

FORTIS MALAR HOSPITALS LIMITED

Corporate Identity Number: L85110TN1989PLC017232
Regd. Office: 52, First Main Road, Gandhi Nagar, Adyar, Chennai – 600020
Tel : 044 4289 2222; **Fax :** 044 4289 2293
Website: www.fortismalar.com ; **Email:** secretarial.malar@malarhospitals.in



NOTICE OF POSTAL BALLOT

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

Dear Member(s),

Notice is hereby given to the members of Fortis Malar Hospitals Limited ('the Company') pursuant to Section 110 of the Companies Act, 2013 ('the Act'), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), that Company seeks approval of members to pass the following Special Resolutions, by means of Postal Ballot:

- (i) To consider and approve amendment to the Memorandum of Association of the Company.
- (ii) To consider and adopt new set of Articles of Association of the Company.
- (iii) To make loans or investments under Section 186 of the Companies Act, 2013.
- (iv) To sell of whole or substantially the whole of the undertaking of the Company.
- (v) To approve entering into the Related Party transactions under Section 188 of the Companies Act, 2013.
- (vi) To shift the Registered Office of the Company from the state of Tamil Nadu to National Capital Territory of Delhi

Your consideration and approval is sought for the Resolutions annexed herewith. The Statement to be annexed to Notice under Section 102(1) of the Act setting out the material facts and reasons for the Resolutions is also appended herewith and is being sent to you along with a 'Postal Ballot Form' for your consideration. Mr. Mukesh Manglik, Company Secretary in Whole-time Practice (C.P. No. 8476) has been appointed by the Board of Directors of your Company as the Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner. This Notice is being sent to all the Members whose name appears in the Register of Members/list of Beneficial Owners as received from Karvy Computershare Private Limited on Friday, September 12, 2014.

You are requested to carefully read the instructions printed in the Postal Ballot Form attached hereto, fill up the Postal Ballot Form, give your assent or dissent on the resolutions at the end of the Postal Ballot Form and return the duly completed and signed Postal Ballot Form (no other form or photocopy thereof is permitted) in the enclosed self-addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours (i.e. 1730 Hrs IST) on **Monday, October 20, 2014**. Ballots received thereafter will be strictly treated as if no reply has been received from the Member.

The Company has appointed Karvy Computer share Private Limited to provide e-voting facility to its members. Members having shares in demat form and in physical form may vote either by way of Postal Ballot Form or by way of e-voting.

SPECIAL BUSINESS

ITEM No. 1

Amendment to the Memorandum of Association of the Company

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

"RESOLVED THAT in accordance with the provisions of Section 13 and other applicable provisions and rules, if any, of the Companies Act, 2013, (the "Act") (including any statutory modifications or re-enactment thereof, for the time being in force), Listing Agreement entered into by the Company with the BSE Limited (BSE) where the shares of the Company are listed, the guidelines, regulations, circulars and clarifications issued by the Government of India (GOI), Securities and Exchange Board of India (SEBI) and any other statutory or regulatory authorities and subject to all necessary approvals, consents, permissions and/or sanctions as may be necessary

and subject to any such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions agreed to by the Board of Directors of the Company, the consent of the members of Company be and is hereby accorded for alteration of the Object Clause of the Memorandum of Association of the Company by substituting existing Clause III in Memorandum of Association by the following clause:

III. (A) Main objects to be pursued by the company on its incorporation are:

1. To establish hospitals and clinics and to conduct the same to provide to comprehensive healthcare for the society in the various branches of medicine such as General Surgery, General Medicine, Pediatrics, Neurology, Cardiology, ENT, Ophthalmology, Radiology, Pathology, Gastro-entriology, Urology, Thoracic Surgery, Plastic surgery, Orthopaedics and other allied specialties and to provide facilities for post graduate medical education/medical research.
2. To buy, sell, manufacture, import, export, treat and deal in any kind of pharmaceuticals, chemicals, medicines and drugs.
3. To design, manufacture, import, export, buy and sell, hire out, install, maintain and improve all kinds of equipment and instrumentation for hospitals, dispensaries, clinics, laboratories and health clubs.
4. To establish run, promote and make investment in, educational institutions, schools, colleges, technical educational institutes for imparting medical and healthcare education and management training including in the fields of medicine, nursing, physical medicine and rehabilitative medicine, pharmacy and allied medical administration and management of such medical institutions including Health and Hospital Management Training and Development, Pharmaceutical Management, Hospitality, Programmes for skills and competency development, Training and certification of professionals.

