

## NOTICE

**NOTICE** is hereby given that the **Fourteenth Annual General Meeting** of the Members of **Future Generali India Life Insurance Company Limited** will be held on **Friday, 25<sup>th</sup> day of September 2020** at **11.00 a.m.** through Video Conferencing/Other Audio Visual Means (“VC/OAVM”) Facility to transact following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial statements of the Company for the Financial year ended 31 March 2020, and Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Sanjay Jain (DIN: 02055254) and Mr. G.N. Bajpai (DIN: 00946138) who retire by rotation and being eligible offer themselves for re-appointment.
3. To consider and approve the appointment of one of the Joint Statutory Auditors of the Company and to fix the audit fees payable to them, if thought fit, to pass with or without modification, as an ordinary resolution, the following:

“**RESOLVED THAT** pursuant to section 139 of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of Companies Act, 2013, if any, Guidelines on Corporate Governance for Insurers, M/s. Mukund M. Chitale & Co., Chartered Accountants (FRN:106655W) be and are hereby appointed as one of the Joint Statutory Auditor of the Company for a second term of Five (5) years commencing from the conclusion of the Fourteenth Annual General Meeting of the Company until the conclusion of the Nineteenth Annual General Meeting of the Company with an audit fees as fixed by the Board of Directors of the Company;

**RESOLVED FURTHER THAT** the Board of Directors or Company Secretary be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary to give effect to this resolution.”

### **SPECIAL BUSINESS:**

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

“**RESOLVED THAT** pursuant to section 34A of the Insurance Act, 1938, the IRDAI Corporate Governance Guidelines, 2016, the Guidelines on Remuneration of Non-executive Directors and Managing Director/Chief Executive Officer/Whole-time Directors issued by IRDAI, the Remuneration Policy for Non-Executive Directors and Managing Director/Chief Executive Officer/Whole-Time Directors of the Company, the applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, and such other regulations, if any, as may be applicable to an Insurance Company in terms of the Insurance Act 1938, and subject to the approval of Insurance Regulatory and Development Authority of India under section 34A and other applicable provision, if any, of Insurance Act, 1938 and Insurance

Laws (Amendment) Act, 2015 and other applicable Rules/Regulations issued by Authority (collectively referred to as "Insurance Act/Regulations") from time to time, consent of the Members be and are hereby granted for payment of variable performance bonus to Mr. Munish Sharda, Managing Director & CEO amounting to Rs.2,85,00,000 (Two crore, Eighty Five lakhs) for the year 2019.

**RESOLVED FURTHER THAT** the Board of Directors or Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary and incidental for giving effect to this resolution."

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

**"RESOLVED THAT** the approval of the Members be and is hereby granted to the Company for transfer of Rs. 224,439,000/- from the Shareholders' Fund to the Policyholders Fund and Rs.252,63,12,000 from Shareholder's Account (Non-Technical) to Policyholder's Account (Technical Account) towards excess of Expense of Management under IRDAI (Expenses of Management of Insurers transacting life insurance business) Regulations, 2016 for the Financial Year 2019-20;

**RESOLVED FURTHER THAT** the Board of Directors or Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary and incidental for giving effect to this resolution."

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

**"RESOLVED THAT** the approval of the Members be and is hereby granted to the company for the payment of Bonus of Rs.61,83,00,000/- to the Policyholders for the financial year 2019-20;

**RESOLVED FURTHER THAT** the Board of Directors or Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds, matters and things as may be considered necessary and incidental for giving effect to this resolution."

By order of the Board of Directors of  
**Future Generali India Life Insurance Company Limited**

**Sd/-**

**C.L. Baradhwaj**  
**EVP – Legal & Compliance and Company Secretary**

**Mumbai, 04 June 2020**

**Registered Office:**  
Unit nos. 801 & 802, 8<sup>th</sup> Floor,  
Embassy 247 Park,

L.B.S. Marg, Vikhroli (west),  
Mumbai - 400083  
Website: [www.futuregenerali.in](http://www.futuregenerali.in)  
Email id: [clb@futuregenerali.in](mailto:clb@futuregenerali.in)  
CIN: U66010MH2006PLC165288

**NOTES:**

**1. Ratification of the appointment of the Statutory Auditors by the shareholders of the Company**

Pursuant to Clause 40 of the Companies (Amendment) Act, 2017, the First Proviso of Section 139 of the Companies Act, 2013 that states – “Provided that the Company shall place the matter relating to such appointed for ratification by the members at every annual general meeting” has been omitted by the Ministry with effect from 07 May 2018.

