

MAX HEALTHCARE INSTITUTE LIMITED

CIN U72200MH2001PLC322854

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Website: www.maxhealthcare.in

NOTICE TO MEMBERS

NOTICE is hereby given that the **EXTRA-ORDINARY GENERAL MEETING** of the members of Max Healthcare Institute Limited (“the Company”) will be held on **Wednesday, June 19, 2019**, at **0900 Hrs** at **Ground Floor, Conference Room, N - 110, Panchsheel Park, New Delhi - 110017, India** (route map enclosed) to transact the following businesses at a shorter notice:

1. **Approval of terms of remuneration of Mr. Rajit Mehta as MD & CEO for the current year (period starting from April 1, 2019 till July 28, 2019)**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder as amended from time to time read with Schedule V to the Act, and based on recommendation of Nomination & Remuneration Committee and approval of Board of Directors of the Company and consequent upon the resignation of Mr. Rajit Mehta from the position of Managing Director & CEO (including directorship) of the Company from the closure of business hours on July 28, 2019, the consent of members of the Company, be and is hereby accorded to the following terms of remuneration of Mr. Rajit Mehta (DIN 01604819) as Managing Director & CEO (“MD & CEO”) of the Company for the current year (i.e. the period starting from April 1, 2019 till July 28, 2019):

- (i) **Fixed Pay:** (including but not limited to Basic, House Rent Allowance/Company owned or leased accommodation including house maintenance, Provident Fund and Gratuity, perquisites and allowances viz., leave travel allowance, company owned assets including company car, furniture and appliances, car lease rentals, if any, fuel reimbursements, vehicle maintenance, driver facility, children education allowance, management allowance and medical reimbursements etc.) of INR 3,71,30,400 (Indian Rupees Three Crores Seventy One Lacs Thirty Thousand Four Hundred Only) per annum (on prorata basis till his last working date). 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.
- (ii) **Variable Pay / Pro- rata bonus:** Pro-rata bonus (which is objective, transparent, measurable and in accordance with the Bonus Pay Grid applicable to Mr. Rajit Mehta) for the current year (i.e. the period starting from April 1, 2019 till July 28, 2019),

amounting to INR 58,85,321 (Indian Rupees Fifty Eight Lacs Eighty Five Thousand Three Hundred Twenty One). The said pro- rata bonus be paid to Mr. Rajit Mehta as a gesture of goodwill and to recognise his leadership and contribution to the Company.

In addition to the remuneration and perquisites to be paid as aforesaid, Mr. Rajit Mehta shall be entitled to encashment of leave, housing loan as per company policy, personal accident insurance policy, health insurance (hospitalization) policy, travel insurance, Group Term Life Insurance, club memberships and any other benefits / perquisites / retiral benefits as per the policy / rules of the Company in force and/or as may be approved by the Board / Committee, from time to time. The Company shall also provide the facility of mobile phones / other communication instruments, including telephones installed at his residence.

“RESOLVED FURTHER THAT that the notice period as per his terms of appointment be and is hereby waived and other terms and conditions of his appointment & remuneration remain same, with the authority to the Board to make changes, if any, required during his tenure.”

“RESOLVED FURTHER THAT the Directors of the Company and Ms. Ruchi Mahajan, Company Secretary, be and are hereby severally authorized to do all such acts, deeds and things and to sign all such documents, papers and writings as may be necessary to give effect to the foregoing resolution.”

2. **Terms of remuneration of Mr. Yogesh Kumar Sareen as a Whole time director of the Company for FY 2019 – 2022**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder, as amended from time to time read with Schedule V to the Act and based on recommendation of Nomination & Remuneration Committee of the Company in its meeting held on May 13, 2019 and approval of Board of Directors of the Company in their meeting held on May 14, 2019, the consent of members of the Company, be and is hereby accorded to the following terms of remuneration of Mr. Yogesh Kumar Sareen (DIN 00884252) as Whole Time Director of the Company (designated as Senior Director & CFO) for the period starting from April 1, 2019 till March 31, 2022:

- (i) **Fixed Pay:** (including but not limited to Basic, House Rent Allowance/Company owned or leased Accommodation including house maintenance, perquisites and allowances viz., leave travel allowance, company owned assets including company car, furniture and appliances, car lease rentals, if any, fuel reimbursements, vehicle maintenance, driver facility, children education allowance, management allowance and medical reimbursements etc.) not exceeding INR 3,00,00,000 (Rupees Three Crores only) per annum, with the authority to the Board to review and set the level 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.

