NOTICE

Shorter Notice is hereby given that the Extra-ordinary General Meeting of the Members of Kshema General Insurance Limited will be held on Monday, August 18, 2025 at 5 pm **through Video Conferencing (VC)/Other Audio Visual means (OAVM) facility** at the registered office of the company situated at No 413, 4th Floor, My Home Tycoon Building Kundan Bagh, Begumpet Hyderabad - 500 016, Telangana to transact the following businesses:

1. Approve Issuance of Bonus Shares to existing shareholders

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

"RESOLVED THAT pursuant to the provisions of Section 63 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, and applicable provisions of the Insurance Act, 1938 read with Insurance Regulatory and Development Authority of India ("IRDAI") (Registration, capital structure, transfer of shares and amalgamation of insurers) Regulations, 2024 and Master Circular on Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers, 2024, applicable regulation(s), guideline(s), circular(s) issued by the "IRDAI" (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof for the time being in force) and other applicable laws, if any applicable, the enabling provisions of the Articles of Association of the Company and subject to such approvals, consents, permissions, conditions and sanctions as may be necessary from appropriate authorities and subject to such terms and modifications, if any, as may be specified while according such approvals, consent of the members be and is hereby accorded to capitalize a sum not exceeding INR. 53,91,52,800/- (Rupees Fifty-Three Crore Ninety-One Lakhs Fifty-Two Thousand and Eight Hundred Only) from and out of the free reserve, and/or any other permitted reserves/ surplus of the Company, as may be considered appropriate for the purpose of issue of bonus equity shares of INR. 10/- (Rupees Ten Only) each of the Company, credited as fully paid to eligible members of the Company holding equity shares of INR. 10/- (Rupees Ten Only) each of the Company whose names appear in the Register of Members and in the beneficial records of the depositories on the 'Record Date' i.e., 09th August 2025, in the proportion of 2 (Two) new fully paid-up equity share of INR. 10/- (Rupees Ten Only) each for every 5 (Five) existing fully paid-up equity share of Rs 10/- (Rupees Ten Only) each held by them;

RESOLVED FURTHER THAT the new equity shares so allotted shall in all respects rank *pari-passu* with the existing fully paid-up equity shares of the Company, with a right, to participate in dividend in full that may be declared after the date of allotment of these equity shares;

RESOLVED FURTHER THAT Mr Rajeshnani Dasari, Executive Director [DIN: 09632402] and/or Ms Prabha Vadlamannati, Company Secretary of the Company be and are hereby jointly/severally authorized to file the necessary documents/form(s) with the Registrar of Companies, NSDL, RTA of the Company and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto."

2. Approve amendments in the Kshema General Insurance Limited - Employees Stock Option Scheme 2024 and re-name as Kshema General Insurance Limited – Employees Stock Option Policy for Key Managerial Personnel (KMPs) 2025;

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

"RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 and rules made there under *(including any statutory modification(s) or re-enactment thereof,* relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/ or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed/ imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and/ or sanction(s), consent of the members be and is hereby accorded to amend the Kshema General Insurance Limited Employees Stock Option Scheme - 2024 and re-name as Kshema General Insurance Limited – Employees Stock Option Policy for Key Managerial Personnel (KMPs) 2025, a copy of which is initialled by the Chairman for the purpose of identification, to create, grant, offer, issue and allot under the Scheme, in one or more tranches, not exceeding 6,73,94,100 [Six Crore Seventy-Three Lakhs Ninety-Four Thousand and One Hundred] Employee Stock Options ("Options") (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to or for the benefit of Employees and Directors of the Company (as permitted under the applicable laws), in India or outside India and to such other persons as may from time to time be allowed to be eligible for the benefits of the Policy under applicable laws and regulations prevailing from time to time ("Eligible Employees"), exercisable into not more than 6,73,94,100 [Six Crore Seventy-Three Lakhs Ninety-Four Thousand and One Hundred] Equity Shares of face value of INR. 10/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the provisions of the applicable laws and the provisions of the Policy.

