



Kovai Medical Center and Hospital Limited

NOTICE

NOTICE is hereby given that the **Twenty Eighth Annual General Meeting** of the Members of Kovai Medical Center and Hospital Limited will be held on Wednesday, the 3rd September 2014 at **3.00 p.m. at “KMCH Auditorium”, KMCH Campus, Avanashi Road, Coimbatore – 641 014** to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and Statutory Auditors' thereon.
2. To declare dividend on equity shares for the financial year ended 31st March 2014.
3. To appoint a Director in place of Dr.M.C.Thirumoorthi (holding DIN: 00129814), who retires by rotation and being eligible, offers himself for re-appointment.
4. To Re-appoint M/s Haribakthi & Co. LLP, Chartered Accountants, Coimbatore having ICAI Firm Registration No: 103523W as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr.Kasi K Goundan (holding DIN: 01145935), a Non-Executive Director of the Company has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term upto 02.09.2019”.
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Dr.M.Manickam (holding DIN: 00102233), a Non-Executive Director of the Company has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term upto 02.09.2019”.

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 CA.A.M.Palanisamy (holding DIN: 00112303), a Non-Executive Director of the Company has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term upto 02.09.2019”.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr.A.K.Venkatasamy (holding DIN: 00036191), a Non-Executive Director of the Company has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term upto 02.09.2019”.

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Mr.K.Saminathan (holding DIN: 01571748), a Non-Executive Director of the Company has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term upto 02.09.2019”.

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 Dr.M.A.Muthusethupathi (holding DIN: 02766069), a Non-Executive Director of the Company has submitted a declaration that he meets the criteria

for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the company to hold office for five consecutive years for a term upto 02.09.2019”.

11. To appoint Dr.Purani P Palaniswami (holding DIN: 02707233) as a Director to fill the vacancy of the retiring Director Dr.K.S.K.Murugaiyan (holding DIN: 00012093) who retires at this Annual General Meeting and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT Dr.Purani P Palaniswami (holding DIN: 02707233) in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director be and is hereby appointed as Director of the Company liable to retire by rotation in the vacancy of Dr K.S.K.Murugaiyan (holding DIN: 00012093) who retires at this Annual General Meeting”.

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

Amendment of Articles of Association

“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 requires.

Wherever the words “the Companies Act, 1956” are occurring, the same to be substituted by the words “the Companies Act, 2013”.

In Article 1, the words “Table A” be substituted by the words “Table F”.

In Article 2(f) , the words “Section 150” be substituted by the words “Section 88”.

In Article 15, the words “Section 91” be substituted by the words “Section 49”.

In Article 36(a), the words “Form No.7-B set forth in Annexure-A to the Companies (Central Government's) General Rules and Forms,1956” be substituted by the words “Form No.SH-4 set forth in Sub Rule 11(1) of the Companies (Share Capital and Debentures) Rules, 2014”.

Articles 36 (b) and 36 (c) be substituted by the following Articles :

36(b) Instrument of Transfer shall be in the form as may be prescribed duly stamped, dated and executed by or on behalf of the Transferor and the Transferee and specify the name, address and occupation, if any, of the Transferee.

36(c) The Instrument of Transfer shall be delivered to the Company by the Transferor or the Transferee within a period of 60 days from the date of execution along with the certificate relating to the securities or if no such certificate is in existence along with the letter of allotment of securities.

In Article 38, the words “ Section 111” be substituted by the words “ Section 58 ”.

In Article 44 (A), the words “ 109A and 109 B ” be substituted by the words “Section 72 ”.

In Article 48(d), the words “ of Section 206 of ” to be deleted .

In Article 50 the following be deleted :

Section 76 : To pay Commission on issue of shares/debentures.

Section 80 : To issue Redeemable Preference Shares.

Section 92 : To accept unpaid share capital although not called up.

Section 93 : To pay dividend in proportion to amount paid up.

Section 94 : To alter the share capital of the Company.

Section 100 : To reduce the capital of the Company.

Section 106 : To alter the rights of holders of special classes of shares ”.

And substituted by :

Section 40 : To pay commission on issue of shares/debentures.