- (ii) **Variable Pay**: Performance based variable pay, which will be objective, transparent and measurable and shall be based on the Company's Measures of Success (MoS) achievement linked variable pay parameters.

The Variable Pay shall be paid in line with the Company's Variable Pay Policy and shall be based on the relevant individualized Variable Pay Grid applicable to Mr. Yogesh Kumar Sareen for the said performance year and would be determined by Board / NRC basis both the individual performance and company performance.

- (iii) **Special Incentive and Retention Pay** - In addition to variable pay Mr. Yogesh Kumar Sareen shall be entitled to receive Special Incentive and Retention Pay as per the applicable terms of the Special Performance Incentive Plan and Retention Scheme of the Company duly approved by NRC/Board from time to time.

- (iv) **Employee Stock Options (ESOPs) / Phantom Stock Options (PSP) and other Long Term Incentives**: Such number of ESOPs / PSP (in one or more grants) or any other Long term incentives as may be decided by the Board from time to time in terms of the Company's Policy for the time being in force.

In addition to the remuneration and perquisites to be paid as aforesaid, Mr. Yogesh Kumar Sareen shall be entitled to encashment of leave, housing loan, personal accident insurance policy, health insurance (hospitalization) policy, travel insurance, Group Term Life Insurance, club memberships and any other benefits / perquisites / retiral benefits as per the policy / rules of the Company in force and/or as may be approved by the Board / Committee, from time to time. The Company shall also provide the reimbursement towards facility of mobile phones / other communication instruments, including telephones installed at his residence. He shall also be entitled to reimbursement of all expenses actually and properly incurred by him in the course of legitimate business of the Company."

"RESOLVED FURTHER THAT other terms and conditions of his appointment remain same with the authority to the Board to make changes, if any, required during his tenure."

"RESOLVED FURTHER THAT the Directors of the Company and Ms. Ruchi Mahajan, Company Secretary, be and are hereby severally authorized to do all such acts, deeds and things and to sign all such documents, papers and writings as may be necessary to give effect to the foregoing resolution."

Date: June 17, 2019
Gurugram

By order of the Board
For Max Healthcare Institute Limited

Sd/-
Ruchi Mahajan
Company Secretary
FCS 5671

NOTES:

1. *A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY.*

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 A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A FORMAT OF PROXY IN THE PRESCRIBED FORM IS ENCLOSED.

2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company (i.e. 9.00 AM till 6.00 PM), provided that not less than three days of notice in writing is given to the Company.
3. Corporate Members intending to send their authorized representatives to attend the EGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the EGM.
4. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto and forms part of this Notice. Unless otherwise provided under this Notice, the term "Act" shall mean Companies Act, 2013.
5. The Register of Directors & KMPs and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangement in which Directors are interested maintained under Section 189 of the Act, will be available for inspection by the members at the EGM.
6. Members may also note that the Notice of the Extra Ordinary General Meeting will also be available on the Company's website www.maxhealthcare.in for their download.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, IN RESPECT OF SPECIAL BUSINESSES

EXPLANATORY STATEMENT TO ITEM NOS.1 & 2

The members may please note that Mr. Rajit Mehta was appointed as Managing Director & CEO of the Company for a period of 5 years w.e.f April 1, 2015 and the terms of his remuneration for FY 2018-19 was recommended by the Board of Directors of the Company in their meeting held on May 8, 2018 and approved by the members on September 28, 2018.

