



KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

Excellence in Healthcare

P.B. NO. 3209, AVANASHI ROAD, COIMBATORE - 641 014.

CIN: L85110TZ1985PLC001659

POSTAL BALLOT NOTICE **(PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013)**

Dear Member(s),

This is to inform you that the Board of Directors (the “**Board**”) of **Kovai Medical Center and Hospital Limited** (the “**Company**”) has in its meeting held on 29.05.2015 agreed to amend the main objects of the Object Clause of the Memorandum of Association to include objects for generation of electricity and further in its meeting held on 07.11.2015 approved the proposal to broad base the existing main objects under the Object Clause in the Memorandum of Association of the Company. The proposal now is to make the main objects encompass all business that the company is at present undertaking or will undertake in the future in terms of Section 13 of the Companies Act, 2013 (the Act). The proposed revision to the main objects also includes an object to enable the Company to generate electricity through conventional or non-conventional means.

In pursuance of the aforesaid, Notice (the “**Postal Ballot Notice**”) is hereby given that the resolutions proposed herein relating to alteration of Memorandum of Association as per the provisions of Section 13 of the Act is proposed to be passed as a 'Special Resolution' through postal ballot in pursuance of Section 110 of the Companies Act, 2013 (the “**Act**”) read with Companies (Management and Administration) Rules, 2014 (the “**Rules**”). As per the provisions of Rule 22(16) of the Rules alteration of Memorandum of Association requires passing of the Special Resolution by postal ballot only and not by convening a general meeting of the Company. Hence, the Board has proposed to move the Special Resolution accordingly through postal ballot.

In terms of Section 114 of the Act read with Rule 22(7) of the Rules, special resolution relating to Alteration of Memorandum of Association of the Company, shall be considered to have been assented to by the requisite majority of the shareholders and is capable of being acted upon by the Company, if and only if the votes cast by shareholders in favour of the Special Resolution amounts to atleast three times the number of votes cast by Shareholders against it. Further, as per provisions of Section 110(2) of the Act, if a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

Accordingly, the proposed special resolution relating to Alteration of Memorandum of Association and the connected 'Statement of Material Facts' pursuant to Section 102 of the Act setting out all material facts and reasons in relation thereto (the “**Statement**”) along with a 'Postal Ballot Form' for indicating the assent (for) or dissent (against) to the said resolution (the “**Postal Ballot Form**”) are being sent to you for your consideration.

The date of announcement of the results of the postal ballot process shall be considered to be the date of passing of the said special resolution.

Voting for the postal ballot can be done either electronically or physically as per the instructions provided herein.

If you choose to vote physically, you are requested to read the instructions for voting herein and return the same, in original, duly completed in the attached self-addressed postage pre-paid envelope (the “**Envelope**”) so as to reach the Scrutinizer on or before the close of working hours on 24.02.2016 (6.00 p.m. – IST) (the “**Final Date**”). Postal Ballot Forms received after the Final Date are liable to be rejected.

The Board has, at its meeting held on 29.05.2015, appointed Mr.C.V.Madhusudhanan, Practising Company Secretary (Membership No.FCS 5367) or failing him Dr.K.S.Ravichandran (Membership No.FCS 3675), Practising Company Secretary, Partners of KSR & Co Company Secretaries LLP, Coimbatore as 'Scrutinizer' (the “**Scrutinizer**”), for conducting the postal ballot process in a fair and transparent manner. The Scrutinizer will submit his report to the Managing Director of the Company after completion of the scrutiny. The results of the Postal Ballot will be announced by the Company Secretary of the Company by placing it on the website of the Company www.kmchhospitals.com together with the Scrutinizer's Report and sending the same to the stock exchange where the shares of the Company are listed. The resolution is deemed to have been passed on the date of such announcement.

1. To Alter the Memorandum of Association of the Company:

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

“**RESOLVED THAT** pursuant to Section 13 of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force and as may be enacted hereinafter (the “**Act**”) the Memorandum of Association of the Company shall be and is hereby altered as stated hereunder:

The following alterations shall be made in Clause III(A) under the head “The Main Objects pursued by the Company”:

The following objects shall be inserted in substitution of existing main objects under paras 1 to 4 under Clause III(A) of the main objects of the Company:

