

MAX HEALTHCARE INSTITUTE LIMITED

NOTICE

NOTICE is hereby given that an **Extra-ordinary General Meeting** of Max Healthcare Institute Limited (“**the Company**”) will be held on **Tuesday, March 1, 2016** at **1100 hrs** at the **Registered Office** of the **Company** at: **Meeting Room No.1, 2nd floor, Max House, 1, Dr. Jha Marg, Okhla, New Delhi-110020** (route map enclosed) to transact the following businesses:

I. To amend the Employee Stock Option Scheme 2006 of the Company

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

“**RESOLVED THAT** in partial modification of the Special Resolution passed by the shareholders of the Company in their meeting held on August 10, 2006, pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Rules made thereunder (“the Rules”), the Memorandum and Articles of Association of the Company, subject to any other applicable laws / regulatory requirements and Employee Stock Option Scheme 2006 of the Company, as amended from time to time (“ESOP 2006 Scheme” / “ the Scheme”), the consent of shareholders of the Company be and is hereby accorded to amend the ESOP 2006 Scheme of the Company and to adopt the amended ESOP 2006 Scheme, as detailed under the explanatory statement to item no. 1 below.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company [hereinafter referred to as “the Board” which term shall be deemed to include Nomination & Remuneration Committee of the Board (“NRC”) and/or any persons authorized by the Board or NRC in this regard) be and is hereby authorized to make modifications, changes, variations, alterations or amendment in ESOP 2006 Scheme, settle all questions, queries, difficulties or doubts that may arise in relation to the implementation of the Scheme and incur expenses in relation thereto, as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Act and Rules made thereunder, the Memorandum and Articles of Association of the Company, any other applicable laws and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit, necessary or desirable for the purpose of giving effect to this resolution with power to settle any issues, questions, difficulties or doubts that may arise in this regard.”

Max Healthcare Institute Limited
(CIN: U72200DL2001PLC111313)

Regd. Office: Max House, 1, Dr. Jha Marg, Okhla, New Delhi-110020
Phone: 91-11-41220600, Fax: 91-11-41612155, E-mail: secretarial@maxhealthcare.com
www.maxhealthcare.in

II. Grant of stock options to the employees of holding and/or subsidiary companies and / or any other persons under ESOP 2006 Scheme

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Rules made thereunder (“the Rules”), the Memorandum and Articles of Association of the Company, Employee Stock Option Scheme 2006 of the Company, as amended from time to time (“ESOP 2006 Scheme”), subject to such other applicable laws / regulatory requirements, such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, consent of the shareholders of the Company be and is hereby accorded to extend the benefits of ESOP 2006 Scheme referred to in the Resolution under Item No. 1 in this Notice to the permanent employees, existing and future directors, including the Whole-time Directors (but excluding the Independent Director) of the existing and future holding and subsidiary Company(ies) of the Company whether in or outside India and / or to such other persons, as may from time to time be allowed under prevailing laws, rules and regulations, and / or amendments thereto from time to time on such terms and conditions as may be decided by the Board of Directors of the Company [hereinafter referred to as “the Board” which term shall be deemed to include Nomination & Remuneration Committee (“NRC”) of the Board and/or any persons authorized by the Board or NRC in this regard].”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be necessary or expedient and to settle any questions, difficulties or doubts that may arise in this regard at any stage including at the time of listing of securities without requiring the Board to secure any further consent or approval of the members of the Company in this regard.”

**By Order of the Board
For Max Healthcare Institute Limited**

sd/-

**Place: New Delhi
Date: February 26, 2016**

**Ruchi Mahajan
Company Secretary
FCS5671**

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 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 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.

