



## FORTIS MALAR HOSPITALS LIMITED

CIN: L85110PB1989PLC045948

Regd. Office: Fortis Hospital, Sector 62, Phase VIII, Mohali, Punjab – 160062

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Email Id: secretarial.malar@malarhospitals.in Website: www.fortismalar.com

### NOTICE

#### NOTICE

Notice is hereby given that the **Twenty Eighth Annual General Meeting of Fortis Malar Hospitals Limited** will be held on Thursday, September 26, 2019 at 10:30 A.M. at **National Institute of Pharmaceutical Education and Research Mohali, Sector 67, SAS Nagar, Mohali – Punjab-160062**, to transact the following business:

#### ORDINARY BUSINESS

1. To consider and adopt the Audited Standalone Financial Statements of the Company together with the Report of Board and Auditors thereon and the Audited Consolidated Financial Statements of the Company including Report of Auditors thereon for the Financial Year ended on March 31, 2019.
2. To appoint a Director in place of Dr. Nithya Ramamurthy (DIN: 00255343), who retires by rotation and being eligible, seeks re-appointment.
3. **Appointment of M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) as Statutory Auditor and fixation of their remuneration**

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

**“RESOLVED THAT** pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s), amendments(s) or re-enactment thereof for the time being in force), and such other approvals, consents, permissions of appropriate authorities as may be required, approval of Members be and is hereby accorded for appointment of M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022), who has given their consent letter along with certificate under Section 141 of the Companies Act, 2013 and certificate issued by the Peer Review Board of ICAI, as Statutory Auditors of the Company and who shall hold office of the Statutory Auditors from the conclusion of Twenty Eighth (28th) Annual General Meeting until the conclusion of thirty third (33<sup>rd</sup>) Annual General Meeting to be held in the year 2024 and shall conduct the Statutory Audit for the financial years commencing from April 1, 2019 to March 31, 2024 at such remuneration plus out of pocket expenses and applicable taxes and other terms and conditions as may be mutually agreed with the Statutory Auditors.

**RESOLVED FURTHER THAT** Board of Directors be and is hereby authorized to delegate all or any of the powers

to negotiate, finalize, sign and execute all necessary agreements, documents, deeds, papers, and any modifications and supplements, as may be required in this regard and to do all acts, matters and deeds as may be necessary or incidental to give effect to the foregoing resolutions”

#### **SPECIAL BUSINESS**

#### **4. Appointment of Mr. Coimbatore Kalyanraman Nageswaran as Director of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s), amendments(s) or re-enactment thereof for the time being in force) and in terms of Articles of Association of the Company, Mr. Coimbatore Kalyanraman Nageswaran (DIN: 08236347), who was appointed as an Additional Director of the Company be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or any Committee thereof be and is hereby authorised to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

#### **5. Appointment of Mr. Coimbatore Kalyanraman Nageswaran as Whole Time Director of the Company**

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

**“RESOLVED THAT** pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors and provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder (including any statutory modification(s), amendments(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company, approval of members be and is hereby accorded for the appointment of Mr. Coimbatore Kalyanraman Nageswaran (DIN-0008236347) as Whole-time Director of the Company for a period of three years with effect from October 2, 2018, on the terms and conditions as set below:

- a) **Total Remuneration:** Remuneration payable by way of salary, perquisites and other allowances shall be

up to Rs. 90 Lacs in the manner laid down in Section 197 and any other applicable provisions of the Act, in any financial year, with the authority granted to the Board of Directors (which term shall be deemed to include any Committee thereof which may have been constituted or may hereinafter be constituted by the Board of Directors of the Company, or any director/officer authorized by the Board of Directors/Committee for this purpose), and/or Nomination and Remuneration Committee, to amend/ modify/ enhance any components of the total remuneration, within the limits stipulated in this resolution, from time to time.

The perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, they shall be evaluated at actual cost.

Notwithstanding anything to the contrary contained herein above or in the terms and conditions of his appointment, Mr. Nageswaran will be paid, current remuneration (including fixed salary, incentives, increments & other allowances thereto and retirement benefits) and as may be further decided by Nomination and Remuneration Committee, as minimum remuneration subject to necessary approvals and compliances as per the applicable provisions of the Companies Act, 2013.

b) **Other terms:**

- i. Subject to the superintendence, control and direction of the Board, Mr. Nageswaran shall perform such duties and functions as would be commensurate with his position as Whole-time Director of the Company and as may be delegated to him by the Board from time to time.
- ii. The Whole-time Director shall not be paid any sitting fee for attending the meetings of the Board of Directors or Committees thereof.
- iii. The Whole-time Director will be entitled to reimbursement of entertainment and all other expenses actually and properly incurred by him in the course of legitimate business of the Company.
- iv. The office as Whole-time Director may be terminated by either party by giving three months' notice in writing, of such termination unless otherwise a shorter period is decided mutually between the Director and the Board of Directors.
- v. If, at any time, Mr. Nageswaran ceases to be the Director of the Company for any reasons whatsoever, his office as Whole-time Director shall forthwith be terminated.
- vi. He shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** any of the Directors, Chief Financial Officer or Company Secretary be and are hereby severally authorized to do all such acts, deeds and things and to sign, execute and file and/or modify all such forms, papers and documents as may be considered necessary or

expedient including appointing attorney(s) or authorized representatives to give effect to this Resolution.”