Therefore the appointment of

- M/s. CNK & Associates LLP, (FRN:101961W) till the Annual General Meeting held for Financial Year 2020-21 stands valid without the appointment been ratified by the shareholders at every Annual General Meeting.
2. In view of the COVID 19 pandemic, the Ministry of Corporate Affairs (“MCA”) *vide* its Circular dated 05 May, 2020 read with Circulars dated 08 April, 2020 and 13 April, 2020 (“collectively known as MCA Circulars”) has permitted the holding of the Annual General Meeting (“AGM”) through Video conferencing (VC) facility/other audio visual means (“OAVM”) without physical presence of the Members at the common venue. In compliance with the Circulars, the AGM of the Company is being held through VC.
  3. Pursuant to the section 105 of the Companies Act, 2013, a member entitled to attend and vote at the AGM 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 the MCA Circulars permits the holding of the AGM through video conference, the requirement of physical attendance of members has been dispensed with. Accordingly, in terms of the MCA Circulars, the facility for appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice.
  4. The Company shall conduct the AGM through VC by using Microsoft Team application (“MS Teams) and the Members are requested to follow instructions as stated in this notice for participating in this AGM through MS Teams. The **“Microsoft Team Link”** shall be shared in due course
  5. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
  6. If a poll is ordered to be taken by the Chairman or demanded in accordance with Section 109 of the Companies Act, 2013, members can cast their vote during the Meeting by sending an email to 'clb@futuregenerali.in' from their email addresses registered with the Company.
  7. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

8. The Explanatory Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Item No.3, Item No. 4, Item No. 5 and Item No. 6 are annexed hereto.
9. The Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection by the members at the Annual General Meeting.
10. The Register of Contracts or Arrangements, in which Directors are interested, will be available for inspection by the members at the Annual General Meeting.
11. The Register of Members and the Register of Share Transfer will be available for inspection by the members at the Annual General Meeting.
12. All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during office hours on all working days up to the date of the Annual General Meeting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE MEETING THROUGH  
VIDEO CONFERENCING**

1. The Company Secretary shall send a meeting invite to the registered email addresses of the persons entitled to attend the Meeting, for joining the Meeting through Microsoft Teams application.
2. For joining through laptop/ desktops, the instructions are as follows:
  - a. Select ' Join Microsoft Teams Meeting' in the meeting invite sent to you on your email address/calendar. Thereafter, a page will be displayed wherein you can choose to either join on the web or download the desktop app. If you already have the Microsoft Teams app, the meeting will open on the app automatically.
  - b. If you do not have a Teams account, select ' Join as a guest' and enter your name to join the meeting as a guest. If you have a Teams account, select ' Sign in and join'.
3. For joining through mobile phone/iPads , the instructions are as follows:
  - a. For easy and efficient access of the Microsoft Teams meetings (including audio, video, and content sharing) on mobile, it would be advisable to download and install the Microsoft Teams mobile app.
  - b. If you have the app, select ' Join Microsoft Teams Meeting' in the meeting invite sent on your registered email address to open the app and join the meeting. If you do not have the app, you will be taken to the app store where you can download the app.
  - c. If you do not have a Microsoft Teams account, select 'Join as a guest' and enter your name to join the meeting as a guest. If you have a Teams account, select 'Sign in and join'.
4. It would be advisable to download and install the app before the meeting starts.
5. Members who need any assistance or clarification while using the video conferencing facility can send an email at 'clb@futuregeneralii.in'.

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 technical issue.

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

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out the material facts relating to the businesses under Item Nos.3 to 6 of the accompanying the Notice dated 04 June 2020

**Item No. 3**

The Members of the Company at the Tenth Annual General Meeting ('AGM') held on 03<sup>rd</sup> June 2016 approved the appointment of M/s Mukund M. Chitale & Co., Chartered Accountants (FRN: 106655W), as one of the Joint Statutory Auditors of the Company for a period of four years from the conclusion of the Tenth AGM. M/s. Mukund M. Chitale & Co., Chartered Accountants (FRN:106655W) shall complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendations of the Audit Committee, recommended for the approval of the Members, the appointment of M/s Mukund M. Chitale & Co., Chartered Accountants (FRN: 106655W), as one of the Joint Statutory Auditors of the Company for a period of five years from the conclusion of this AGM till the conclusion of the Nineteenth AGM