(B) The objects incidental or ancillary to the attainment of the main objects are:

1. To acquire, maintain or construct buildings, set up and provide establishments for the maintenance of the hospital, pathology, X-ray, ECG, Intensive Coronary Care Unit and other specialties of medicine and for training of personnel required for the operation and maintenance of the hospital and other departments and for doing all such other things as are conducive to the attainment of the foregoing main objects.
2. To obtain from any authority, government or other statutory or official authority licenses for the import of equipment, medicines and other goods.
3. To purchase or otherwise acquire or undertake all or any part of business/profession, properties and liabilities of any person, firm or company carrying on any business/ profession which this company is authorised to carry on or possessed of property suitable for the purpose of the Company and to pay for the same by shares, debentures, bonds cash or otherwise.
4. To enter into partnership or into any arrangement for sharing of profit, union of interest, joint ventures, reciprocal concessions or otherwise, with the Government of India or any State of India or elsewhere at any Foreign State or any Local Government carrying on or engaged in or about to carry on or engage in any business transactions which the company is authorised to carry on and to lend money, to guarantee contracts or otherwise assist any such company, authority, partnership firm or person and to sell, hold, reissue with or without guarantee or otherwise deal with such shares, stocks or Securities.
5. To amalgamate, merge and/or demerge with any Company or companies having objects altogether or in part similar to those of this Company.
6. To apply for, purchase or otherwise acquire any patents, patent rights trade-marks, formulas, licenses and concessions conferring any exclusive, non-exclusive or limited right to use or any secret or other information as to any invention which may seem capable of being used for any of the purpose of the company or the acquisition of which may seem calculated directly or indirectly to benefit the company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired.
7. To acquire by purchase lease, or otherwise for the purpose of the Company, real and personal property, rights or privileges and in particular land, buildings, vehicles, rights of way, licenses, concessions or privileges, equipment and accessories and also to construct buildings, to add to alter, modify, demolish rebuild and rejoin any of the buildings of the Company.
8. To invest and deal with moneys of the company not immediately required in such manner as may from time to time seem expedient.
9. To accept deposits from Director, members or any other of this Company either in advance of calls or otherwise generally to borrow or raise secure the payment of the money and for those or other purpose to mortgage or charge the whole or any part

of the undertaking or property and rights of the Company present or future, including uncalled capital and to issue at a premium or discount debentures or other obligation and either permanent or redeemable and redeem, pay off or satisfy the same without carrying on any banking business within the meaning of Banking Regulation Act, 1949 as amended from time to time.

10. To issue shares, debentures stock or other securities on such terms and conditions as the Company shall determine and to purchase, redeem pay off or convert into equity any such securities on such terms and conditions as the company shall determine.
11. To lend money to such persons and on such terms as the Company may deem expedient and to give any guarantee or indemnity as the Company deem fit.
12. To give donations or subscription to any religious, charitable or social institutions or to give any charity incidental or conducive to any business that may be carried on by the Company, but not to any political parties or for any political purposes.
13. To establish, provide and maintain laboratories and conduct or otherwise subsidies research laboratories which should be useful for the purpose of the objects of the Company.
14. To undertake, promote, assist or engage in all kinds of research and development work required to promote, assist or engage in setting up hospitals and facilities for manufacturing any medical equipment.
15. To carry on the business of designing, constructing and running of all kinds of hospitals, dispensaries, clinics, laboratories and health clubs.
16. To enter into collaboration agreements with any person, whether in India or abroad, also whether the nature of the agreement is financial, technical or otherwise on such terms and conditions as the company deems fit.
17. To educate and train medical students nurses, midwives and hospital administrators and to grant such diplomas or recognitions as the company may prescribe or deem fit, from time to time with the approval of appropriate authorities such as State/Central Government, UGC, State/Central Medical Education Department, councils or bodies of appropriate profession etc.
18. To grant stipends, scholarships or any other assistance, monetary or otherwise to any person to further the course of medicine and/or medical research.
19. To manage, become affiliated to or to become a member of or to associate in any other manner with trade profession societies educational, research or service associations or other institutions and bodies in any part of the world.
20. To sell, exchange, mortgage (with or without power to sell) assign, lease, sublet and generally deal with the whole or any part of the business, estate, property or undertaking of the company as a going concern to any person or persons, association or associations or otherwise for such consideration as the company may think fit either for cash or for shares, debentures or securities to any other company having objects altogether or in part, similar to the objects of the company and to hold or distribute among the members the whole or part of the consideration for such transaction.
21. To remunerate any person, firm or company rendering services to this company either by cash payment or by allotment to him or them, of shares or securities of the company credited as paid up in full or in part or otherwise as may be thought fit.
22. To pay, either in cash or by allotment of shares, all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the company or which the company shall consider to be in the nature of preliminary expenses.
23. To insure with any person or company against losses, damages, risks and liabilities of any kind which may affect the company either wholly or partially and thought fit, effect any such insurance by joining or becoming members of any mutual insurance, protection or indemnity association, federation or society and to accept any such insurance or any part thereof for the account of the company.
24. To distribute any property of the Company among the members in specie or in kind in the event of its being wound up.
25. Subject to the provisions of the Companies Act as amended from time to time indemnify members, officers, directors and employees of the company against proceedings, costs, damages, claims and demands in respect of anything done or

