

# FORTIS HEALTHCARE LIMITED



Regd. Office: Escorts Heart Institute And Research Centre, Okhla Road, New Delhi – 110 025

## NOTICE

NOTICE is hereby given that an Extra-Ordinary General Meeting of Fortis Healthcare Limited will be held on Thursday, 22<sup>nd</sup> day of August, 2013, at 4.00 p.m. at PHD Chamber of Commerce and Industry, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016, to transact the following business:

### SPECIAL BUSINESSES

#### Item No. 1

#### AMENDMENT IN ARTICLES OF ASSOCIATION OF THE COMPANY

To consider and if thought fit, to give assent / dissent to the following resolution as a **Special Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 31 and other applicable provisions of the Companies Act, 1956, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, if any, the relevant provisions of the Memorandum and Articles of Association of the Company and the listing agreement entered into by the Company with the National Stock Exchange of India Limited and BSE Limited, the Articles of Association of the Company be and are hereby altered / amended by inserting following Articles after existing Article 214 :

#### IFC PROVISIONS

#### 215. OVERRIDING ARTICLES

The provisions of Articles 217 to 220 (“**Overriding Articles**”) shall override anything to the contrary contained anywhere else in these Articles, and shall apply notwithstanding anything to the contrary contained anywhere else in these Articles.

#### 216. DEFINITIONS

In these Overriding Articles (i) capitalised terms defined by inclusion in quotations and/or parenthesis have the meanings so ascribed and shall be only be applicable to the Overriding Articles; and (ii) the following terms shall have the following meanings assigned to them herein below:

“**Affiliate**” with respect to any Person, shall mean any other Person directly or indirectly controlling, controlled by or under common control with, such Person and in case of a natural person, shall include the Relatives of such Person (for the purposes of this definition, “control” means the power to direct the management or policies of a person, directly or indirectly, whether through the ownership of shares or other securities, by contract or otherwise, provided that the direct or indirect ownership of twenty six per cent (26%) or more of the voting share capital of a person is deemed to constitute control of that person, and “controlling” and “controlled” have corresponding meanings). For the purposes of these Overriding Articles, ‘Relatives’ shall have the same meaning as ascribed to it in the Act.

“**Applicable Law**” means means all applicable statutes, laws, ordinances, rules and regulations of India, including but not limited to any license, permit or other governmental Authorization imposing liability or setting standards of conduct concerning any environmental, social, labor, health and safety or security risks of the type contemplated by the Performance Standard.

“**Authority**” means any national, supranational, regional or local government or governmental, administrative, fiscal, judicial, or government-owned body, department, commission, authority, tribunal, agency or entity, or central bank (or any Person, whether or not government owned and howsoever constituted or called, that exercises the functions of a central bank).

“**Authorization**” mean any consent, registration, filing, agreement, notarization, certificate, license, approval, permit, authority or

exemption from, by or with any Authority, whether given by express action or deemed given by failure to act within any specified time period and all corporate, creditors’ and shareholders’ approvals or consents.

“**Business Day**” means a day when banks in New York and New Delhi, India and BSE Limited and National Stock Exchange of India Limited are open for business.

“**Company Employee Plans**” any plan, program, or other arrangement providing for employment, compensation, retirement, deferred compensation, severance, separation, stock option or other benefits, which has been sponsored, contributed to or required to be contributed to by the Company for the benefit of any Person who performs or who has performed services for the Company.

“**Competitor**” shall mean any of the Persons mutually agreed to between the Company, the Sponsors and IFC as a competitor of the Company, including any Affiliate(s) of such Person.

“**Fully Diluted Basis**” means with respect to any calculation of the number of outstanding Shares, calculated as if all Share Equivalents outstanding on the date of calculation have been exercised or exchanged for or converted into Shares.

“**IFC**” shall mean International Finance Corporation.

“**IFC FCCBs**” shall mean foreign currency convertible bonds having a par value of Dollars hundred thousand (\$100,000) each, issued by the Company to IFC for an aggregate amount of up to fifty five million Dollars (\$55,000,000).

“**IFC Shares**” shall mean collectively all the Shares of the Company, with full voting rights, held by IFC from time to time, including without limitation any Shares issued to IFC upon the conversion of the IFC FCCBs.

“**IFC Subscription Shares**” shall mean 18,833,700 Shares of the Company issued and allotted to IFC on June 06, 2013.

“**Lien**” shall mean any mortgage, pledge, charge, assignment, hypothecation, security interest, title retention, preferential right, trust arrangement, right of set-off, counterclaim or banker’s lien, privilege or priority of any kind having the effect of security, any designation of loss payees or beneficiaries or any similar arrangement under or with respect to any insurance policy or any preference of one creditor over another arising by operation of law.