Under his leadership, the Company has progressed on all fronts, be it patient centricity, financial performance, culture & values and enhanced clinical strength.

In recognition of his performance and contribution, based on the recommendations by the Nomination & Remuneration Committee ("NRC") and subject to the approval of members of the Company, the Board of Directors of the Company ("the Board") had, in their meeting held on May 14, 2019 approved the terms of his remuneration for the period starting from April 1, 2019 till March 31, 2020. Subsequently, on June 15, 2019, Mr. Rajit Mehta expressed his desire to step down from the position of Managing Director & CEO (including directorship) of the Company from the closure of business hours on July 28, 2019.

Accordingly, based on the recommendation by the NRC on June 15, 2019, the Board accepted his resignation, waived his notice period as per the terms of appointment, approved the terms of his remuneration for the current year (i.e. the period starting from April 1, 2019 till July 28, 2019) and also approved the payment of pro-rata bonus to him as Managing & CEO of the Company (in accordance with the Bonus Pay Grid applicable to him for the current year) as per the details set out at the Resolution no. 1 of this notice, as a gesture of goodwill and to recognise his leadership and contribution to the Company.

Further, the members may also please note that Mr. Yogesh Kumar Sareen was appointed as Whole time Director of the Company for a period of 5 years w.e.f August 8, 2018 and the terms of his remuneration for FY 2019-21 was recommended by the Board of Directors of the Company in their meeting held on August 2, 2018 and approved by the members on August 8, 2018.

With the appointment of Mr. Yogesh Kumar Sareen on the Board, the financial and operational performance of the Company has strengthened and the Company has continually progressing towards enabling best-in-class clinical care and outcomes.

In recognition of his performance and contribution, based on the recommendation of NRC, the Board of Directors of the Company in their meeting held on January 25, 2019 recommended a retention incentive for an amount upto INR 2.08 crore payable to Mr.

Yogesh Kumar Sareen, Senior Director & CFO in FY 19 & 20 in two tranches. Also, on the recommendation by the Nomination & Remuneration Committee (“NRC”) and subject to the approval of members of the Company, the Board of Directors of the Company had, in their meeting held on May 14, 2019 approved the terms of his remuneration for FY 2019-22.

The proposed remuneration of Mr. Rajit Mehta and Mr. Yogesh Kumar Sareen for the aforesaid, is aligned with the current and emerging remuneration practices and trends for similar positions in the corporate sector in India as well as the key components of the remuneration policy criteria prescribed under the Companies Act, 2013 (“the Act”).

The following additional information as required by Schedule V to the Act, is given below:

I General Information about the Company

➤ Nature of Industry:

The Company is a Healthcare Service provider offering all three levels of medical care - primary, secondary and tertiary.

➤ Date of commencement of Commercial Production:

The healthcare business of Max India Limited, the erstwhile holding Company of your Company, was transferred to the Company effective March 31, 2002. The first facility of the healthcare business was operational in January 2001.

➤ In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NOT APPLICABLE

➤ Financial performance (on standalone basis) based on given indicators as per Audited Financial Results for the year ended March 31, 2019:

<u>Particulars</u>	(INR in Crores) <u>For the year ended 31.03.2019</u>
Turnover and other income	1058.00
Net profit / (loss) after tax	(23)

➤ Foreign investments or Collaborators, if any:

As on date, Life Healthcare International (Proprietary) Limited (previously Tedo Beleggings 163 Proprietary Limited), is holding 266,997,937 equity shares of INR 10 each, constituting 49.70% of the total paid-up equity share capital of the Company.

II Information about the appointee

Brief Profile of Mr. Rajit Mehta

Background details, recognition or awards, job profile and his suitability, past remuneration and remuneration proposed:

Mr. Rajit Mehta aged about 57 years, is a graduate in Commerce, post graduate in Human Resources and has also attended an Advanced Management Program at INSEAD – France. His total experience spans more than 3 decades.

