



KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

NOTICE

NOTICE is hereby given that the **Twenty Ninth Annual General Meeting** of the Members of Kovai Medical Center and Hospital Limited will be held on Friday, the 25th September 2015 at 11.00 a.m. at "A.P.Kalyana Mandapam", 738/2 Avanashi Road, Goldwins, Coimbatore – 641 014 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Statutory Auditor thereon. To receive, consider and adopt the Audited Consolidated Balance Sheet as at March 31, 2015 in terms of Section 129(4) of the Companies Act, 2013.
2. To declare dividend on equity shares for the financial year ended 31st March 2015.
3. To appoint Dr.Arun N Palaniswami (holding DIN: 02706099) as Director to fill the vacancy of the retiring Director Dr.P.R.Perumalswami (holding DIN: 01099683), who retires at this Annual General Meeting and not opting for re-appointment and in this regard to consider and if thought fit to pass the following resolution as an ordinary resolution.

"RESOLVED THAT Dr.Arun N Palaniswami (holding DIN: 02706099) in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as Director of the company liable to retire by rotation in the vacancy caused by retirement of Dr.P.R.Perumalswami".

4. To consider and if thought fit to pass the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to Section 139 and other applicable provisions if any of the Companies Act, 2013 and the rules made thereunder and pursuant to the recommendation of the Audit Committee of the Board M/s Haribhakti & Co. LLP, Chartered Accountants, Coimbatore having ICAI Firm Registration No: 103523W be and are hereby appointed as Auditors of the company to hold office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the 34th Annual General Meeting of the company subject to ratification by the members at every Annual General Meeting in accordance with the provisions of Section 139(1) of the Companies Act, 2013 on such remuneration and reimbursement of out of pocket expenses as may be mutually agreed between the Auditors and the Board.

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution".

SPECIAL BUSINESS

5. To consider and if thought fit, to pass the following resolution as a special resolution:

“RESOLVED THAT pursuant to Section 14 and other applicable provisions of the Companies Act, 2013 (the Act) the Articles of Association of the Company be and are hereby amended in the following manner.

In the text of the following resolutions the expression “the words” shall include “number” wherever the context so required.

Article 103 (b) to be substituted by the following Article.

The Managing Director or Joint Managing Director holding office, shall not be subject to retirement by rotation.

PROVIDED THAT the above provision shall be limited to not more than two persons holding office as Managing Director / Joint Managing Director.

PROVIDED FURTHER THAT Dr.Nalla G Palaniswami (Managing Director) and Dr.Thavamani Devi Palaniswami (Joint Managing Director) shall not be subject to retirement by rotation until such time they are Directors of the Company”.

6. To consider and if thought fit, to pass the following resolution as a special resolution:

“RESOLVED THAT pursuant to provisions of Section 190, 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications and re-enactments thereof, for the time being in force) read with Schedule V of the said Act, the consent of the Company be and is hereby accorded to the appointment of Dr.Thavamani Devi Palaniswami as Joint Managing Director of the Company for a period of five years with effect from 29.07.2015 on the terms and conditions including remuneration, allowances, perquisites and other benefits etc. as specified under with the authority to the Board to alter or vary the same from time to time with effect from such date or dates as may be decided by it and agreed to by Dr.Thavamani Devi Palaniswami”.

“RESOLVED FURTHER THAT in the absence or inadequacy of the profits in any year, Dr.Thavamani Devi Palaniswami shall be entitled to receive and be paid as minimum remuneration in that year by way of salary, allowances, perquisites and other benefits as stated under subject to the necessary approvals and ceiling specified under Schedule V of the Companies Act, 2013”.

I. SALARY

₹ 5,00,000/- (Rupees Five lacs only) per month. (Subject to the provisions of Income Tax Act, 1961)

[Annual increase in the salary as the Board may decide from time to time, however subject to a ceiling of ₹ 50,000/- (Rupees Fifty thousand only) per month. First increase to be effective from 29.07.2016 subject to the confirmation of the Board of Directors based on the recommendation of the Nomination and Remuneration Committee of Directors].