RESOLVED FURTHER THAT The maximum number of Options that may be granted pursuant to this Scheme in any one Financial Year shall not exceed 1 % of the paid-up equity shares of the Company at the time of such Grant, and the total number of shares held by Key Managerial

Personnel including all other employees, shall not exceed 5% of the paid up equity shares at any point of time.

RESOLVED FURTHER THAT the Policy shall be implemented through direct route, for extending the benefits to the eligible Employees by the way of fresh allotment and will follow cash mechanism.

RESOLVED FURTHER THAT the Policy shall be administered by the Nomination and Remuneration Committee who shall have all the necessary powers as defined in the Scheme and under applicable laws.

RESOLVED FURTHER THAT the new Equity Shares, to be issued and allotted by the Company under the Policy shall rank pari-passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance with applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend or terminate the Policy and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration or amendment of the Policy and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisor(s), Merchant Banker(s), Consultant(s) or Representative(s), being incidental for the effective implementation and administration of the Policy and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorized to nominate and appoint one or more persons for carrying out any or all the activities that the Board of Directors is authorized to do for the purpose of giving effect to this resolution."

3. Approve Employees Stock Option Plan & Restricted Stock Units Policy 2025 for Employees other than Key Managerial Persons

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

"RESOLVED THAT pursuant to the recommendation of Nomination and Remuneration Committee and provisions of Section 62(1)(b) and all other applicable provisions, if any, of the

Companies Act, 20"13 and rules made there under *(including any statutory modification(s) or re-enactment thereof,* relevant provisions of the Memorandum of Association and Articles of Association of the Company and any other applicable and prevailing statutory Guidelines/ Circulars in that behalf and subject further to such other approval(s), consent(s), permission(s), and/ or sanction(s) as may be necessary from the appropriate regulatory authority(ies) / institution(s) and such conditions and modifications as may be prescribed/imposed by the appropriate regulatory authority(ies) / institution(s) while granting such approval(s), consent(s), permission(s) and / or sanction(s), the consent of the members of the Company be and is hereby accorded for approval of **"Kshema General Insurance Limited – Employees Stock Options & Restricted Stock Units Policy 2025"** as initialled by the Chairman for the purpose of identification to the Board and to create, grant, offer, issue and allot under the Scheme, in one or more tranches, not exceeding 6,73,94,100 [Six Crore Seventy-Three Lakhs Ninety-Four Thousand and One Hundred] Employee Stock Options **[Options and Restricted Stock Units (ESOP + RSU)]** (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) to or for the benefit of Employees of the Company (as permitted under the applicable laws), in India or outside India and to such other persons as may from time to time be allowed to be eligible for the benefits of the Policy under applicable laws and regulations prevailing from time to time ("Eligible Employees"), exercisable into not more than 6,73,94,100 [Six Crore Seventy-Three Lakhs Ninety-Four Thousand and One Hundred] Equity Shares of face value of INR. 10/- each (or such other adjusted figure for any bonus, stock splits or consolidations or other reorganization of the capital structure of the Company as may be applicable from time to time) on such terms and conditions as may be fixed or determined by the Board of Directors in accordance with the provisions of the applicable laws and the provisions of the Policy.

RESOLVED FURTHER THAT The maximum number of Options that may be granted pursuant to this Scheme in any one Financial Year shall not exceed 1% of the paid-up equity shares of the Company at the time of such Grant, and the total number of shares held by employees, including Key Managerial Personnel shall not exceed 5% of the paid up equity shares at any point of time.

RESOLVED FURTHER THAT the Policy shall be implemented through direct route, for extending the benefits to the eligible Employees by the way of fresh allotment and will follow cash mechanism.

RESOLVED FURTHER THAT the Policy shall be administered by the Nomination and Remuneration Committee who shall have all the necessary powers as defined in the Scheme and under applicable laws.