“**Negotiated Transfer**” shall mean any Transfer of Shares other than a sale of Shares on (i) BSE Limited and/or National Stock Exchange of India Limited; or (ii) any other Indian stock exchange as may be agreed between the Company and IFC in writing, on which the Company’s shares are listed where the identity of the transferee is not known to the transferor.

“**Performance Standards**” means IFC’s Performance Standards on Social & Environmental Sustainability, dated January 1, 2012, copies of which are available publicly on the IFC website at <http://www.ifc.org/ifcext/enviro.nsf/Content/EnvSocStandards>.

“**Share Equivalent**” means preference shares, convertible bonds, warrants, options or other similar instruments or securities which are convertible into or exercisable or exchangeable for, or which carry a right to subscribe for or purchase, Share or shares of the Company convertible into or exercisable or exchangeable for Shares.

“**Sponsors**” shall collectively mean Malav Holdings Private Ltd, Fortis Healthcare Holdings Private Ltd, RHC Holding Private Ltd,

Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh and any of them, a "Sponsor".

"**Sponsor Representative**" shall mean such Person, as specified by the Sponsors to IFC and the Company in writing.

"**Transfer**" shall mean to transfer, sell, convey, assign, pledge, hypothecate, create a security interest in or Lien on, place in trust (voting or otherwise), transfer by operation of law or in any other way subject to any encumbrance or dispose of, whether or not voluntarily, and "Transferring" and "Transferred" have corresponding meanings.

"**Share Capital**" shall mean the total paid up share capital of the Company determined on a Fully Diluted Basis.

"**Persons**" mean any natural person, corporation, company, partnership, firm, voluntary association, joint venture, trust, unincorporated organization, Authority or any other entity whether acting in an individual, fiduciary or other capacity.

"**Share**" means equity shares of the Company, of nominal value of Rupees ten (Rs. 10) per share.

## 217. FURTHER ISSUE AND TRANSFER

217.1 Unless IFC agrees otherwise in writing, on and from June 06, 2013 for so long as IFC holds two per cent (2%) or more of the Company's Share Capital, the Sponsors shall:

- (a) collectively ensure that they are the single largest shareholders or group of shareholders of the Company (for the purpose of ascertaining a group of shareholders, a Person and its Affiliates shall be construed as being members of a group);
- (b) ensure that they have the ability to appoint majority of the Directors on the Board;
- (c) hold at all times an aggregate voting and economic interest (which interest shall include the right to vote and the right to receive a proportionate share of dividends, profits, liquidation proceeds, and other similar amounts distributed by the Company) in the Company, equal to a minimum of forty per cent (40%) of the outstanding share capital of the Company on a Fully Diluted Basis; and
- (d) hold free and clear of all Liens at all times an aggregate voting and economic interest (which interest shall include the right to vote and the right to receive a proportionate share of dividends, profits, liquidation proceeds, and other similar amounts distributed by the Company) in the Company, equal to a minimum of forty six million three hundred forty three thousand seven hundred and thirty nine (46,343,739) Shares (such number to be adjusted for stock splits, bonus issue, consolidation, sub-division and such other similar capital restructuring undertaken by the Company).

217.2 The Company shall not issue any Shares or Share Equivalents to any Person on financial terms which are more favourable than the financial terms on which the IFC Subscription Shares are issued to IFC, for a period of twelve (12) months from June 06, 2013 except pursuant to: either (i) the Company's Employee Plan; or (ii) with IFC's prior consent, the restructuring and/or refinancing of the outstanding foreign currency convertible bonds of the Company being undertaken.

217.3 (a) Subject to the provisions of Article 217.1, if (i) any of the Sponsors (a "**Selling Shareholder**") proposes to Transfer any of its Shares or Share Equivalents to any Person (other than IFC) (a "**Buyer**"); (ii) such Transfer would result in the Transfer of more than five per cent (5%) of the Shares and/or Share Equivalents held by all the Sponsors as of May 29, 2013 (whether such Transfer takes place in one or more

tranches); and (iii) such Transfer is pursuant to a Negotiated Transfer, IFC shall have the right to participate in such Transfer in accordance with this Article 217.3. The Selling Shareholder may only propose to Transfer such Shares in the Company or Share Equivalents hereunder if, after giving effect to the proposed Transfer, each of the Sponsors shall still be in compliance with the requirements of Article 217.1 (or IFC has provided a written waiver in respect of Article 217.1). This Article 217.3 shall not be applicable in case of a transfer of Shares and /or Share Equivalents inter se between the Sponsors.