2. Proxies in order to be effective must be received at the Registered Office of the Company at Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110 020 at any time but not less than 48 hours before the meeting. A format of proxy is enclosed.
3. The meeting is being convened at a shorter notice, after obtaining the consent, in writing, of more than 95% of the members of the Company, pursuant to the provisions of Section 101 of the Act.
4. The explanatory statement pursuant to Section 102 of the Act is annexed hereto and forms part of this Notice.
5. The documents referred to in the proposed resolutions and explanatory statements are open for inspection at the Registered Office of the Company during working hours between 9:30 a.m. and 1:00 p.m., except on holidays.
6. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. Members may also note that the Notice of this Extra Ordinary General Meeting will also be available on the Company's website www.maxhealthcare.in in for their download.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. I & II

The members may please note that, with the Company's rapid expansion in the last few years, it has now moved into the next phase in its journey of growth and the sustainable performance and in this phase, the Company is highly dependent on the hard work, dedication and commitment of its employees.

The Stock Options have long been recognized internationally, as an effective instrument, to align the interest of employees with those of the Company and its Members, providing an opportunity to employees to share the growth of the Company, and to create long-term wealth in the hands of employees. Stock Options create a common sense of ownership between the Company and its employees, paving the way for a unified approach to the common objective of enhancing overall shareholders value.

The existing Employee Stock Options Scheme ("ESOP 2006 scheme" or the "Scheme") which is due to expire in August, 2016, is required to be extended and amended suitably in order to benefit and motivate the employees to create value for the Company continuously, reward them appropriately through sharing the benefits of value so created and enjoy the fruits of the phenomenal growth that the Company foresees in the coming years and also to align the Scheme with the regulatory changes from time to time.

Accordingly, based on the recommendations by the Nomination & Remuneration Committee of the Company ("NRC"), the Board of Directors of the Company had, in its meeting held on February 4, 2016 proposed to amend the existing ESOP 2006 scheme of the Company. The proposed key changes are as follows:

- (i) **Eligibility:** In addition to the permanent employee of the company who has been working in India or outside India, the benefit of the Scheme is proposed to be extended to the permanent employees of the holding company, if any, or subsidiary companies of the Company or any other persons as permitted under the prevailing laws, as more particularly described under Resolution to Item no. 2 above.
- (ii) **Tenure of the Scheme:** The tenure of the ESOP 2006 shall expire on August 10, 2016. It is proposed to extend the tenure of the Scheme by another 10 years i.e. August 10, 2026.
- (iii) **Vesting Criteria:** Provisions relating to vesting criteria (as detailed herein below) are being added to the Scheme, so that the vesting may be time based or performance based, as determined by the NRC from time to time.

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- (iv) **Exercise Period:** The maximum exercise period (as detailed herein below) is proposed to be extended from 12 months to 5 years, from the respective vesting date.
- (v) **Exercise in case of death of an employee, permanent incapacity, retirement, abandonment of employment:** The exercise period for such events (as detailed herein below) has been extended.
- (vi) **Exist option in the absence of listing of shares:** In addition to deferred compensation as referred under ESOP 2006 scheme, the Committee may, at its sole discretion determine the methodology, price, timelines, restrictions and other relevant matters (including buy back of such Shares arising out of the Stock Options exercised by the Employees) for offering appropriate exit mechanism to such Employees who have become shareholder upon exercise of their respective Stock Options, subject to applicable laws.

The proposed changes are for the benefit of permanent employees of the Company who have been granted stock options under ESOP 2006 scheme (provided such stock options have yet not been exercised by such employees) as well as for the benefit of the permanent employees of the Company, its existing or future holding company (if any) and existing / future subsidiary companies of the Company, who will be granted stock options under ESOP 2006 scheme.

The following is the explanatory statement, which sets out the various disclosures as required under Section 62 (1) (b) of the Act read with the relevant provisions of the Companies (Share Capital and Debentures) Rules, 2014 (“the Rules”).