The Audit Committee considered various parameters like capability to serve the insurance business of the Company, audit experience in the Company's business, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Mukund M. Chitale & Co., Chartered Accountants (FRN:106655W) to be best suited to handle the Statutory audit of the Company

M/s Mukund M. Chitale & Co., Chartered Accountants (FRN: 106655W), established in the year 1973. It is a multi-locational, multi-functional Firm that serves clients across India. M/s Mukund M. Chitale & Co., Chartered Accountants (FRN: 106655W) offers a full range of services to their clients which includes Business Advisory services, Tax Advisory services and Assurance & Risk Advisory services. They are also very actively involved in the field of forensic audit.

M/s Mukund M. Chitale & Co., Chartered Accountants (FRN: 106655W) have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and Key Managerial Personnel of the Company, or their relatives, is interested in this Resolution.

**Item No. 4**

Members were hereby informed that the Board of Directors had set the following business parameters for 2019 – 20 for Munish Sharda, Managing Director & CEO based on which the Board of Directors evaluated the amount of performance bonus to be paid for the year 2019 :

<b>Sr. No.</b>	<b>Business Parameter</b>	<b>Points %</b>	<b>Achievement%</b>
1.	New business premium and GWP	20.00	17.03
2.	Renewal premium	20.00	20.00

Sr. No.	Business Parameter	Points %	Achievement%
3	Persistency	30.00	30.80
4.	Improvement in Expenses of management ratio	10.00	8.20
5.	AUM growth	10.00	9.80
6.	Qualitative factors	10.00	10.00
	<b>Total</b>	100	95.80%

Sr. No.	Achievements%	Performance Bonus (Short term incentive) as % of CTC + Additional amount
1.	Below than 50%	Nil
2.	50% and up to 75%	75%
3.	> 75% and up to 85%	75% + additional Rs. 50 lacs
4.	> 85% and up to 95%	75% + additional Rs. 80 lacs
5.	> 95% and up to 105%	75% + additional Rs. 110 lacs
6.	> 105% and up to 125%	75%+ additional Rs. 140 lacs
7.	> 125%	75% + additional Rs. 150 lacs

Based on the achievement of the above business parameters set for 2019-20, Board of Directors on the recommendations of the Nomination and Remuneration Committee wishes to reward the Managing Director & CEO by paying an annual bonus of Rs.2,85,00,000 (Rupees Two crore, Eighty Five lakhs) for the year 2019.

Due to the effect of the pandemic on the business of the Company, the Board of Directors did not recommend any increase in the annual pay of Munish Sharda, Managing Director & CEO

The Board of Directors on the recommendations of the Nomination and Remuneration Committee approved the payment of the annual bonus at their meeting held on 04 June 2020.

Members are further informed that pursuant to section 34A of the Insurance Act, 1938, the IRDAI Corporate Governance Guidelines, 2016, the Guidelines on Remuneration of Non-executive Directors and Managing Director/Chief Executive Officer/Whole-time Directors issued by IRDAI, the Remuneration Policy for Non-Executive Directors and Managing Director/Chief Executive Officer/Whole-Time Directors of the Company, the applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, requires the Company to obtain the prior approval of the Shareholders, by way of a Special Resolution for payment of any annual bonus to the Managing Director & CEO of the Company.

The payment of the annual bonus shall be subject to the approval of Insurance Regulatory and Development Authority of India

Accordingly, the approval of the Members is being sought, by way of a Special Resolution, for payment of annual bonus to Mr. Munish Sharda – Managing Director & CEO amounting to Rs. 2,85,00,000 (Rupees Two crore, Eight Five Lakhs) for the year 2019

Mr. Munish Sharda is interested in the resolution set out respectively in Item No. 4 of the Notice with regards to his respective appointment.

The relatives of Mr. Munish Sharda may be deemed to be interested in the resolutions set out in Item No. 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution except to the extent of the insurance policies held by them, if any.

#### **Item No. 5**

The Members are informed that it is a usual business practice to transfer funds from the Shareholders Funds (Non – Technical Account) to the Policyholders Funds (Technical Account) in order to offset the deficit in the said Policyholders' Funds, in the initial years of the set-up of the operations of the Company.