ordered to be done by them for and in the interest of the company or any loss, damages or misfortunes whatsoever which shall happen in execution of the duties of their office or in relation thereto.

26. To initiate, conduct, defend or compound any legal proceedings by or against the company or its officers or otherwise concerning the affairs of the company and to pay, satisfy or compromise any claim made against the company or any of its office notwithstanding that claim may not be valid at law.
27. To oppose by lawful means any legislative measures bills or other applications which could or might, if passed, adversely affect the interests of the company.
28. To invest in financial or non-financial markets and to buy or otherwise acquire and hold shares and other securities/instruments and make loan, give guarantee, provide security in any other company, local authority, any Government Central or State, any other bodies, whether or not in the same business as those of the Company.
29. To enter into any contract, agreement, arrangements or other dealings in the nature of consultancy or otherwise which may seem profitable to the company.
30. To carry on research and development connected with medicine and other items mentioned under the Object Clause.
31. To open, operate and close bank accounts and to draw, accept and make and to endorse, discount and negotiate bills of exchange, promissory notes and other negotiable instruments.
32. To provide for the welfare of directors or persons in the employment of the company, or formerly in the employment of the company and the wives, widows and other family members of such persons by grants of money, pensions, superannuation, gratuity, insurance, bonus, medical benefits or otherwise.
33. To establish and maintain or procure the establishment and maintenance of any non-contributory or contributory provident, gratuity, pension or superannuation fund and to give or procure the giving of moneys, insurance, bonus medical benefit or other benefits to all or any of the directors or persons who are or were at any time in the employment or service of the company.
34. To establish, undertake and execute or procure the establishment, undertaking or execution of any trust, either gratuitously or otherwise.
35. To procure the company to be registered or recognised in any foreign country.
36. To carry out or cause to be carried out all production marketing, financial and costing, personnel, materials management, legal administrative and other functions necessary for implementing the objects of the company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

ITEM No. 2

Adoption of new set of Articles of Association of the Company

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

“RESOLVED THAT in accordance with the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Incorporation) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), the Articles of Association of the Company, Listing Agreement as entered into by the Company with the BSE Limited (BSE) and subject to all necessary approvals, consents, permissions and/or sanctions as may be necessary and subject to any such conditions and modifications as may be prescribed or imposed by any one or more of them while granting any such approvals, consents, permissions or sanctions agreed to, by the Board of Directors of the Company, the draft regulations contained in the Articles of Association which are available for public inspection at the registered office of the Company and the Company’s website, be and are

hereby approved and adopted in substitution and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to undertake all such acts, deeds, matters and things to finalize and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to enable this resolution, and to settle any question, difficulty or doubt that may arise in this regard.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution.”