**6. Approval of re-appointment of Mr. Ramesh L. Adige as Non-Executive and Independent Director for second term:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the Members be and is hereby accorded for re-appointment of Mr. Ramesh Lakshman Adige (DIN 00101276) and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation and such term shall be effective till March 31, 2024.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

**7. Approval of re-appointment of Mr. Murari Pejavar as Non-Executive and Independent Director for second term:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as “Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of Members be and is hereby accorded for re-appointment of Mr. Murari Pejavar (DIN 00020437) and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Listing Regulations, as amended from time to time, and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013, Rules made thereunder and Listing Regulations, as an Independent Non-Executive Director of the Company, whose term shall not be subject to retirement by rotation and such term shall be effective till March 31, 2024.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(1A) and any other Regulations Listing regulations or SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (“Amendment Regulations, 2018”) (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Members be and is hereby accorded for the continuation of Mr. Murari Pejavar, who has already attained the age of 75 (seventy five) years, as an Independent Non-Executive Director of the Company on the same terms and conditions.

**RESOLVED FURTHER THAT** the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised ‘Committee’ thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

**8. Ratification and Confirmation of remuneration of Cost Auditor**

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Companies (Cost Records and Audit Rules, 2014), remuneration of up to Rs. 75,000 plus out of pocket expenses and taxes, being paid to M/s. Jitender, Navneet & Co., Cost Auditors appointed by the Board of Directors, to conduct the audit of the cost records of the Company, for the Financial Year ended March 31, 2019, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**9. To approve enhancing of limit of the Related Party Transactions under the Companies Act, 2013 & Listing Regulation**

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

“**RESOLVED THAT** in partial modification to the resolution passed by shareholders through postal ballot, result whereof announced on October 21, 2014, pursuant to the provisions of Regulation 23 and any other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to provisions of the Companies Act, 2013 read with the applicable rules made there under (including any amendments or statutory modification(s) or re-enactment thereof for the time being in force) and Policy on Materiality of Related Party Transaction(s), the consent of the shareholders of the Company be and is hereby accorded, to enhance the limits of following Related Party Transaction:

Sn.	Particulars	Details
1	<b>The name of the related party and nature of relationship</b>	Fortis Health Management Limited (Fellow Subsidiaries)
2	<b>The nature, duration of the contract and particulars of the contract or arrangement;</b>	Rendering / availing of services(s); Existing Hospital and Medical Service Agreement (HMSA) is a continuing agreement with HMSA fee of Rs. 2.67 crore (approx.) per quarter fixed (3% increase in beginning of each financial year) + 7.5% on revenue subject to maximum of Rs. 30 Crore (earlier was 25 Crore) per annum.
3	<b>Name of the director or key managerial personnel who is related, if any;</b>	NA

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or a Committee thereof the Company be and are hereby severally 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.”

**By the Order of the Board  
For Fortis Malar Hospitals Limited**

**Shashank Porwal  
Company Secretary  
ACS 51957**

**Date:** August 2, 2019  
**Place:** Chennai

**NOTES:**

The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, is enclosed herewith and forms part of this Notice.

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIM/HER AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxies, to be effective shall be duly filled, stamped, signed and deposited, not less than 48 hours before the commencement of the Meeting at the Registered Office of the Company.

Pursuant to the provisions of Companies Act, 2013 and the rules thereunder, a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