Section 48 : Variation of shareholders rights.

Section 50 : To accept unpaid share capital, although not called up.

Section 51: To pay dividend in proportion to amount paid up.

Section 55(2) : Issue preference shares which are liable to be redeemed within a
period not exceeding twenty years from their date of issue .

Section 61: Power to alter its Share Capital .

In Article 52 (B) the words “ Section 94 of the Act” be substituted by the words ” Section 61 of the Act”.

In Article 63 (b), the words “Section 87” be substituted by the words “Section 47 (b)”.

In Article 68 the words “ in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances admit ” be substituted by the words.

“In Form No.MGT.11 of the Companies (Management and Administration) Rules, 2014 ”.

In Article 76 the words “ Section 262 ” be substituted by the words “ Section 161(4) ”.

In Article 77 the words “ Section 313 ” be substituted by the words “ Section 161(2) ”.

In Article 81 the words “ Section 285 ” be substituted by the words “ Section 173 ”.

In Article 81 the words “ Section 287 ” be substituted by the words “ Section 174 ”.

Article 83 to be substituted by the following Article :

“ Except where the Act requires a Resolution to be passed at a Meeting of the Board with the consent of all the Directors present at the Meeting, the question arising at any Meeting of the Directors shall be decided by a majority of votes of Directors voting . In case of equality of votes, the Chairman shall have a Second or Casting vote ”.

In Article 89 the words “ Section 292 “ be substituted by the words “ Section 179 ”.

In Article 91 the words “ Section 262, 292, 297, 316 , 372 (5) and 386(2) “ be substituted by the words “ by any section ”.

In Article 98 the words “ of Section 50 of “ be substituted by the words “under ”.

In Article 98 the words “ Sections 157 and 158 ” be substituted by the words “ Sub Section (4) of Section 88 ”.

In Article 104 the last sentence of the words “Such Whole-time Director(s) shall not be liable for retirement by rotation for the period decided by the Company in General Meeting” to be deleted.

In Article 105 the words “ Section 310 ” be substituted by the words “ Section 197 ”.

In Article 109 the words “ Section 309 ” be substituted by the words “ Section 197 ”.

In Article 118(b), the words “ Section 205 –A ” be substituted by the words “ Section 124 ”.

In Article 123, the words “ delivered or sent by post to or left at the registered address of any member ” be substituted by the following words:

“ Served on any member by sending it to him / her by post or registered post or by speed post or at his / her office or address or by such electronic or other mode as may be prescribed in pursuance of these Articles shall not withstanding such member ”.

In Article 128 the words “ Section 633 ” be substituted by the words “ Section 463 ”.

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

Re-appointment of Managing Director

“RESOLVED THAT pursuant to provisions of Section 190, 196, 197, 198, 203 read with 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.Nalla G Palaniswami as Managing Director of the Company for a period of five years with effect from 01.10.2014 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.Nalla G Palaniswami ”.

“ RESOLVED FURTHER THAT in the absence of inadequacy of the profits in any year, Dr.Nalla G 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 however, 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.

[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 01.10.2015 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 and 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.Nalla G 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 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 be in force.

14. To consider and if thought fit, to pass with or without modification (s), the following resolution as a special resolution:

Approval for Borrowing in excess of the paid-up capital & free reserves of the Company

“RESOLVED THAT pursuant to the provisions of Section 180 (1) (c) of the Companies Act, 2013 and in pursuance of all earlier resolutions passed in this regard under the Companies Act, 1956, consent of the company be and is hereby accorded to the Board of Directors of the company and / or any committee thereof to borrow at its discretion, either from the company's bank or any other Indian or Foreign Bank(s), financial institution(s) and / or any other lending institutions or persons from time to time such sum(s) of money(s) and the sum(s) to be borrowed together with the money(s) already borrowed by the company (apart from temporary loans obtained from the company's bankers / financial institutions in the ordinary course of business) with or without security on such terms and conditions as they may think fit shall exceed the aggregate of the paid-up capital and free reserves of the company that is to say, reserves not set apart for any specific purpose, provided that the total amount of borrowing together with the money(s) already borrowed by the Board of Directors shall not exceed the sum of ₹ 1000 crore (Rupees One thousand crore only) at any one time”.