The Members are further informed that Insurance Regulatory and Development Authority *vide* its circular No. F&A/CIR/011/MAR-04 dated 23 March 2004, has stipulated that such transfer of funds would require the consent of the Shareholders at the General meeting of the Insurer. Further, the said circular also specifies that the said transfer is irreversible in nature and will not be recouped to the Shareholder's Fund (Non-Technical Account) at any point of time in future.

In compliance with the above provisions, your Company needs to transfer an Rs.224,439,000/- from the Shareholders' Fund to the Policyholders Fund and Rs.252,63,12,000/- from Shareholder's Account (Non-Technical) to Policyholder's Account (Technical Account) towards excess of Expense of Management under IRDAI (Expenses of Management of Insurers transacting life insurance business) Regulations, 2016 for the Financial Year 2019-20.

The Board of Directors of the Company at their meeting held on 04 June 2020, have considered and recommended the said transfer for the Financial Year 2019-20.

The Members approval, therefore, is sought for transfer of funds and to pass the resolution at item no. 5 with or without modifications as special resolution.

None of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested financially or otherwise, in the resolution except to the extent of the insurance policies held by them, if any.

The Directors recommend the resolution for approval of the shareholders.

#### **Item No. 6**

Members are hereby informed that as per the terms and conditions of the Policy document of the Individual Participating Products and Group Participating Products, the Policyholders' covered under the Participating Products are entitled to Bonus every year.

The Bonus to be paid to the lives assured is subject to the approval of the Members.

The bonus is supposed to be declared out of surplus generated on the existing block of participating business. Since the company has low new business volumes and higher



expenses, there is a significant expense overrun. However, given the 12<sup>th</sup> year of operation of business, the expenses of management are capped to allowable expenses as per Expense of Management Regulations 2016, leading to a material increase in Fund for Future Appropriation (FFA).

There is No transfer required from shareholder for declaration of bonuses under individual business without capping of expenses. Further, if the expenses are capped, there is an additional FFA created.

Further as per the regulations, bonus declaration should be consistent with the asset share of the policy where asset share contains expenses as per pricing assumptions.

**The product wise reversionary bonus rates for individual business for financial year 2019-20 is as under:**

Sr. no.	Product name	UIN	Proposed Bonus Rates as at 31 March 2020*	Declared Bonus Rates as at 31 March 2019*
1	Future Generali Assure	133N001V01	2.00%	2.00%
2	Future Generali Insta Life – Regular	133N004V01	2.00%	2.00%
3	Future Generali Insta Life – Single	133N004V01	4.50%	4.50%
4	Future Generali Child – Regular	133N013V01	2.50%	2.50%
5	Future Generali Child – Single	133N013V01	5.00%	5.00%
6	Future Generali Anand	133N018V01	2.75%	2.75%
7	Future Generali Saral Anand	133N019V01 & 133N019V02	2.75%	2.75%
8	Future Generali Dream Guarantee	133N029V01	2.15%	2.15%
9	Future Generali Bima Guarantee	133N038V01	2.75%	2.75%
10	Future Generali Secure Income – Regular	133N039V01	3.00%	3.00%
11	Future Generali Secure Income – Single	133N039V01	6.00%	6.00%
12	Future Generali Family Secure	133N041V01 & 133N041V02	4.75%	4.75%
13	Future Generali Family Income	133N040V01 & 133N040V02	5.05%	5.05%
14	Future Generali Assure Plus	133N052V01	2.75%	2.75%
15	Future Generali Triple Anand Advantage	133N055V01 & 133N055V02	3.00%	3.00%

Sr. no.	Product name	UIN	Proposed Bonus Rates as at 31 March 2020*	Declared Bonus Rates as at 31 March 2019*
16	Future Generali Pension - Single	133N009V01	4.50%**	4.50%**
17	Future Generali Pension – Regular	133N009V01	4.50%**	4.50%**
18	Future Generali Pension Guarantee – Regular	133N046V01	2.75%	2.75%
19	Future Generali Pension Guarantee – Single	133N046V01	4.50%	4.50%
20	Future Generali New Saral Anand	133N062V01	2.25%	2.25%
21	Future Generali New Assure Plus	133N065V01 & 133N065V02	2.50%	2.50%

**Notes:**

- \* all reversionary bonus rates are per annum compound reversionary bonus
- \*\* 4.5% of Policyholder Pension Fund Account as at 31 March 2020 on a pro rata basis
- The bonuses declared are applicable for policies with policy anniversary due in the Financial year 2020-21, as per policy terms and conditions.