II. COMMISSION

2% (two percent) commission on the net profits of the Company subject to a maximum ceiling specified in Section I of Part II of Schedule V of the Companies Act, 2013.

III. PERQUISITES

Perquisites as follows will be paid and / or provided in addition to salary. Perquisites shall be valued in terms of actual expenditure incurred by the Company as per Income Tax Rules. However in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy the perquisites shall be valued as per Income Tax Rules.

a. Medical Expenses

Coverage of medical expenses / personal accident insurance for self and family.

b. Leave Travel Concession / Allowance

For self and family, once in a year in accordance with the rules of the Company.

c. Club Fees

Fees of Club payable as per the rules of the Company.

d. Car

Use of Company's car with driver.

e. Telephone

Communication facilities at residence.

f. Any other perquisites as may be allowed by the Board subject to the provisions of the Companies Act, 2013.

IV. Other benefits

a. Contribution to provident fund to the extent not taxable under the Income Tax Act.

b. Gratuity at the rate of half month's salary for each completed year of service.

c. Encashment of leave at the end of the tenure as per the rules of the Company.

d. The above benefits under (a) to (c) shall not be included in the computation of ceiling on remuneration or perquisites.

V. Overall Remuneration

That the total remuneration (i.e. salary, perquisites, commission and allowances) in any one financial year shall not exceed the limits prescribed from time to time under Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Dr.Thavamani Devi Palaniswami and accepted by the Nomination and Remuneration Committee.

VI. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowance shall be governed under Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modifications or re-enactment thereof, as may, for the time being in force.

7. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED THAT in accordance with the provisions of Section 190, 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (including any statutory modifications / re-enactments thereof, for the time being in force) the consent of the Company be and is hereby accorded to the appointment of Dr.Arun N Palaniswami as Whole Time Director of the Company for a period of three years with effect from 25.09.2015, on the terms and conditions including remuneration as are set out hereunder with liberty to the Directors (hereinafter referred to as the Board) to alter and vary the terms and conditions of the said appointment and /or remuneration so as not to exceed the limits specified in schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof for the time being in force or any amendments and / or re-enactment thereof for the time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time or any amendments thereto as may be agreed to between the Board and Dr.Arun N Palaniswami.

I. SALARY

₹ 3,00,000/- (Rupees Three lacs only) per month. (Subject to the provisions of Income tax Act, 1961)

[Annual increase in the salary as the Board may decide from time to time, however subject to a ceiling of ₹ 50,000/- (Rupees Fifty thousand only) per month. First increase to be effective from 25.09.2016 subject to the confirmation of the Board of Directors based on the recommendation of the Nomination and Remuneration Committee of Directors].

II. PERQUISITES

Perquisites as follows will be paid and / or provided in addition to salary. Perquisites shall be valued in terms of actual expenditure incurred by the Company as per Income Tax Rules. However in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy the perquisites shall be valued as per Income Tax Rules.

a. Medical Expenses

Reimbursement of medical expenses actually incurred for self and family as per the rules of the Company.

b. Leave Travel Concession / Allowance

For self and family, once in a year in accordance with the rules of the Company.

c. Club Fees

Fees of Club payable as per the rules of the Company.

d. Car

Use of Company's car with driver.

e. Telephone

Communication facilities at residence.

f. Any other perquisites as may be allowed by the Board subject to the provisions of the Companies Act, 2013.

III. Other benefits

a. Contribution to provident fund to the extent not taxable under the Income Tax Act.

b. Gratuity at the rate of half month's salary for each completed year of service.

c. Encashment of leave at the end of the tenure as per the rules of the Company.

d. The above benefits under (a) to (c) shall not be included in the computation of ceiling on remuneration or perquisites.

IV. Overall Remuneration

That the total remuneration (i.e. salary, perquisites and allowances) in any one financial year shall not exceed the limits prescribed from time to time under Section 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board of Directors on the recommendation of Nomination and Remuneration Committee of Directors. Further, within the overall remuneration, the individual components may be changed as desired by Dr.Arun N Palaniswami and accepted by the Nomination and Remuneration Committee.

