HDFC Life

January 25, 2018

Ref. No: HDFC Life/CA/2017-18/007

National Stock Exchange of India Limited
Exchange Plaza, Plot No C/1, Block G,
Bandra-Kurla Complex, Bandra-East,
Mumbai- 400 051

Kind Attn.: Head - Listing

BSE Limited,
Sir PJ Towers,
Dalal Street,
Mumbai – 400 001

Kind Attn.: Sr. General Manager – DCS
Listing Department

Sub: Postal Ballot Notice under Section 110 of the Companies Act, 2013

Dear Sir,

Further to our letter no HDFC Life/CA/2017-18/005 dated January 19, 2018 and in terms of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the Postal Ballot Notice dated January 22, 2018 along with Explanatory Statement and Postal Ballot Form which are being sent to the Members of the Company. The said documents are also being placed on the website of the Company i.e. www.hdfclife.com.

In this connection, please note that the e-voting and voting through postal ballot will commence at 9.00 a.m. on **Monday, January 29, 2018** and shall end at 5.00 p.m. **Tuesday, February 27, 2018.**

The Postal Ballot results would be announced on **March 1, 2018**.

Thanking You,

For HDFC Standard Life Insurance Company Limited

Narendra Gangan
EVP, Company Secretary &
Head- Compliance & Legal

HDFC STANDARD LIFE INSURANCE COMPANY LIMITED

Registered Office: 13th Floor, Lodha Excelus, Apollo Mills Compound,
NM Joshi Marg, Mahalaxmi, Mumbai- 400 011
Tel: 022 6751 6666, Fax: 022 67516861
Corporate Identification Number: L99999MH2000PLC128245
Email: investor.service@hdfclife.com, Website: www.hdfclife.com

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

Dear Member(s),

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 ("**Act**"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules"), as amended from time to time and other applicable provisions of the Act and the said Rules, for seeking approval of the Members of HDFC Standard Life Insurance Company Limited (''**the Company'**) to the proposed resolutions appended below by way of postal ballot including voting by electronic means ("**e-voting**").

SPECIAL BUSINESS:

1. Approval and Adoption of Article 76.3 of Articles of Association:

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 5 and 14 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed thereunder (including any statutory amendment(s) or modification(s) or re-enactment thereof, for the time being in force), the Article 76.3 of Articles of Association of the Company be and is hereby approved and adopted after following alteration:

a. The word 'Part A' as mentioned in first page of Articles of Association be deleted.

"RESOLVED FURTHER THAT the Board of Directors, or any Committee thereof as authorised, be and is / are hereby authorized to all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to the foregoing resolution, to settle any question or doubt that may arise in relation thereto and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution including filing of necessary eform(s) with the Registrar of Companies, Mumbai."

2. Approval of Employee Stock Option Scheme – 2017 for the eligible employees of the Company:

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, Regulation 6(1) and 12(1) and the other relevant provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 read with provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued thereunder (collectively referred to as "**SEBI SBEB Regulations**") (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other rules, regulations and guidelines that may be issued by Securities and Exchange Board of India and/or other appropriate authorities, from time to time, and in ratification of the earlier resolution passed by the Members at their Annual General Meeting held on July 17, 2017, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ''**Board**'' which term shall be deemed to include the Nomination and

Remuneration Committee of Directors (hereinafter referred as "**the NRC**") which has been duly constituted by the Board, *inter alia*, to act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers, including the powers conferred by this resolution) to create and grant from time to time, in one or more tranches not more than 45,00,000 (Forty-five Lakh) employee stock options under Employee Stock Option Scheme – 2017 (hereinafter referred to as the "**ESOS - 2017**") to the eligible employees of the Company (including the present and future employees) whether whole-time director or not, whether in India or abroad, (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) (hereinafter referred to as "**Employees**") exercisable into not exceeding 45,00,000 (Forty-five Lakh) equity shares of face value of Rs. 10 /- (Rupees Ten only) each fully paid up (or such adjusted numbers from any bonus, stock splits, or consolidation or other re-organisation of the capital structure of the Company, as may be applicable, from time to time), in aggregate, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOS – 2017."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of equity shares allotted under ESOS - 2017 on BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange where the securities of the Company may be listed, as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, SEBI SBEB Regulations and other applicable laws and regulations.''

"RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to ESOS - 2017 shall rank *pari passu* and with the then existing equity shares of the Company, in all respects."

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with implementation of ESOS - 2017."

"RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of ESOS – 2017, from time to time, as it may in its sole and absolute discretion decide, which shall not be detrimental to the interests of the Employees, subject to the conformity with the SEBI SBEB Regulations and issue clarifications in this regard. "

"RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the formulation and implementation of ESOS – 2017 without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to the NRC and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution."

3. <u>Approval of Employee Stock Option Scheme – 2017 for the eligible employees of Subsidiary Company(ies) of the Company:</u>

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, Regulations 6(1), 6(3)(c) and 12(1) and the other relevant provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by Securities and Exchange Board of India (collectively referred to as "**SEBI SBEB Regulations**") (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other rules, regulations and guidelines that may be issued by Securities and Exchange Board of India and/or other appropriate authorities, from time to time, and in ratification of the earlier resolution passed by the Members at their Annual General Meeting held on July 17, 2017, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ''**Board**'' which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as "**the NRC**") which has been duly constituted by the Board, *inter alia*, to act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers, including the powers conferred by this resolution) to create and grant from time to time, in one or more tranches such number of employee stock options under Employee Stock Option Scheme – 2017 (hereinafter referred to as the "**ESOS - 2017**") within the limit prescribed therein to the eligible employees (including the present and future employees) of the

subsidiary company(ies) of the Company (whether in existence or to be incorporated in future), whether whole-time director or not thereof, whether in India or abroad (other than Promoters, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), (hereinafter referred to as "**Employees of Subsidiary Company(ies)**") exercisable into corresponding number of equity shares of face value of Rs. 10 /- (Rupees Ten only) each fully paid up (or such adjusted numbers from any bonus, stock splits, or consolidation or other re-organisation of the capital structure of the Company, as may be applicable, from time to time), on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOS – 2017."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of equity shares allotted under ESOS - 2017 on BSE Limited and National Stock Exchange of India Limited or any other Stock Exchange where the securities of the Company may be listed, as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, SEBI SBEB Regulations and other applicable laws and regulations.''