- (b) Each Selling Shareholder which owns Shares in the Company or Share Equivalents indirectly through one or more holding companies agrees that it will ensure that any disposal of any indirect interest in the Company is consummated as a Transfer of the Shares in the Company or Share Equivalents, and not by a sale of any Shares or Share Equivalents of any such holding company, so as to ensure that IFC will be able to exercise its rights under this Article 217.3.
- (c) The Selling Shareholder shall issue a notice in writing to IFC intimating IFC of (i) the material terms and conditions proposed by the Buyer in respect of the Transfer; (ii) particulars of the Buyer; (iii) the number of Shares or Share Equivalents to be Transferred and the consideration to be paid by the Buyer; (iv) the date on which the proposed Transfer by the Transferring Sponsor shall take place (which shall be at least forty five (45) days from the date of issue of the Sponsor Transfer Notice); and (v) any other details as may be requested by IFC ("**Sponsor Transfer Notice**").
- (d) IFC shall have the right to participate in the proposed Transfer by giving notice to the Selling Shareholder (a "**Tag Notice**") within a period of twenty five (25) days from IFC's receipt of the Sponsor Transfer Notice (the "**Exercise Period**") of the number of Shares of the Company and/or Share Equivalents it wishes to Transfer (the "**Tagged Shares**"), subject to Article 217.3(e). IFC shall not be obligated to pay any fees or deal expenses of the Selling Shareholder or of any other Person in connection with the exercise of its rights under this Article 217.3.
- (e) Subject to the next sentence of this Article 217.3(e) and Article 217.3(f), the maximum number of Tagged Shares shall be the number (and if this is not a whole number, such number rounded to the nearest whole number) obtained by multiplying the number of the Shares of the Company and/or Share Equivalents on a Fully Diluted Basis to be Transferred by the Selling Shareholder by a fraction: (i) the numerator of which shall be the number of Shares of the Company and/or Share Equivalents on a Fully Diluted Basis held by IFC (as of the date of the Tag Notice); and (ii) the denominator of which shall be the aggregate number of Shares of the Company and/or Share Equivalents on a Fully Diluted Basis held by all the Sponsors and IFC (as of the date of the Tag Notice). However, notwithstanding anything contained in these Articles, but without prejudice to the Sponsors' obligations under Article 217.1, if the proposed Transfer by the Selling Shareholder would result in (A) the Sponsors not holding a minimum of forty per cent (40%) of the outstanding share capital of the Company on a Fully Diluted Basis; or (B) the Sponsors not holding a minimum of forty six million three hundred forty three thousand seven hundred and thirty nine (46,343,739) Shares (such number to be adjusted for stock splits, bonus issue, consolidation, sub-division and such other similar capital restructuring undertaken by the Company) or (C) the Sponsors losing the right to appoint majority of the Directors on the Board; or (D) the Sponsors

not being the single largest shareholders or group of shareholders of the Company; or (E) IFC holding less than two per cent (2%) of the outstanding issued and paid-up share capital of the Company on a Fully Diluted Basis; or (F) transfers to a 'not reputable entities', the maximum number of Tagged Shares shall be all of the Shares and/or Share Equivalents held by IFC. Upon the exercise by IFC of its right to participate in a Transfer of any Shares by a Selling Shareholder pursuant to this Article 217.3, the number of Shares to be Transferred by the Selling Shareholder will be reduced by the number of Tagged Shares to permit such Tagged Shares to be included in such sale.

For the purposes of this Article: "not reputable entities" means any of the individuals or entities named on (A) lists promulgated by the United Nations Security Council or its committees pursuant to resolutions issued under Chapter VII of the United Nations Charter; or (B) the World Bank Listing of Ineligible Firms (see [www.worldbank.org/debarr](http://www.worldbank.org/debarr)).

- (f) Any Transfer by IFC shall be made on substantially the same terms and conditions as described in the Sponsor Transfer Notice. However, IFC shall not be required to make any representation or warranty to the Buyer, other than as to good title to the Tagged Shares, absence of Liens with respect to the Tagged Shares, customary representations and warranties concerning IFC's power and authority to undertake the proposed Transfer, and the validity and enforceability of IFC's obligations in connection with the proposed Transfer.
- (g) IFC's rights under this Article 217.3 to Transfer the Tagged Shares shall apply regardless of whether the Tagged Shares are of the same class or type of Shares of the Company or Share Equivalents which the Selling Shareholder propose to Transfer, provided that, to the extent such a difference in class or type exists, the consideration payable to IFC for the Tagged Shares shall be calculated as if all Shares of the Company and Share Equivalents held by the applicable Selling Shareholder and IFC which will be subject to a Transfer under this Article 217.3 (assuming IFC exercises its tag-along rights in full) had been converted into Shares of the Company on the date immediately prior to the date of the Tag Notice (to the extent not already in the form of Shares of the Company) at the conversion price which would be applicable on such date had such conversion occurred on such date.
- (h) On the twentieth (20<sup>th</sup>) day from the expiration of the Exercise Period, the Selling Shareholder shall transfer to the Buyer the Shares and/or Share Equivalents originally proposed to be Transferred, upon the terms and conditions (including consideration for the Transfer) specified in the Transfer Notice. The Selling Shareholder shall give IFC at least ten (10) Business Days notice of the proposed date of the Transfer and IFC shall Transfer the Tagged Shares to the Buyer at the same time upon the terms and conditions (including consideration for the Transfer) specified in the Transfer Notice. If the Selling Shareholder does not complete the Transfer within such period, any proposed subsequent Transfer by it of some or all of the Shares and/or Share Equivalents originally proposed to be Transferred shall again be subject to the provisions of this Article 217.3.
- (i) The Selling Shareholder shall not Transfer any of its Shares in the Company or Share Equivalents to the Buyer unless, at the same time, the Buyer purchases all of the Tagged Shares from IFC upon the terms and conditions (including consideration for the Transfer) specified in the Transfer Notice.