15. To consider and if thought fit, to pass with or without modification(s), the following resolution as a special resolution:

Approval for creation of charge / mortgage etc. on Company's movable / immovable properties.

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 and subject to other approvals, if applicable or required under any statute(s) / rule(s) / regulation(s) or any law for the time being in force or required from any other concerned authorities and in

supersession of earlier resolutions passed in this regard under the Companies Act, 1956, the Board of Directors of the company and / or any committee thereof, be and are hereby authorized and shall be deemed to have always been so authorized to create such mortgages / charges / hypothecation and/or other encumbrances, in addition to the existing mortgages, charges, hypothecation and other encumbrances, if any created by the company on all or any part of the immovable and/or movable properties, current and/or fixed assets, tangible or intangible assets, book debts and/or claims of the company wheresoever situate, present and future such charges to rank either pari passu with or second, subsequent, subservient and subordinate to all mortgages, charges, hypothecation and other encumbrances created / to be created by the company in favour of Indian or foreign financial institutions, banks and other lending institutions and/or to such other persons, if any from whom the company has proposed / proposes to borrow money / sums of money's by way of term loans, cash credits, over drafts, discounting of bills, inter-corporate deposits, commercial papers or such other financial instruments permitted to be issued by the appropriate authorities from time to time together with interest, cost, charges and other incidental expenses in terms of the agreement(s) entered / to be entered into by the Board of Directors / to any committee thereof of the company with the over all borrowing limits of ₹ 1000 crore (Rupees One thousand crore only) as fixed pursuant to Section 180(1)(c) of the Companies Act, 2013”.

NOTES

1. A member 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. 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. A statement of material facts pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Item No.5 to 15 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 Wednesday, 27th August 2014 to Wednesday, 3rd September 2014 (both days inclusive) in connection with the 28th Annual General Meeting and for ascertaining shareholders who are entitled to receive dividend declared at the AGM.

6. Dividend upon its declaration at the meeting will be paid within statutory period of 30 days to those members whose names appear :
 - a. As members on the Register of Members of the company as on 3rd September 2014 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 26th August 2014.
 - b. As beneficial owners as per the list to be furnished by NSDL/CDSL as at the closing hours of business on 26th August 2014.
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 205 of the Companies Act, 1956, amended, dividend for the financial year ended 31st March 2007 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 (1) of section 205A 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 2007 or subsequent financial years are requested to make their claim to the Secretarial Department, 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 2006 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. Those Shareholders who have so far not claimed or collected their dividend upto the aforesaid financial year may claim their dividend from the Registrar of Companies, Tamil Nadu, Coimbatore Stock Exchange Building, 2nd Floor, 683 Trichy Road, Singanallur, Coimbatore – 641 005.
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 ledger folio numbers in all their 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 Ministry of Corporate Affairs, New Delhi (MCA) has taken a 'Green initiative' in the corporate governance by permitting paperless compliances by companies vide its Circulars which validate the sending of documents through electronic mode and clarified that the service of documents by a company can be made through electronic mode instead of sending the physical copy of the document(s). The members are requested to support this 'Green initiative' by registering/ updating their e-mail address with the company or Share Transfer Agent M/s GNSA Infotech Limited, Chennai.
14. Documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during normal business hours (9:30 am to 6:00 pm) on all working days except Saturdays and Sundays (including Public Holidays) up to the date of the Annual General Meeting.
15. 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.
16. 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 Registrar 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.
17. Electronic copy of the Annual Report for the year 2014 is being sent to all the members whose Email IDs are registered with the Company / Depository Participant(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 year 2014 is being sent in the permitted mode.
18. 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 Directors' Report forming part of the Annual Report.