RESOLVED FURTHER THAT the new Equity Shares, to be issued and allotted by the Company under the Policy shall rank pari-passu in all respects with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein.

RESOLVED FURTHER THAT the Board of Directors, subject to compliance with applicable laws, rules and regulations, be and are hereby authorized at any time to modify, change, vary, alter, amend or terminate the Policy and to do all such acts, deeds, matters and things as it may in its absolute discretion deems fit for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and/or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration or amendment of the Policy and do all other things incidental and ancillary thereof.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, and things, as it may, in its absolute discretion deem necessary including but not limited to appoint Advisor(s), Merchant Banker(s), Consultant(s) or Representative(s), being incidental for the effective implementation and administration of the Policy and to make applications to the appropriate Authorities, for their requisite approvals and take all necessary actions and to settle all such questions, difficulties or doubts whatsoever that may arise while implementing this resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorized to nominate and appoint one or more persons for carrying out any or all the activities that the Board of Directors is authorized to do for the purpose of giving effect to this resolution."

By Order of the Board of Directors of
Kshema General Insurance Limited

Sd/-
Prabha Vadlamannati
Company Secretary

Place: Hyderabad
Date: 12.08.2025

NOTES:

1. The Ministry of Corporate Affairs ("MCA") vide its Circular dated 19th September 2024 permitted the holding of the Extra Ordinary General Meeting ("EGM") through VC / 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 and relevant circulars and other applicable provisions, the EGM of the Company is being held through VC / OAVM.

2. The attendance of the Members attending the EGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

3. 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 and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Members whose email ids are already registered with the Company or with Registrar and Share transfer agent will receive the Teams Link (for video conferencing) for attending the Annual General Meeting which is also given below; Members are requested to attend the meeting through the given link and In case any member has not received the link via email then they are requested to send a mail from their E-mail account and write to cs@kshema.co

5. Teams Link:

Team Link :
Topic: KGIL - Extraordinary General Meeting 2025-26
Time: Monday 18, 2025 05:00 PM India

Join Teams Meeting: https://teams.microsoft.com/l/meetup-join/19%3ameeting_MzBmNjQ2OGItM2MwNS00OWY2LWI1ZjktZjczOGYwOGMzZjlk%40thread.v2/0?context=%7b%22Tid%22%3a%22225a33a3-a252-427b-a09a-5ae946b50ce4%22%2c%22Oid%22%3a%228e90bb8d-38f5-44fe-96c8-f04a3687f23f%22%7d

Meeting ID: 487 863 737 441 9
Passcode: g3MX7X4R

Instructions:

a) Type the exact link given above in the web address bar and enter

Or

b) i) open Google Chrome/Mozilla Firefox/Internet Explorer

ii) Go to https://www.microsoft.com/en-in/microsoft-teams/join-a-meeting and type
Meeting ID: 487 863 737 441 9
Passcode: g3MX7X4R

iii) Click Join

In case of any technical difficulties write to – cs@kshema.co

6. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to cs@kshema.co

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its certified true copy of Board or governing body Resolution/Authorization/Power of Attorney etc., alongwith the specimen signature of the authorized representative who is authorized to attend the EGM on its behalf and to vote. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to cs@kshema.co

8. Documents referred to in the Notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to cs@kshema.co

9. **Record Date** of the purpose of Issuance of Bonus Shares shall be **09th August, 2025** for determining eligible members of the Company for issuance of bonus shares.

10. Since the EGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Explanatory Statement to the Notice
[Pursuant to Section 102 of the Companies Act, 2013]

Item no. 1:
Approve Issuance of Bonus Shares to existing shareholders

Pursuant to recommendation of the Board of Directors in its meeting held on 9th August, 2025 and in line with the Company's continued commitment to enhancing shareholder value and optimizing our capital structure, issuance of bonus shares to the existing shareholders of the Company is being proposed.