V. Minimum Remuneration

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, perquisites and other allowances shall be governed under Section II of Part II of Schedule V to the Companies Act, 2013 including any statutory modifications or re-enactment thereof, as may, for the time being in force. The provisions for minimum remuneration shall be limited to initial period of three years only.

8. To consider and if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED that pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 including any statutory amendments and modifications thereof, for the time being in force, the remuneration payable to Mr.V.Sakthivel, Partner, M/s RKMS & Associates, a firm of Cost Accountants in Practice, Tirupur, having Membership No.23292, appointed by the Board of Directors to conduct the Audit of the cost accounting records of the Company for the Financial years 2014-15 and 2015-16 amounting to ₹ 1,25,000/- p.a. and ₹ 1,50,000/- p.a. exclusive of service tax as applicable and re-imbursalment of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution”.

NOTES

1. A member is entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on his/her behalf. A proxy need not be a member of the company.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or member.

The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of the power or other authority shall be deposited at the Registered Office of the company at Post Box No.3209, Avanashi Road, Coimbatore – 641 014 not less than 48 hours before the commencement of the meeting.

2. In case of joint holders attending the meeting, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.
3. Members / proxies should bring the attendance slips duly filled in and signed for attending the meeting. Corporate Members intending to send their authorized representative(s) to attend the Meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

4. The Statement of material facts pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Item No.5,6,7 & 8 of special business is annexed hereto.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of members and Share Transfer Books of the Company will remain closed from Saturday, 19th September 2015 to Friday, 25th September 2015 (both days inclusive) in connection with the 29th Annual General Meeting.
6. Dividend upon its declaration at the meeting will be paid within the statutory period of 30 days to those members whose names appear:
 - a. As members on the Registr of Members of the company as on 25th September 2015 after giving effect to all valid share transfers in physical form which would be received by the company upto the closing hours of business on 18th September 2015.
 - b. As beneficial owners as per the list to be furnished by NSDL/CDSL as at the closing hours of business on 18th September 2015.

7. Electronic Clearing Service (ECS) Facility

Shareholders holding shares in physical form who now wish to avail ECS facility, are requested to forward their ECS mandate in the prescribed form to the Company's Registrar and Share Transfer Agent, M/s GNSA Infotech Limited, STA Department, Nelson Chambers, F - Block , 4th Floor , No . 115 Nelson Manickam Road , Aminjikai , Chennai – 600 029.

8. Pursuant to the provisions of Section 124(6) of the Companies Act, 2013, amended, dividend for the financial year ended 31st March 2008 and thereafter, which remains unclaimed for a period of 7 years from the date of transfer of the same to the unclaimed dividend account as referred to in sub-section (6) of section 124 of the Act, will be transferred to the Investor Education and Protection Fund (IEP Fund) of the Central Government. Members who have not encashed the dividend warrant(s) so far for the financial year ended 31st March 2008 or subsequent financial years are requested to make their claim to the Secretarial Department of the Company at Post Box No.3209, Avanashi Road, Coimbatore – 641 014. It may also be noted that once the unclaimed dividend is transferred to the IEP Fund as above, no claim shall lie in respect thereof.
9. The company transferred all unclaimed dividend declared upto the financial year ended 31st March 2007 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978.
10. Members holding shares in physical form are requested to intimate the following directly to the company's Registrar and Share Transfer Agent, M/s GNSA Infotech Limited, STA Department, Nelson Chambers, F-Block, 4th Floor, No.115 Nelson Manickam Road, Aminjikai, Chennai – 600 029.
 - a. Bank Mandate with full particulars for remittance of dividend directly into their bank accounts, if declared at the meeting.