"RESOLVED FURTHER THAT subject to the terms stated herein, the equity shares allotted pursuant to ESOS - 2017 shall rank *pari passu* and with the then existing equity shares of the Company, in all respects."

"RESOLVED FURTHER THAT the Company shall conform to the accounting policies prescribed under Regulation 15 of the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with implementation of ESOS - 2017."

"RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of ESOS – 2017, from time to time, as it may in its sole and absolute discretion decide, which shall not be detrimental to the interests of the Employees of Subsidiary Company(ies), subject to the conformity with the SEBI SBEB Regulations and issue clarifications in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the formulation and implementation of ESOS – 2017 without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to the NRC and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution."

4. <u>Approval of Employee Stock Option (Trust) Scheme – 2017 for the eligible employees of the Company:</u>

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, Regulation 6(1) and the other relevant provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as "**SEBI SBEB Regulations**") (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company and subject to such other rules, regulations and guidelines that may be issued by Securities and Exchange Board of India and/or other appropriate authorities, from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ''**Board**'' which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as "**the NRC**") which has been duly constituted by the Board, *inter alia*, to act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers, including the powers conferred by this resolution) to implement a new employee stock option scheme namely 'Employee Stock Option (Trust) Scheme – 2017' (herein after referred to as "**ESOS (Trust) – 2017**"), which shall be administered by the Trustees of the 'HDFC Standard Life Employees' Stock Option Trust' (hereinafter referred to as "**Trust**") and supervised by the Board, authorizing to create and grant from time to time, in one or more tranches, not exceeding 5,36,394 (Five Lakh, Thirty Six Thousand, Three Hundred & Ninety-four) employee stock options thereunder, to the eligible employees of the Company (including present and future employees) whether whole-time director or not, whether in India or abroad (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company) (hereinafter referred to as

"**Employees**"), exercisable into not more than 5,36,394 (Five Lakh, Thirty Six Thousand, Three Hundred & Ninety-four) equity shares of face value of Rs. 10/- (Rupees Ten only) each fully paid-up (or such adjusted numbers from any bonus, stock splits, or consolidation or other re-organisation of the capital structure of the Company, as may be applicable, from time to time), which upon exercise to be transferred by the Trust from its existing shareholding, on such terms and in such manner the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOS (Trust) – 2017."

"RESOLVED FURTHER THAT the Company and the Trust shall conform to the accounting policies prescribed in Regulation 15 of the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with implementation of ESOS (Trust) – 2017."

"RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of ESOS (Trust) – 2017, from time to time, as it may in its sole and absolute discretion decide, subject to the conformity with the SEBI SBEB Regulations and issue clarifications in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to continue and execute implementation of Employee Stock Option Scheme 2010-II, Employee Stock Option Scheme 2011 and Employee Stock Option Scheme 2012 to be exercised through the Trust with respect to 1,12,180 (One Lakh, Twelve Thousand, One Hundred & Eighty) equity shares in respect of whom grants were outstanding prior to listing of the Company (hereinafter referred to as "**Previous Outstanding ESOS**"), and the setting up of the Trust prior to listing of the Company is hereby ratified and approved."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the formulation and implementation of ESOS (Trust) – 2017 and implementation of the Previous Outstanding ESOS without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to the NRC and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution."

5. <u>Approval of Employee Stock Option (Trust) Scheme – 2017 for the eligible employees of the Subsidiary Company(ies) of the Company:</u>

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, Regulations 6(1) and 6(3)(c) and the other relevant provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and relevant provisions of Circular No. CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the Securities and Exchange Board of India (collectively referred to as **"SEBI SBEB Regulations"**) (including any statutory modification(s), or re-enactment(s) thereof, for the time being in force), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant provisions of the Memorandum and Articles of Association of the Company, subject to such other rules, regulations and guidelines that may be issued by Securities and Exchange Board of India and/or other appropriate authorities, from time to time, and subject to approval of the new employee stock option scheme of the Company namely 'Employee Stock Option (Trust) Scheme – 2017' (herein after referred to as "**ESOS (Trust) – 2017**"), which shall be administered by the Trustees of the 'HDFC Standard Life Employees' Stock Option Trust' (hereinafter referred to as "**Trust**") and supervised by the Board, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as "**the NRC**") which has been duly constituted by the Board, *inter alia*, to act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers, including the powers conferred by this resolution) to create and grant from time to time, in one or more tranches such number of employee stock options under ESOS (Trust) – 2017, within the limit prescribed therein to the eligible employees (including present and future employees) of the subsidiary company(ies) of the Company (whether in existence or to be incorporated in future), whether whole-time director or not thereof, whether in India or abroad (other than Promoters, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding equity shares of the Company), (hereinafter referred to as "**Employees of Subsidiary Company(ies)**") exercisable into corresponding number of equity shares of face value of Rs. 10 /- (Rupees Ten only) each fully paid up, which upon exercise to be transferred by the Trust from its existing shareholding, on such terms and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ESOS (Trust) – 2017."

"RESOLVED FURTHER THAT the Company and the Trust shall conform to the accounting policies prescribed in Regulation 15 of the SEBI SBEB Regulations and any other applicable laws and regulations to the extent relevant and applicable in connection with implementation of ESOS (Trust) – 2017."

"RESOLVED FURTHER THAT without prejudice to the generality of the above but subject to the terms mentioned in the explanatory statement to this resolution, which are hereby approved by the Members, the Board be and is hereby authorised to make modifications, changes, variations, alterations or revisions in the terms and conditions of ESOS (Trust) – 2017, from time to time, as it may in its sole and absolute discretion decide, subject to the conformity with the SEBI SBEB Regulations and issue clarifications in this regard."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in relation to the formulation and implementation of ESOS (Trust) – 2017 without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as may be deemed necessary, expedient and incidental thereto and to delegate all or any of its powers herein conferred to the NRC and/or director(s) and/ or officer(s) of the Company, to give effect to this resolution."

By order of the Board of Directors

sd/-
Narendra Gangan
EVP, Company Secretary &
Head - Compliance & Legal

Place: Mumbai
Date: January 22, 2018

Registered Office:
Lodha Excelus, 13th Floor,
Apollo Mills Compound,
N M Joshi Marg, Mahalaxmi,
Mumbai 400011
CIN: L99999MH2000PLC128245

NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("**Act**") stating material facts and reasons for the proposed resolutions is annexed hereto and forms part of this notice.