2. Pursuant to provisions of Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and secretarial standards, the particulars of Directors seeking appointment/re-appointment at this Annual General Meeting are annexed to the Notice.
3. The cut-off date for the purpose of remote e-voting and for physical voting is September 19, 2019. The E-voting facility will be available from September 23, 2019 (from IST 0900 Hours) to September 25, 2019 (till IST 1700 Hours) after which the e-voting facility will not be available.
4. Members are requested to bring their copy of Annual Report to the Meeting.
5. Members / Proxies should bring the Attendance Slip / proxy form duly filled in for attending the Meeting. The members who hold shares in dematerialized form are requested to bring their Client Master List / Depository Participant Statement/ Delivery Instruction Slip, reflecting their Client Id and DP Id No. for easier identification of attendance at the meeting.
6. Members are requested to notify any change of address: to their depository participants in respect of shares held in dematerialized form, and  
to Company/Registrar and Transfer Agent ("**Karvy**") in respect of shares in physical form, under their signatures and quoting folio number (including for change of residential status/e-mail id, bank details, etc.)
7. 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.
8. Corporate members are requested to send a duly certified copy of the Board Resolution /Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting and to the scrutinizer at e-mail id: rastogiassociates7@gmail.com.
9. For security reasons, no article / baggage will be allowed at the venue of the meeting. The members / attendees are strictly requested not to bring any article/baggage, etc. at the venue of the meeting.
10. Those members who have not yet got their Equity Shares dematerialized, are requested to contact any of the Depository Participants in their vicinity for getting their shares dematerialized.
11. Members may avail the nomination facility as provided under Section 72 of the Companies Act, 2013.
12. Non-Resident Indian Members are requested to inform Registrar and Transfer Agent (**Karvy Fintech Private Limited**), immediately of: Change in their residential status on return to India for permanent settlement and Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Members desiring any information as regards the Accounts are requested to write to the Company Secretary, giving at least 7 days' notice prior to the date of Annual General Meeting to enable the Management to reply at the Meeting.
14. The notice of Annual General Meeting will be sent to those members / beneficial owners whose name will appear in the register of members / list of beneficiaries received from Karvy as on August 16, 2019. A person who is not a member as on the cut-off date i.e. September 19, 2019, should treat this Notice for information purposes only.
15. The Ministry of Corporate Affairs has undertaken a 'Green Initiative in the Corporate Governance' by allowing paperless compliances by Companies. Also, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 permits Companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose.
16. Members are requested to support this Green Initiative by registering/updating their e-mail address for receiving electronic communications. The notice for Annual General Meeting along with the annual report of the Company will be made available on the Company's website-[www.fortismalar.com](http://www.fortismalar.com).
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Karvy.
18. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
19. Electronic copy of the Notice is being sent to all members whose email IDs are registered with the Company/ Depository Participants 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 copy of the Notice is being sent in the permitted mode.
20. All Statutory Registers, documents referred to in the Notice and Explanatory Statement will be available for inspection at the Company's registered office and / or corporate office and also at AGM during normal business hours between 10.00 A.M. to 12.00 Noon on all working days (except Saturday) upto the date of Annual General Meeting.
21. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the voting by shareholders in respect of the resolutions contained in the Annual General Meeting Notice is also being taken through e-voting facility provided through **Karvy Fintech Private Limited (Karvy)**.
22. The e-voting event number, User Id and Password along with the detailed instructions for e-voting are provided in the notice of e-voting, being sent along with the Notice of Annual General Meeting.
23. The result on resolutions shall be declared on or before closing business hours i.e. 06:00 p.m. on Friday, September 27, 2019 at the registered office of the Company and the same along with the scrutinizer's report

shall also be available on the website of the Company. The resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favor of the resolutions.

24. Pursuant to Sections 205A and 205C of the Companies Act, 1956 and/ or Section 123 of the Companies Act, 2013 and other applicable provisions, if any, all unclaimed/ unpaid application money etc. remaining unclaimed/unpaid for a period of seven years from the date they became due for payment, in relation to the Company, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Any person may claim the shares or apply for refund, as the case may be, to the Authority by submitting an online application in Form IEPF-5 available on the website [www.jepf.gov.in](http://www.jepf.gov.in) along with fee specified by the Authority.
25. The shareholders can opt for only one mode of voting i.e. remote e-voting or physical polling at the meeting. In case of voting by both the modes, vote casted through remote e-voting will be considered final and voting through poll will not be considered. The members who have cast their vote by remote e-voting may also attend the Meeting.
26. The Board of Directors has appointed Mr. Ramit Rastogi, Company Secretary in whole-time practice (C.P. No. 18465) as a Scrutinizer to scrutinize the voting process in a fair and transparent manner.
27. Route map of the venue of the meeting along with the landmark forms part of this notice.

#### **EXPLANATORY STATEMENT**

(Pursuant to Section 102 (1) of the Companies Act, 2013)

#### **Item No. 02**

#### **DETAILS OF DIRECTORS SEEKING APPOINTMENT/ REAPPOINTMENT AT THE ANNUAL GENERAL MEETING**

Dr. Nithya Ramamurthy, a Non-Executive (Non-Independent) Director, aged 67 years, is a well-known Obstetrician & Gynecologist who brings with her over 40 years of experience in the field of Obstetrics and Gynecology. Apart from performing over 10,000 Laparoscopic surgeries, she has conducted a number of CME programs for the young medical students & practitioners and also held Vaginal Pelvic Surgery Workshop jointly with Royal College of Obstetricians & Gynecologists.

Further, the Board of Directors, on the recommendation of the Nomination and Remuneration Committee, recommended for the approval of the Members, the appointment of Dr. Nithya as a Non-Executive Director of the Company. She has given her consent to continue to act as director of the Company.

Original date of appointment: May 1, 2006

Dr. Nithya is not related to any other Director and/or Key Managerial Personnel of the Company. As on March 31, 2019, 8,59,377 Equity Shares of Rs. 10 each of the Company are held by her.

Dr. Nithya does not hold any directorship in any other company.

During the financial year 2018-19, Dr. Nithya attended two Board Meetings.

Memberships/ Chairmanships of committees of other companies as on date (only Audit Committee and Stakeholders Relationship Committee): - None

Details of sittings fees and remuneration paid for rendering professional services have already been disclosed in notes to accounts.