19. Members may also note that the Notice of the 28th Annual General Meeting and the Annual Report for the year 2014 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.
20. As a measure of economy, copies of Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of Annual Report to the meeting.
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 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services provided by National Securities Depository Limited (NSDL):

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] :

- (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 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) of 'A' 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.e-voting.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 August 28, 2014 (9:00 am) and ends on August 30, 2014 (6:00 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 July 25, 2014, 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 July 25, 2014.
- VII. Mr.C.V.Madhusudhanan, Practising Company Secretary (Membership No.FCS 5367) of M/s 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, Practising Company Secretary appointed by the Board of Directors of the Company not later than Saturday, August 30, 2014 (6.00 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.
- IX. The Scrutinizer shall within a period not exceeding 3 (three) 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 Company.
- X. The Results shall be declared on or 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) days of passing of the resolutions at the AGM of the Company on 3rd September 2014 and communicated to the Stock Exchanges where the shares of the company are listed.

By order of the Board
For Kovai Medical Center and Hospital Limited

Coimbatore
17.07.2014

CS.S.P. CHITTIBABU
COMPANY SECRETARY

ANNEXURE TO THE NOTICE

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

Item No : 5

Mr.Kasi K Goundan is a Non-Executive Independent Director of the company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act). Mr.Kasi K Goundan being eligible and proposed to be appointed as an Independent Director for a term of five years.

The company has received notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mr.Kasi K Goundan for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Act.

The company has received from Mr.Kasi K Goundan:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014.
- ii. Intimation in Form DIR-8 in terms of the said rules, to the effect that he meets the criteria of independence as prescribed in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of the members for appointment of Mr.Kasi K Goundan as an Independent Director of the company upto 02.09.2019 pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr.Kasi K Goundan fulfills the conditions specified in the Act and the rules made thereunder and he is independent of the management.

A copy of the draft letter of appointment of Mr.Kasi K Goundan as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the company's Registered Office during business hours on working days upto the date of Annual General Meeting. The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Mr.Kasi K Goundan as an Independent Director.

The detailed profile of Mr.Kasi K Goundan, Directorship position held by him in other companies is included separately in this notice.

The Board of Directors commend passing of the resolution set out in item no.5 of the notice in relation to the appointment of Mr.Kasi K Goundan as an Independent Director.

Except Mr.Kasi K Goundan, no other Director, key managerial personnel and relatives thereof are concerned or interested in this resolution.

Item No:6

Dr.M.Manickam is a Non-Executive Independent Director of the company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act). Dr.M.Manickam being eligible and proposed to be appointed as an Independent Director for a term of five years.

The company has received notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Dr.M.Manickam for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Act.

The company has received from Dr.M.Manickam:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014.
- ii. Intimation in Form DIR-8 in terms of the said rules, to the effect that he meets the criteria of independence as prescribed in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of the members for appointment of Dr.M.Manickam as an Independent Director of the company upto 02.09.2019 pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Dr.M.Manickam fulfills the conditions specified in the Act and the rules made thereunder and he is independent of the management.

A copy of the draft letter of appointment of Dr.M.Manickam as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the company's Registered Office during business hours on working days upto the date of Annual General Meeting. The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Dr.M.Manickam as an Independent Director.

The detailed profile of Dr.M.Manickam, Directorship position held by him in other companies is included separately in this notice.

The Board of Directors commend passing of the resolution set out in item no.6 of the notice in relation to the appointment of Dr.M.Manickam as an Independent Director.

Except Dr.M.Manickam, no other Director, key managerial personnel and relatives thereof are concerned or interested in this resolution.

Item No:7

CA. A.M.Palanisamy is a Non-Executive Independent Director of the company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act). CA. A.M.Palanisamy being eligible and proposed to be appointed as an Independent Director for a term of five years.

The company has received notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of CA. A.M.Palanisamy for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Act.

The company has received from CA. A.M.Palanisamy:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014
- ii. Intimation in Form DIR-8 in terms of the said rules, to the effect that he meets the criteria of independence as prescribed in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of the members for appointment of CA. A.M.Palanisamy as an Independent Director of the company upto 02.09.2019 pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, CA. A.M.Palanisamy fulfills the conditions specified in the Act and the rules made thereunder and he is independent of the management.

A copy of the draft letter of appointment of CA. A.M.Palanisamy as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the company's Registered Office during business hours on working days upto the date of Annual General Meeting. The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of CA. A.M.Palanisamy as an Independent Director.