2. The Postal Ballot Notice along with the Postal Ballot Form is being sent in electronic form to the Members who have registered their e-mail addresses with the Company / Registrars and Transfer Agents of the Company (in case of physical shareholding) / with their Depository Participants (in case of electronic shareholding). Physical copies of the Postal Ballot Notice along with Postal Ballot Form are being sent to Members whose e-mail addresses are not registered, by permitted mode along with a postage pre-paid Business Reply Envelope addressed to the Scrutinizer.

3. The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members / Statements of Beneficial ownership maintained by the Depositories as on the close of business hours on Friday, January 19, 2018.

4. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members on January 19, 2018 ("**Cut-off date**"). Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date will be entitled to cast their votes by

Postal Ballot or e-voting. A person who is not a member as on the cut-off date should treat this notice for information purposes only.

5. The Company has appointed Mr Surjan Singh Rauthan, a Practising Company Secretary (PCS), Proprietor of S. S. Rauthan & Associates, Company Secretaries as Scrutinizer for conducting the Postal Ballot including e-voting process in a fair and transparent manner.

6. In compliance with the provisions of Sections 108 and all other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide voting by electronic means ("**e-voting**") facility to the Members, to enable them to cast their votes electronically. The Company has engaged the services of Karvy Computershare Private Limited ("Karvy') to provide e-voting facility to its Members.

7. Members can opt for only one mode of voting i.e. either Postal Ballot Form or e-voting. In case any Member votes both by Postal Ballot Form and e-voting, the votes cast through e-voting shall prevail and the votes cast through Postal Ballot Form shall be considered invalid.

8. The Resolutions, if passed by requisite majority, will be deemed to be passed on the last date specified for receipt of duly completed Postal Ballot Form or e-voting i.e. Tuesday, February 27, 2018.

9. A member cannot exercise his vote by proxy on Postal Ballot.

10. The e-voting period commences on Monday, January 29, 2018 at 9:00 a.m. (IST) and ends at 5:00 p.m. (IST) on Tuesday, February 27, 2018. During this period, members of the Company, holding shares either in physical or dematerialised form, as on the cut-off date, that is, Friday, January 19, 2018, may cast their vote electronically. The e-voting module shall be disabled by Karvy Computershare Private Limited thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast the vote again.

11. Members desiring to exercise their vote by physical Postal Ballot are requested to carefully read the instructions printed overleaf on the Postal Ballot Form and return the said Form duly completed and signed, in the enclosed postage prepaid Business Reply Envelope to the Scrutinizer Mr Surjan Singh Rauthan, a Practising Company Secretary (PCS), Proprietor of S. S. Rauthan & Associates, Company Secretaries, so that it reaches the Scrutinizer not later than 5.00 p.m. IST on Tuesday, February 27, 2018. The postage will be borne by the Company. However, envelopes containing Postal Ballot Form, if sent by courier or registered / speed post at the expense of the Members will also be accepted. If any Postal Ballot Form is received after 5.00 p.m. IST on Tuesday, February 27, 2018, it will be considered that no reply from the Member has been received. Additionally, please note that the Postal Ballot Forms shall be considered invalid if (i) it is not possible to determine without any doubt the assent or dissent of the Member, and/or (ii) a competent authority has given directions in writing to the Company to freeze the voting rights of the Member, and/or (iii) it is defaced or mutilated in such a way that its identity as a genuine form cannot be established; and/ or (iv) the Member has made any amendment to the resolution set out herein or imposed any condition while exercising his vote and/or (v) A form other than one issued by the company has been used, and/or (vi) it has not been signed by or on behalf of the member and/or (vii) Signature on the postal ballot form doesn't match the specimen signature with the company and/or (viii) neither assent nor dissent is mentioned and/or (ix) the envelope containing the postal ballot form is received after the last date prescribed and/or (x) the postal ballot form, signed in a representative capacity, is not accompanied by a certified copy of the relevant specific authority.

12. The documents referred to in the Explanatory Statement will be available for inspection at the Company's registered office between 11.00 am and 1.00 pm on any working day of the Company, except Saturday and holiday, till Tuesday, February 27, 2018.

13. In case a Member is desirous of obtaining duplicate Postal Ballot Form, the Member may write to the Company at its registered office or send an email to investor.service@hdfclife.com or download the Postal Ballot Form from the Company's website, www.hdfclife.com or from the website of Karvy Computershare Private Limited, https://evoting.karvy.com.

14. Resolution passed by the Members through Postal Ballot is deemed to have been passed as if it has been passed at a general meeting by the Members.

15. Members who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for receiving future communication(s) in electronic form.

16. A member need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way.

17. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

18. The result, along with the Scrutinizer's Report, will be placed on the website of the Company and Karvy Computershare Private Limited and shall be communicated to BSE Limited and National Stock Exchange of India Limited.

19. **Instructions for Voting:**

A. Voting through Physical Postal Ballot Form

1. A Member desiring to exercise vote by physical Postal Ballot shall complete the enclosed Postal Ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the enclosed postage pre-paid business reply envelope. Postage will be borne and paid by the Company. However, in case the Members send the physical Postal Ballot Form by courier or registered post or deliver it in person at their expense, such Postal Ballot Forms will also be accepted.

2. The Postal Ballot Form, duly completed and signed by the Member(s) should be sent to the Scrutinizer so as to reach the Scrutinizer not later than 5.00 pm (IST) on Tuesday, February 27, 2018. Postal Ballot Forms received after the said date shall be treated as if the reply from the Members has not been received.

3. Members are requested to exercise their voting rights by using the enclosed Postal Ballot Form only. No other form or photocopy of the form (except duplicate form issued by the Company) shall be accepted.

B. Voting through electronic means

(a) In case a Member receives an e-mail from M/s. Karvy Computershare Private Limited [for members whose email addresses are registered]:

(i) Launch an internet browser and open https://evoting.karvy.com

(ii) Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. close of business hours of January 19, 2018 may cast their vote electronically.

(iii) Enter the login credentials i.e. User ID and password, provided in the email received from Karvy Computershare Private Limited. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

(iv) After entering the above details click on - LOGIN.