- b. Changes if any, in their address at an early date.
 - c. Application for consolidation of folios, if shareholdings are under multiple folios.
 - d. Despatch of share certificates for consolidation.
 - e. Request for nomination forms for making nominations as per amended provisions of the Companies Act, 2013.
 - f. Members are requested to quote their ledger folio numbers in all correspondences.
11. Members holding shares in dematerialised form (electronic form) are requested to intimate any change in their address, bank mandate etc. directly to their respective Depository Participants.
 12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent M/s GNSA Infotech Limited, Chennai.
 13. The Companies Act, 2013 permits sending of documents through electronic mode instead of sending the physical copy of the document(s). The members are requested to support this paperless Service by registering / updating their e-mail address with the company or Share Transfer Agent M/s.GNSA Infotech Limited, Chennai.
 14. Members are requested to note that the Company's shares are under compulsory demat trading for all investors. Members are, therefore, requested to dematerialise their shareholding to avoid inconvenience.
 15. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
 16. Electronic copy of the Annual Report for the financial year 2014-15 is being sent to all the members whose Email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2014-15 is being sent in the permitted mode.
 17. Pursuant to the requirements of Corporate Governance under Clause 49 of Listing Agreement entered into with the Stock Exchange(s), the brief resumes of all the Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/chairmanships of Board/Committees, shareholding and relationships between Directors inter-se, are provided in the Notice forming part of the Annual Report.

18. Members may also note that the Notice of the 29th Annual General Meeting and the Annual Report for the financial year 2014-15 will also be available on the Company's website for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: secretarialdept@kmchhospitals.com.
19. As a measure of economy, copies of Annual Reports will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of Annual Report to the meeting.
20. Members seeking any information as regards the accounts are requested to write to the Company atleast seven days prior to the meeting so as to enable the management to keep the information available.

21. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL):

I. The instructions for e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

- (i) Open email and open PDF file viz; "kmchltd.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder – Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of KMCH LTD.
- (viii) Now you are ready for e-voting as Cast Vote page opens.

- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to madhu@ksrandco.in with a copy marked to evoting@nsdl.co.in.

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:

- I.(a) Initial password is provided as below/at the bottom of the Attendance Slip/EVEN (E-voting Event Number) User ID and Password.
- (b) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/ PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on 22nd September 2015 (9:00 am) and ends on 24th September 2015 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September 2015 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of September 18th, 2015.
- VII. Mr.C.V.Madhusudhanan, Practising Company Secretary (Membership No.FCS 5367), Partner, KSR & Co Company Secretaries LLP, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process (including the ballot form received from the members who do not have access to the e-voting process) in a fair and transparent manner.

VIII. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with Annual Report) so as to reach the Scrutinizer Mr.C.V.Madhusudhanan, Practicing Company Secretary appointed by the Board of Directors of the Company not later than Thursday, September 24, 2015 (5.00 p.m. – IST). Ballot Form received after the date will be treated as invalid. A member can opt for only one mode of voting i.e. either through e-voting or by ballot. If a member casts vote by both modes then voting done through e-voting shall prevail and ballot shall be treated as invalid.

The facility for voting through ballot paper will be made available at the venue of the Annual General Meeting to enable the Shareholders to vote. Shareholders who have already exercised their votes through remote e-voting or by ballot form will not be eligible to vote again in the Annual General Meeting.

- IX. The Scrutinizer shall within a period not exceeding 2 (two) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting.
- X. The Results shall be declared after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kmchhospitals.com and on the website of NSDL within 2 (two) working days from the date of AGM of the Company and communicated to BSE Limited where the shares of the company are listed.

By order of the Board

Coimbatore
29.05.2015

**CS. S.P. CHITTIBABU
COMPANY SECRETARY**

ANNEXURE TO THE NOTICE

THE STATEMENT OF MATERIAL FACTS PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No: 5

Pursuant to Section 152 (6) of the Companies Act, 2013 not less than two-third of the total number of Directors of the public company (excluding Independent Directors) are required to retire by rotation. The remaining one-third of the Directors need not retire by rotation. The Board of Directors at their meeting held on 29.05.2015 decided to nominate Dr.Nalla G Palaniswami, Managing Director and Dr.Thavamani Devi Palaniswami, Joint Managing Director as Directors not liable to retire by rotation.