- (j) The provisions of this Article 217.3 shall apply at all times that IFC holds two (2%) or more of the Company's Share Capital.

#### 217.4 Restricted Transfers.

As long as IFC is a Shareholder in the Company or holds Share Equivalents the Sponsors shall not Transfer any Shares in the Company or Share Equivalents to any of the individuals or entities named on (A) lists promulgated by the United Nations Security Council or its committees pursuant to resolutions issued under Chapter VII of the United Nations Charter; or (B) the World Bank Listing of Ineligible Firms (as listed at [www.worldbank.org/debarr](http://www.worldbank.org/debarr)).

#### 217.5 Free Transferability of Investor Securities.

Except as required under Applicable Law and subject to the provisions of Article 217.6, the IFC Shares shall be freely transferable and tradable and IFC may transfer the IFC Shares, to any Person other than a Competitor.

#### 217.6 Right of First Offer.

- (a) If IFC proposes to transfer forty per cent (40%) or more of the IFC Shares by way of a Negotiated Transfer ("**IFC Negotiated Transfer**") it shall first give notice thereof (the "**RFO Notice**") to the Sponsor Representative setting forth the number of IFC Shares proposed to be transferred (the "**RFO Transfer Shares**").
- (b) Within five (5) calendar days from receipt of the RFO Notice (the "**Offering Period**"), the Sponsors shall have the right (but not an obligation) to make an offer to acquire all (but not less than all) of the RFO Transfer Shares. In the event the Sponsors decide to make a collective offer to IFC, the Sponsors shall deliver a written notice (the "**Offer Notice**") to IFC stating (i) the particulars of the Sponsor(s) willing to acquire all (but not less than all) RFO Transfer Shares; and (ii) the price per RFO Transfer Share that the Sponsors are willing to pay for all RFO Transfer Shares ("**Offer Price**"). Provided that, in the event the Sponsors do not make a collective offer through the Sponsor Representative and deliver more than one Offer Notice to IFC within the Offering Period, IFC shall be entitled to consider only the Offer Notice which sets forth the highest Offer Price. For purposes of Article 217.6(f), Offer Price shall be the highest price stated in one or more Office Notice, at which, if such offer is accepted by IFC, all RFO Transfer Shares shall be purchased by the Sponsors.
- (c) IFC shall have the right but not the obligation to transfer the RFO Transfer Shares to the Sponsors (in the case of a collective offer) or to the Sponsor offering the highest Offer Price (in the case of separate offers from more than one (1) Sponsor) ("**Eligible Sponsor**") at the Offer Price specified in the Offer Notice, which right shall be exercisable by IFC, at its sole discretion, by delivering a notice to the Sponsor Representative or to the Eligible Sponsor within ten (10) days after the end of the Offering Period (the "**Acceptance Notice**"). If IFC delivers a timely Acceptance Notice, such Acceptance Notice shall constitute a binding agreement to transfer the RFO Transfer Shares.
- (d) On the fifteenth (15<sup>th</sup>) calendar day after the receipt of the Acceptance Notice by the Sponsor Representative or any Person (other than a Competitor) (as the case may be) (the "**RFO Closing Date**"), IFC shall transfer the RFO Transfer Shares to the Sponsors or the Eligible Sponsor (as the case may be), and the Sponsors or the Eligible Sponsor shall pay to IFC the aggregate price determined by multiplying the number of RFO Transfer Shares by the Offer Price, provided that IFC shall have no obligation to transfer any RFO



Transfer Shares unless IFC receives payment in full of such aggregate price. Between the end of the Offering Period and the RFO Closing Date, the Sponsors Representative or the Eligible Sponsor (as the case may be) shall obtain any Authorization required in connection with the transfer of the RFO Transfer Shares before the RFO Closing Date.