None of the Directors or Key Managerial Personnel (KMP) or their relatives except Dr. Ramamurthy, herself, are concerned or interested, financially or otherwise, in the Resolution at Item No. 2 of the accompanying Notice, except to the extent of their respective shareholding, if any.

The Board commends the Ordinary Resolution set out in the accompanying Notice for approval by the Members.

#### **Item No. 3**

Due to casual vacancy caused by the resignation of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/W-100018), M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) was appointed, to conduct the statutory audit for the period ended March 31, 2019, by the Board of Directors and the same was duly approved by shareholders of the Company.

It is further informed that M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) has vide its consent letter confirmed their willingness to be appointed as Statutory Auditors of the Company and have also provided a certificate under Section 141 of the Companies Act, 2013 and holds a valid certificate issued by Peer Review Board of the Institute of Chartered Accountants of India.

It is hereby proposed, considering the size and requirement of the Company, to approve the appointment of M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) for a period of five years to conduct the statutory audit for the financial years commencing from April 1, 2019 to March 31, 2024 who shall hold the office of statutory auditor from the conclusion of Twenty Eighth (28<sup>th</sup>) Annual General Meeting until the conclusion of Thirty Third (33<sup>rd</sup>) Annual General Meeting to be held in the year 2024.

Proposed fees, which is subject to change as may be mutually agreed between the Company and the Statutory Auditors, of Rs. 9.45 lacs plus tax & out of pocket expenses are to be payable for FY 2019-20 to M/s B S R & Co. LLP and there is no material change in the fee payable to them as compare to earlier Statutory Auditor.

Considering qualifications, experience and credentials which *inter alia* includes large client base spanning Indian businesses, multi-nationals and listed companies (S&P BSE 30, S&P BSE 100 and S&P BSE 200 indices) in India across sectors; unparalleled IFRS, US GAAP and SEC experience; being one of the largest audit firms in the country having presence across the country & affiliates around the globe and has a pool of trained & qualified resources in various domains, suitable for the audit assignment as required for a Company of our size, the Board of Directors recommends the Ordinary Resolution set out in the accompanying Notice for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item No. 3 of the accompanying Notice, except to the extent of their respective shareholding, if any.

#### **Item No. 4 & 5**

The Board of Directors, on the recommendation of Nomination

and Remuneration Committee, has approved appointment of Mr. Coimbatore Kalyanraman Nageswaran (DIN-0008236347) as Additional Director and then as Whole-time Director of the Company w.e.f. October 02, 2018 for a period of three years, subject to approval of shareholders and other requisite approvals required under Sections 196, 197 and any other applicable provisions, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Act and Articles of Association of the Company. Further, he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. It is hereby confirmed that, as on date, he is not related to any other director of the Company.

This may be treated as written memorandum setting out the terms of re-appointment of Mr. Nageswaran under section 190 of the Companies Act, 2013.

**Requisite details pursuant to Schedule V of the Companies Act, 2013 is given below:**

#### **I. General Information**

- (i) **Nature of Industry:** Business of providing healthcare services and running multi-specialty hospital.
- (ii) **Date or expected date of commencement of commercial production:** The Company was incorporated on April 13, 1989.
- (iii) **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable
- (iv) **Financial performance (on standalone basis) based on given indicators as per Audited Financial Results:**

Particulars	Rs. In Cr
	2018-19
Net Revenue	144.59
Gross Contribution	111.2
Gross Contribution (%)	76.91
Operating EBITDA	(2.43)
Operating EBITDA (%)	(1.68%)
PAT	1.74

- (v) **Foreign investments or collaborations, if any:** NOT APPLICABLE.

#### **II Information about the appointee:**

##### **(i) Background details**

Mr. Nageswaran, aged about 49 years, graduated in Bachelor of Technology (B.Tech.) from IIT, Madras in 1991 and he has Post Graduate Diploma in Management from Indian Institute of Management Bangalore (IIM, Bangalore) in 1995. He has over 23 years of experience in various organization like VP and Chief Business Development Officer - TPG Wholesale Pvt Ltd., VP Operations, Managing Vishal Mega Mart stores, Business Head - Smart Retail Pvt. Ltd., VP, Zonal Business Manager, South Zone, Reliance Value Format.

He is not related to any other Director of the Company.

During the financial year 2018-19, He attended two Board Meetings.

##### **(ii) Past remuneration drawn:**

Sn.	Company Name	Financial Year	Remuneration
1.	Fortis Malar Hospitals Limited	2018-19	Rs. 59.92 Lacs*
2.	Fortis Malar Hospitals Limited	2017-18	Rs. 58 Lacs
3.	Fortis Hospitals Limited	2016-17	Rs. 58 Lacs
4.	TPG Wholesale Pvt Ltd.	2015-16	Rs. 56 Lacs

\* Designated as WTD w.e.f October 2, 2018.