The salient features along with proposed amendments/modifications of the ESOP 2006 Scheme are as under:-

1. The total number of options to be granted

- Not more than 5% of the aggregate numbers of issued equity shares of the Company at any point of time, in one or more tranches, may be issued as stock options under the Scheme.
- Number of options shall be adjusted due to any corporate action(s) such as rights issue, bonus issue, buy-back of shares, split or consolidation of shares etc. of the Company in terms of the Scheme.
- Each option when exercised would give the option holder a right to get one fully paid equity share of the Company.
- The options, which will lapse, expire or be forfeited, will be available for further grant to the eligible employees.

2. Identification of classes of employees entitled to participate in the ESOP Scheme

- a) A permanent employee of the company who has been working in India or outside India; or
- b) A director of the Company, whether a whole time director or not but excluding an Independent Director; or
- c) An employee as defined in clauses (a) or (b) of a subsidiary, in India or outside India, or of a holding company of the Company, if any, but does not include –
 - o an employee who is a promoter or a person belonging to the promoter group; or
 - o a director who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than ten percent of the outstanding equity shares of the Company.

3. The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme

The employees will be granted options by the NRC on the basis of certain criteria including but not limited to level and role of the employee, performance of the employee, criticality of the position held / nature and value to the Company of the Employee's services and accomplishment, tenure with the organization, present and potential contribution to the success of the Company and such other factors as NRC may decide from time to time.

4. Requirements of vesting and period of vesting (minimum and maximum period of vesting)

- The exact proportion in which the options would vest shall be determined by the NRC, subject to the minimum vesting period of one year and maximum vesting period of 5 years, from the date of grant of options.
- The NRC will decide on the vesting of the options, in full ("Bullet Options") or in a graded manner ("Graded Options") on any date beginning at the end of one year from the date of grant and concluding at the end of five year from the date of grant.
- The NRC, in its discretion, at the time of each grant, may lay down certain performance metrics on the achievement of which the granted options would vest, the detailed terms and conditions relating to such performance based vesting, and the proportion in which options are granted under the Scheme would vest (subject to the minimum and maximum vesting period as specified above).

5. Exercise Price or formula for arriving at the same

To be determined by the NRC from time to time, in accordance with the provisions of the applicable laws, provided that the exercise price shall not be below the face value of the equity shares of the Company.

6. Exercise period and process of exercise

Exercise Period: The exercise period would commence from the date of vesting and will expire on completion of not more than five (5) years from the date of respective vesting of options, as may be decided by the NRC from time to time.

Exercise Process: In order to exercise the Option, the Option Grantee must provide written notice (the "Exercise Request Form") to the Company stating the number of options being exercised prior to the expiry of the Exercise Period alongwith the exercise price in respect of Options being exercised, payable in cash / account payee cheque/ normal banking channel, as the case may be subject to the applicable laws.

7. Lock in period, if any:

The shares allotted under ESOP 2006 are subject to lock-in upto the time of listing of shares. The shares are not transferable during the said Lock-in period.

Further, the shares arising out of the options exercised by the employees may be subject to such restrictions including but not limited to obligations in respect of drag along and right of first refusal and such other terms and conditions, as may be determined by the NRC from time to time.

8. Maximum number of options to be granted per employee and in aggregate

The maximum number of options to be granted in aggregate shall not exceed 5% of the aggregate of number of issued equity shares of the Company at any point of time.

The maximum number of options to be granted per employee shall be as determined by NRC from time to time.

9. The method which the company shall use to value its options

The Company shall use one of the methods (whether intrinsic value or fair value or other) as may be prescribed under the applicable laws from time to time.

10. The conditions under which the options vested in employees may lapse

NRC shall decide the conditions under which options vested in employees may lapse including in case of termination of employment for misconduct or otherwise.

11. Specified time period within which the employee shall exercise the vested options in the event of a proposed termination or resignation of employee

In the event of separation due to resignation prior to retirement or due to termination of services (for reasons other than abandonment of employment without employer's consent or termination of employment for misconduct or breach of Policies or terms of employment), all unvested options on the last working day or date of termination, as the case may be, shall stand cancelled with effect from that date. However, all Vested Options as on that date shall be exercisable by the employee immediately before the last working day or date of termination, as the case may be.

