per the grid approved by the Nomination and Remuneration Committee at its meeting held on 26th June 2020)

LTIP: Rs. 3,24,16,200/- (Grant pool amount to be decided basis Performance score and as per the grid approved by the Nomination and Remuneration Committee at its meeting held on 26th June 2020. The actual Payout will be capped at 3 times the grant pool amount)

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this resolution. "

**By Order of the Board of Directors
For Tata AIG General Insurance Company Limited**

**Place: Peninsula Business Park,
Tower A, 15th Floor,
G.K. Marg,
Lower Parel,
Mumbai – 400013**

**SD/-
(Ashish Sarma)
Company Secretary**

Dated: 26th June, 2020

NOTES:

- a) In view of the continuing COVID-19 pandemic and restrictions imposed on the movement of people, the Ministry of Corporate Affairs (“MCA”) vide its Circular dated 5th May 2020 read with Circulars dated 8th April 2020 and 13th April 2020 (collectively referred to as “MCA Circulars”) and SEBI vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 have permitted the holding of the Annual General Meeting (“AGM”) through Video Conference/ Other Audio Visual Means (VC /OAVM), without the physical presence of the Members at a common venue. Pursuant to the provisions of the Companies Act, 2013 read with the Circulars issued by MCA and SEBI, the 20th AGM of the Company shall be conducted through VC / OAVM. Since the physical attendance of Members has been dispensed with in terms of the abovementioned Circulars, there is no requirement of appointment of proxies by Members under Section 105 of the Companies Act and the same will not be available for this AGM. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
- b) In compliance with MCA Circular No. 20/2020 dated 5th May, 2020 and SEBI Circular No. SEBI/ HO/ CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board’s Report, Auditor’s report or other documents required to be attached therewith (together referred to as Annual Report), the Annual Report for FY 2019-20 and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company.
- c) Corporate members intending to send their authorized representative to attend the AGM are requested to send to the Company a duly certified copy of the Board Resolution /Authorization letter authorizing their representatives to attend and vote on their behalf at the AGM. The said Resolution/Authorization letter be addressed to the Company Secretary Mr. Ashish Sarma at ashish.sarma@tataaig.com (“Designated email address for all correspondence for the AGM”)
- d) Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Item Nos. 5, 6, 7, 8 & 9 of the Notice as set out above, is hereto annexed.
- e) Documents referred to in the accompanying Notice and Explanatory Statement shall be sent to the members upon receipt of specific request and as the AGM is being conducted through VC / OAVM, members are encouraged to express their views / send their queries in advance mentioning their name, DP Id and Client Id, e-mail id, mobile number addressed to the Company Secretary at the email address mentioned aforesaid.
- f) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

- g) The Members are requested to join the AGM in the VC/OAVM mode 15 minutes before commencement of the meeting.
- h) Members are requested to contact Mr. Purendra Vaddepalli on +91 7506004956 email: purendra.vaddepalli@tataaig.com or Mr. Ashutosh Dubey on +91 9167459903 email: ashutosh.dubey@tataaig.com for any technical assistance which may be required for attending the AGM.

Procedure for attending and voting at the AGM held through VC/ OAVM:

- a) Members will be able to attend the AGM through VC / OAVM on the MS Teams platform / weblinks sent by the Company. Members are requested to join the Meeting through Laptops for better experience and will be required to allow camera and use internet with a good speed to avoid any disturbance during the meeting. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connected 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 glitches.
- b) Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP Id and Client Id, PAN, mobile number addressed to the Company Secretary at the email address mentioned aforesaid. Speakers are requested to submit their questions in advance to enable the Company to respond appropriately.
- c) Pursuant to the requirements of MCA Circulars dated 8th and 13th April 2020, the voting at the AGM shall be conducted through Show of Hands for the business to be transacted at the AGM, The Chairman shall preside the meeting and the Company Secretary will enable the business items to be put to vote at the AGM.

Explanatory Statement under Section 102 of the Companies Act 2013

Item No. 5

Mr. Neil Minnich aged 59 years, an American national is an insurance professional and has immense experience in the working of the insurance industry and is presently associated with the American International Group (“AIG”) as the Senior Vice President and Head of International Personal Auto and Property. Mr. Minnich was appointed as an Additional Director on the Board of the Company with effect from 17th January 2020 and he shall hold office upto the ensuing Annual General meeting of the Company pursuant to the provisions of section 161 of the Companies Act, 2013. The Company has received a notice from a member proposing his candidature as a Director of the Company.

Mr. Minnich does not hold any securities in the Company.

None of the Directors or Key Managerial Personnel except Mr. Minnich are concerned or interested in this resolution.

Your Directors recommend the Resolution for your approval.