He was appointed as a Board member of the Company designated as Dy. Managing Director w.e.f March 31, 2014. Later on, in recognition of his performance and contribution, he was promoted to Managing Director & CEO of the Company w.e.f April 1, 2015.

During his tenure, the Company has progressed on all fronts, be it patient centricity, financial performance, culture & values and enhanced clinical strength. He had led the transformation journey of the Company for the last few years, which included hiring and retaining a strong team, significant enhancement of clinician bench strength, implementing a strong cost management program, revamp of the Sales and marketing architecture, thereby delivering a healthy growth trajectory.

Under his leadership, the Company has established a strong reputation across North India and has also been awarded the "Healthcare Brand of the year 2016" at the IHW summit. Under his guidance, the Company has adopted the 5C framework (Care, Clinical excellence, Cohesion, Commitment and Compliance) to transform and align execution. Several transformative initiatives have been implemented to impact Patient Safety & Experience, Clinical excellence and to build a strong Sevabhav ethic.

Further, the Company has adopted the mantra of "Chasing Zero" and has become the first and only network in India to electronically monitor the 4 major hospital acquired infections thereby drastically reducing the incidence of these infections. It is also the first network to have a third party monitoring of Patient satisfaction which has facilitated improvements in process efficiencies and has helped bring down complaint rates substantially.

Also, under his leadership, the Company has made two large acquisitions which have significantly increased its footprint in NCR and has also seeded alternate business models in Home Care, Diagnostics and Oncology day care, keeping in mind emerging trends and to secure future growth.

He is also a Non-Executive Director in various Companies and is a trustee of the Max India Foundation – the CSR arm for the Max Group of Companies. Mr. Rajit is the Chairman of the Northern Region Healthcare Council of CII and is also the Secretary for NATHEALTH, an association of Health care providers in India.

Prior professional experience

Prior to Max Healthcare, Mr. Mehta was associated with Max Life Insurance Company Limited ("MLIC"). He was a founder member of MLIC and has been instrumental in helping MLIC become an admired and profitable Company. During his tenure at MLIC, he undertook additional responsibilities as the Chief Transformation Officer and provided oversight on execution of key initiatives; designing and implementing new work systems; aligning key stakeholders; rationalising the cost structure to improve

profitability; and laying down a comprehensive change management agenda. Rajit has played a strategic role in helping MLIC expand its distribution footprint across India including facilitating a project to “Revamp Sales processes”. The project culminated in him co-authoring a book titled “Growth Leadership Practices at Max Life”.

During his tenure as Chief Operating Officer, MLIC progressed its Quality & Service Excellence journey. This included putting a Service Blueprint in place, implementing a comprehensive outsourcing strategy to impact customer experience and cost and embedding the MPEF framework in the business.

He also mentored the setting up of Max Skill First (MSF), which is now providing learning and skilling to all Max India companies as well as to a few external organisations in the financial services space. MSF also runs a diploma program for paramedics and technicians to cater to the ever growing demand of healthcare workers in India.

Prior to Max Life, Mr. Rajit Mehta was the Director – Human Resources at Bank of America (January 1992 to September 2000) and has earlier worked with HCL, a leading IT company. His total experience spans 31 years. At Bank of America, he was part of the team which set up the Retail Division and was also involved in managing two large exit programs including sale of the Retail division to ABN Amro Bank. At the bank, he was also involved in several training initiatives across Asia.

Past remuneration:

The remuneration for the performance year 2018-19 is as follows:

Terms	Amount (in INR per annum)
Salary including but not limited to Basic, House Rent Allowance/Company owned or leased accommodation including house maintenance, additional allowance, Provident Fund and Gratuity, perquisites and allowances viz., leave travel allowance, company owned assets including company car, furniture and appliances, car lease rentals, if any, fuel reimbursements, vehicle maintenance, driver facility, children education allowance, management allowance, medical reimbursements and variable compensation.	INR 5,12,20,182

In addition to the remuneration and perquisites as aforesaid, Mr. Rajit Mehta was entitled to encashment of leave, housing loan as per company policy, personal accident insurance policy, health insurance (hospitalization) policy, travel insurance, Group Term Life Insurance, club memberships and any other perquisites / retiral benefits as per the policy / rules of the Company in force and/or as may be approved by the Board / Committee, from time to time and the facility of mobile phones / other communication instruments, including telephones installed at his residence.