- (e) IFC shall not make (or be required to make) any representation or warranty to the Sponsors, other than good title to the RFO Transfer Shares, absence of Liens with respect to the RFO Transfer Shares, customary representations and warranties concerning IFC's power and authority to undertake the proposed transfer, and the validity and enforceability of IFC's obligations in connection with the proposed transfer.
- (f) If: (i) no Offer Notice has been received within the Offering Period; (ii) IFC does not receive payment in full of the Offer Price on the RFO Closing Date; (iii) any Authorization required in connection with the transfer of the RFO Transfer Shares has not been obtained by the RFO Closing Date; or (iv) IFC does not issue an Acceptance Notice, then IFC shall be free to transfer all or any part of the RFO Transfer Shares to any Person (other than a Competitor), within one (1) year after the end of the Offering Period or after the RFO Closing Date at a price per RFO Transfer Share higher than the Offer Price (if a valid Offer Notice was delivered by the Sponsor(s)). If IFC does not complete the transfer within such period, any subsequent proposed transfer by it of some or all of the RFO Transfer Shares shall again be subject to the provisions of this Article 217.6.
- (g) The provisions of this Article 217.6 shall not apply to the extent that the RFO Transfer Shares are being transferred as a result of the exercise of the rights of any party under Article 217.3.

#### 218. IFC NOMINEE DIRECTOR

- (a) For so long as the IFC holds at least fifty per cent (50%) of the IFC Shares (including the IFC FCCBs taken into account on an as-if converted basis) held by IFC as of June 08, 2013. IFC shall have the right, but not the obligation, to nominate one (1) Director (the "IFC Nominee Director") and the Sponsors shall, ensure that such nominee is promptly appointed as a Director.
- (b) The IFC Nominee Director shall be entitled to be a member of the audit committee constituted by the Board from time to time in accordance with Applicable Law.
- (c) Within one hundred and twenty (120) days from the date of nomination of the IFC Nominee Director, the Board shall appoint the IFC Nominee Director as a member of the audit committee, provided that if such nomination is made by IFC prior to the first (1<sup>st</sup>) annual general meeting of the shareholders of the Company occurring after May 29, 2013, the Board shall appoint the IFC Nominee Director as a member of the audit committee at the first (1<sup>st</sup>) Board meeting occurring after such annual general meeting.

#### 219. REMOVAL OF IFC NOMINEE DIRECTOR

IFC may require the removal of the IFC Nominee Director at any time and shall be entitled to nominate another Person as the IFC Nominee Director in place of any IFC Nominee Director so removed. In the event of the resignation, retirement or vacation of office of the IFC Nominee Director, IFC shall be entitled, subject to Article 218, to nominate another Person as the IFC Nominee Director in place of such IFC Nominee Director and the Company and the Sponsors shall ensure, to the fullest extent of all rights and powers available to them, that such nominee is promptly appointed as a Director.

#### 220. PROCEDURES OF THE BOARD

- (a) The Company shall indemnify each of the Directors to the maximum extent permitted under Applicable Law for any costs, expenses or liabilities incurred by each such Director in the course of, or in any way related to, his or her activities or his or her position as a Director.
- (b) The reasonable costs incurred by each IFC Nominee Director who is not an employee of the Company in attending a meeting of the Board or a committee or a General Meeting (including the reasonable costs of travel and attendance) shall be reimbursed by the Company.
- (c) Any Director shall be entitled to participate in a meeting of the Board or a committee of the Board of which he or she is a member, at which he or she is not physically present, through tele-conference or by way of video conference facilities in compliance with Applicable Law (including the Act and the Information Technology Act, 2000).
- (d) No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation or written consent unless the resolution has been circulated in draft form, together with the information required to make a fully-informed, good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution if any, to all the directors or to all the members of the committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or committee as the case may be) and to all other directors or members at their usual address and has been approved in writing by a majority of them as are entitled to vote on the resolution.

#### Item No. 2

#### TO RAISE ADDITIONAL FUNDS THROUGH FURTHER ISSUE OF SECURITIES BY WAY OF PREFERENTIAL ALLOTMENT

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 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) (*the "Companies Act"*) and such approvals, permissions, consents and sanctions as may be necessary from the Government of India (*"GOI"*), the Reserve Bank of India (*"RBI"*), the rules, regulations, guidelines, notifications and circulars prescribed by the Securities and Exchange Board of India (*"SEBI"*), including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (*the "ICDR Regulations"*), the provisions of the Foreign Exchange Management Act, 1999, as amended (*"FEMA"*) and regulations thereunder including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, and subject to the approvals, consents, permissions and/or sanctions of the Ministry of Finance (Department of Economic Affairs) and Ministry of Commerce & Industry (Foreign Investment Promotion Board / Secretariat for Industrial Assistance) and all other ministries, departments or other authorities of the GOI, SEBI and/or any other competent authority(ies) and the enabling provisions of the Memorandum and Articles of Association of the Company, the listing agreements entered into by the Company with the stock exchanges where the equity shares of the Company of face value Rs. 10 each (*the "Equity Shares"*) are listed and in accordance with the regulations and guidelines issued by the GOI, RBI, SEBI and/or any other competent authority(ies) and clarifications issued thereon from time to time and subject to all other necessary approvals, permissions, consents and sanctions of concerned statutory and other authorities and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, consents 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 include any Committee thereof* consent of the shareholders of the Company be and is hereby accorded to the Board to create, offer,