The detailed profile of CA. A.M.Palanisamy, Directorship position held by him in other companies is included separately in this notice.

The Board of Directors commend passing of the resolution set out in item no.7 of the notice in relation to the appointment of CA. A.M.Palanisamy as an Independent Director.

Except CA. A.M.Palanisamy, no other Director, key managerial personnel and relatives thereof are concerned or interested in this resolution.

Item No:8

Mr.A.K.Venkatasamy is a Non-Executive Independent Director of the company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act). Mr.A.K.Venkatasamy being eligible and proposed to be appointed as an Independent Director for a term of five years.

The company has received notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mr. A.K.Venkatasamy for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Act.

The company has received from Mr. A.K.Venkatasamy:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014.
- ii. Intimation in Form DIR-8 in terms of the said rules, to the effect that he meets the criteria of independence as prescribed in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of the members for appointment of Mr.A.K.Venkatasamy as an Independent Director of the company upto 02.09.2019 pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr.A.K.Venkatasamy fulfills the conditions specified in the Act and the rules made thereunder and he is independent of the management.

A copy of the draft letter of appointment of Mr.A.K.Venkatasamy as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the company's Registered Office during business hours on working days upto the date of Annual General Meeting. The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Mr.A.K.Venkatasamy as an Independent Director.

The detailed profile of Mr.A.K.Venkatasamy, Directorship position held by him in other companies is included separately in this notice.

The Board of Directors commend passing of the resolution set out in item no.8 of the notice in relation to the appointment of Mr.A.K.Venkatasamy as an Independent Director.

Except Mr.A.K.Venkatasamy, no other Director, key managerial personnel and relatives thereof are concerned or interested in this resolution.

Item No:9

Mr.K.Saminathan is a Non-Executive Independent Director of the company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act). Mr.K.Saminathan being eligible and proposed to be appointed as an Independent Director for a term of five years.

The company has received notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Mr.K.Saminathan for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Act.

The company has received from Mr.K.Saminathan:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014.
- ii. Intimation in Form DIR-8 in terms of the said rules, to the effect that he meets the criteria of independence as prescribed in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of the members for appointment of Mr.K.Saminathan as an Independent Director of the company upto 02.09.2019 pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr.K.Saminathan fulfills the conditions specified in the Act and the rules made thereunder and he is independent of the management.

A copy of the draft letter of appointment of Mr.K.Saminathan as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the company's Registered Office during business hours on working days upto the date of Annual General Meeting. The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Mr.K.Saminathan as an Independent Director.

The detailed profile of Mr.K.Saminathan, Directorship position held by him in other companies is included separately in this notice.

The Board of Directors commend passing of the resolution set out in item no.9 of the notice in relation to the appointment of Mr.K.Saminathan as an Independent Director.

Except Mr.K.Saminathan, no other Director, key managerial personnel and relatives thereof are concerned or interested in this resolution.

Item No:10

Dr.M.A.Muthusethupathi is a Non-Executive Independent Director of the company. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 (the Act). Dr.M.A.Muthusethupathi being eligible and proposed to be appointed as an Independent Director for a term of five years.

The company has received notice in writing under the provisions of Section 160 of the Act, from a member proposing the candidature of Dr.M.A.Muthusethupathi for the office of Independent Director to be appointed as such under the provisions of Section 149 of the Act.

The company has received from Dr.M.A.Muthusethupathi:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014.
- ii. Intimation in Form DIR-8 in terms of the said rules, to the effect that he meets the criteria of independence as prescribed in sub-section (6) of Section 149 of the Act.

The resolution seeks the approval of the members for appointment of Dr.M.A.Muthusethupathi as an Independent Director of the company upto 02.09.2019 pursuant to Section 149 and other applicable provisions of the Act and the rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Dr.M.A.Muthusethupathi fulfills the conditions specified in the Act and the rules made thereunder and he is independent of the management.

A copy of the draft letter of appointment of Dr.M.A.Muthusethupathi as an Independent Director setting out the terms and conditions is available for inspection without any fee by the members at the company's Registered Office during business hours on working days upto the date of Annual General Meeting. The Board considers that his continued association would be of immense benefit to the company and it is desirable to continue to avail the services of Dr.M.A.Muthusethupathi as an Independent Director.