ITEM No. 3

To make Loans and Investments under Section 186 of the Companies Act, 2013

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

“RESOLVED THAT pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013, read with the relevant Rules thereof, Listing Agreement as entered into by the Company with the BSE Limited (BSE) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members of the Company be and is hereby accorded to the Board of Directors including any Committee thereof (hereinafter referred to as “the Board”) to -

- (i) give loans to any person or other body corporate;
- (ii) give any guarantees or to provide security in connection with a loan to any other body corporate or person; and
- (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate.

exceeding 60% of the Company’s paid-up share capital, securities premium account and free reserves or 100% of the Company’s free reserves and security premium account, whichever is more, as the Board of Directors may think fit, provided that the total loans or investments made, guarantees given and securities provided shall not any time exceed Rs. 100 Crores (Rupees One Hundred Crores) over and above the said prescribed limits.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this Resolution to any Committee of Directors of the Company or to any Director of the Company or any other officer(s) or employee(s) of the Company as it may consider appropriate in order to give effect to this Resolution and to do all such deeds, acts and things as may be necessary, desirable or expedient in connection therewith.”

ITEM No. 4

Selling of whole or substantially the whole of the undertaking of the Company

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

“RESOLVED THAT subject to the provisions of Section 180(1)(a) of the Companies Act, 2013 (as amended or re-enacted from time to time) and other applicable provisions if any, enabling provisions in the Memorandum and Articles of Association of the Company and also provisions of any other applicable laws, rules and regulations, Listing Agreement as entered into by the Company with the BSE Limited (BSE) (including any amendments thereto or re-enactment thereof for the time being in force) and subject to such approvals, consents, permissions and sanctions, as may be necessary, of the Securities and Exchange Board of India (“SEBI”) and all other appropriate and/or concerned authorities, or bodies and subject to such conditions and modifications, as may be prescribed by any of them in granting such approval, consents, permissions and sanctions, the consent of the members of the Company be and is hereby accorded to sell the whole or substantially whole of the undertaking to any person on such terms and conditions as may be mutually decided between the Board and such other person.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to negotiate, deal and finalise the terms and conditions and to sign, file, amend, modify, cancel or withdraw any agreement, undertaking, document or paper as may be necessary to carry out the aforesaid transfer and to sign, execute and file all such applications, forms, papers and documents with the SEBI and with other Statutory Authorities, as may be required and to do all such acts, deeds, things and matters including appointing attorney(ies) or authorised representative(s), as may be considered necessary or expedient, to give effect to this Resolution and to do all such acts, deeds and things as may be necessary, desirable or expedient in connection therewith.”

ITEM No. 5**Approval for entering into Related Party Transactions**

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions with the following related party and for the maximum amounts; as mentioned herein below:

| Nature of transaction as per Companies Act, 2013 | Name of the Director/KMP who is related and nature of their relationship | Name of the Related Party | Relationship | Particulars/ Material Terms and Conditions of the Transaction |
|---|---|----------------------------------|--------------------------------|---|
| Rendering and Availing of any services | None | Fortis Health Management Ltd | Associate of Fellow Subsidiary | Existing Hospital Service Agreement is a continuous agreement; Rs. 2,29,41,963/- per quarter fixed + 7.5% on revenue subject to maximum of Rs. 25 Crores per annum. |

RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.”

ITEM No. 6**Shifting of the Registered Office of the Company**

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

“RESOLVED THAT pursuant to the provisions of the Section 12, 13, 110 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the rules made thereunder and subject to the approval of the Regional Director any other authority as may be prescribed from time to time and subject also to such permission, sanction or approval as may be required under the provisions of the said Act or under any other law for the time being in force or any statutory modification or amendment thereof, consent of the members be and is hereby accorded for shifting of registered office of the Company from the State of Tamil Nadu to National Capital Territory of Delhi and that the Clause II of the Memorandum of Association of the Company be substituted by the following clause:

II. The registered office of the Company will be situated in the National Capital Territory of Delhi.

RESOLVED FURTHER THAT upon the aforesaid resolution becoming effective, the Registered Office of the Company be shifted from 52, First Main Road, Gandhi Nagar, Adyar, Chennai – 600 020, State of Tamil Nadu to Escorts Heart Institute and Research Centre, Okhla Road, New Delhi – 110025, National Capital Territory of Delhi or such other place in the National Capital Territory of Delhi (within the jurisdiction of the Registrar of Companies, Delhi & Haryana) as may be determined by the Board of Directors of the Company from time to time.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to take such steps and to do such acts & deeds as they may deem necessary and proper in this matter.”