##### **(iii) Recognition and Awards/Achievements: Nil**

##### **(iv) Job profile and suitability:**

#### **OPERATIONS**

- Devising and implementing strategies for achievement financial targets (PAT, EBITDA, Revenues, etc).
- Participating with the Zonal Director, Medical Staff and Senior Management in the development and implementation of strategic plans.
- Establishing and attaining challenging/achievable patient care, safety and education and customer service goals while maintaining financial viability.
- Being in constant touch with doctors and having a ready pipeline to hire key doctors.
- Being able to position the hospital in the catchment and connect accordingly to the community.
- Needs to keep an eagles eye on competition activity.
- Being able to conceptualize and launch new medical program which add value to the unit in terms of business and positioning.
- Ensuring institutionalization and adherence of standardized policies, systems & procedures at the facility.
- Liaising with the legal, political and social, IR environment to ensure successful operations of all facilities within the Hospital.
- Establishing and maintaining communication with the Clinical Directors and the other Medical staff to ensure accomplishment of mutually beneficial unit goals.
- Acting as an escalation point for all Operational Issues related to the facility and taking suitable action by interfacing with the concerned stakeholders to obtain timely resolutions.
- Operationalizing Initiatives like FOS, PSM, Sparkle etc at the unit.
- Ensuring employee engagement in the facility and culture building through regular HTMLs and other engagement.

## **CULTURE AND CAPABILITY BUILDING**

- Ensuring adherence to the code of conduct and stated values of the company.

Establishing and maintaining a culture of open communication, accountability and timely decision making.

- Developing a pipeline of best-in-class human capital by supporting hiring, retaining key personnel and investing in training and development of key personnel and succession planning.

Promoting a high-performance culture by institutionalizing innovative rewards and recognition programs.

## **COMPLIANCE / PROCESS ENHANCEMENT**

- Establishing best-in-class process to ensure adherence to quality systems and comply with quality standards (e.g. JCI, NABH).
- Ensuring defined patient care standards/commitments are met.
- Facilitating strict compliance to statutory & accounting norms and regulatory norms of process/operational adherence.
- Adhering to code of conduct and upholding ethical practices.
- Being a driving force and leading the Corporate Social Responsibility Initiatives at the Unit and creating Brand Image.

**(v) Remuneration proposed:** As provided in the resolution.

**(vi) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:** Though direct comparable data could not be obtained, however, as a normal industry trend, the proposed remuneration of Mr. Nageswaran, who is a professional, possessing invaluable and rich knowledge, experience and insights complemented with the vast business experience, is comparable with Executive Directors of other Companies and is in parity with the Industry Standards for such a responsible position.

**(vii) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:** Except proposed remuneration as stated above, Mr. Nageswaran does not have any other pecuniary relationship with the Company and its managerial personnel. Further, Mr. Nageswaran does not hold any share in the Company.

**(viii) Companies (other than Fortis Malar Hospitals Limited, Foreign Companies and Section 8 Companies) in which Mr. Nageswaran holds Directorships:** Malar Stars Medicare Limited (Additional Director)

**(ix) Details of Membership in Committees of other Companies (excluding Private Companies, Foreign Companies and Section 8 Companies):** None

## **III. Other information:**

**(i) Reasons for loss or inadequate profits:** Low Occupancy, Highly competitive market.

**(ii) Steps taken or proposed to be taken for improvement:** Recruit reputed clinicians to improve business

**(iii) Expected increase in productivity and profits in measurable terms:** 15-20%

**(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable –** No ESOPs have been granted.

The resolution seeks the approval of the members in terms of Sections 196 and 197 read with Schedule V and other applicable provisions of the Companies Act, 2013, and the rules made thereunder for the appointment of Mr. Nageswaran as the Whole-time Director, for a period of three years commencing from October 02, 2018.

None of the Directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested, financially or otherwise, in the Resolution at Item Nos. 4 and 5 of the accompanying Notice, except to the extent of their respective shareholding, if any.

The Board recommends the resolution set forth in Item No. 4 & 5 for approval of the members.

## **Item 6 & 7**

In compliance with the provisions of section 149 read with Schedule IV of the Act and relevant provisions of SEBI LODR, it is hereby proposed to re-appoint, respective appointment of Mr. Ramesh Lakshman Adige and Mr. Murari Pejavar as Non-Executive Independent Director which shall be effective till March 31, 2024.

Mr. Ramesh Lakshman Adige and Mr. Murari Pejavar, have given respective declarations that they meet the criteria on Independence as provided under the Companies Act 2013 and SEBI LODR.