(v) Password change menu will appear. Change the password with a new password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. After changing the password, you need to login again with the new credentials.

(vi) On successful login, the system will prompt you to select the E-Voting Event.

(vii) Select 'EVENT' of HDFC Standard Life Insurance Company Limited – POSTAL BALLOT and click on – Submit.

(viii) Now you are ready for e-voting as 'Ballot Form' page opens.

(ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

(x) Upon confirmation, the message 'Vote cast successfully' will be displayed.

(xi) Once you have confirmed your vote on the resolution, you cannot modify your vote.

(xii) The Portal will remain open for voting from: Monday, January 29, 2018 at 9:00 a.m. (IST) and ends at 5:00 p.m. (IST) on Tuesday, February 27, 2018**.**

(xiii) Institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail at ssrauthan@ssrgroupindia.in. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO."

(b) In case of Members receiving Postal ballot Form by post and opting for voting through Electronic means:

(i) Initial password is provided at the bottom of the Postal Ballot Form

EVEN (Electronic Voting Event Number)	**USER ID**	**PASSWORD/PIN**
3671	Refer – Postal Ballot Form	

(ii) Please follow all steps from Sr. No. (a)(i) to Sr. No. (a)(xi) mentioned above, to cast vote.

I. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in downloads section of the e-voting website of Karvy Computershare Private Limited https://evoting.karvy.com.

II. The results shall be declared along with the report of the scrutinizer on Thursday, March 1, 2018 at 3.00 p.m. and placed on the notice board at the Registered Office of the Company at Lodha Excelus, 13th Floor, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai - 400011, and also on the website of the Company i.e. www.hdfclife.com immediately after the declaration of result by the Chairman or any person authorised by him and at the website of e-voting agency viz. M/s. Karvy Computershare Private Limited at https://evoting.karvy.com and shall also be forwarded to the BSE Limited and National Stock Exchange Limited.

III. If you have forgotten your password, you can reset your password by using "Forgot Password" option available on https://evoting.karvy.com or contact M/s. Karvy Computershare Private Limited at toll free no. 1800-345-4001 or email at rajendra.v@karvy.com. In case of any other queries/grievances connected with voting by electronic means, you may also contact Mr. Rajendra Prasad V, Manager – Corporate Registry of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No 31 & 32, Financial District, Gachibowli, Hyderabad - 500032 at telephone no +91 40 6716 1500.

IV. Members may utilize the facility extended by the Registrar and Transfer Agent for redressal of queries. Members may visit http://karisma.karvy.com and click on Members option for query registration through free identity registration process.

Annexure to the Notice:

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts:

Item No 1:

The Members may note that prior to the Listing of the equity shares of the Company on the Stock Exchanges (namely BSE Limited and National Stock Exchange of India Limited), pursuant to Initial Public Offerings, the Members at their Extra-Ordinary General Meeting held on August 16, 2017 had approved the adoption of new Articles of Association comprising of Part A (which were aligned to the requirements prescribed for a listed entity) and Part B (which were the Articles of Association of the Company in force before the Listing).

Further, the Members at their Extra-Ordinary General Meeting held on September 22, 2017 had altered the Articles of Association comprising of Part A on the direction of Insurance Regulatory and Development Authority of India (IRDAI) pertaining to (i) constitution of quorum for Board Meetings, in line with the Guidelines on "Indian Owned and Controlled" issued by the IRDAI, and (ii) the appointment of the Managing Director/whole-time director by the Board of Directors upon recommendation of the Nomination & Remuneration Committee, as required by the Guidelines for Corporate Governance for insurers in India, issued by the IRDAI on May 18, 2016.

The Members may note that the Articles of Association comprising of Part B has automatically terminated and ceased to have any force and effect on and from the date of listing of the Company's equity shares on the Stock Exchanges. Consequently, the Members are requested to approve the deletion of the word 'Part A' as mentioned in the first page of Articles of Association of the Company.

The Members may further note that the Article 76.3 of the Articles of Association pertaining to the right to nominate Directors on the Board subject to maintaining specific shareholding in the Company shall be subject to and effective from the date of approval of the Shareholders, by passing a Special Resolution to this effect in a general meeting, following the listing and trading of shares on any recognized stock exchange pursuant to an initial public offering of shares of the Company. In view of the said Article, the Members are requested to approve and adopt Article 76.3 of the Articles of Association.

The Articles of Association of the Company has been uploaded on the Company's website, i.e. www.hdfclife.com, for perusal by the Members of the Company, and will be available for inspection at the Company's registered office between 11.00 am and 1.00 pm on any working day of the Company, except Saturday and holiday, till Tuesday, February 27, 2018.

The Board, accordingly, recommends approval and passing of the special resolution by the Members.

Save and except for the shares of the Company held by them, none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item no. 1 of the Notice.

Item Nos. 2 and 3:

The objective of Employee Stock Option Scheme - 2017 is to reward the key employees for their association, dedication and contribution to the goals of the Company. Subject to the approval of Employee Stock Option Scheme - 2017 by the Members, the Company intends to use Employee Stock Option Scheme - 2017 to attract and retain key talents by way of rewarding their performance and to motivate them to contribute to the overall corporate growth and profitability and for the Employees to get a share in the value they create for the Company in the years to come.

Pursuant to the same, the Company had obtained the approval of the Members at their Annual General Meeting (AGM) held on July 17, 2017 in respect of the Employees Stock Option Scheme – 2017 ("**ESOS - 2017"**) prior to the initial public offer and listing ("**IPO**") of equity shares of the Company. ESOS - 2017 envisaged granting of options to the eligible Employees of the Company and of its subsidiary company(ies). Up till the date of this notice, no options have been granted under ESOS - 2017. However, in view of growing human resource needs and with a view to achieve aforesaid objectives, it is desired to grant options under ESOS- 2017 which was approved earlier.

ESOS - 2017 being approved prior to the IPO, as per Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefit) Regulation 2014 ("**SEBI SBEB Regulations**"), any fresh grant of options thereunder shall require (i) alignment of the Scheme with the provisions of SEBI SBEB Regulations, and (ii) members' ratification of such Scheme subsequent to IPO.