By Order of the Board
For Fortis Malar Hospitals Limited

Sd/-
Sumit Goel
Company Secretary
FCS: 6661

Date: September 5, 2014

Place: Chennai

- Encl: 1. Postal Ballot Form
2. Postage- prepaid envelope

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Section 110 of the Companies Act, 2013 (the 'Act') read with the Companies (Management and Administration) Rules, 2014, is annexed hereto.
2. The Notice is being sent to all the Members, whose name(s) would appear in the Register of Members / Record of Depositories as on Friday, September 12, 2014.
3. **The Company also offers e-voting facility. Please see the instructions below for details:**

In compliance with Clause 35B of the Listing Agreement and provisions of Section 110 of the Act read with the Companies (Management and Administration), Rules, 2014, the Company is pleased to offer e-voting facility as an alternate, for all the members of the Company. For this purpose, the Company has entered into an agreement with Karvy Computershare Private Limited for facilitating e-voting to enable the members to cast their votes electronically instead of dispatching Postal Ballot Form, e-voting is optional.

The instructions for members for e-voting are as under:

In case of members receiving e-mail from Karvy Computershare Private Limited:

- a. For Members whose email address is registered- open the attached PDF file "FortisMalar e-voting.pdf" by giving your Client Id (in case you are holding share(s) in demat mode) or Folio No. (in case you are holding shares in physical form) as default password which contains your "User Id" and "Password" for e-voting;
- b. For members who have not registered their email Ids: **please refer to the user id and password printed on the Postal Ballot Form;**
- c. Please note that the password is an initial password;
- d. Open internet browser by typing the URL: <https://evoting.karvy.com>;
- e. Click on Shareholder – Login;
- f. Put user ID and password as initial password noted in step (a) above and click Login;
- g. Password change menu appears. Change the password with new password of your choice with minimum 8 characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Note your new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential;
- h. Home page of e-voting opens. Click on e-voting: Active Voting Cycles;
- i. Select "EVS" (i.e. E-Voting Sequence Number) of Fortis Malar Hospitals Limited;
- j. Now you are ready for e-voting as Cast Vote page opens. Voting period commences on September 20, 2014 (1000 Hrs) and ends on October 20, 2014 (1730 Hrs).
- k. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted. Upon confirmation, the message "Vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote;
- l. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (in 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 at fortisscrutinizer@gmail.com with a copy marked to evoting@karvy.com;
- m. In case members desiring split voting i.e. voting FOR and AGAINST on the same resolution, can do so by downloading Postal Ballot Form from the link <https://evoting.karvy.com> or www.fortismalar.com or by obtaining duplicate form, from the Company's Registrar and Share Transfer Agent, Karvy Computershare Private Limited, Unit: Plot No.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081.

In case of members receiving Postal Ballot Form by Post:

- i) Initial password is provided as below, at the bottom of the Postal Ballot Form;

| EVS(N(E Voting Sequence Number) | USER ID | PASSWORD / PIN |
|--|----------------|-----------------------|
| | | |

- ii) Please follow all steps from S. No. (a) to (m) mentioned above, to cast vote.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for members available at the website of E-voting Platform Provider viz. <https://evoting.karvy.com> or contact M/s Karvy Computershare Private Limited at their toll free number 1800 345 4001.

If you are already registered with M/s. Karvy Computershare Private Limited for e-voting then you can use your existing user ID and password for casting your vote.

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).