Issuance of Bonus shares is expected to enhance shareholder value by capitalising accumulated reserves and at the same time reinforce investor confidence. The capitalization of reserves through bonus shares also strategically positions our equity base in alignment with evolving funding instruments and making the Company eligible for enhanced values of Other Forms of Capital in accordance with IRDAI regulations.

In accordance with the provisions of the Companies Act 2013 read with rules made thereunder and IRDAI regulations and Articles of Association of the Company, subject to approval statutory authorities, if any, it is hereby recommended for capitalizing a sum not exceeding INR. 53,91,52,800/- (Rupees Fifty-Three Crore Ninety-One Lakhs Fifty-Two Thousand and Eight Hundred Only) from and/or out of free reserves for issuance of Bonus shares. The Authorised Share Capital of the Company has already been increased, pursuant to the approval accorded by the Board in its previous meeting.

Hence your Board recommends Item no. 1 as a *Special Resolution* for issuance of Bonus shares to the existing shareholders of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said Special Resolution.

Item no. 2:
Approve amendments in the Kshema General Insurance Limited Employees Stock Option Scheme - 2024 and re-name as Kshema General Insurance Limited Employee Stock Options Policy (Key Managerial Personnel) 2025;

In order to reward and retain the key Employees and to create a sense of ownership and participation amongst them, the Board of Directors has in its meeting held on 05th September, 2024, recommended Kshema General Insurance Ltd - Employee Stock Option Plan 2024 "**(Scheme)**" for members approval and members accorded their approval vide Special Resolution dated 27th September 2024.

The Board members vide its meeting dated 09th August 2025 recommend the following change to the Kshema General Insurance Ltd - Employee Stock Option Plan 2024 "**(Scheme)":**

1. Re-name the policy as Kshema General Insurance Limited – Employees Stock Option Policy for Key Managerial Personnel (KMPs) 2025;

2. Eligibility Criteria: Refined to include only designated Key Managerial Personnel.

3. Vesting Schedule: Modified from the earlier structure of 100% vesting after 3 years to a more progressive schedule of graded vesting

   The vesting schedule will be clearly defined in the Grant Letter of respective Grantees subject to minimum and maximum Vesting Period as specified in article 9.1of the Policy:

   The vesting Schedule is as follows:

Time period of vesting from date of Grant	% Vesting
1st year completion	33%
2nd year completion	33%
3rd year completion	33%

4. Other minor amendments: Administrative and procedural enhancements for clarity and compliance.

Other terms and conditions of the Policy shall remain the same.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the Stock Options those may be granted under the said Scheme.

The Board of Directors of the Company recommends the Resolutions to be passed as **Special Resolutions** as set out at Item No. 2 for the approval of the Members.

The amended Kshema General Insurance Limited Employee Stock Options Policy (Key Managerial Personnel) - 2025 and other documents referred to in the aforesaid resolutions are available for inspection at the Registered office of the Company.

Item no. 3
Approve Employees Stock Option Plan & Restricted Stock Units Policy for Employees other than Key Managerial Persons

Employee stock options play a substantial role in promoting the culture of employee ownership and in attracting, retaining and motivating talented personnel by way of recognising and rewarding them. In its ongoing commitment to building a high-performance culture and aligning its employees' interests with its long-term success, the Company proposes the issuance of Employee Stock Options (ESOPs) to eligible employees of the Company under the **"Kshema General Insurance Limited – Employees Stock Options & Restricted Stock Units Policy 2025"** (*"ESOP & RSU Policy")* to the employees of the Company, whether existing or future, by enabling them to participate in the ownership of the Company. Equity based remuneration includes alignment of personal goals of the Employees with Organisational objectives by participating in the ownership of the Company. The Board of Directors of your Company understands the need to enhance the Employee engagement, to reward the Employees for their association and performance as well as to motivate them to contribute to the growth and profitability of the Company.

