

MAX HEALTHCARE INSTITUTE LIMITED  
CIN U72200DL2001PLC111313  
Regd. Office: N-110, Panchsheel Park, New Delhi - 110017, India

**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, August 8, 2018, at 1600 Hrs** at the registered office of the Company 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. **Amendment in the Articles of Association of the Company for increasing the number of Directors on Board**

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 14, 149 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules and regulations made thereunder including any amendment, re-enactment or statutory modification thereof and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended, modified or restated, and subject to such approvals, permissions, consents and sanctions as might be required from any regulatory authority and further subject to such conditions and modifications as may be prescribed by such regulatory authority while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), approval of the members of the Company be and is hereby accorded for increasing the number of directors on Board from 12 to 15 and to amend the Articles of Association by altering the existing Articles 34 & 35(a) and substituting with the following Articles:

34. Subject to the applicable provisions of the Act, the number of Directors on the Board at any time shall not be less than three (3) and not more than Fifteen(15) excluding alternate directors appointed in accordance with the provisions of applicable Laws and these Articles. Not less than two thirds of the total number of Directors on the Board shall be liable to retire by rotation each year (Rotational Director). At least one-third of the Rotational Directors shall retire by rotation at each Annual General Meeting of the Company (Retiring Directors).

35(a) Notwithstanding anything to the contrary, Max India and the Investor shall have the right to nominate an equal number of Directors to the Board. The Board shall have a maximum of 15 (Fifteen) Directors, of which:

- i. Max India shall have the right to nominate 3 (three) directors to the Board ("**Max India Directors**"), of which one will be non-retiring;
- ii. the Investor shall have the right to nominate 3 (three) directors to the Board ("**Investor Directors**"), of which one will be non-retiring; and
- iii. such number of non-executive/ executive/ whole time directors and independent directors as may be required under the provisions of applicable Laws (including the Act) to be appointed."

**"RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

## **2. Appointment of Mr. Yogesh Kumar Sareen as a Director**

To consider and if thought fit, to pass the following resolution with or without modification/s, as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 152, 149 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the relevant Rules & Regulations made thereunder, Mr. Yogesh Kumar Sareen (DIN 00884252) in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of Director, and who is eligible for appointment as a Director, be and is hereby appointed a Director of the Company w.e.f August 8 2018."

**"RESOLVED FURTHER THAT** pursuant to Section 152 of the Act, Mr. Yogesh Kumar Sareen shall be liable to retire by rotation."

**"RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

## **3. Appointment of Mr. Yogesh Kumar Sareen as a Whole time Director and approval of terms of his appointment and remuneration**

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

**“RESOLVED THAT** pursuant to the provisions of Section 2(94), 196, 197, Schedule V and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with relevant Rules and Regulations made thereunder including any amendment / re-enactment or statutory modification thereof and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended, modified or restated, and subject to such approvals, permissions, consents and sanctions as might be required from any regulatory authority and further subject to such conditions and modifications as may be prescribed by such regulatory authority while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Yogesh Kumar Sareen (DIN 00884252) as the Whole time Director of the Company for a period of 5 years, w.e.f. August 8, 2018.”

**“RESOLVED FURTHER THAT** the terms of remuneration for Mr. Yogesh Kumar Sareen as the Whole time Director of the Company for the period starting from August 8, 2018 till March 31, 2019 are as under:

- a) 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.) of INR 2,08,34,361 (Rupees Two Crores Eight Lacs Thirty Four Thousand Three Hundred and Sixty One only) per annum. 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.
- b) Variable Pay: Performance based variable pay, which will be objective, transparent and measurable and it will be in the range of 0-40% of the fixed pay and shall be based on the Company’s Measures of Success (MoS) achievement linked variable pay parameters in line with the variable pay policy approved by the Nomination & Remuneration Committee (“NRC”). This will be payable subject to appropriate tax deduction.
- c) Phantom Stock Options (PSP): The PSP grants issued to him by the NRC on May 23, 2017 i.e. 1,93,921 (One Lac Ninety Three Thousand Nine Hundred Twenty One) grants @ INR 84 per grant, on the same terms & conditions as approved by NRC at the time of grant.