Item No. 6:

Mr. Barnett aged 55 years, a British national is an insurance professional and had joined AIG UK in 1992 and over the years has occupied and successfully managed senior managerial roles and presently he is the Chief Executive Officer, Asia Pacific AIG General Insurance. He has over 30 years of experience working in various geographies, including the UK, Middle East, Africa and Asia Pacific and given the rich board experience he possesses, his appointment on the Board of the Company will prove beneficial to the Company. Presently, Mr. Barnett is the Chairman of the Board of AIG South Africa Ltd., AIG Life South Africa Ltd. a AIG Egypt Insurance Company S.A.E., AIG Morocco Limited S.A. and is presently a Director in AIG Asia Pacific Insurance Pte. Ltd., Johannesburg Insurance Holdings (Proprietary Ltd.) and AIG Kenya Insurance Company Ltd. Mr. Barnett was appointed as an Additional Director on the Board of the Company with effect from 26th June 2020 and he shall hold office upto the ensuing Annual General meeting of the Company pursuant to the provisions of section 161 of the Companies Act, 2013. The Company has received a notice from a member proposing his candidature as a Director of the Company.

Mr. Barnett does not hold any securities in the Company.

None of the Directors or Key Managerial Personnel except Mr. Barnett are concerned or interested in this resolution.

Your Directors recommend the Resolution for your approval.

Item no.7

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee, approved the payment of remuneration by way of commission on profits to the Non-Executive Directors of the Company. In line with the Tata Group governance policies your Company had taken into consideration for payment of commission, the attendance at the meetings of the Board or Committees thereof and also the position of the Directors in various Committees of the Board whether that of the Chairman or member of the Committees. Although, as per the provisions of the Companies Act, 2013, an amount of Rs. 4.59 crores is available for payment of remuneration by commission, the Board had decided to allocate an amount not exceeding Rs. 40 lakhs in the aggregate payment as commission to the Directors.

None of the Directors or Key Managerial Personnel and their relatives except the Non-Executive Directors who are eligible to receive remuneration by way of commission are concerned or interested in this resolution mentioned at Item No. 7 of the notice.

Your Directors recommend the Resolution for your approval.

Item no. 8

The Board of Directors at their meeting held on 10th August 2015 and based on the recommendation of the Nomination and Remuneration Committee had appointed Mr. Neelesh Garg as Managing Director and Chief Executive Officer (“MD & CEO”) of the Company with effect from 1st October 2015 for a term of 5 years and consequently his tenure as MD & CEO shall expire on 30th September 2020. The Nomination and Remuneration Committee and the Board at its meeting held 26th June 2020 had approved the re-appointment of Mr. Garg for an additional term of 5 years commencing from 1st October 2020 to 30th September 2025 subject to the approval of the members at the ensuing Annual General meeting of the Company after taking into consideration the performance of and contribution made by Mr. Garg during his tenure as MD & CEO of the Company.

Mr. Garg has made significant contribution towards the progress and growth of the Company. During his current tenure as MD & CEO, the Company grew its revenue from a Gross Direct Premium Income (“GDPI”) of Rs. 2959 crores (FY 2015-16) to Rs. 7385 crores (FY 2019-20) The Company has witnessed growth in profitability and has improved its market position in the general insurance sector. The Company continues to be one of the large private sector general insurance company with a market share of 3.9% as on 31st March 2020 with a combined ratio of 110% for FY 2019-20.

Mr. Garg is not disqualified from being appointed as MD & CEO in terms of Section 164 of the Act and has given his consent and information/ disclosures as prescribed under the Act and applicable provisions of IRDAI. The Company has received a notice in writing from a Member under Section 160 of the Act proposing the candidature of Mr. Garg to be appointed as the MD & CEO as per the provisions of section 152 and 196 of the Companies Act, 2013 and Section 34A of the Insurance Act, 1938.

The approval of the Members is therefore sought for the re-appointment of Mr. Garg as MD & CEO effective from 1st October 2020 to 30th September 2025 on the existing remuneration and terms and conditions of appointment, subject to the approval of IRDAI, as may be applicable.

The terms of appointment and remuneration of Mr. Garg are as under:

Designation:

The Company hereby appoints Mr. Neelesh Garg as the Managing Director and CEO of the Company and the MD hereby binds himself to serve the Company in their business in India and elsewhere where the Company has an establishment or office and shall discharge his duties which may from time to time be assigned to him.

Tenure of Appointment:

The MD & CEO is hereby appointed for a period of five years with effect from 1st October 2020. Such services may be terminated or determined by either party giving to the other party six months' notice in writing.