Further, in terms of the Phantom Stock Plan of the Company, he has exercised 5,93,000 phantom stock options granted to him on March 25, 2015 at a grant price of INR 64.60 per option.

Proposed Remuneration

Salary, pro- rata bonus / variable pay and other benefits as detailed in the enclosed resolution set out at item no. 1 of this notice.

Comparison with Industry

The 'Remuneration Profile' of Mr. Rajit Mehta on a comparative basket of companies comprising multinationals and high performing Indian companies from the services sector, which have a global presence and turnover in excess of INR 1000 crore. Individual specific remuneration is an outcome of a strategic Human Capital Initiative, which measures 'Competency Profiles' for each person and rates the individual vis-à-vis the standard required for the job. The eventual pricing matrix is then a function of this rating, which is superimposed on the target market price, currently benchmarked at the 'Top Quartile'.

Brief Profile of Mr. Yogesh Kumar Sareen

Mr. Yogesh Kumar Sareen is a Whole time Director and Chief Financial Officer of the Company.

He is associated with the Company since 2012 and has successfully built a robust Finance and Accounting Function. As a member of senior leadership team, he was directly involved in guiding the strategy and execution of the Group's business plans in the healthcare domain.

He also serves on the Board of various subsidiaries of the Company viz. Crosslay Remedies Limited ("CRL"), Hometrail Buildtech Private Limited ("HBPL"), Alps Hospital Limited and Saket City Hospitals Private Limited ("SCHPL").

Mr. Yogesh Kumar Sareen aged about 55 years, is a member of the Institute of Chartered Accountants of India. He started his career in the industry with Ranbaxy Laboratories Limited in 1988 and had a 19-year long stint across various positions indifferent countries. He was involved in almost every facet in finance - right from operational finance to corporate finance, treasury, strategy, financial planning etc. Before joining the Company, he was with Fortis Healthcare as CFO.

Past remuneration:

The remuneration for the performance year 2018-19 is as follows:

Terms	Amount (in INR per annum)
Salary including but not limited to Basic, House Rent Allowance/Company owned or leased accommodation including house maintenance, additional allowance, Provident Fund and Gratuity, perquisites and allowances viz., leave travel allowance, company owned assets including company car, furniture and appliances, car lease rentals, if any, fuel reimbursements, vehicle maintenance, driver facility, children education allowance, management allowance, medical reimbursements and variable compensation.	Rs. 3,03,98,930

In addition to the remuneration and perquisites to be paid as aforesaid, Mr. Yogesh Kumar Sareen shall be entitled to encashment of leave, housing loan, personal accident insurance policy, health insurance (hospitalization) policy, travel insurance, Group Term Life Insurance, club memberships and any other benefits / perquisites / retiral benefits as per the policy / rules of the Company in force and/or as may be approved by the Board / Committee, from time to time. The Company shall also provide the reimbursement towards facility of mobile phones / other communication instruments, including telephones installed at his residence. He shall also be entitled to reimbursement of all expenses actually and properly incurred by him in the course of legitimate business of the Company.

Proposed Remuneration

Proposed remuneration for the period starting from April 1, 2019 till March 31, 2022 has been provided under resolution set out at item no. 2 of this notice.

Comparison with Industry

The 'Remuneration Profile' of Mr. Yogesh Kumar Sareen on a comparative basket of companies comprising multinationals and high performing Indian companies from the services sector, which have a global presence and turnover in excess of INR 1000 crore. Individual specific remuneration is an outcome of a strategic Human Capital Initiative, which measures 'Competency Profiles' for each person and rates the individual vis-à-vis the standard required for the job. The eventual pricing matrix is then a function of this rating, which is superimposed on the target market price, currently benchmarked at the 'Top Quartile'.

III Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Except the remuneration received from the Company, Mr. Rajit Mehta and Mr. Yogesh Kumar Sareen, do not have any pecuniary relationship directly or indirectly with the

Company, or relationship with the Director / KMP / managerial personnel of the Company. Mr. Rajit Mehta does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Mr. Yogesh Kumar Sareen holds 1 equity share of the Company as a nominee shareholder on behalf of Max India Limited.

IV. Other Information: Reasons for loss or inadequate profits, steps taken or proposed to be taken for improvement, expected increase in productivity and profits in measurable terms:

The Company has reported cash profits of INR 35 Crores during the year. However, it continues to report net loss and the reasons for loss or inadequate profits are as given below:

- 1 Launch of hospitals: New Hospital projects in Healthcare industry involve substantial capital investment and are characterized by long gestation periods, resulting into losses in the initial years and gradual growth of business/ revenue. The launch of hospitals during 2011-12 period has adversely affected overall profitability of the Company, as expected. Further, the company has made significant outlay in 2015 (~Rs 572 Crores) for purchase of controlling stake in two healthcare companies in order to expand its footprint.
- 2 The financial performance during the year was also impacted by regulatory actions taken by both Central and State Government. The drastic cut in prices of stents, fixation of prices of knee joints under DPCO and Minimum wage revision by Delhi Government in March, 2017 and spiral impact it had on other cadre of employees impacted margin and profitability. In addition, the stalemate with GIPSA, which has a market share of 65% in insurance segment regarding tariff revision and closure of cashless facility for its insured patients, impacted both revenue and profitability.
- 3 Price increase and Employee Costs: Given the nature of industry and larger issues like affordability, accessibility to healthcare - the price increases are kept at minimal. However, at the same time due to rising demand for professional doctors/nurses/paramedical staff, the Company is spending higher amount on employee benefits including salary, skilling etc. The Company do expect that in the coming years, the increased productivity and relative market share of the Company's hospital will enable it to improve the equations.
- 4 The company faces stiff competition from leading hospitals and medical Centers in the region.

Steps taken or proposed to be taken for improvement:

Following steps are being taken by the Company for stemming losses and improving its profitability:

- With the support of skilled doctors, dedicated to quality patient care and modern, patient-centric hospital facilities and a cost-effective business model, the Company has

in place robust mechanism to reduce its direct costs. This coupled with small increases in prices are expected to improve the profitability and meet increased employee costs.

- Occupancy is the driver of revenues in the hospital industry and the Company's hospitals have been experiencing higher footfall leading to higher occupancies. In addition, the Company has embarked on a programme to cut down length of stay of IPD patients through variety of means, which also help us improve patient safety and faster discharge of patients. This in effect also would lead to higher ARPOB and profitability. Further, going forward, the Company plans to reduce its dependence on Institutional payor where collections delays and arbitrary deductions are causing pressure on working capital and margins resp.
- Medical Programmes: With growing number of Lifestyle diseases like Cardiac, Neurosciences and Orthopedics etc., there is increasingly high demand for complex procedures like organ transplant, interventional neurology etc. The Company continuously rejigs its specialty mix and adds new & complex procedure to its offering, leading to higher realizations and better utilization of its resources.
- The Company focused on strengthening its processes and operational effectiveness by undertaking transformational initiatives to realign the pricing structure, bring process orientation through regimented adherence, innovative models for doctor engagement and renewed focus on cost optimization in order to regain and improve the operating margin. Significant efforts have been made by the Clinical leadership to revisit and revise policies / procedures in order to ensure transparency, compliance and proper documentation so as to gain back patient trust and loyalty.

Expected increase in productivity and profits in measurable terms:

It is difficult to forecast the productivity and profitability in measurable terms. However, with the above measures, cost optimization and other such initiatives, the operating efficiencies are expected to increase in future leading to adequate profits. The Company is well poised to sustain and capture growth opportunities in all its business segments within the confines of business prudence.