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** Mr. Yogesh Kumar Sareen shall continue to act as a Whole time Key Managerial Personnel (Chief Financial Officer) of the Company in terms of Section 203 of the Act.”

**"RESOLVED FURTHER THAT** the Board of Directors of the Company and/or its Committee thereof, be and is hereby authorized to regulate the payment of remuneration to Mr. Yogesh Kumar Sareen, within the aforesaid limits, from time to time.”

**"RESOLVED FURTHER THAT** the Company or Mr. Yogesh Kumar Sareen shall be entitled at any time to terminate this appointment by giving three months written notice or by any shorter notice as may be accepted by the Board.”

**"RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

4. **Terms of remuneration payable to Mr. Yogesh Kumar Sareen as Whole Time Director of the Company for the period starting from April 1, 2019 till March 31, 2021**

To consider and if thought fit, to pass the following resolution with or without modification/s, 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”) read with Schedule V to the Act and the Rules, and Regulations made thereunder including any amendment or re-enactment or statutory modification thereof and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended, modified or restated, and subject to such approvals, permissions, consents and sanctions as might be required from any regulatory authority and further subject to such conditions and modifications as may be prescribed by such regulatory

authority while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), the consent of the 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, for the period starting from April 1, 2019 till March 31, 2021:

- a) 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 2,40,00,000 (Rupees Two Crores Forty Lacs 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.
- b) Variable Pay: Performance based variable pay, which will be objective, transparent and measurable and it will be in the range of 0-40% of the fixed pay and shall be based on the Company's Measures of Success (MoS) achievement linked variable pay parameters in line with the variable pay policy approved by the Nomination & Remuneration Committee ("NRC"). This will be payable subject to appropriate tax deduction.
- c) 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** the Board of Directors and the Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, deeds and

things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

5. **Appointment of Mr. Rohit Kapoor as a Director**

To consider and if thought fit, to pass the following resolution with or without modification/s, as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 152, 149 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the relevant Rules & Regulations made thereunder, Mr. Rohit Kapoor (DIN 06529360) in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the office of Director, and who is eligible for appointment as a Director, be and is hereby appointed a Director of the Company w.e.f August 8 2018.”

**“RESOLVED FURTHER THAT** pursuant to Section 152 of the Act, Mr. Rohit Kapoor shall be liable to retire by rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

6. **Appointment of Mr. Rohit Kapoor as a Whole time Director and approval of terms of his appointment and remuneration**

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

**“RESOLVED THAT** pursuant to the provisions of Section 2(94), 196, 197, Schedule V and any other applicable provisions of the Companies Act, 2013 (“the Act”) read with relevant Rules and Regulations made thereunder including any amendment re-enactment or statutory modification thereof and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended, modified or restated, and subject to such approvals, permissions, consents and sanctions as might be required from any regulatory authority and further subject to such conditions and modifications as may be prescribed by such regulatory authority while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), the consent of the members of the Company be and is hereby accorded for the appointment of Mr. Rohit Kapoor (DIN

06529360) as the Whole time Director of the Company for a period of 5 years, w.e.f. August 8, 2018.”

“**RESOLVED FURTHER THAT** the terms of remuneration for Mr. Rohit Kapoor as the Whole time Director of the Company for the period starting from August 8, 2018 till March 31, 2019 are as follows:

- (a) 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.) of Rs.2,06,87,243 (Rupees Two Crores Six Lacs Eighty Seven Thousand Two Hundred and Forty Three only) per annum. 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.
- b) Variable Pay: Performance based variable pay, which will be objective, transparent and measurable and it will be in the range of 0-40% of the fixed pay and shall be based on the Company’s Measures of Success (MoS) achievement linked variable pay parameters in line with the variable pay policy approved by the Nomination & Remuneration Committee (“NRC”). This will be payable subject to appropriate tax deduction.
- c) Phantom Stock Options (PSP): The PSP grants issued to him by the NRC on May 23, 2017 i.e. 3,77,764 (Three Lacs Seventy Seven Thousand Seven Hundred Sixty Four) grants @ INR 84 per grant on the same terms & conditions as approved by NRC at the time of grant.