The detailed profile of Dr.M.A.Muthusethupathi, Directorship position held by him in other companies is included separately in this notice.

The Board of Directors commend passing of the resolution set out in item no.10 of the notice in relation to the appointment of Dr.M.A.Muthusethupathi as an Independent Director.

Except Dr.M.A.Muthusethupathi, no other Director, key managerial personnel and relatives thereof are concerned or interested in this resolution.

Item No:11

Dr.K.S.K.Murugaiyan, Non-Executive Non-Independent Director retires at the ensuing Annual General Meeting under the provisions of the erstwhile Companies Act, 1956 and in terms of Section 152 of the Companies Act, 2013.

As per the provisions of Section 152(6)(e) of the Companies Act, 2013 at the Annual General Meeting at which a Director retires, the company may fill up the vacancy by appointing the retiring Director or some other person thereto.

Dr.Purani P Palaniswami is a leading Consultant in Rheumatology in Chicago, USA and has ten years of experience in the field of healthcare.

The Board of Directors considers that the association of Dr.Purani P Palaniswami as a Director of the company will benefit our company.

Keeping in view of the above, the Board of Directors have proposed to appoint Dr.Purani P Palaniswami to fill up the vacancy which would arise consequent to the retirement of Dr.K.S.K.Murugaiyan at the ensuing Annual General Meeting. Dr.K.S.K.Murugaiyan has been a Director of the Company since 29.09.1993 and he has not offered himself for reappointment. Your Directors place on record the valuable guidance, support and advice extended by Dr.K.S.K.Murugaiyan during his tenure as director.

The detailed profile of Dr.Purani P Palaniswami, Directorship position held by her in other companies is included separately in this notice.

The company has received a notice in writing from a member along with a deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Dr.Purani P Palaniswami for the office of Director of the company.

Dr.Purani P Palaniswami is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director. She holds 667491 shares in the company.

The Board of Directors commend passing of the resolution set out in item no.11 of the notice.

Except Dr.Nalla G Palaniswami, Dr.Thavamani Devi Palaniswami, Dr.Mohan S Gounder, no other Director, key managerial personnel and relatives thereof are concerned or interested in this resolution.

Item No:12

The existing Articles of Association (AOA) is based on the Companies Act, 1956 and several regulations in the existing AOA contain references to specific Sections of the Companies Act, 1956. With the enactment of Companies Act, 2013 and its allied rules, the provisions of the Companies Act, 1956 are getting replaced in a phased manner.

Section 6 of the Act explicitly provides that in case of any conflict between the provisions of the Act and the Memorandum / Articles of Association of the company, the provisions of the Act will prevail. In light of the same, the Articles of Association of the company contains reference to various Sections and Schedules of the Companies Act, 1956, consequently it is necessary to delete the references in the Articles of Association of the Company pertaining to various Sections and Schedules of the old Act and the same be substituted by relevant corresponding provisions of the new Act.

Pursuant to the provisions of Section 14 of the new 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 existing Articles of Association of the company along with the Articles of Association incorporating therein the proposed alterations are available for inspection to all the members of the company at the Registered Office of the company during business hours on all week days.

The Board of Directors commend passing of the resolution set out in item no.12 of the notice.

None of the Directors, key managerial personnel and relatives thereof are interested or concerned in the proposed resolution.

Item No:13

The members of the Company vide their Annual General Meeting held on 31.07.2009 had appointed Dr.Nalla G Palaniswami as Managing Director for a period upto 30th September 2014. The Board in its meeting held on 17.07.2014 had resolved to re-appoint Dr.Nalla G Palaniswami for a period of five years. The Nomination and Remuneration Committee in its meeting held on 11.07.2014 had recommended the remuneration of Dr.Nalla G Palaniswami for a period of five years subject to approval of members.

During the tenure of Dr.Nalla G Palaniswami, Kovai Medical Center and Hospital Limited has established itself as one of the leading health care provider in India. Dr.Nalla G Palaniswami has made substantial and significant contribution to the development of the Company, from its inception to the establishment of a world class hospital. His vast experience in health care industry spanning over more than four decades would take the Company to newer heights in delivering quality health care at par with international standards.