1. To establish, operate, lease, acquire, administer and run hospitals, medical and healthcare institutions, diagnostic and other investigation labs, medical centers, dispensaries and the like and all other establishments and center in advancing health diagnosis, care and recuperation.
2. To carry on research and development and to deal in any new product, process, discovery, invention or formula for drugs, medicines and other therapeutic methods, drug delivery systems for treatment of patients, new techniques in diagnostic, medical investigations, surgical care, diagnostic and other convalescence purposes and to establish and maintain clinics, diagnostic centers, pharmaceutical, drug and medical accessories stores, implements, equipments trading centers and stores, dispensaries and stores, specialty health centers for brain, heart, lungs, liver and other endocrinal organs, renal, ophthalmic, dental and all other organs of human body, blood banks, sperm and egg banks, stem cell banks, gene mapping and gene banks, health and fitness clubs, nutrition and dietetic counseling, ayurvedic wellness, cure and nature centers, medical tourism, mobile health centers, ambulance services including air ambulances and all other medical, surgical, curative and health services and all other related services.
3. To establish institutions, colleges, research institutes, academic training centers to educate and train doctors, medical students, nurses, midwives, hospital attendants, clinical staff, surgical staff and all other support staff in handling hospital and health care related diagnostic or therapeutic, surgical related instruments, equipments, implements, bio-medical engineering based machines, equipments, hospital administrators and all other health services and allied courses in health management, health and bio engineering and all other related fields to grant certificates, diplomas, degrees, doctorates or other academic recognitions and to conduct conferences, seminars and symposiums for the furtherance of medical education and research.
4. To publish books, reports, journals, magazines, newspapers, periodicals, thesis, researches, writing, discourses, documents, formulas, news and information and to shoot documentaries, movies, films, pictures and to make transparencies, stereoscopic slides, video tapes, to promote television channels, radio stations on health, wellness, fitness and all other aspects relating to human health and wellbeing.
5. To acquire, establish, takeover, manage, run power plants, captive or otherwise, for generating, transmitting, distributing by sale or otherwise electric power or energy either directly or through others, by using coal, lignite, wind, solar energy, tidal energy, wave energy, hydro energy and any other mode including conventional or non-conventional methods and methods of generating power through renewable energy process or any other new processes or technology for the purposes of achieving the objects of the company and enter into power sharing agreement, wheeling arrangement, third party sale or purchase of power and such other arrangements for captive use or sale of power as may be necessary for the purpose of business of the company.
6. To manufacture, trade and establish nutrition, dietetic, health and wellness related products, cafeterias, restaurants, food joints, food courts for serving nutritious and health based food products, tonics, syrups and all other kinds of health products for human consumption.
7. To establish and run hostel, hotel and other boarding and lodging and other accommodation centers, fitness centers, health clubs for the purpose of patients, their relatives and friends.

“RESOLVED FURTHER THAT the existing Clause III(C) under the head “Other Objects of the Company not included in III(A) and III(B)” shall be deleted in toto.

“RESOLVED FURTHER THAT the altered Memorandum of Association of the Company incorporating the alterations as specified above shall take effect and come into force from the date of its registration by the Central Government.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds and things in its sole and absolute discretion as may deem necessary or desirable for giving effect to this resolution including the registration of the altered Objects.”

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

Place: Coimbatore
Date : 12.01.2016

S.P. Chittibabu
Company Secretary

NOTES

1. In terms of Regulation 22(16) of the Rules read with Section 110 of the Act, the item of business set out in the Postal Ballot Notice is sought to be passed through postal ballot by means of Special Resolution.
2. Voting rights of every member shall be reckoned as on 15.01.2016 (the “**Cut-off Date**”) and any recipient of this Postal Ballot Notice who has no voting rights as on the Cut-off Date should treat the same as intimation only.
3. Member's voting rights shall be in proportion to his/ her share of the paid up equity share capital of the Company as on the Cut-off Date.
4. The Statement setting out Material Facts relevant to the aforesaid resolutions as per Section 102 of the Act is enclosed.
5. **Voting through electronic means or physical 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 by remote or electronic means in respect of the resolution proposed herein through e-Voting Services provided by National Securities Depository Limited (NSDL). Physical ballot is also sent to those shareholders who have not registered their email ids with the Company/Depository Participant(s). Instructions to members for voting through electronic means or by physical means, as the case may be, are provided hereunder:

 - A. In respect of members who have received electronic service of notice, if such 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.nsd.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 Postal Ballot Notice and Postal Ballot Form [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy] but who prefer to vote electronically:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip EVEN (E-voting Event Number) User ID and Password.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - C. Members who do not have access to e-voting facility may send duly completed Ballot Form so as to reach the Scrutinizer not later than 24.02.2016 (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.
6. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsd.com
7. 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.
8. 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).
9. The e-voting period commences on 25.01.2016 (9:00 am) and ends on 24.02.2016 (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 15.01.2016 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.
10. 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) 15.01.2016