In addition to the remuneration and perquisites to be paid as aforesaid, Mr. Rohit Kapoor 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** the Board of Directors of the Company and/or its Committee thereof, be and is hereby authorized to regulate the payment of remuneration to Mr. Rohit Kapoor, within the aforesaid limits, from time to time.”

**“RESOLVED FURTHER THAT** the Company or Mr. Rohit Kapoor shall be entitled at any time to terminate this appointment by giving three months written notice or by any shorter notice as may be accepted by the Board.”

**“RESOLVED FURTHER THAT** the Board of Directors and the Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

7. **Terms of remuneration payable to Mr. Rohit Kapoor as Whole Time Director of the Company for the period starting from April 1, 2019 till March 31, 2021**

To consider and if thought fit, to pass the following resolution with or without modification/s, 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”) read with Schedule V to the Act and the Rules and Regulations made thereunder including any amendment re-enactment or statutory modification thereof and such other statutes, notifications, circulars, rules and regulations as may be applicable and relevant, each as amended, modified or restated, and subject to such approvals, permissions, consents and sanctions as might be required from any regulatory authority and further subject to such conditions and modifications as may be prescribed by such regulatory authority while granting such approvals, consents, permissions and sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), the consent of the members of the Company be and is hereby accorded for the following terms of remuneration of Mr. Rohit Kapoor (DIN 06529360) as Whole Time Director of the Company, for the period starting from April 1, 2019 till March 31, 2021:

- a) **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.) not exceeding INR 2,40,00,000 (Rupees Two Crores Forty Lacs 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.



- b) Variable Pay: Performance based variable pay, which will be objective, transparent and measurable and it will be in the range of 0-40% of the fixed pay and shall be based on the Company's Measures of Success (MoS) achievement linked variable pay parameters in line with the variable pay policy approved by the Nomination & Remuneration Committee ("NRC"). This will be payable subject to appropriate tax deduction.
- d) 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. Rohit Kapoor 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** the Board of Directors and the Company Secretary, of the Company, be and are hereby severally authorized to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution."

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

**Date: August 2, 2018**

**New Delhi**

**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. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. Pursuant to Section 118 (10) and other applicable provisions of the Act read with Secretarial Standards for General Meetings (SS-2), the details of directors seeking appointment / reappointment and / or fixation of remuneration of Directors (including Managing Director or Whole time Directors) are given as a separate Annexure 1 to this Notice.
8. 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](http://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**

**Item No. 1**

The Board of Directors provides leadership and strategic guidance to the Company's management. It is believed that an active, expert and well informed team of directors is necessary to ensure highest standards of Corporate Governance.

The Directors participates in devising strategies through critical analysis and effective problem solving. An effective and balanced board consists of diverse blend of high-quality individuals bringing a mix of experience, skills and backgrounds to the table.

Considering the current scenario, your Board believed that the Company would be benefitted by way of strategic guidance, leadership and wider perspective in Board's deliberation with the induction of new Board Members as referred under resolution no. 2 & 5 above. Accordingly, it is proposed to increase the number of directors from 12 to 15 on the Board of the Company.

Further, the Board of Directors of the Company had, in their meeting held on August 2, 2018 has approved the proposal for amending the Article 34 & 35(a) of the Articles of Association of the Company for increasing the number of Directors on the Board from 12 (Twelve) to 15 (Fifteen), subject to the approval of members of the Company.

The draft of the amended AOA proposed for approval, is circulated along with this Notice of the Extra-ordinary General Meeting.

A copy of the AOA of the Company together with the proposed alterations is available for inspection by the members of the Company at its Registered Office during normal business hours on all working days upto the date of the Meeting.

In terms of Section 14 of the Companies Act, 2013, the consent of the members by way of Special Resolution is required for proposed alteration in the Articles of Association of the Company.

The Directors recommend the passing of the Special Resolution under item No. 1 of the accompanying Notice for the approval of the Members of the Company.

None of the Promoters, Directors, Key Managerial Personnel and their relatives are concerned or interested, financial or otherwise, in the Resolution at item no. 1 of the Notice.