The proposed re-appointment of Dr.Nalla G Palaniswami as 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 to the Companies Act, 2013.

Pursuant to Section 190 of the Companies Act, 2013, this may be treated as an abstract of the terms and conditions of the contract and Memorandum of interest concerning the appointment and remuneration of Dr.Nalla G Palaniswami as Managing Director.

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

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

The Board recommends this resolution set out in item no.13 for the approval of the members.

Item No:14 & 15

The Members of the Company on 23rd August 2011 had approved the borrowings by the Company for an amount not exceeding ₹ 750 Crore (Rupees Seven hundred and fifty crore only) and creation of charge to secure the borrowings vide Ordinary Resolution(s) under Section 293(1) (d) and 293(1)(a) of Companies Act, 1956 which is valid for a period of one year from the date of notification of Section 180 of the Companies Act, 2013.

Your Hospital continues to show robust performance year-on-year and it has to keep investing substantial amount to increase the bed capacity in existing centers and have to invest continuously in new technologies, modernization of facilities and expansion of services. We believe that these investments will help us to attract and retain Doctors and make our Hospitals a preferred destination for patients.

Moreover as part of our ambitious growth plans, we are also contemplating to take up new projects at different locations other than Coimbatore.

Therefore, it is considered desirable to enhance the borrowing limits to ₹ 1000 crore (Rupees One thousand crore only) apart from temporary loans obtained / to be obtained by the company from its Bankers in the ordinary course of business. In order to comply with the provisions of Companies Act, 2013, approval of the Members of the Company is being sought by way of Special Resolution under Section 180 (1) (c) of the Companies Act, 2013, to borrow monies in excess of Paid-up Capital of the

Company and its free reserves and to create security by way of creating mortgage, hypothecation and / or charge on movable / immovable properties of the Company.

The Board recommends the Special Resolution(s) as set out in item Nos.14 & 15 of the Notice for the approval of the Members.

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

By order of the Board
For Kovai Medical Center and Hospital Limited

Coimbatore
17.07.2014

CS.S.P. CHITTIBABU
COMPANY SECRETARY

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

S. No.	Name	Qualification	Experience (in Yrs)	Directorship in other Public Limited Companies	Committee Membership In other Public Ltd. Companies	No. of Shares in KMCH
Re-appointment						
1.	Dr.Nalla G Palaniswami	MD AB(USA)	45	Biomed Hitech Industries Ltd. Idhayam Hospitals Erode Ltd.	---	51167
2.	Dr.M.C.Thirumoorthi	MD AB(USA)	36	Appu Hotels Ltd.	---	6013
Appointment						
1.	Mr.Kasi K Goundan	BE (Mech)	45	---	---	---
2.	Dr.M.Manickam	MBA (USA)	29	Sakthi Auto Component Ltd. Sakthi Finance Ltd. Sakthi Sugars Ltd. Sri Chamundeswari Sugars Ltd. ABT Ltd. ABT Industries Ltd. Sakthi Properties (Coimbatore) Ltd. The Gounder and Company Auto Ltd. ABT Foods Retailing (India) Ltd. ABT Foods Ltd.	Sakthi Auto Component Ltd. Sakthi Sugars Ltd. Sakthi Finance Ltd.	---
3.	CA. A.M.Palanisamy	B.Com., FCA	28	KPR Mill Ltd. Coimbatore Central Co-operative Bank Ltd.	---	4000
4.	Mr.A.K.Venkatasamy	LEE, DBA	39	Genau Extrusions Ltd Biomed Hitech Industries Ltd. Idhayam Hospitals Erode Ltd.	---	2500
5.	Mr.K.Saminathan	Pre-University Course	38	---	---	8000
6.	Dr.M.A.Muthusethupathi	MD. DM	35	---	---	---
7.	Dr.Purani P Palaniswami	MD (USA)	10	Aosta Software Technologies (India) Ltd. EDG Pharmaceuticals (India) Ltd. Purani Hospital Supplies Ltd.	---	667491