4. Members who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent by post along with Postal Ballot Form. members who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form from the link <https://evoting.karvy.com> or www.fortismalar.com or seek duplicate Postal Ballot Form from M/s Karvy Computershare Private Limited (Unit : Fortis Malar Hospitals Limited), Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500 081 or Fortis Malar Hospitals Limited, 52, First Main Road, Gandhi Nagar, Adyar, Chennai - 600 020, fill in the details and send the same to the Scrutinizer.
5. Kindly note that the members can opt ONLY ONE MODE OF VOTING, i.e. either by Physical Ballot or E-voting. If you are opting for E-voting, then do not vote by Physical Ballot also and vice versa. However, in case members cast their vote by Physical Ballot and E-voting, then voting done through Physical Postal Ballot shall prevail and voting done by E-voting will be treated as invalid.
6. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self-addressed business reply envelope to the Scrutinizer. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or registered/speed post at the expense of the members will also be accepted.
7. The voting rights of members shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on Friday, September 12, 2014.
8. The result of the Postal Ballot shall be declared by any Director on or before October 22, 2014 at the Registered Office of the Company at 52, First Main Road, Gandhi Nagar, Adyar, Chennai -600 020 and the resolution will be taken as passed effectively on the date of announcement of the result by the Director, if the results of the Postal Ballots indicate that the requisite majority of the members had assented to the Resolution. The result of the Postal Ballot shall also be announced through a newspaper advertisement and hosted on the website of the Company i.e. www.fortismalar.com.
9. A copy of the documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 10.00 a.m. and 12.00 noon up to the date of declaration of the result of Postal Ballot.

ANNEXURE TO NOTICE

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

ITEM NO. 1

In order to rationalize and enlarge the main object clause in line with of the Companies Act, 2013 (the "Act"), your Directors proposed to alter existing Objects under Clause III of the Memorandum of Association of the Company. The alteration of the Object clause of the Memorandum of Association of the Company needs approval of members of the Company by way of special resolution.

As per Section 110 of the Act and the Companies (Management and Administration) Rules, 2014, the said resolution is required to be passed through postal ballot process.

The Directors of the Company recommend the resolution at Item No. 1 for your approval by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their respective shareholding in the Company, if any.

Further, revised set of Memorandum of Association after incorporating above amendment is available for inspection at the Registered Office of the Company on any working days i.e. from Monday to Friday during 11:00 A.M. to 12.00 noon upto the date of declaration of result of postal ballot at the Registered Office of the Company.

ITEM NO. 2

The existing Articles of Association ("AoA") of the Company are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act, 2013 ("the Act"). The Act is now largely in force with Rules thereon.

On September 12, 2013, the Ministry of Corporate Affairs ("MCA") had notified 98 Sections for implementation. Subsequently, on March 26, 2014, MCA notified most of the remaining Sections (barring those provisions which require sanction / confirmation of the National Company Law Tribunal ("Tribunal")). However, substantive sections of the Act which deal with the general working of companies stand notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles.

Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. The Members attention is invited to certain salient provisions in the new draft AoA of the Company viz:

- (a) Existing definitions have been aligned with the Act;
- (b) new provisions relating to appointment of Chief Executive Officer and Chief Financial Officer, in addition to Manager and Company Secretary;
- (c) new provisions relating to appointment of a person as Chairperson and Managing Director or Chief Executive Officer;
- (d) existing articles have been streamlined and aligned with the Act;
- (e) the statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the members. The proposed new draft AoA is also available for inspection at the Registered Office of the Company on all working days, except Saturdays, between 10.00 a.m. and 12.00 noon up to the date of declaration of the result of Postal Ballot.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned, financially or otherwise, in the said Special Resolution.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 2 of the accompanying Notice for approval of the members through Postal Ballot.

ITEM NO. 3

The Company makes investments in and gives loans to any person and/or body corporate as and when needed. The Company also provides corporate guarantees on behalf of person and/or body corporate to the banks/financial institutions for the financial assistance provided by them.

Taking into consideration, the requirements of loans to be given / investments to be made / guarantees & securities to be provided by the Company to meet the financial requirements of any person and/or body corporate, the consent and approval of the members is therefore, sought in accordance with the provisions of Section 186 of the Companies Act, 2013 for the limits upto Rs. 100 Crores (Rupees One Hundred Crores) over and above the paid up capital of the Company and its free reserves.

As per the provisions of Section 186 of the Companies Act, 2013, no Company shall directly or indirectly (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Where such giving of any loan or guarantee or providing any security or the acquisition exceeds the limits specified, under Section 186 of the Companies Act, 2013 prior approval by means of a special resolution passed at a general meeting is necessary.

As per Section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the said resolution requires the consent of the members through postal ballot.

The Directors recommend the Item No. 3 of the Notice for consent and approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their respective shareholding in the Company, if any.

ITEM NO. 4

Pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013 the Company may sell any of its movable and / or immovable properties wherever situated both present and future or to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) subject to approval of the members of the Company.

As per Section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the said resolution to be passed through postal ballot process.