**Note that the reversionary bonus rates as proposed above shall be applicable post approval from the Board and shall continue till the next reversionary bonus declaration.**

The Terminal bonus rates for the policies maturing in Financial year 2020-21 are as follows:

Sr. No.	Product Name	UIN	Proposed Terminal Bonus Rates as at 31 <sup>st</sup> March 2020	Declared Terminal Bonus Rates as at 31 <sup>st</sup> March 2019
1	Future Assure	133N001V01	4.5% of (Sum Assured + Vested Bonus)	4.5% of (Sum Assured + Vested Bonus)
2	Future Pension (Regular Premium)	133N009V01	25.0% of (Vested Bonus)	5.0% of (Vested Bonus)
3	Future Pension (Single Premium)	133N009V01	30.0% of (Premiums Paid + Vested Bonus)	20.0% of (Premiums Paid + Vested Bonus)
4	Future Insta Life (Regular Premium)	133N004V01	NA	NA
5	Future Insta Life (Single Premium)	133N004V01	10.0 % of (Sum Assured + Vested Bonus)	10.0 % of (Sum Assured + Vested Bonus)
6	Future Child (Regular Premium)	133N013V01	15.0 % of (Sum Assured + Vested Bonus)	10.0 % of (Sum Assured + Vested Bonus)
7	Future Child (Single Premium)	133N013V01	17.5 % of (Sum Assured + Vested Bonus)	15.0 % of (Sum Assured + Vested Bonus)

Sr. No.	Product Name	UIN	Proposed Terminal Bonus Rates as at 31 <sup>st</sup> March 2020	Declared Terminal Bonus Rates as at 31 <sup>st</sup> March 2019
			Bonus)	Bonus)
8	Future Anand*	133N018V01	25% of (Sum Assured)	NA
9	Future Saral Anand*	133N019V01 & 133N019V02	25% of (Sum Assured)	NA

**Notes:**

1. Terminal Bonus will be payable on maturity or on death in the last policy year, whichever is earlier, provided all premiums due till end of policy term have been paid except for the two whole life products (Future Anand and Future Saral Anand).
2. Terminal bonus for the two whole life products namely Future Anand and Future Saral Anand shall be payable on death of the policyholder in FY 2020-21 provided that the policy has completed its premium paying term or is in the last year of premium paying term and has paid all their due premiums.
3. For policies with waiver of premium, no terminal bonus is payable on death as the same is payable on maturity.

**Note that the terminal bonus rates as proposed above shall be applicable post approval from the Board and shall continue till the next terminal bonus declaration.**

The bonus for group business for Financial year 2019-20 is as under:

Sr. no.	Product name	UIN	Proposed Bonus Rates as at 31 March 2020	Declared Bonus Rates as at 31 March 2019
1	Future Generali Group Superannuation Plan	133N043V01 & 133N043V02	7.08%	7.52%

The annual declared bonus amount will be credited to the policy account. The proposed interim bonus rates applicable for Financial year 2020-21 will be 5% p.a.

The projected cost of bonus for Individual Business as at 31 March 2020 using valuation data and assumptions as at 31 March 2020, stands at Rs.45.23 crore

The projected cost of bonus for Group Business as at 31 March 2020, using valuation data and assumptions as at 31 March 2020, stands at Rs.16.60 crore

So, the total estimated cost of Bonus as on 31 March 2020, is Rs.61.83 crore

The Board of Directors of the Company at their meeting held on 04 June 2020, have considered and recommended the payment of Bonus for the financial year 2019-20

The Members approval, therefore, is sought for payment of bonus and to pass the resolution at Item no.6 with or without modifications as the special resolution

None of the Directors and Key Managerial Personnel of the Company and their relatives is

concerned or interested financially or otherwise, in the resolution except to the extent of the insurance policies held by them, if any.

The Directors recommend the resolution for approval of the shareholders

**By order of the Board of Directors of  
Future Generali India Life Insurance Company Limited**

**Sd/-**

**C. L. Baradhvaj  
EVP – Legal & Compliance and Company Secretary**

**Mumbai, 04 June 2020**

**Registered Office:**

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