

### **Canara HSBC Life Insurance Company Limited**

Insurance Regulatory and Development Authority of India (“IRDAI”) has issued the IRDAI (Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers) Regulations, 2024 (the “IRDAI Registration Regulations”) and Master Circular on Registration, Capital Structure, Transfer of Shares and Amalgamation of Insurers, 2024 (the “Master Circular”) on March 20, 2024 and May 15, 2024 respectively, which are applicable to all Indian Insurance Companies.

The Regulations and Master Circular, inter alia, prescribe self-certification that the transfer is in compliance with other applicable laws, by a person intending to transfer equity shares of an insurer amounting to 1% or more, but less than 5%, of the paid up equity share capital of the insurer.

However, if the person proposing to acquire equity shares is likely to result in (i) the aggregate holding of such person, his relatives, associate enterprises and persons acting in concert, increasing to 5% or more of the paid up equity share capital of the insurer or the total voting rights of the insurer, or (ii) the aggregate holding of such person along with the persons acting in concert, increasing to in excess of 10% of the paid up equity share capital of the insurer or the total voting rights of the insurer, each such acquisition would require prior approval of IRDAI.

Accordingly, every person who intends to transfer equity shares exceeding 1% but less than 5% of the paid-up equity capital of the Company shall be required to submit a self-certification that the said transfer is in compliance with other applicable laws with the Company. The self-certification shall be required to be filed each time the transferor intends to transfer equity shares of more than 1% but less than 5% of the paid-up equity capital of the Company. The transferor shall file the self-certification with the Company immediately upon execution of the transaction.

### **Procedure for submission of Self-certification**

The self-certification shall be filed with the Company and the transferor shall email the duly signed copy of self-certification to [investor@canarahsbclife.in](mailto:investor@canarahsbclife.in) and send the physical copy/ies addressed to the Company Secretary and Compliance Officer, Canara HSBC Life Insurance Company Limited, 35<sup>th</sup> Floor, M3M IFC, Sector 66, Gurugram – 122018, Haryana, India.

### **Annual monitoring and submission**

The Regulations and Master Circular require that every listed insurer shall file a declaration on an annual basis that its promoters and investors holding more than 5% of the paid-up capital of the company are ‘Fit & Proper’ in the format specified in Annexure A.

**Annexure A**

**Fit & Proper declaration**

Report for the period ended: \_\_\_\_\_

Name of the Investor/ Promoter: \_\_\_\_\_

Registered Office Address: \_\_\_\_\_

Registration Number: \_\_\_\_\_

S. No	Criteria	Assessment (Y / N)	Details / Attachments
1.	The entity has adequate resources to fund capital in the Company as per the business plan approved by the Company's Board		
2.	Funds used to subscribe to the Company's shares are derived from legitimate sources.		
3.	Please provide details of ultimate beneficial ownership		
4.	Has there been a significant reputation loss impacting the entity including widespread media coverage, regulatory penalty or censure, judicial ruling imposed on the entity that has potential to adversely impact Company's reputation brand and policyholders' interests		
5.	The entity is compliant with all applicable laws including Prevention of Money Laundering Act, FEMA and taxation law and there are no non-compliance issues to be highlighted		
6.	Has there been any proceeding including conviction against the entity, any of its beneficial owner, directors, KMP, or any of its promoters, by any regulatory or statutory or judicial bodies?		
7.	Kindly share approval or No-objection certificate from concerned Regulators as may be required for the transaction.		
8.	Have there been any instances of insider trading, fraudulent or unfair trade practices or market manipulation by the promoters, directors or KMPs of the entity?		
9.	Kindly confirm that transaction will not impact the interests of policyholders and general public at large.		
10.	Does any agreement exist among shareholders of the entity that can have a material impact on the entity's governance or decision-making processes?		

Note: Please share the following along with the filled in Fit and Proper criteria:

- (i) Annual reports for the last 3 financial years;
- (ii) Latest shareholding pattern; and
- (iii) A note on the business record, financial position and past experience.