ESOS – 2017 as it stands today is consistent with and conforms to the SEBI SBEB Regulations. The grants under the ESOS-2017 shall be subject to the employees meeting the eligibility criteria and on such other terms as may be determined by the Board of Directors of the Company (hereinafter referred to as the ''**Board**'' which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as "**the NRC**") which has been duly constituted by the Board, *inter alia*, to act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers) in terms of ESOS-2017, in accordance with the provisions of SEBI SBEB Regulations and other laws as applicable.

The following would, *inter alia*, be the broad terms and conditions of ESOS-2017:

a. Brief Description of the Scheme:

In order to retain the existing employees and also to attract and retain the best talent, the Company proposes to grant stock options to the present and future Employees of the Company and its subsidiaries, under ESOS - 2017 in terms of this resolution and in accordance with SEBI SBEB Regulations 2014. After vesting of options, the eligible Employees earn a right (but not an obligation) to exercise the vested options within the exercise period and obtain equity shares of the Company subject to payment of exercise price and satisfaction of any tax obligation arising thereon. The ESOS – 2017 shall be implemented and administered directly by the Company by way of new issue of shares.

b. Total number of options to be granted:

The total number of employee stock options to be granted under ESOS – 2017 shall not exceed 45,00,000 (Forty-five Lakh) options in one or more tranches, from time to time, exercisable into not more than 45,00,000 (Forty-five Lakh) fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each of the Company.

In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division and others, the Board shall be entitled to determine the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price and the following shall, *inter alia*, be taken into consideration: (a) the number and price of options shall be adjusted in a manner such that total value of the options in the hands of the option grantee remains the same after such corporate action; and (b) the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option grantees.

c. Identification of classes of employees entitled to participate in ESOS - 2017:

Employee means (i) a permanent employee of the Company working in India or outside India (including present and future employees); or (ii) Director of the Company whether whole-time director or not and (iii) an employee defined in Sub-clauses (i) and (ii) hereof of one or more subsidiary companies of the Company whether in or outside India and whether in existence or to be incorporated in future, but does not include:

(a) an Employee who is a Promoter or a person belonging to the Promoter Group;
(b) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding shares of the Company; and
(c) an Independent Director within the meaning of the Companies Act and/or Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Subject to above, employees in the grade of M1 (Associate Vice President) and above will be entitled to participate in the Scheme. The eligible M1 (Associate Vice President) & above population will be granted options depending on the performance/ potential feedback of the management to the Board in accordance with the performance criteria decided by the Board and the management of the Company. The final quantum of options to be granted will be based on the performance / potential of the concerned eligible employee. All grants shall be finally determined by the Board and all such decisions shall be binding on the option grantees.

d. Requirements of vesting and period of vesting:

As per requirements of the SEBI SBEB Regulations, the gap between the date of grant and first date of vesting of options shall be minimum of 1 (One) year subject to maximum vesting period of 3 (Three) years.

Subject to such terms and performance criteria as the Board may decide at its absolute discretion, the options granted would vest in the eligible employees in the following manner:

• 30% of the options granted will vest on the 1st anniversary from the date of grant;
• 30% of the options granted will vest on the 2nd anniversary from the date of grant; and
• 40% of the options granted will vest on the 3rd anniversary from the date of grant.

The concerned eligible employee must be in a continued employment with the Company or subsidiary company(ies) at the time of vesting. Thus, the options would vest on completion of prescribed vesting period. The Board shall be entitled to make the vesting of any or all of the options granted to eligible Employee(s) conditional upon fulfillment of the criteria mentioned in ESOS – 2017 and such additional criteria including performance criteria, as may be determined by it, for any individual eligible Employee, or class / group of eligible Employees.

e. Maximum period within which options shall be vested

The maximum period within which an option granted shall vest is 3 (Three) years from the date of grant.

f. Pricing formula and Exercise Price:

At the latest available closing price on the stock exchange on which the shares of the Company are listed on the date immediately prior to the date of the meeting of the Board at which the options are granted. As the shares of the Company are listed on more than one stock exchange, the latest available closing price on the stock exchange with higher trading volume on the said date shall be considered.

g. Exercise period and process of exercise:

Such period as may be determined by the Board subject to a maximum of 5 (Five) years from the date of respective vesting.

The vested option shall be exercised when the Company receives the written notice of exercise of options in the manner and as per the prescribed format which is complete in all respects from the concerned option grantee (or his/her legal heir/ nominee in case of death of option grantee) entitled to exercise the options along with full payment of the exercise price for the equity shares underlying such vested options subject to payment/ recovery of applicable tax, if any. The vested options shall lapse if not exercised within the specified exercise period.

h. Appraisal process for determining eligibility of the employees:

Whilst granting the options to the employees under ESOS – 2017, the Board would, *inter alia*, consider grade, performance, merit, future potential contribution, conduct of the employee and such other factors as specified in point ‘c’ above.

Notwithstanding anything contained in this resolution or the explanatory statement thereto, the Board would have the sole and absolute discretion to determine the employees eligible to be granted options under ESOS – 2017 and the quantum of options to be granted to any eligible employee.

i. Maximum number of options to be issued per employee and in aggregate:

The maximum number of options that may be granted per employee and in aggregate shall vary depending upon the designation and the appraisal/ assessment process, however, shall not exceed the ceiling of 5,00,000 options. The Board reserves the right to decide the number of options to be granted and the maximum number of options that can be granted to each employee within this ceiling. However, the grant of options to identified Employees, during any one year, should be equal to or less than one percent of the then issued capital of the Company at the time of grant of options.

j. Maximum quantum of benefits to be provided per employee under the Scheme:

Any benefit other than grant of options or consequential issue of equity shares is not envisaged under the Scheme. Maximum benefit shall accordingly refer to the maximum number of options that may be issued per employee.

k. Whether the Scheme is to be implemented and administered directly by the Company or through a trust:

The ESOS – 2017 shall be administered directly by the Company.

l. Whether the Scheme involves new issue of shares by the Company or secondary acquisition or both:

The ESOS – 2017 involves only new issue of equity shares by the Company. No secondary acquisition is envisaged.

m. Amount of loan to be provided to the trust for implementation of the Scheme:

Not applicable

n. Maximum percentage of the secondary acquisition that can be made by the trust for the purpose of the Scheme:

Not applicable

o. Accounting policies:

The Company shall follow the Guidance Note on accounting for employee share based payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing Guidance Note or Accounting Standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

p. The method for valuation of options:

The Company shall follow the intrinsic value method to value the options.

q. Declaration:

The Company will disclose the difference between the employee compensation cost computed using the intrinsic value method and the employee compensation cost that should have been recognised if it had used the fair value of the options and the impact of this difference on the profits and on the earning per share of the Company in the Directors' Report, as applicable, from time to time.

r. Listing:

The shares allotted pursuant to the exercise of the stock options, shall be listed on BSE Limited and National Stock Exchange of India Limited.