issue and allot up to an aggregate of 88,55,585 Equity Shares at a premium of Rs. 89.09 per Equity Share of Rs. 10 each aggregating up to Rs. 877,499,918 ("Specified Securities") on a preferential allotment basis to Standard Chartered Private Equity (Mauritius) III Limited ("SCPE"), at such time or times and on such terms and conditions and in such manner as may be decided by the Board in this connection.

**RESOLVED FURTHER THAT** the exact number of Equity Shares to be issued and allotted to SCPE pursuant to the authorizations set out herein shall, in compliance with applicable law and regulations, be determined based upon the actual Rupee Dollar conversion rate as of the date on which the investment is made by SCPE, provided that the total amount to be invested by SCPE to subscribe to the Specified Securities shall under no circumstances exceed US\$ 13.5 million.

**RESOLVED FURTHER THAT** in accordance with Regulation 71(a) of the ICDR Regulations, the "Relevant Date" shall be July 23, 2013, being the date which is 30 days prior to the date of this Extra-Ordinary General Meeting at which the shareholders' approval is being sought *i.e.*, August 22, 2013.

**RESOLVED FURTHER THAT** the Specified Securities, when issued, shall rank *pari passu* with the existing fully paid up Equity Shares of the Company in all respects, subject to the relevant provisions contained in the memorandum and articles of association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to any offer, issue or allotment of the Specified Securities, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary and desirable for such purpose, including without limitation, issuing clarifications on the issue and allotment of the Specified Securities, resolving any difficulties, effecting any modification to the foregoing (including any modifications to the terms of the issue), preparing, signing and filing applications with the appropriate authorities for obtaining requisite approvals, liaising with the appropriate authorities to obtain the requisite approvals, entering into contracts, arrangements, agreements, memoranda, documents for appointment of agencies for managing, listing and trading of the Specified Securities, to appoint such consultants, legal advisors, advisors and all such agencies as may be required for the issuance of the Specified Securities.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) of the Company and to generally do all such acts, deeds and things as may be necessary or incidental to give effect to the aforesaid resolutions.

**By Order of the Board  
For Fortis Healthcare Limited**

**Rahul Ranjan  
Company Secretary**

**Place:** New Delhi  
**Dated:** July 26, 2013

**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.  
PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is enclosed herewith and forms part of this Notice.
3. Members / Proxies are requested to bring the Attendance Slip duly filled in and hand over the same at the entrance of the Meeting Hall. The members who hold shares in dematerialized form are requested to bring their Client Master List / Depository Participant Statement / Delivery Instruction Slip, reflecting their DP ID and Client ID Nos. for easier identification of attendance at the meeting.
4. In case of joint holders attending the meeting, only such joint holder

whose name appears at the top in the hierarchy of names shall be entitled to vote.

5. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney, authorizing their representative to attend and vote at the Extra-Ordinary General Meeting.
6. For security reasons, no article / baggage will be allowed at the venue of the meeting. The members / attendees are strictly requested not to bring any article / baggage etc. at the venue of the meeting.
7. As part of the "Green Initiative in Corporate Governance" introduced by the Ministry of Corporate Affairs (MCA), the Company has been sending all shareholder communications such as the Notice of General Meetings, Audited Financial Statements, Directors' Report, Auditors' Report, etc., to shareholders in electronic form to the E-mail ID provided by them and made available to the Company by the Depositories.  
Members are requested to register their E-mail IDs with their respective Depository Participants and inform them of any changes to the same from time to time. However, members who prefer physical copy to be delivered may write to the Company at its Registered Office or send an E-mail to [secretarial@fortishealthcare.com](mailto:secretarial@fortishealthcare.com) by providing their DP ID and Client ID as reference.
8. **Members may please note that with respect to preferential allotment to International Finance Corporation, (approved in Extra-ordinary General Meeting held on May 24, 2013), in compliance with ICDR Regulations, the relevant date to be read as April 23, 2013 instead of April 24, 2013 (being holiday). However, there was no impact on the price at which Equity Shares were issued to International Finance Corporation.**
9. A copy of (a) the existing Memorandum and Articles of Association of the Company; and (b) the Memorandum of Association and Articles of Association incorporating the proposed alterations thereto, will be available for inspection for the Members on any working day during 11:00 A.M. to 1:00 P.M. upto the date of Extra-ordinary General Meeting at the Registered Office of the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**Item No. 1**

The Members are aware that International Finance Corporation ("IFC"), had entered into a Shareholders Agreement ("**Agreement**") inter-alia with the Company and invested upto US\$ 45 Million in the Company in the form of Equity Shares.