Further, as per the provisions of schedule IV of the Companies Act 2013, the re-appointment of independent directors shall be on the basis of report of performance evaluation, following are the summary of details of Board Evaluation Reports: -

Sn.	Financial Year	Mr. Ramesh Lakshman Adige	Mr. Murari Pejavar
1.	2014-15	Actively participating towards contribution of company's goals in all respects.	Extensive experience and expertise has significant contribution towards company's goals.
2	2015-16	<ul style="list-style-type: none"> <li>• Front lead in resolving the challenges.</li> <li>• Supportive (in terms of effort and time to the Management)</li> <li>• Matured feedback</li> </ul>	<ul style="list-style-type: none"> <li>• Appreciate diversified experience and knowledge.</li> </ul>
3	2016-17	<ul style="list-style-type: none"> <li>• Independent voice and perspective</li> <li>• Active participation in the discussions</li> <li>• Innovative and experienced ideas.</li> <li>• Proficient to continue as an Independent Director.</li> </ul>	<ul style="list-style-type: none"> <li>• Diversified experience and knowledge.</li> <li>• Proficient to continue as an Independent Director.</li> </ul>
4	2017-18	Board was strongly satisfied with overall performance.	Board was satisfied with overall performance.
5	2018-19	Board satisfied across all the parameters and completely supported the views given by the Independent Directors.	Board satisfied across all the parameters and completely supported the views given by the Independent Directors.

Following the brief profiles of the proposed appointments: -

#### **Mr. Ramesh Lakshman Adige**

Mr. Ramesh Lakshman Adige, aged 69 years, a Non-Executive Independent Director, is a B.E. from BITS Pilani and has a Post Graduate degree from the Faculty of Management Studies, Delhi. He has 44 years of international exposure with proven track record in the areas of healthcare, pharmaceuticals, automobiles, financial services, marketing, branding, consumer durables, Global Corporate Communications, EHS, Administration, Corporate Social Responsibility, Sustainability Reporting, Intellectual Property Policy, Public Affairs, Public Policy & Higher Education. He is / was on the Board of Directors of Syndicate Bank, Premier Limited; Member of the Governing Council of T.A. Pai Management Institute, Manipal; Co-opted member of Biodiversity Foundation of NCT of Delhi; Member of Expert Committee of National Formulary of India and Chairman of PHD Rural Development Foundation.

Original date of appointment: February 19, 2008

Mr. Adige is not related to any other Director and/or Key Managerial Personnel of the Company. As on March 31, 2019, he does not hold any share.

During the financial year 2018-19, Mr. Adige attended all six Board Meetings (Meeting dated August 8, 2018 was attended through audio call and not counted for the purpose of the quorum.)

Directorship in other Companies along with Memberships/ Chairmanships of committees of other companies as on date (includes only Audit Committee and Stakeholders Relationship Committee):

Company	Director	Committee
Premier Limited	Independent Director	Stakeholders Relationship Committee, Member
Star Union Dai-ichi Life Insurance Company Limited	Independent Director	Audit & Ethics Committee, Member

Mr. Adige is a Non Executive Director not liable to retire by rotation. Except sitting fees, no remuneration was paid to him during the financial year 2018-19.

None of the Directors or Key Managerial Personnel (KMP) or their relatives except Mr. Adige, herself, are concerned or

interested, financially or otherwise, in the Resolution at Item No. 6 of the accompanying Notice, except to the extent of their respective shareholding, if any.

The Board commends the Special Resolution set out in the accompanying Notice for approval by the Members.

#### **Mr. Murari Pejavar**

Mr. Murari Pejavar, aged 84 years a Non-Executive, Independent Director, is M.A. (Economics), from Madras University and had passed State Civil Services in 1955 and Indian Administrative Services in 1957 and retired as Secretary to the President of India in August, 1992. He specializes in the areas of General Industrial Administration, formulation of industrial policies, administration of public and co-operative sector industrial undertakings including sick units, health and family planning sector management, energy sector, financial administration and food processing. He was / is also adviser to President, Federation of Indian Chambers of Commerce and Industry (FICCI); Advisory Board – Great Lakes Institutes of Management (Affiliated to Kellogg School – USA), Advisory Board – Loyola Institute of Business Administration and Member of Joint Electricity Regulatory Commission (State Advisory Committee), Chennai Port Trust Advisory Committee and also Former Chairman of Centre State Relations Committee appointed by GOI. This may deem to be considered as appropriate justification for his appointment under SEBI LODR.

Original date of appointment: March 3, 2009

Mr. Murari is not related to any other Director and/or Key Managerial Personnel of the Company. As on March 31, 2019, he does not hold any share.

During the financial year 2018-19, Mr. Murari attended four Board Meetings.

Directorship in other Companies along with Memberships/ Chairmanships of committees of other companies as on date (includes only Audit Committee and Stakeholders Relationship Committee):

Company	Director	Committee
S M V Consultants Private Limited	Director	-
ABAN Offshore Limited	Independent Director	Audit Committee, Member



Mr. Murari is a Non Executive Director not liable to retire by rotation. Except sitting fees, no remuneration was paid to him during the financial year 2018-19.

None of the Directors or Key Managerial Personnel (KMP) or their relatives except Mr. Murari, herself, are concerned or interested, financially or otherwise, in the Resolution at Item No. 7 of the accompanying Notice, except to the extent of their respective shareholding, if any.

The Board recommends the Special Resolution set out in the accompanying Notice for approval by the Members.