In order to reward and retain the key Employees and to create a sense of ownership and participation amongst them, the Board of Directors has in its meeting held on 09th August, 2025, approved Kshema General Insurance Limited Employee Stock Options & Restricted Stock Unit Policy (*"ESOP & RSU Policy")*

In terms of Section 62 and other applicable provisions of the Companies Act, 2013, for the issue of Equity Shares **("Shares")** under Kshema General Insurance Limited Employee Stock Options & Restricted Stock Unit Policy 2025 (*"ESOP & RSU Policy")*, the approval of the existing Members by way of **Special Resolution** is required. The Special Resolution set out at Item No. 3 seeks your approval for the said purpose.

The main features and other details of the scheme as per Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014, of Chapter IV of Companies Act, 2013, are as under:

1. **The total number of Stock Options to be granted:**

   The maximum number of Stock Options that may be granted pursuant to this ***"ESOP & RSU Policy"*** in any one Financial Year shall not exceed 1% of the paid-up equity shares of the Company at the time of such Grant, and the total number of shares held by employees, including Key Managerial Personnel shall not exceed 5% of the paid-up equity shares at any point of time.

   If any Option granted under the ***"ESOP & RSU Policy"*** lapses or is forfeited or surrendered under any provision of the ***"ESOP & RSU Policy"***, such Option shall be added back to the Option Pool and shall be available for further grants under the Scheme unless otherwise determined by the Committee.

   Further, the maximum number of **Stock Options** that can be granted and the Shares that arise upon exercise of these **Stock Options** shall stand adjusted in case of corporate action.

   The **Stock Options** granted, whether vested or unvested, shall not have any voting or other rights.

2. **Identification of classes of Employees entitled to participate in the ESOP & RSU Policy:**

   a. Permanent Employee of the Company who has been working in India or outside India; or
   b. a whole time or executive Director of the Company including the Managing Director, but does not include an Independent Director
   c. an Employee as defined in clauses (a) or (b), of a Subsidiary Company(ies),

   but does not include:

   a. an Employee who is a Promoter or a Person belonging to the Promoter Group; or
   b. a Director who either himself or through his relative or through any Body Corporate, directly or indirectly, holds more than ten percent of the outstanding equity Shares of the Company.

3. **The appraisal process for determining the eligibility of employees to the *ESOP & RSU Policy:***

   The Committee in consultation with the Board of Directors after considering the financial performance of the company, may if required on the basis of all or any of the additional criteria, decide on the Employees who are eligible for the grant of Stock Options under the Policy and the terms and conditions thereof.

   The Employees satisfying the eligibility criteria shall be termed as *"Eligible Employee".*

   New Joinees can also participate in the Policy and be granted Options based upon the discretion of the Committee.

   Nothing in the Policy or in any Option granted pursuant to the Policy shall confer on any Employee, any right to continue in the employment of the Company or interfere in any way with the right of the Company to terminate the Employee's employment at any time.

4. **The requirements of vesting and period of vesting:**

   Vesting period shall commence from the grant date subject to a maximum period of 3 (three) years from the grant date at the discretion of and in the manner prescribed by the Committee.

   The vesting schedule will be clearly defined in the Grant Letter of respective Grantees subject to minimum and maximum Vesting Period as specified in article 9.1 *ESOP & RSU Policy*.

The vesting Schedule is as follows:

Time period of vesting from date of grant	% Vesting
Date of grant	25
1st year completion	25
2nd year completion	25
3rd year completion	25

The actual vesting will be subject to the continued employment of the Grantee and may further be linked with certain performance criteria, as determined by the Committee and mentioned in the Grant Letter.

5. **The maximum period within which the Stock Options shall be vested:**

   The **Stock Options** granted shall commence from the grant date subject to a maximum period of 3 (three) years from the grant date at the discretion of and in the manner prescribed by the Committee.

6. **The Exercise Price or the formula for arriving at the same.**

   The Exercise Price will be based upon the on the Fair Market Value of the Shares as on date of grant of Options.