Duties and Responsibilities:

During the period of his service in the Company the MD & CEO shall:

- a) exercise and perform all such powers and duties as the Board of Directors of the Company shall from time to time determine and shall function subject to the superintendence, control and direction of the Board of Directors.
- b) in all respects carry out and use his best endeavors in carrying out the objects of the Company diligently and faithfully serve the Company, promote and protect its interest to the best of his abilities and judgement and use his best efforts to further the interest and business of the Company.
- c) devote the whole office time and attention to the business of the Company during normal office / working hours of the Company or otherwise as in the opinion of the Board of Directors may be reasonably necessary.
- d) the MD shall observe the secrecy obligation with regards to the business affairs of the Company.
- e) the MD shall not become interested or otherwise concerned directly or indirectly or through his wife and / or minor children in any transaction with the Company without the necessary prior approval.
- f) shall observe and assist in the implementation of the principles of good corporate governance.
- g) shall abide by the terms as incorporated in the letter of appointment of the MD & CEO.

Remuneration

In consideration of his services the Company shall pay to the Managing Director & CEO remuneration as approved and revised annually by the Board of Directors year on year subject to IRDAI approvals as applicable. The salary for the Managing Director & CEO for the current

financial year 2020-21, as approved by the Board of Directors at their meeting held on June 26, 2020 comprises of the following components.

Salary

Total CTC inclusive of Salary, Perquisites and Retiral Benefits of Rs. 3,60,18,000/- per annum.

Bonus

Mr. Garg shall be entitled to a performance bonus of Rs. 3,60,18000/- which will be subject to the performance of the Company. Mr. Garg will further be granted RSU under long term incentive plan of Rs. 3,24,16,200/- per annum, subject to maximum of 3 times the grant amount which shall be further subject to the performance of the Company defined by market share and ROE and the vesting and award period will be after the completion of three years from the date of grant as per details of LTIP RSU scheme and further the said amount will not be an assured amount.

Perquisites

The Company shall provide a car with driver and telephone with broadband facility at the residence (including payment of long-distance official calls) to Mr. Garg. These perquisites shall not be included in the computation of perquisites for the purpose of calculating the ceiling on remuneration.

Mr. Garg shall be entitled for coverage under the Group Personal Accident and Group Term Life policy of the Company. Mr. Garg and his family (spouse and two dependent children) will be covered under Group Mediclaim policy of the Company. Mr. Garg shall also be entitled to a club membership.

The said CTC / perquisites shall be valued as per the Income Tax Rules, 1962, wherever applicable.

Mr. Garg shall also be entitled to reimbursements of all actual expenses incurred including entertainment and traveling expenses incurred in the course of the Company's business.

The terms and conditions of appointment and remuneration shall be subject to Sections 190, 196 and 197 Schedule V and other provisions, if any applicable, of the Companies Act, 2013 and subject to the permission of the Central Government, if necessary, subject to the approval of the Shareholders at the ensuing general meeting of the Company and Section 34A and other applicable provisions, if any, of the Insurance Act, 1938 subject to the Amended Act as may be applicable and subject to such sanctions and approvals as may be necessary from Insurance Regulatory and Development Authority of India.

This shall deem to be the abstract of the memorandum setting out his term as per Section 190 of the Companies Act, 2013.

Save and except Mr. Garg, none of the Directors or Key Managerial Personnel and their relatives are in any way concerned or interested in this Resolution.

Your Directors recommend the Resolution for your approval.

Item No. 9

The Nomination and Remuneration Committee and the Board of the Company at its meeting held on 26th June 2020 had approved the revised remuneration (including performance bonus) of Mr. Neelesh Garg, Managing Director & CEO of the Company. The approval of the Members is therefore sought for the revised remuneration of Mr. Garg as under:

Gross Salary- Rs. 3,60,18,000/- per annum effective from 1st April 2020

Bonus- Rs. 3,60,18,000/-/- (The actual payment of Bonus will be decided basis the performance score and as per the grid approved by the Nomination and Remuneration Committee at its meeting held on 26th June 2020)

LTIP: Rs. 3,24,16,200/- (Grant pool amount to be decided basis Performance score and as per the grid approved by the Nomination and Remuneration Committee at its meeting held on 26th June 2020. The actual Payout will be capped at 3 times the grant pool amount)

The terms and conditions for the payment of the revised remuneration shall be subject to the provisions of Section 190, 196, 197, Schedule V and other provisions, if any applicable, of the Companies Act, 2013 and subject to the permission of the Central Government, if necessary, subject to the approval of the shareholders of the Company and Section 34A and other applicable provisions, if any, of the Insurance Act, 1938 and subject to such sanctions and approvals as may be necessary from the Insurance and Regulatory and Development Authority of India.

Save and except Mr. Garg, none of the Directors or Key Managerial Personnel and their relatives are in any way concerned or interested in this Resolution.

Your Directors recommend the Resolution for your approval.

**By Order of the Board of Directors
For Tata AIG General Insurance Company Limited**

**Place: Peninsula Business Park,
Tower A, 15th Floor,
G.K. Marg,
Lower Parel,
Mumbai – 400013**

SD/-

Dated: 26th June, 2020

**(Ashish Sarma)
Company Secretary**