The Directors recommend the Item No. 4 of the Notice for consent and approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested in the proposed resolution except to the extent of their respective shareholding in the Company, if any.

ITEM NO. 5

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company having a paid up share capital of Rupees Ten crore or more, prior approval of the members by way of a Special Resolution must be obtained for:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

The Board of Directors of the Company took note that the Company being in existence since long into hospital business thus, may extend the required support from its Associate Companies.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013)

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

| S. No. | Particular | Details/ Remarks |
|--------|---|--|
| 1. | Name of related party | Fortis Health Management Ltd |
| 2. | Name of the Director or Key Managerial Personnel who is related, if any | None |
| 3. | Nature of Relationship | Associate of fellow subsidiary |
| 4. | Nature, material terms, monetary value and particulars of the contract or arrangement | Existing Hospital Service agreement is a continuous agreement; Rs. 2,29,41,963/- per quarter fixed + variation of 7.5% on revenue; subject to maximum of Rs. 25 crores per annum |
| 5. | Any other information relevant or important for the Board/ Members to take a decision | The agreements are entered on arm's length basis and all factors relevant to the contract have been considered by the Board. The copies of the above mentioned existing agreement shall be available for inspection by the members at the Registered Office of the Company during the normal business hours (10 am to 6 pm) on all working days (except Saturday) upto the date of declaration of postal ballot results. |

The members are further informed that Fortis Health Management Limited is not a member of the Company.

Pursuant to the provisions of Section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the said resolution is proposed to be passed through postal ballot process.

A copy of the agreement as specified in the Resolution at Item No. 5 of the Notice is available for inspection by members at the Registered Office of the Company during business hours on any working days i.e. from Monday to Friday during 11:00 a.m. to 12.00 noon upto the date of declaration of result of postal ballot at the Registered Office of the Company.

The Directors recommend the Item No. 5 of the Notice for consent and approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested, financial or otherwise, in the proposed resolution except to the extent of their respective shareholding in the Company, if any.

ITEM NO. 6

Currently the registered office of Company is situated in Chennai, State of Tamil Nadu and to exercise better administrative and economic control which will reduce overheads, eliminate duplication of records and enable the Company to rationalize and streamline its operations as well as management of affairs of its business, the Board of Directors of the Company at its meeting held on September 5, 2014 has proposed to shift the registered office of the Company from Chennai, Tamil Nadu to National Capital Territory of Delhi, where the registered office of the Holding Company i.e. Fortis Hospitals Limited is also situated.

This will enable the Company to handle its business activities more efficiently and run its business more economically and conveniently.

The shifting of the Registered Office as aforesaid is in the best interest of the Company, its members and all concerned. The proposed shifting of the office is not prejudicial to the interest of any party.

In terms of the provisions contained in Section 13 of the Companies Act, 2013 the alteration of the clause of Memorandum of Association pertaining to shifting of registered office of the Company from one State to another State requires approval of the members by Special Resolution and further requires confirmation by the Central Government.

Also, as per Section 12 of the Companies Act, 2013, the registered office of the Company may be shifted outside the local limits of any city, town or village on the authority of the special resolution passed by the Company. Pursuant to Section 110 of the Companies Act, 2013, as the Company's securities are listed with the recognized stock exchange, such Special Resolution is required to be passed by way of postal ballot.

Approval of the members is, therefore, sought by voting by Postal Ballot in terms of provisions of Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014 for shifting of registered office from the State of Tamil Nadu to the National Capital Territory of Delhi, as aforesaid.

The Board of Directors recommends passing of the special resolution set out at Item no. 6 of the accompanying Notice.

A copy of the Memorandum of Association of the Company together with the proposed alterations as set out in the Resolution at Item No. 6 of the Notice is available for inspection by members at the Registered Office of the Company during business hours on any working days i.e. from Monday to Friday during 10:00 a.m. to 12.00 noon upto the date of declaration of result of postal ballot at the Registered Office of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives is/are, in any way, concerned or interested, financially or otherwise, in the proposed resolution except to the extent of their respective shareholding in the Company, if any.

By Order of the Board
For Fortis Malar Hospitals Limited

Sd/-
Sumit Goel
Company Secretary
FCS: 6661

Date: September 5, 2014
Place: Chennai