The Members may note that in terms of the Agreement, the Company is required to amend the existing Articles of Association of the Company.

The proposed amendments in the Articles broadly pertain to granting necessary rights to IFC including the right to appoint a Nominee Director of IFC on the Board of Directors of the Company.

The amendments proposed to be made to the Articles are given in the draft resolution at Item No. 1 of the annexed notice and are self explanatory.

Pursuant to the provisions of Section 31 of the Companies Act 1956, any amendment in the Articles of Association of the Company requires the approval of the Shareholders of the Company by way of Special Resolution.

Accordingly, consent of the Shareholders by way of Special Resolution has been sought in terms of Section 31 of the Companies Act, 1956.

The Directors of the Company recommend the resolution at Item No. 1 for your approval by way of a Special Resolution.

None of the Directors of the Company is, in any way, concerned or interested in the proposed resolution.

**Item No. 2**

The Board of Directors of the Company has, by way of a resolution approved by circulation on July 23, 2013, approved the issuance of up to 88,55,585 Equity Shares to Standard Chartered Private Equity

(Mauritius) III Limited (“SCPE”), for an aggregate consideration of up to US\$ 13.5 million (the “Specified Securities”), on a preferential basis, in accordance with applicable laws and regulations.

The Specified Securities are being issued by the Company with a view to augment funds inter alia, to fund Company’s capital expenditure requirements, for repayment of debts and for general corporate purposes.

It may be noted that in terms of Chapter VII of the ICDR Regulations, it is necessary to disclose the details of investors and certain other terms to the shareholders while seeking their approval for issuing the Specified Securities on preferential basis.

Hence, the requisite approval of the shareholders is being sought by way of a Special Resolution in terms of the provisions of the Companies Act and the ICDR Regulations, the relevant disclosures / details of which are given below:

**(a) Object of the preferential issue:**

The proceeds of the preferential offer are proposed to be used for repayment of debts, to fund Company’s capital expenditure requirements, and general corporate purposes permitted by applicable laws.

**(b) Type of security offered and the number of security offered:**

The Company proposes to create, offer, issue and allot up to an aggregate of 88,55,585 Equity Shares at a premium of Rs. 89.09 per Equity Share of Rs. 10 each, on a preferential allotment basis, to SCPE on such terms and conditions and in such manner as may be decided by the Board in this connection.

**(c) The proposal of the Promoters, Directors and key Management persons of the Company to subscribe to the proposed preferential offer:**

None of the promoters / directors / key management persons intends to subscribe to the proposed preferential offer.

**(d) The time within which the preferential issue shall be completed**

As required under the ICDR Regulations, the allotment of the Specified Securities will be completed within 15 days from the date of the passing of the resolution. Provided that where the allotment is pending on account of pendency of any application for approval or permission by any regulatory authority, if applicable, the allotment would be completed within 15 days from date of such approval.

**(e) Shareholding pattern of the Company before and after the preferential issue:**

Category of Shareholder	Pre Issue Shareholding		Post Issue Shareholding	
	Nos.	%	Nos.	%
<b>A. Promoters’ Shareholding</b>				
Promoter	329,614,545	71.8	329,614,545	70.5
Promoter Group	539,403	0.12	539,403	0.12
<b>Sub-total (A)</b>	<b>330,153,948</b>	<b>71.9</b>	<b>330,153,948</b>	<b>70.6</b>
<b>B. Public Shareholding</b>				
<b>I. Institutional Investors</b>				
Standard Chartered Private Equity (Mauritius) III Limited	4,034,119	0.88	12,889,704	2.76
Other Institutional Investors	35,088,510	7.64	35,088,510	7.5
<b>II. Non - Institutional Investors</b>	89,762,388	19.6	89,762,388	19.2
<b>Sub-total (B)</b>	<b>128,885,017</b>	<b>28.1</b>	<b>148,692,222</b>	<b>31.8</b>
<b>Total (A+B)</b>	<b>459,038,965</b>	<b>100</b>	<b>467,894,550</b>	<b>100</b>

**(f) Identity of the proposed allottee and percentage of post preferential issue capital that may be held by them and change in control, if any, consequent to the preferential issue:**

Identity of proposed allottee	The maximum number of Equity Shares proposed to be allotted	Post issue shareholding on a fully diluted basis
Standard Chartered Private Equity (Mauritius) III Ltd.	88,55,585 <sup>^</sup>	Upto 2.755 %

<sup>^</sup> The number mentioned above has been computed on the presumption of Dollar Exchange rate to be Rs. 65.00. The exact number of Equity Shares to be issued and allotted pursuant to authorisations set out herein shall, in compliance with applicable laws and regulations, be determined based upon the actual Rupee Dollar Conversion Rate as of the date on which the investment is made by SCPE, provided that the total dollar amount to be invested by SCPE shall under no circumstances exceed US\$13.5 Million.