Consent of the Members is sought under SEBI SBEB Regulations by way of a special resolution. The resolution and the terms stated therein as also the terms stated in this explanatory statement hereinabove shall be subject to the guidelines/ regulations issued/to be issued by statutory authorities in that behalf and the Board shall have the sole and absolute authority to modify the terms herein which do not conform with the provisions of the said guidelines/ regulations.

A copy of the ESOS - 2017 is available for inspection at the Company's registered office between 11.00 am and 1.00 pm on any working day of the Company, except Saturday and holiday, till Tuesday, February 27, 2018.

The Board, accordingly, recommends passing of the resolutions as set out at Item Nos. 2 and 3 of this notice, for your approval as a special resolution.

Since the options under ESOS-2017 could be also offered and issued to the Directors and Key Managerial Personnel of the Company, to the extent and in the manner as may be permissible under the relevant provisions of the Companies Act, 2013, rules made there under and SEBI SBEB Regulations, such Directors and Key Managerial Personnel and their relatives are deemed to be concerned and interested, in the said resolutions.

Item Nos. 4 and 5:

The Company believes that employee stock option scheme(s) are an effective tool to reward the talents of the Company and its subsidiaries for their contribution to the growth of the Company, to create an employee ownership culture, to attract new talents, to retain the key resources and knowledge in the organisation.

Keeping in view these objectives, the Company had implemented several employee stock option schemes in past from the year 2006 to 2013. For effective administration of some of these schemes namely ESOS 2005, ESOS 2010, ESOS 2010-II, ESOS 2011 & ESOS 2012, a Trust was set-up, namely, 'HDFC Standard Life Employees' Stock Option Trust' ("**Trust**") which administers these schemes and *inter alia* holds equity shares underlying options granted thereunder. The Trust was settled in the year 2000 by Mr. Deepak S. Parekh and as such the relevant SEBI regulations were not applicable to it or the erstwhile schemes as the Company was not listed. Considering that the Company has recently been listed, all share based employee benefits of the Company are governed by the relevant applicable laws and regulations including the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("**SEBI SBEB Regulations**"). The SEBI SBEB Regulations require a company to implement schemes providing share based benefits to employees either directly or by setting up an irrevocable trust(s).

From amongst the abovementioned erstwhile schemes, grants with respect to 1,12,180 (One Lakh, Twelve Thousand, One Hundred & Eighty) equity shares ("**Previous Outstanding ESOS**") were granted through the Trust prior to listing of the Company and are vested but not exercised (i.e., outstanding) as on the date of this Notice, and the Trust holds such equity shares representing such vested Options. Further, as on date of this Notice, owing to lapsed options due to such options not having vested in employees for various reasons in accordance with the abovementioned erstwhile schemes and due to options vested but not exercised by employees for various reasons in accordance with abovementioned erstwhile schemes, the Trust through its trustee(s) is holding an additional 5,36,394 (Five Lakh, Thirty Six Thousand, Three Hundred & Ninety-four) equity shares.

As per the SEBI SBEB Regulations if a scheme is to be implemented through a trust, the same has to be decided upfront at the time of taking approval of the shareholders for setting up the schemes. Considering that the Trust, through its trustees, is already holding 6,48,574 (Six Lakhs, Forty Eight Thousand, Five Hundred & Seventy Four) equity shares due to options which have vested but not exercised and lapsed options, it is thought that it would be expedient, efficient and beneficial to the interest of the employees of the Company and its subsidiary companies to implement the Employee Stock Option (Trust) Scheme - 2017 through the Trust, and not by setting up a new trust. Further, if a new trust were to be set up, it would be prejudicial to the interest of the employees of the Company and its subsidiary companies because setting up a new trust would entail additional costs (including costs and taxes relating to transfer of equity shares from the Trust to such new trust). It should be noted that the trust deed relating to the Trust has been amended in order to align it with the requirements of the SEBI SBEB Regulations and other applicable laws and regulations.

In this background, it is thought expedient to implement a new employee stock option scheme namely 'Employee Stock Option (Trust) Scheme – 2017' ("**ESOS (Trust) – 2017**") to consolidate all such shares against the lapsed options (due to such options not having vested in employees for various reasons in accordance with erstwhile schemes and due to options vested but not exercised by employees for various reasons in accordance with erstwhile schemes) and be made available to the eligible employees of the Company and its subsidiary companies, and to also bring the present scheme in conformity with the SEBI SBEB Regulations post listing of the Company.

The grants under the ESOS (Trust) – 2017 shall be subject to the employees meeting the eligibility criteria and on such other terms as set out in the ESOS (Trust) – 2017 and determined by the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include the Nomination and Remuneration Committee of Directors (hereinafter referred as "**the NRC**") which has been duly constituted by the Board, *inter alia*, to act as the Compensation Committee under Regulation 5 of SEBI SBEB Regulations and to exercise its powers) in terms of ESOS (Trust) - 2017, in accordance with the provisions of the SEBI SBEB Regulations and other laws as applicable.

As per provisions of Regulation 6 of SEBI SBEB Regulations, the Company seeks your approval to continue and execute implementation of Employee Stock Option Scheme 2010-II, Employee Stock Option Scheme 2011 and Employee Stock Option Scheme 2012, and for the ESOS (Trust) – 2017 and grant of options thereunder to the eligible employees of the Company and its subsidiaries.

The main features of the ESOS (Trust) – 2017 are as under:

a. Brief Description of the Scheme:

To reward the Employees for their association, dedication and contribution to the goals of the Company. The Company intends to use this Scheme to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The Company views Employee Stock Options as instruments that would enable the Employees to get a share in the value they create for the Company in the years to come.

b. Total number of options to be granted:

The total number of employee stock options to be granted under ESOS (Trust) – 2017 shall not exceed 5,36,394 (Five Lakh, Thirty Six Thousand, Three Hundred & Ninety-four) options in one or more tranches, from time to time, exercisable into not more than 5,36,394 (Five Lakh, Thirty Six Thousand, Three Hundred & Ninety-four) fully paid-up equity shares of face value of Rs. 10 each of the Company to be transferred by the Trust.