#### Item No. 8

The Board, on the recommendation of the Audit & Risk Management Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year ended on March 31, 2019 as per the following details:

Name of the Cost Audit Firm	Amount (In Rs.)
M/s. Jitender, Navneet & Co, Cost Accountants	75,000 (plus out of pocket expenses and taxes)

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit and Risk Management Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ended March 31, 2019.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice except to the extent of their respective shareholding, (if any).

The Board commends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the members.

#### Item No. 9

The Board at its meeting held on September 5, 2014 approved a related party transaction with Fortis Health Management Limited and subsequently the same was also approved by shareholders of the Company through postal ballot, result whereof announced on October 21, 2014.

Further, pursuant to provisions of the Companies Act, 2013 read with relevant rules made thereunder and provisions

of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and considering limits as approved earlier may exceed in this fiscal, or upcoming fiscal(s) it is proposed to enhance the monetary limits of such transaction as under :

Sn.	Particulars	Details
1	The name of the related party and nature of relationship	Fortis Health Management Limited (Fellow Subsidiaries)
2	The nature, duration of the contract and particulars of the contract or arrangement;	Rendering / availing of services(s); Existing Hospital and Medical Service Agreement (HMSA) is a continuing agreement with HMSA fee of Rs. 2.67 crore (approx.) per quarter fixed (3% increase in beginning of each financial year) + 7.5% on revenue subject to maximum of Rs. 30 Crore (earlier was 25 Crore) per annum.
3	Name of the director or key managerial personnel who is related, if any;	NA

The Board, on the recommendation of the Audit & Risk Management Committee, recommends above-mentioned transaction for approval.

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

A copy of the agreement as specified in the Resolution at Item No. 9 of the Notice is available for inspection by 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.

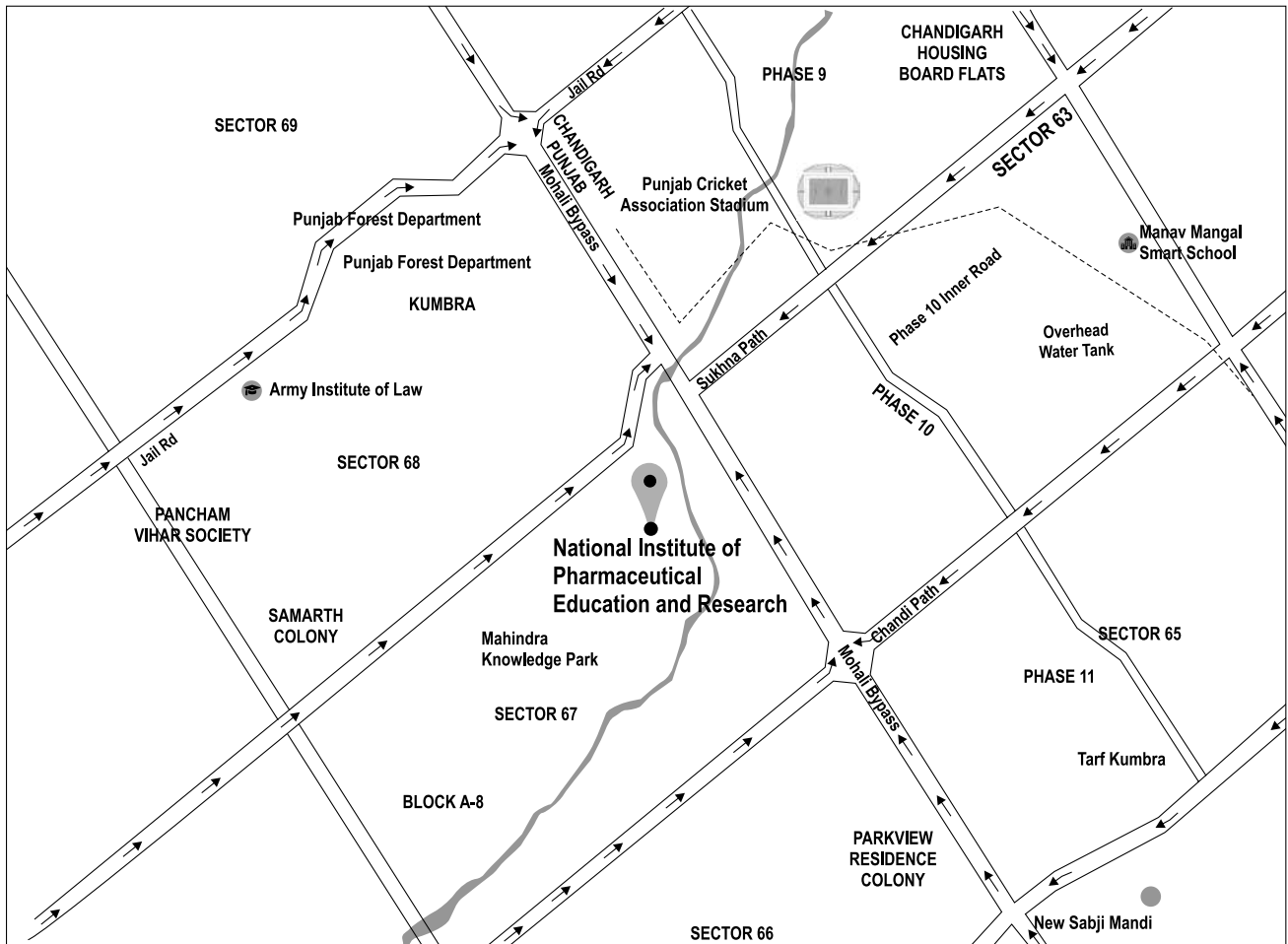
By Order of the Board  
For **Fortis Malar Hospitals Limited**