In view of the above it is proposed to amend Article 103(b) of the Articles of Association.

Pursuant to the provisions of Section 14 of the said Act, amendment of Articles of Association would require approval of shareholders by way of special resolution. Accordingly this matter has been placed before the shareholders for approval.

The Board of Directors commend passing of the resolution set out in item no.5 of the notice.

None of the Directors except Dr.Nalla G Palaniswami, Dr.Thavamani Devi Palaniswami Dr.Mohan S Gounder, Dr.Purani P Palaniswami, Dr. Arun N Palaniswami and Dr. P.R.Perumalswami are concerned or interested in the proposed resolution.

Item No : 6

The members of the Company vide their Annual General Meeting held on 12.08.2010 had appointed Dr.Thavamani Devi Palaniswami as Joint Managing Director for a period upto 28th July 2015. The Board in its meeting held on 29.05.2015 had resolved to re-appoint Dr.Thavamani Devi Palaniswami for a period of five years. The Nomination and Remuneration Committee in its meeting held on 20.05.2015 had also recommended the remuneration of Dr.Thavamani Devi Palaniswami for a period of five years subject to the approval of members.

Dr.Thavamani Devi Palaniswami MD AB (USA) is one of the main promoters of the Company and she is actively associated with the growth of the Hospital since its inception. She is a qualified Paediatrician having worked in various Hospitals in USA for more than 20 years and gained valuable experience in Hospital Management. Considering her experience and contribution to the growth of the Company, the Board of Directors have re-appointed Dr.Thavamani Devi Palaniswami as Joint Managing Director of the Company for a further period of 5 years with effect from 29.07.2015. The terms and conditions of her re-appointment and payment of remuneration are subject to the approval of the shareholders in the General Meeting.

The proposed re-appointment of Dr.Thavamani Devi Palaniswami as Joint Managing Director and the payment of remuneration are in conformity with Schedule V of the Companies Act, 2013.

In the event of inadequacy or absence of net profits during any financial year, the remuneration payable shall be maximum permissible under Section II of Part II of Schedule V of the Companies Act, 2013.

Pursuant to Section 190 of the Companies Act, 2013, the appointment and terms and conditions as set out in the resolution shall be deemed to be memorandum as required under the said section.

In terms of Article 103(b) of the amended Articles of Association of the Company, Dr.Thavamani Devi Palaniswami is not liable to retire by rotation.

Further during the term of office for which Dr.Thavamani Devi Palaniswami was appointed she will cross the age of 70 years. Hence, in terms of Part I of schedule V of the Companies Act, 2013, the resolution for appointment of Dr.Thavamani Devi Palaniswami as Joint Managing Director of the company is proposed as a special resolution.

None of the Directors except Dr.Nalla G Palaniswami, Dr.Thavamani Devi Palaniswami, Dr.Mohan S Gounder, Dr.Purani P Palaniswami, Dr.Arun N Palaniswami and Dr.P.R.Perumalswami are interested or concerned in the proposed resolution.

The Board recommends this resolution set out in Item no.6 for the approval of the members.

Item No : 7

Dr.Arun N Palaniswami MBBS, MD AB (Internal Medicine) is a specialist in Internal Medicine and was practicing medicine in USA for more than five years. With his extensive insight into the operations of various health care facilities across United States, Dr.Arun N Palaniswami used his knowledge and expertise to provide guidance to KMCH over these years. He has also volunteered his time and experience gained in US in implementing quality standards at KMCH.

In view of the various new projects embarked by KMCH, the volume of business is consistently on the increase associated with demanding work load necessitates the need for appointing Dr.Arun N Palaniswami as a Whole Time Director of the Company with effect from 25.09.2015 for a period of three years and in terms of Articles of Association he is liable to retire by rotation. The Nomination and Remuneration Committee had also recommended his remuneration and other terms and conditions at its meeting held on 20.05.2015.