Other key update

The members may please note that on December 24, 2018, Radiant Life Care Private Limited entered into a Share Purchase Agreement ("SPA") with Life Healthcare International Proprietary Limited ("Life Healthcare") for the purchase of 266,997,937 equity shares constituting 49.7% of the equity share capital of Max Healthcare from Life Healthcare, subject to completion of Condition Precedents mentioned in the said SPA.

Also, the Board of Directors in their meeting held on December 24, 2018, approved a Composite Scheme of Amalgamation & Arrangement (hereafter referred to as "the Scheme of Amalgamation") amongst Max India Limited ("Max India"), MHIL, Radiant Life Care Private Limited ("Radiant Life") and a wholly owned subsidiary of Max India

incorporated for this purpose viz. Advaita Allied Health Services Limited (“Advaita”) and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“the Act”).

The Scheme inter-alia provides for following arrangement between the Company, Max India, MHIL, Advaita and Radiant Life:

- a) Demerger of the activity of making, holding and nurturing investments in allied health and associated activities (collectively known as “Demerged Undertaking”) from Max India into Advaita.
- b) Demerger of healthcare business of Radiant Life into MHIL;
- c) Amalgamation of residual Max India (post demerger of the Demerged Undertaking), which comprises of healthcare activities (including its underlying investment in MHIL) with MHIL.

The Board of Directors of the Company on May 14, 2019 recommended the remuneration payable to Mr. Rajit Mehta for FY 2019-20, however consequent upon his resignation, the Board on June 15, 2019 recommended the pro rata bonus for the period starting from April 1, 2019 to July 28, 2019 and recommended the passing of the Special Resolutions under item No. 1 & 2 of the accompanying Notice for the approval of the Members of the Company.

Accordingly, the Board recommends the Resolutions set forth in item nos. 1 & 2 of the Notice for approval of the members as a Special Resolution(s).

The documents referred above (shall be considered as memorandum setting out terms of remuneration under section 190 of the Act) are available for inspection in physical form at any time during the business hours of the Company (i.e. 9.00 AM till 6.00 PM) at the registered office of the Company and copies thereof shall also be made available for inspection at EGM.

The other relevant details as required under Secretarial Standards for general meetings (SS-2) is provided under Annexure -1 to this Notice.

Except Mr. Rajit Mehta and Mr. Yogesh Kumar Sareen, none of the Promoters, Directors and Key Managerial Personnel (KMPs) of the Company and their relatives, are concerned or interested, financial or otherwise, in passing of the above resolutions set out at item no. 1 & 2 respectively of this Notice.

The notice and explanatory statement may be treated as the abstract of the terms of remuneration of Mr. Rajit Mehta and Mr. Yogesh Kumar Sareen.

Details of directors seeking appointment / reappointment and / or fixation of remuneration of Directors (including Managing Director or Whole time Directors as required in terms of Section 118 (10) of the Companies Act, 2013 read with the Secretarial Standards for General Meetings (SS-2):

I. Name of the Director : Mr. Rajit Mehta (DIN 01604819)

- Age: 57 years
- Qualification: Graduate in Commerce, post graduate in Human Resources and has also attended an Advanced Management Program at INSEAD – France.
- Experience: The experience snapshot of Mr. Rajit Mehta has been provided under explanatory statement to the resolution set out under item no. 1 of the EGM Notice.
- Details of the remuneration: The details have been provided under explanatory statement to the resolution set out under item no. 1 of the EGM Notice.
- Remuneration last drawn: INR 5,12,20,182 p.a.
- Date of first appointment on the Board: March 31, 2014.
- Shareholding in the Company: He does not hold by himself or for any other person on a beneficial basis, any shares in the Company.
- Relationship with other Director& KMP: None
- Number of board meetings attended during the FY 2018-19: 6 (Six)
- Directorship & Committee position as on March 31, 2019:

Directorship in other Companies*	Committee position in other Companies
1. Max Life Insurance Company Limited	1. Member of Corporate Social Responsibility of Max Life Insurance Company Ltd.
2. Windows Consultants Private Limited	2. Member of Nomination & Remuneration Committee of Saket City Hospitals Pvt. Ltd.
3. Interstoff Syndicate Private Limited	3. Member of Operational Committee of Saket City Hospitals Pvt. Ltd.
4. Quantum Institute For Wellbeing Private Limited	4. Member of Audit & Ethics Committee of Max Skill First Limited
5. Max Skill First Limited (Formerly Max Healthstaff International Limited)	5. Member of Nomination & Remuneration Committee of Max Skill First Limited
6. Crosslay Remedies Limited	6. Member of Operational Committee of Crosslay Remedies Limited
7. Saket City Hospitals Private Limited	

II. Name of the Director : Mr. Yogesh Kumar Sareen (DIN 00884252)

- Age: 55 years
- Qualification: Member of the Institute of Chartered Accountants of India (ICAI).
- Experience: Provided in the Explanatory Statement to item no. 2
- Details of remuneration:-The details have been provided under explanatory statement to the resolutions set out under item no.2 of this EGM Notice.
- Remuneration last drawn: INR 3,03,98,930 p.a.
- Date of First Appointment on Board: August 8, 2018
- Shareholding in the Company: 1(One Share) as a nominee shareholder of Max India Ltd.
- Relationship with other Directors, Manager & KMP: None
- Number of board meetings attended in FY 18-19: 2 (Two) (appointment effective from August 8, 2018).
- Directorship & Committee position as on March 31, 2019

Directorship in other Companies	Committee Membership in other Companies
1. Hometrail Buildtech Private Limited 2. Crosslay Remedies Limited 3. Alps Hospital Limited 4. Saket City Hospitals Pvt. Ltd (SCHPL)	1. Chairman of Audit Committee and Corporate Social Responsibility Committee, Member of Operational Committee of Crosslay Remedies Limited 2. Member of Audit Committee and Operational Committee of SCHPL.

PROXY FORM

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

CIN U72200MH2001PLC322854

Name of the Company: **Max Healthcare Institute Limited**

Registered office: 167, Floor 1, Plot-167A, Ready Money Mansion, Dr. Annie Besant
Road, Worli, Mumbai- 400018

Name of the Member(s)	
Registered Address	
Email Id	
Folio No./ Client Id	
DP ID	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

1. Name: _____
Address: _____
Email Id: _____
Signature: _____; or failing him

2. Name: _____
Address: _____
Email Id: _____
Signature: _____

as my/ our proxy to attend and vote (on a poll) for me/us any on my/our behalf at the Extra Ordinary General Meeting of the Company, to be held on Wednesday, 19 day of June 2019 at 0900 Hrs at Ground Floor, Conference Room, N -110, Panchsheel Park, New Delhi - 110017, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Nos.:

1. _____
2. _____

Signed this ____ day of _____, 2019
Signature of member

Affix Revenue Stamp

Signature of Proxy Holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of this meeting.

Max Healthcare Institute Limited
CIN U72200MH2001PLC322854
167, Floor 1, Plot-167A, Ready Money Mansion, Dr. Annie Besant
Road, Worli, Mumbai- 400018

Attendance Slip
Extra-ordinary General Meeting of Max Healthcare Institute Limited

DP Id	Client Id
Regd. Folio No.*	No. of Shares

S. No.	Name in Full	Father's/ Husband Name	Address as Regd. With the Company
1.			
2.			
3.			

I/ We hereby record my/ our presence at the Extra-ordinary General Meeting of the Company being held on Wednesday, June 19, 2019 at 0900 hrs at Ground Floor, Conference Room, N – 110, Panchsheel Park, New Delhi - 110017, India.

Please (✓) in the box

Member Proxy

Member's/ Proxy Signature**

**Applicable for investors holding shares in physical form*

***Please strike out whichever is not applicable*

Route map of the EGM Venue