In case of any corporate action(s) such as rights issues, bonus issues, merger, sale of division and others, the Board shall be entitled to determine the procedure for making a fair and reasonable adjustment to the entitlement including adjustment to the number of options and to the exercise price and the following shall, *inter alia*, be taken into consideration: (a) the number and price of options shall be adjusted in a manner such that total value of the options in the hands of the option grantee remains the same after such corporate action; and (b) the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option grantees."

c. Identification of classes of employees entitled to participate in ESOS (Trust) - 2017:

Employee for this purpose shall mean (i) a permanent employee of the Company working in India or outside India (including present and future employees); or (ii) Director of the Company whether whole-time director or not, and (iii) an employee defined in Sub-clauses (i) and (ii) hereof of one or more subsidiary companies of the Company whether in or outside India and whether in existence or to be incorporated in future, but does not include:

(a) an Employee who is a Promoter or a person belonging to the Promoter Group;
(b) a Director who either by himself /herself or through his/her relatives or through any body corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company; and
(c) an Independent Director within the meaning of the Companies Act and/or Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Subject to above, employees in the grade of M1 (Associate Vice President) and above will be entitled to participate in the Scheme. The eligible M1 (Associate Vice President) & above population will be granted options depending on the performance/ potential feedback of the management to the Board in accordance with the performance criteria decided by the Board and the management of the Company. The final quantum of options to be granted will be based on the performance / potential of the concerned eligible employee. All grants shall be finally determined by the Board and all such decisions shall be binding on the option grantees.

d. Requirements of vesting and period of vesting:

As per requirements of the SEBI SBEB Regulations, the gap between the date of grant and first date of vesting of options shall be minimum of 1 (One) year subject to maximum vesting period of 3 (Three) years.

Subject to such terms and performance criteria as the Board may decide at its absolute discretion, the options granted would vest in the eligible employees in the following manner:

• 30% of the options granted will vest on the 1st anniversary from the date of grant;
• 30% of the options granted will vest on the 2nd anniversary from the date of grant; and
• 40% of the options granted will vest on the 3rd anniversary from the date of grant.

The concerned Employee must be in continued employment with the Company or subsidiary company at the time of vesting. Thus, the options would vest on completion of prescribed vesting period. The Board shall be entitled to make the vesting of any or all of the options granted to eligible employee(s) conditional upon fulfillment of the criteria mentioned in ESOS (Trust) – 2017 and such

additional criteria including performance criteria, as may be determined by it, for any individual eligible employee or class / group of eligible Employees.

e. Maximum period within which options shall be vested

The maximum period within which an option granted shall vest is 3 (Three) years from the date of grant.

f. Pricing formula and Exercise Price:

At the latest available closing price on the stock exchange on which the shares of the Company are listed on the date immediately prior to the date of the meeting of the Board at which the options are granted. As the shares of the Company are listed on more than one stock exchange, the latest available closing price on the stock exchange with higher trading volume on the said date shall be considered.

g. Exercise period and process of exercise:

Such period as may be determined by the Board, subject to a maximum of 5 (Five) years from the date of respective vesting.

The vested option shall be deemed to be exercised when the Trust receives the written notice of exercise of options in the manner and as per the prescribed format complete in all respects from the concerned option grantee (or his/her legal heir/ nominee in case of death of option grantee) entitled to exercise the options along with full payment of the exercise price for the equity shares underlying such vested options subject to payment/ recovery of applicable tax, if any. The vested options shall lapse if not exercised within the specified exercise period.

h. Appraisal process for determining eligibility of the employees:

Whilst granting the options to the employees under ESOS (Trust) – 2017, the Board would, *inter alia*, consider grade, performance, merit, future potential contribution, conduct of the employee and any specific objective to be fulfilled.

Notwithstanding anything contained in this resolution or the explanatory statement thereto, the Board would have the sole and absolute discretion to determine the employees eligible to be granted options under ESOS (Trust) – 2017 and the quantum of options to be granted to any eligible employee.

i. Maximum number of options to be issued per employee and in aggregate:

The maximum number of options that may be granted per employee and in aggregate shall vary depending upon the designation and the appraisal/ assessment process, however, shall not exceed the ceiling of 1,00,000 options. The Board reserves the right to decide the number of options to be granted and the maximum number of options that can be granted to each employee within this ceiling. However, the grant of options to identified Employees, during any one year, should be equal to or less than one percent of the then issued capital of the Company at the time of grant of options.

j. Maximum quantum of benefits to be provided per employee under the Scheme:

Any benefit other than grant of options or consequential transfer of equity shares is not envisaged under the Scheme. Maximum benefit shall accordingly refer to the maximum number of options that may be issued per employee.

k. Whether the Scheme is to be implemented and administered directly by the company or through a trust:

The ESOS (Trust) – 2017 shall be administered through the Trust.

l. Whether the Scheme involves new issue of shares by the Company or secondary acquisition or both:

The ESOS (Trust) – 2017 involves transfer of equity shares held by the Trust. No secondary market acquisition is envisaged.

m. Amount of loan to be provided to the trust for implementation of the Scheme:

No loan to the Trust is envisaged for implementation of the ESOS (Trust) – 2017.

n. Maximum percentage of the secondary acquisition that can be made by the trust for the purpose of the Scheme:

Secondary acquisition is not envisaged for the implementation of the ESOS (Trust) – 2017.

o. Accounting policies:

The Company shall follow the Guidance Note on accounting for employee share based payments and/ or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein. In case, the existing Guidance Note or Accounting Standards do not prescribe accounting treatment or disclosure requirements, any other Accounting Standard that may be issued by ICAI or any other competent authority shall be adhered to in due compliance with the requirements of Regulation 15 of SEBI SBEB Regulations.

p. The method for valuation of options:

The Company shall follow the intrinsic value method to value the options.

q. Declaration:

The Company will disclose the difference between the employee compensation cost computed using the intrinsic value method and the employee compensation cost that should have been recognised if it had used the fair value of the options and the impact of this difference on the profits and on the earning per share of the Company in the Directors' Report, as applicable, from time to time.