The proposed appointment of Dr.Arun N Palaniswami as Whole Time Director and the payment of remuneration are in conformity with Schedule V of the Companies Act, 2013.

In the event of inadequacy or absence of net profits during any financial year, the remuneration payable shall be maximum permissible under Section II of Part II of Schedule V of the Companies Act, 2013.

Pursuant to Section 190 of the Companies Act, 2013, the appointment and terms and conditions as set out in the resolution shall be deemed to be memorandum as required under the said section.

The terms and conditions of the appointment and payment of remuneration are subject to the approval of the Shareholders in General Meeting.

None of the Directors except Dr.Nalla G Palaniswami, Dr.Thavamani Devi Palaniswami, Dr.Mohan S Gounder and Dr.Purani P Palaniswami are interested or concerned in the proposed resolution.

The Board recommends this resolution set out in item no.7 for the approval of the members.

Item No : 8

In view of the revised Cost Audit Rules as part of new Companies Act, 2013 notified by the Ministry of Corporate Affairs in the month of July 2014, the Board of Directors on the recommendation of the Audit Committee has approved the appointment of Mr.V.Sakthivel (Membership No.23292) Cost Accountant, M/s RKMS & Associates, Cost Accountants, Tirupur as Cost Auditor to conduct audit of cost records of the company for the financial year ending 31st March 2015 and fixed his remuneration as ₹ 1,25,000/- (Rupees One lac and twenty five thousand only) plus reimbursement of out-of-pocket expenses and fixed his remuneration as ₹ 1,50,000/- (Rupees One lac and fifty thousand only) plus reimbursement of out of pocket expenses to conduct audit of cost records of the company for the financial year ending 31st March 2016 respectively.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditor for the financial year ending 31st March 2015 and 31st March 2016 has to be ratified by the shareholders.

Accordingly, the consent of the members is sought for passing an ordinary resolution set out at item no.8 of the notice for ratification of remuneration payable to the Cost Auditor for the financial year 31st March 2015 and 31st March 2016.

None of the Directors, Key Managerial Personnel of the company / their relatives are in any way, concerned or interested financially or otherwise in the resolution set out at item no.8 of the notice.

The Board commends the ordinary resolution set out in item no.8 of the notice for the approval of the members.

By order of the Board

Coimbatore
29.05.2015

**CS. S.P. CHITTIBABU
COMPANY SECRETARY**

The details of Directors appointment / re-appointment in the forth coming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement) are as follows :

S.No.	Particulars	Dr.Thavamani Devi Palaniswami	Dr.Arun N Palaniswami
1.	DIN	00012135	02706099
2.	Date of Birth & Age	17.11.1947 & 68 yrs.	03.08.1979 & 36 yrs
3.	Year of Induction to the Board	2000	-
4.	Qualification	MD AB (USA)	MBBS MD AB (Internal Medicine)
5.	Shareholding	1094530 Equity shares	10000 Equity shares
6.	Experience	45 years	6 years
7.	Relationship	Dr.Thavamani Devi Palaniswami is related to Dr.Nalla G Palaniswami (Managing Director), Dr.P.R.Perumalswami (Director), Dr.Mohan S Gounder (Joint Managing Director) and Dr.Purani P Palaniswami (Director) of the Company.	Dr.Arun N Palaniswami is related to Dr.Nalla G Palaniswami (Managing Director), Dr.Thavamani Devi Palaniswami (Joint Managing Director), Dr.Mohan S Gounder (Joint Managing Director) and Dr.Purani P Palaniswami (Director) of the Company.
8.	Directorship / Membership in other Public Ltd. Companies	Purani Hospital Supplies Ltd., Idhayam Hospitals Erode Ltd., Aosta Software Technologies (I) Ltd., EDG Pharmaceuticals (India) Ltd.	Purani Hospital Supplies Ltd., Aosta Software Technologies (I) Ltd., EDG Pharmaceuticals (India) Ltd.