### **Item No. 2-7**

The members may please note that in order to enhance the financial and operational performance of the Company and to strengthen and expand the composition of Board, it is proposed to appoint Mr. Yogesh Kumar Sareen and Mr. Rohit Kapoor as Whole time Directors of the Company.

It is strongly believed that induction of Mr. Yogesh Kumar Sareen and Mr. Rohit Kapoor on the Board, will help Mr. Rajit Mehta and the leadership team in delivering superior management results, supporting the growth of Max Healthcare and continued progress towards enabling best-in-class clinical care and outcomes. Both of them are valued members of the Max Healthcare top team and will be critical to delivering the performance and growth aspiration of the Company. They have made remarkable progress at the Company and have potential to take higher responsibilities.

### **Professional snapshot of Mr. Yogesh Kumar Sareen**

Mr. Sareen is currently Senior 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 has also been 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"), Hometrail Estate Private Limited ("HEPL"), Alps Hospital Limited and Saket City Hospitals Private Limited ("SCHPL").

Mr. Yogesh Kumar Sareen aged about 54 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.

### **Professional snapshot of Mr. Rohit Kapoor**

Mr. Rohit Kapoor is currently Senior Director & Chief Growth Officer at Max Healthcare. He is responsible for expansion of the hospital business, entering new business segments, digital business models, strategy and M&A. He is also leading the incubation of three new business lines within Max Healthcare - tech enabled home care, retail pathology and standalone cancer care centers. The business heads for Oncology, Neurosciences, Transplants and Diagnostics verticals reports to him.

He also serves on the board of various subsidiaries / group companies viz. CRL, HBPL, HEPL, Antara Purukul Senior Living, Anantara Senior Living Limited, Antara Gurgaon Senior Living Limited, MAX ONE Distribution Services Limited and SCHPL.

Prior to this role in Max Healthcare, he was the Group Head for Strategy for the Max India group and part of the group leadership team.

He holds a PGD from Indian School of Business where he was ranked in the top 5 students in the batch and was the recipient of the Young Leader Award, which was awarded to four students for best all round performance in the batch

In recognition of performance and contribution of Mr. Sareen and Mr. Kapoor to your Company, based on the recommendations by the Nomination & Remuneration Committee and subject to the approval of members of the Company, the Board of Directors of the Company had, in their meeting held on August 2, 2018 approved their appointment for a period of 5 years and terms of their appointment and remuneration for the period starting from August 8, 2018 to March 31, 2019 and April 1, 2019 till March 31, 2021 as detailed under Resolution nos. 3,4,6 & 7.

Accordingly, the Board of Directors of your Company recommend the appointment Mr. Sareen and Mr. Kapoor as Whole time Director(s) and terms of their remuneration, in terms of Section 196 and 197 of the Act read with Schedule V and the rules made thereunder, for the approval of members of the Company as a Special Resolutions.

**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, 2018:

<u>Particulars</u>	(INR in Crores) <u>For the year ended 31.03.2018</u>
Turnover and other income	1112.00
Net profit / (loss) after tax	(27.66)

- 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. Yogesh Kumar Sareen**

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

All details except the past and proposed remuneration have been provided in the beginning of this explanatory statement.

#### Past remuneration:

The past remuneration is same as the proposed remuneration (for the period starting from August 8, 2018 till March 31, 2019) and the same has been provided under resolution set out at item no. 3 of this notice.

#### Proposed Remuneration

Proposed remuneration for the period starting from April 1, 2019 till March 31, 2021 has been provided under resolution set out at item no. 4 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'.

### **Brief Profile of Mr. Rohit Kapoor**

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

All details except past and proposed remuneration have been provided in the beginning of this explanatory statement.

Past remuneration:

The past remuneration is same as the proposed remuneration (for the period starting from August 8, 2018 till March 31, 2019) and the same has been provided under resolution set out at item no. 3 of this notice.

Proposed Remuneration

Proposed remuneration for the period starting from April 1, 2019 till March 31, 2021 has been provided under resolution set out at item no. 4 of this notice.