Consent of the Members is sought under SEBI SBEB Regulations by way of a special resolution. The resolution and the terms stated therein as also the terms stated in this explanatory statement hereinabove shall be subject to the guidelines/ regulations issued/to be issued by statutory authorities in that behalf and the Board shall have the sole and absolute authority to modify the terms herein which do not conform with the provisions of the said guidelines/ regulations.

A copy of the ESOS (Trust) - 2017 is available for inspection at the Company's registered office between 11.00 am and 1.00 pm on any working day of the Company, except Saturday and holiday, till Tuesday, February 27, 2018.

The Board, accordingly, recommends passing of the resolutions as set out at Item Nos. 4 and 5 of this Notice, for your approval as a special resolution.

Since the options under ESOS (Trust) - 2017 could be also offered and issued to the Directors and Key Managerial Personnel of the Company, to the extent and in the manner as may be permissible under the relevant provisions of the Companies Act, 2013, rules made there under and SEBI SBEB Regulations, such Directors and Key Managerial Personnel and their relatives are deemed to be concerned and interested, in the said resolutions.

By order of the Board of Directors

sd/-
Narendra Gangan
EVP, Company Secretary &
Head - Compliance & Legal

Place: Mumbai
Date: January 22, 2018

Registered Office:
Lodha Excelus, 13th Floor,
Apollo Mills Compound,
N M Joshi Marg, Mahalaxmi,
Mumbai 400011
CIN: L99999MH2000PLC128245

HDFC STANDARD LIFE INSURANCE COMPANY LIMITED

Registered Office: 13th Floor, Lodha Excelus, Apollo Mills Compound, N M Joshi Marg, Mahalaxmi, Mumbai- 400 011
Tel: 022 6751 6666, Fax: 022 67516861
Corporate Identification Number: L99999MH2000PLC128245
Email: investor.service@hdfclife.com, Website: www.hdfclife.com

POSTAL BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

Serial No. :

1. Name and Registered Address of the sole/ first named Member :

2.Name(s) of the joint Member(s) if any :

3. Registered Folio No./DP ID No./ Client ID No.* (*Applicable to Members holding shares in dematerialized form) :

4. Number of Equity Shares held as on January 19, 2018 :

I/We hereby exercise my / our vote in respect of the following Resolutions to be passed through Postal Ballot for the businesses stated in the Postal Ballot Notice dated January 22, 2018 of HDFC Standard Life Insurance Company Limited ("Company") by conveying my / our assent or dissent to the said Resolutions by placing the tick (✓) mark in the appropriate box below:

Resolution No	Resolution Summary	No of Equity shares held by me/us	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1.	Approval and adoption of Article 76.3 of the Articles of Association of the Company			
2.	Approval of Employee Stock Option Scheme - 2017 for the eligible employees of the Company			
3.	Approval of Employee Stock Option Scheme - 2017 for the eligible employees of the Subsidiary Company (ies) of the Company			
4.	Approval of Employee Stock Option (Trust) Scheme - 2017 for the eligible employees of the Company			
5.	Approval of Employee Stock Option (Trust) Scheme - 2017 for the eligible employees of the Subsidiary Company (ies) of the Company			

Place :
Date :

[Signature of the Member]

----------✂----------✂----------

ELECTRONIC VOTING PARTICULARS

The e-voting facility is available at the link **https://evoting.karvy.com**. The electronic voting particulars are set out as follows:

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD/PIN

Note:

1) Please read the instructions given in the Notes to the Postal Ballot Notice dated January 22, 2018 and also the instructions printed overleaf carefully before exercising the vote.
2) If the voting rights are exercised electronically, there is no need to use this Postal Ballot Form.

INSTRUCTIONS

1. This Postal Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.

2. A Member can opt for only one mode of voting, i.e. either through e-voting or by Postal Ballot Form. If a Member casts vote by both modes, then voting done through e-voting shall prevail and voting done by physical Postal Ballot Form shall be treated as invalid.

3. For detailed instructions on e-voting, please refer to the note no. 19 (B) to the Postal Ballot Notice.

Process and manner for Members opting to vote by using the Postal ballot Form

1. A Member(s) desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form (no other Form or photocopy of the form is permitted to be used for the purpose) and send it so as to reach the Scrutinizer, Mr Surjan Singh Rauthan, a Practising Company Secretary (PCS), Proprietor of S. S. Rauthan & Associates, Company Secretaries in the enclosed postage prepaid Business Reply envelope addressed to the scrutinizer not later than 5 p.m. IST on Tuesday, February 27, 2018. Postal Ballot Form received after this date will be strictly treated as if the reply from such Member has not been received. Envelope containing Postal Ballot Form, if deposited in person or sent by courier at the expense of the Member(s) will also be accepted.

2. The Postal Ballot Form should be completed and signed by the Member (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL), in respect of shares held in physical form or dematerialized form respectively. In case of joint holding, this Form must be completed and signed by the first named Member and in his/her absence, by any next named Member.

3. The vote should be cast in favour of or against by putting tick (✓) mark in the column provide for assent or dissent. Unsigned/ incomplete/ incorrectly ticked Postal Ballot form will be rejected. The Scrutinizer's decision on the validity of a Postal Ballot will be final and binding. In the case of shares held by Institutions, Companies, Trusts, Societies etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the board resolution/authorization together with the specimen signature(s) of the duly authorised signatories.

4. A Member seeking duplicate Postal Ballot Form can write to the Company at its registered office or send an email to investor.service@hdfclife.com or download the Postal Ballot Form from the Company's website, www.hdfclife.com or from the website of Karvy Computershare Private Limited, https://evoting.karvy.com. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than 5 p.m. IST on Tuesday, February 27, 2018.

5. The exercise of vote through Postal Ballot is not permitted through a proxy.

6. Voting rights shall be reckoned on the paid up value of the equity shares registered in the name(s) of the Member(s)/ list of beneficial owners as received from NSDL/ CDSL on the cut-off date i.e. Friday, January 19, 2018.

7. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed postage prepaid Business Reply envelope. If any other papers are found the same will be destroyed by the scrutinizer.

8. There will be one Postal Ballot Form for every Folio/Client ID irrespective of the number of joint Members.