**Shashank Porwal**  
Company Secretary  
ACS 51957

Date: August 2, 2019  
Place: Chennai

## Location Map of venue for Twenty Eighth Annual General Meeting

Day : Thursday  
Date : September 26, 2019  
Time : 10:30 A.M.  
Venue : National Institute of Pharmaceutical Education and Research Mohali,  
Sector 67, SAS Nagar, Mohali, Punjab – 160062



**FORTIS MALAR HOSPITALS LIMITED**

CIN: L85110PB1989PLC045948

Registered Office: Fortis Hospital, Sector 62, Phase VIII, Mohali, Punjab - 160062

Ph.: +91-172-5096001, Fax: +91-172-5096002

Email: [secretarial.malar@malarhospitals.in](mailto:secretarial.malar@malarhospitals.in) Website: [www.fortismalar.com](http://www.fortismalar.com)**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s) : .....

Registered address : .....

E-mail ID : ..... Folio No. / \*DP ID-\*Client ID .....

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:

- 1) \_\_\_\_\_ (name) of \_\_\_\_\_ (address) having e-mail id \_\_\_\_\_ or failing him/her.
- 2) \_\_\_\_\_ (name) of \_\_\_\_\_ (address) having e-mail id \_\_\_\_\_ or failing him/her.
- 3) \_\_\_\_\_ (name) of \_\_\_\_\_ (address) having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28<sup>th</sup> Annual General Meeting on Thursday, September 26, 2019 at 10:30 A.M. at **National Institute of Pharmaceutical Education and Research Mohali, Sector 67, SAS Nagar, Mohali – Punjab-160062** and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions		For	Against
1.	To consider and adopt the Audited Standalone Financial Statements of the Company together with the Report of Board and Auditors thereon and the Audited Consolidated Financial Statements of the Company including Report of Auditors thereon for the Financial Year ended on March 31, 2019.		
2.	To appoint a Director in place of Dr. Nithya Ramamurthy (DIN: 00255343), who retires by rotation and being eligible, seeks re-appointment.		
3.	Appointment of M/s B S R & Co. LLP, Chartered Accountants (Registration No. 101248W/W-100022) as Statutory Auditor and fixation of their remuneration		
4.	Appointment of Mr. Coimbatore Kalyanraman Nageswaran as Director of the Company		
5.	Appointment of Mr. Coimbatore Kalyanraman Nageswaran as Whole Time Director of the Company		
6.	Approval of re-appointment of Mr. Ramesh L. Adige as Non-Executive and Independent Director for second term:		
7.	Approval of re-appointment of Mr. Murari Pejavar as Non-Executive and Independent Director for second term:		
8.	Ratification and Confirmation of remuneration of Cost Auditor		
9.	To approve enhancing of limit of the Related Party Transactions under the Companies Act, 2013 & SEBI LODR		

\* Applicable for investors holding shares in electronic form.

Signed this..... day of.....2019

\_\_\_\_\_  
Signature of shareholderAffix ₹ 1/-  
Revenue  
Stamp\_\_\_\_\_  
Signature of first proxy holder\_\_\_\_\_  
Signature of second proxy holder\_\_\_\_\_  
Signature of third proxy holder

\*\* This is only optional. Please put a 'v' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

**FORTIS MALAR HOSPITALS LIMITED**

CIN: L85110PB1989PLC045948

Registered Office: Fortis Hospital, Sector 62, Phase VIII, Mohali, Punjab - 160062

Ph.: +91-172-5096001, Fax: +91-172-5096002

Email: [secretarial.malar@malarhospitals.in](mailto:secretarial.malar@malarhospitals.in) Website: [www.fortismalar.com](http://www.fortismalar.com)**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional slip at the venue of the meeting.

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

NAME AND ADDRESS OF THE SHAREHOLDER / PROXY \_\_\_\_\_

I/We hereby record my/our presence at the 28<sup>th</sup> Annual General Meeting of the Company held on Thursday, September 26, 2019 at 10:30 A.M. at **National Institute of Pharmaceutical Education and Research Mohali, Sector 67, SAS Nagar, Mohali – Punjab-160062.**

\* Applicable for investors holding shares in electronic form.

\_\_\_\_\_  
Signature of Shareholder / proxy