   The Committee has a power to provide suitable discount on such price as arrived above. However, in any case the exercise price shall not go below the par value of Share of the Company in compliance with the applicable laws.

7. **Exercise period and process of Exercise:**

   After vesting, the Options can be exercised, wholly or partially, through Cash Mechanism by submitting the exercise application, as prescribed by the Committee from time to time, along with exercise price, applicable taxes, and other charges, if any.

   The Options shall be exercisable within a period of 1 (One) Month from the date of vesting of options.

   Failure to exercise within this time period, shall result in lapsing of vested Options in the hands of the Grantees and shall be added back to the pool and be available for fresh grants.

   Upon valid exercise, the Grantee will receive the Shares, by the Company via fresh allotment, equivalent to the number of Stock Options exercised.

   The mode and manner of the exercise shall be communicated to the Grantees individually.

8. **Lock in period:**

   The Shares so allotted pursuant to the exercise of Stock Options will not be subject to any lock in period from the date of allotment.

9. **The Maximum number of Stock Options to be granted per employee and in aggregate:**

   The maximum number of Options (ESOP + RSU) that may be granted pursuant to this Policy and ESOPs under ESOP KMP policy in any one Financial Year shall not exceed 1% of the paid up equity shares of the Company at the time of such Grant, and the total number of shares held by employees, including Key Managerial Personnel shall not exceed 5% of the paid up equity shares at any point of time.

   Subject to the availability of Stock Options (ESOP + RSU) in the pool under the Policy, the maximum number of Stock Options that can be granted to any eligible Employee during any one year shall not be equal to or exceed 1% of the paid up equity shares (excluding outstanding warrants and conversions) of the Company at the time of grant.

10. **The method which the company shall use to value its Stock Options**:

    Fair market Value Method

11. **The conditions under which Stock Options (ESOP + RSU) vested in employees may lapse e.g., in case of termination of employment for misconduct:**

    The conditions under which Stock Options vested in employees may lapse are:

    - The vested Options not so exercised shall lapse irrevocably and the rights there under shall be extinguished.
    - The Options not vested during any year due to non – fulfilment of performance conditions shall lapse from the hands of the Grantee and
    - In case of termination of employment due to misconduct.

12. **In the event of cessation of employment due to Resignation or Termination (not due to misconduct or ethical/ compliance violations):**

    All unvested Options, on the date of cessation, shall expire and stand terminated with effect from that date.

    All vested Options as on that date shall be exercisable by the Grantee by the last day of employment in the Company or before the expiry of exercise period, whichever is earlier, as intimated by the Committee. The vested Options not so exercised shall lapse irrevocably and the rights there under shall be extinguished.

13. Statement to the effect that the company shall comply with the applicable accounting standards:

    The Company shall comply with the disclosure and accounting policies as prescribed by appropriate authority from time to time. Presently it is to be done as per ICAI Guidance Note 18 (The Accounting note on the Share based employee benefit), the Insurance Regulatory and Development Authority of India (Corporate Governance for Insurers) Regulations 2024 read with Clause 9 of the Master Circular on Corporate Governance for Insurers 2024. The Company shall use appropriate valuation methodology to value its Options.

    Compensation cost will be booked in the books of accounts of the Company over a vesting period.

None of the Directors, Manager, Key Managerial Personnel of the Company, and any relatives of such Director, Manager, Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in these resolutions except to the extent of Equity Shares held by them in the Company or the Stock Options those may be granted under the said Scheme.

The Board of Directors of the Company recommends the Resolutions to be passed as **Special Resolutions** as set out at Item No. 3 for the approval of the Members.

Kshema General Insurance Limited Employee Stock Options & Restricted Stock Unit Policy (*"ESOP & RSU Policy") – 2025* and other documents referred to in the aforesaid resolutions are available for inspection at the Registered office of the Company.

By Order of the Board of Directors of
Kshema General Insurance Limited

Sd/-
Prabha Vadlamannati
Company Secretary

Place: Hyderabad
Date: 12.08.2025