12. Exercise in case of death of an employee

In the event of the death of an Employee while in employment with the Company, all the options (vested and unvested) shall vest in the legal heirs or nominee of the deceased employee and such options may be exercised by the Option Grantee's nominees or legal heirs immediately after, but in no event later than twenty four months from the date of death.

13. Exercise in case of permanent incapacity

In the event of separation of an employee from the Company due to reasons of permanent incapacity while in employment, all the options (vested and unvested) granted to him as on the date of permanent incapacitation shall vest in him / her on that day. The option grantee may exercise these options immediately after permanent incapacity but in no event later than twenty four months from the date of separation from employment.

14. Exercise in case of retirement

In the event of separation from employment for reasons of normal retirement or a retirement specifically approved by the Company, all vested and unvested options should be exercised by the Option Grantee immediately after, but in no event later three months from the date of such Option Grantee's retirement.

15. Exercise in case of abandonment of employment

In the event of abandonment of employment by an Option Grantee without the employer's consent, all stock options granted to such employee, including the vested Options, which were not exercised at the time of abandonment of employment, shall stand cancelled. The NRC, at its sole discretion shall decide the date of cancellation of such options and such decision shall be binding on all concerned.

The Company shall comply with the disclosures, the accounting policies / standards and other requirements as may be prescribed under the Act, Rules, and other applicable laws from time to time. NRC shall have all the powers to take necessary decisions / actions for effective implementation of ESOP 2006 Scheme, as amended from time to time.

In terms of Rule 12 of the Rules, the Company may by special resolution, vary the terms of Employees Stock Options Scheme not yet exercised by the employees provided such variation is not prejudicial to the interest of the option holders. Accordingly, the resolution set out at Item No. 1 is being placed for the approval of members pursuant to the provisions of Section 62(1) (b) of the Act read with the Rules and all other applicable provisions of law for the time being in force.

Further, in terms of the aforesaid Rules, a separate resolution is required to be passed if the benefits of ESOPs are to be extended to employees of the holding or subsidiary Companies. A separate resolution under item no. 2 is being proposed accordingly; to extend the benefit of ESOP 2006 Scheme to such employees and/or such other persons as may be permitted from time to time, under prevailing laws, rules and regulations, and/or amendments thereto from time to time.

A copy of the amended ESOP Scheme 2006 incorporating the proposed amendments will be available for inspection on all working days (Monday to Friday) between 9.30 a.m. and 1:00 p.m. at the registered office of the Company.

None of the Directors, Key Managerial Personnel of the Company including their relatives are interested or concerned, financially or otherwise in the resolution No. 1 and 2, except to the extent of their entitlements, if any, under the ESOP Scheme.

The Board of Directors recommends the passing of the resolutions at item no. I and II above as special resolutions by the members of the Company.



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: U72200DL2001PLC111313

Name of the Company: Max Healthcare Institute Limited

Registered office: Max House, 1, Dr. Jha Marg, Okhla, New Delhi - 110020

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 the _____, 2016 at _____ Hrs at its registered office and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Optional	
		For	Against
	Special Business		
1.			
2.			



Signed this ____ day of _____, 2016
Signature of Shareholder

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 U72200DL2001PLC111313)
Registered office: Max House, 1, Dr. Jha. Marg,
Okhla, New Delhi – 110020, [Tel:011-41612123](tel:011-41612123), Fax No. 01141612155
Website: www.maxhealthcare.in; email id: secretarial@maxhealthcare.com

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/ Name	Husband	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 _____, 2016 at ____ hrs at Max House, 1, Dr. Jha Marg, Okhla, New Delhi – 110020.

Please (✓) in the box

Member Proxy

Member's/ Proxy Signature**

Date: _____

**Applicable for investors holding shares in physical form*

***Please strike out whichever is not applicable*