There will be no change in control of the Company consequent to the preferential issue.

**(g) Undertaking to Recomputed Price:**

The same is not applicable in the present case.

**(h) Undertaking to lock-in the Specified Securities till the re-computed price is paid:**

The same is not applicable in the present case.

**(i) Auditor’s Certificate:**

A certificate from S.R.Batlboi & Co. LLP, Chartered Accountants, Statutory Auditors of the Company, certifying that the issue of the Specified Securities is being made in accordance with requirements of ICDR Regulations, shall be placed before the shareholders at the Extra-Ordinary general meeting.

**(j) Lock-in Period:**

The Specified Securities as may be allotted to SCPE shall be locked in for a period of one year in accordance with the provisions of the ICDR Regulations.

**(k) Important terms and conditions**

- The total subscription amount shall be payable by SCPE at the time of allotment of the Specified Securities;
- The allotment of the Specified Securities are subject to SCPE not having sold any Equity Shares during the six months preceding the Relevant Date (defined below);
- The price at which issue of Specified Securities on preferential basis is being made to SCPE is in compliance with Chapter VII of the ICDR Regulations.
- The “Relevant Date” for determining the floor price for the issuance of the Equity Shares (in accordance with Chapter VII of the ICDR Regulations) shall be July 23, 2013, being the date which is 30 days prior to the date of this Extra-Ordinary General Meeting at which the shareholders’ approval is being sought i.e., August 22, 2013.

As it is proposed to issue and allot the aforesaid Specified Securities on preferential allotment basis, Special Resolution is required to be approved by the Shareholders pursuant to the provisions of Section 81(1A) of the Companies Act, 1956, and Chapter VII of the ICDR Regulations. Your Directors, therefore, recommend the resolution at Item No. 2 for your approval by way of Special Resolution.

The Special Resolution, if passed, will have the effect of allowing the Board/Committee to issue and allot the Specified Securities to SCPE, which may or may not be the existing shareholder of the Company.

None of the Directors of the Company is in any way concerned or interested in the resolution.

**By Order of the Board  
For Fortis Healthcare Limited**

**Place:** New Delhi  
**Dated:** July 26, 2013

**Rahul Ranjan  
Company Secretary**

# FORTIS HEALTHCARE LIMITED



Regd. Office: Escorts Heart Institute And Research Centre, Okhla Road, New Delhi – 110 025

## ATTENDANCE SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company / Depositories.

DP Id	
Client Id	

Folio No.*	
No. of Shares	

Name(s) in Full	Father's/Husband's Name	Address as Regd. with the Company / Depositories
1.....	.....	.....
2.....	.....	.....
3.....	.....	.....

I/WE HEREBY RECORD MY/OUR PRESENCE AT THE EXTRA-ORDINARY GENERAL MEETING OF THE COMPANY BEING HELD ON THURSDAY, 22<sup>nd</sup> DAY OF AUGUST, 2013 AT 4.00 P.M. AT PHD CHAMBER OF COMMERCE AND INDUSTRY, 4/2, SIRI INSTITUTIONAL AREA, AUGUST KRANTI MARG, NEW DELHI – 110016.

Please (✓) in the Box

MEMBER       PROXY

.....  
Proxy's Signature
Member's Signature

\*Applicable for investors holding shares in physical form.



# FORTIS HEALTHCARE LIMITED



Regd. Office: Escorts Heart Institute And Research Centre, Okhla Road, New Delhi – 110 025

## PROXY FORM

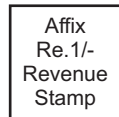
DP Id	
Client Id	

Folio No.*	
No. of Shares	

Name(s) in Full	Father's/Husband's Name	Address as Regd. with the Company / Depositories
1.....	.....	.....
2.....	.....	.....
3.....	.....	.....

being member(s) of Fortis Healthcare Limited, hereby appoint ..... of ..... in the district of ..... or failing him ..... in the district of ..... as my/our Proxy to attend and vote for me/us on my/our behalf at the Extra-ordinary General Meeting of the Company scheduled to be held on Thursday, 22<sup>nd</sup> day of August 2013 at 4.00 P.M. at PHD Chamber of Commerce and Industry, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi – 110016 and/or at any adjournment thereof.

Signatures.....



\*Applicable for investors holding shares in physical form.

### Notes:

**The Proxy Form duly completed and signed should be deposited at the Registered Office of the Company situated at Escorts Heart Institute And Research Centre, Okhla Road, New Delhi – 110 025 not later than 48 hours before the commencement of the Extra-ordinary General Meeting.**