Comparison with Industry

The 'Remuneration Profile' of Mr. Rohit Kapoor 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. Yogesh Kumar Sareen and Mr. Rohit Kapoor, don't have any pecuniary relationship directly or indirectly with the Company, or relationship with the Director / KMP / managerial personnel of the Company. Mr. Rohit Kapoor 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 23.31 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 and the unfortunate incident in one of the hospitals, which generated negative publicity. The drastic cut in prices of stents earlier in Feb, 2017, 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:

The Company has taken the following steps for stemming losses and improving its profitability:

1. 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.



2. Occupancy is the driver of revenues in the hospitality industry and the Company's hospital has 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.
3. 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.
4. 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.

Accordingly, the Board recommends the Resolutions set forth in Item No. 2 to 7 of the Notice for approval of the Members.

The notice, explanatory statement and documents referred above, may be treated as the abstract of the terms of remuneration (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 the EGM.

Except Mr. Yogesh Kumar Sareen, being a Key Managerial Personnel and proposed appointee, none of the Promoters, Directors, Key Managerial Personnel and their relatives are concerned or interested, financial or otherwise, in the Resolutions at item nos. 2 to 7 of this Notice.

## Annexure -1

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. Yogesh Kumar Sareen (DIN 00884252)

- Age: 54 years
- Qualification: Member of the Institute of Chartered Accountants of India (ICAI).
- Experience: Provided in the Explanatory Statement to item no. 2 to 7.
- Date of appointment & terms & conditions of appointment along with the remuneration details:  
The details have been provided under explanatory statement to the resolutions set out under item no. 3 & 4 of this EGM Notice.
- 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 17-18: NOT APPLICABLE (appointment effective from August 8, 2018).
- Directorship & Committee position as on March 31, 2018

Directorship in other Companies	Committee Membership in other Companies
1. Hometrail Buildtech Private Limited 2. Hometrail Estate Private Limited 3. Crosslay Remedies Limited 4. Alps Hospital Limited 5. Saket City Hospitals Pvt. Ltd. (SCHPL)	1. Chairman of Audit Committee and Nomination and Remuneration Committee of Hometrail Estate Private Limited 2. Chairman of Audit Committee and Corporate Social Responsibility Committee, Member of Operational Committee of Crosslay Remedies Limited 3. Member of Audit Committee and Operational Committee of SCHPL.

### II. Name of the Director: Mr. Rohit Kapoor (DIN 06529360)

- Age: 43 years
- Qualification: He holds an MBA from Indian School of Business and is a certified Chartered Financial Analyst (CFA Institute, USA).
- Experience: Provided in the Explanatory Statement to item no. 2 to 7.

➤ Date of appointment & terms & conditions of appointment along with the remuneration details:

The details have been provided under explanatory statement to the resolutions set out under item no. 6 & 7 of this EGM Notice.

➤ Shareholding in the Company: Nil

➤ Relationship with other Directors, Manager & KMP: None

➤ Number of board meetings attended in FY 17-18: NOT APPLICABLE (appointment effective from August 8, 2018).

➤ Directorship & Committee position as on March 31, 2018:

Directorship in other Companies	Committee Membership in other Companies
1. Crosslay Remedies Limited 2. Antara Purukul Senior Living Limited 3. Antara Senior Living Limited 4. Antara Gurgaon Senior Living Limited 5. Max One Distribution And Services Limited 6. Hometrail Buildtech Private Limited 7. Hometrail Estate Private Limited 8. Saket City Hospitals Pvt. Ltd. (SCHPL)	1. Member of Operational Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of Crosslay Remedies Ltd. 2. Member of Audit Committee of Antara Senior Living Limited 3. 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: U72200DL2001PLC111313**

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

Registered office: **N-110, Panchsheel Park, New Delhi - 110017, India**

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, 8<sup>th</sup> day of August 2018 at 1600 Hrs at its registered office (as referred above) and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_
6. \_\_\_\_\_
7. \_\_\_\_\_

Signed this \_\_\_\_ day of \_\_\_\_\_, 2018  
 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 U72200DL2001PLC111313)  
 N-110, Panchsheel Park, New Delhi, India

**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, 8th day of August 2018 at 1600 hrs at 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**