11. Mr.C.V.Madhusudhanan, Practising Company Secretary (Membership No.FCS 5367) or failing him Dr.K.S.Ravichandran (Membership No.FCS 3675), Practising Company Secretary, Partners of KSR & Co Company Secretaries LLP, Coimbatore have 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.
12. The Scrutinizer shall within a period not exceeding 2 (two) working days from the conclusion of the e-voting period unblock the votes in the presence of at least 2 (two) witnesses not in the employment of the Company, count the votes received through physical ballot and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.
13. Members are requested to carefully read the instructions herein and return the Postal Ballot Form duly completed and signed along with the indication of their assent (for) or dissent (against), in Envelope, so as to reach the Scrutinizer before close of working hours, i.e. on or before the Final Date 24.02.2016 (6:00 pm IST) to be eligible for being considered, failing which it will be strictly treated as if no reply has been received from the member.
14. The date of completion of dispatch of the Postal Ballot Notice shall be announced through advertisement in newspapers i.e. at least one English national daily with wide circulation and one vernacular newspaper having circulation in Tamilnadu in terms of Rule 22(3) of the Rules.
15. Only a member who is entitled to vote is entitled to exercise his/ her vote through the Postal Ballot Form. Voting rights of every member shall be reckoned on the paid-up value of equity shares on the basis of names appearing in the 'Register of Members' or in the records of the depository, as applicable, on 15.01.2016 being the Cut-off Date and any recipient of the Postal Ballot Notice whose name does not appear as a member in relation to the equity shares as on the aforesaid date should treat the same as intimation only.
16. The result of voting by postal ballot will be announced on 26.02.2016, 18:00 hours by posting the Scrutinizer's Report on the website of the Company www.kmchhospitals.com and forwarding the same forthwith to the stock exchange where the shares of the Company are listed.
17. A member seeking duplicate postal ballot form or having any grievance pertaining to the postal ballot process can write to the Company's Registrars - M/s.GNSA Infotech Limited, STA Department, "Nelson Chambers" - "F" Block, No.115, Nelson Manickam Road, Aminthakarai, Chennai - 600 029 or send a mail to secretarialdept@kmchhospitals.com. Duly completed and signed duplicate postal ballot forms should however, reach the Scrutinizer not later than the close of working hours on 24.02.2016.

Statement setting out Material Facts pursuant to Section 102 of the Companies Act, 2013

The Company is one of the foremost corporate hospitals in Tamilnadu. Considering the impetus provided by both the Central Government and State Government for generation of power through non-conventional and renewable modes and further considering the increasing power requirement of the Company due to expansion of its business, the Board of Directors of the Company at their meeting held on 29.05.2015 proposed to set up a solar power project with a total capacity of 4.008 MWp capacity (DC) at a total cost of Rs.32 Crores. The Company is already in the process of finalizing the acquisition of land in the Karur District for the solar power project. The proposed solar power project upon commission is expected to save power costs to the extent of 50% of the Company's current operations after four years. This has necessitated the Company to amend its Memorandum of Association. Utilising this opportunity, the Company proposes to broad base the existing main objects so as to reflect all its present activities and proposed activities in order to seamlessly integrate businesses which are considered to be germane or apposite to the existing business of the Company. With the advent of the Companies Act, 2013 since the concept of "other objects" is no more relevant, the "other objects" under Clause III(C) of Memorandum of Association is proposed to be deleted in toto.

As per the provisions of Section 13 of the Companies Act, 2013 any resolution for alteration of any clause in the Memorandum of Association requires the prior approval of the shareholders by passing of the special resolution by the shareholders. Hence the resolution is proposed as special resolution. Further in terms of Section 110 read with Rule 22(16)(a) of the Companies (Management and Administration) Rules, 2014, in case of a listed company, any resolution requiring alteration of objects clause of the Memorandum of Association requires prior approval of the shareholder by passing of the resolution through postal ballot. Hence the said resolution is proposed through postal ballot. Hence the Board of Directors hereby recommend the resolution to be passed as a special resolution. Further, the alteration to the objects clause of the Memorandum of Association requires registration by the Central Government (being the Registrar of Companies) in writing. The Company will take up for registration of the same with the Registrar of Companies upon shareholders passing the special resolution.

None of the Promoters, Directors of the Company, Key Managerial Personnel or their relatives are either directly or indirectly are interested or concerned in the aforesaid resolutions.

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

Place: Coimbatore
Date : 12.01.2016

S.P. Chittibabu
Company Secretary