

notice to the shareholders

Notice is hereby given that the **Thirty Second Annual General Meeting** of the Company will be held on Wednesday, the 7th day of August 2013 at 11.00 a.m. at The Music Academy, New No. 168 (Old No.306), T.T.K. Road, Royapettah, Chennai - 600 014 to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2013 and the Balance Sheet as at that date, the Directors' and Auditors' Report thereon.
- To declare a dividend on equity shares for the financial year ended 31st March 2013.
- To appoint a Director in place of Shri. Habibullah Badsha, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri. Khairil Anuar Abdullah, who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Smt. Suneeta Reddy, who retires by rotation and being eligible, offers herself for re-appointment.
- To appoint a Director in place of Smt. Shobana Kamineni, who retires by rotation and being eligible, offers herself for re-appointment.
- To appoint Auditors for the current year and fix their remuneration, M/s.S.Viswanathan, Chartered Accountants, Chennai retire and are eligible for re-appointment.

SPECIAL BUSINESS

Item No. 8

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 approval of the Remuneration & Nomination Committee and the Board of Directors of the Company, provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) read with the Director's Relatives (Office or Place of Profit) Rules, 2011, consent of the Company be and is hereby accorded to the re-appointment of Smt. Sindoori Reddy, relative of Executive Directors, to hold and continue to hold an Office or Place of Profit designated as Vice President - Operations for a period of five years with effect from 21st October 2013 for any other designation and roles which the 'Board' - the term which shall include any committee thereof, may decide from time to time) on such remuneration as may be decided by the Board not exceeding the ceiling prescribed by the Central Government from time to time.

"RESOLVED FURTHER THAT Smt. Sindoori Reddy will also be eligible for all other perquisites and benefits including medical benefits, group medical insurance, gratuity, leave encashment and other benefits as per the policy of the Company, applicable to other employees of the Company under similar cadre/grade."

"RESOLVED FURTHER THAT subject to the approval by the Board of Directors, Smt. Sindoori Reddy shall also be entitled to merit based annual increment, promotion, incentive/performance linked bonus from time to time as per the policy of the Company; provided that such enhanced remuneration in excess of the ceiling limit prescribed shall be paid with the prior approval of the Central Government."

Item No. 9

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 31 of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered as given below:"

- The existing **Article 2** be deleted and be substituted by the following as **Article 2** in the Articles of Association.

INTERPRETATION CLAUSE

Interpretation	2	The marginal notes hereto shall not affect the construction hereof. In these presents, the following words and expressions shall have the following meanings unless excluded by the subject or context.
"Affiliate"	a)	"Affiliate" shall mean with respect to any person, any company, corporation, association or other entity, which, directly or indirectly, Controls, is Controlled by or is under common Control with, such person.
"Business Day"	b)	"Business Day" shall mean a day on which scheduled commercial banks are open for business in Chennai
"Business"	c)	"Business" shall mean the business of owning and operating hospitals, pharmacies (in the format as currently conducted), diagnostic clinics, third party hospital administration, healthcare insurance, research & education, tele-medicine and healthcare IT enabled services, in India & Abroad.
"Company Associates"	d)	"Company Associates" shall mean any existing or future joint ventures that may be entered into by the Company and the investments made by the Company including the Subsidiaries and Affiliates of the Company.
"Control"	e)	"Control" (including with correlative meaning, the terms "Controlled by" and "under common Control" with) shall mean the power and ability to direct the management and policies of the controlled enterprise through ownership of voting shares of the controlled enterprise or by contract or otherwise.
"Directors"	f)	"Directors" means the Directors for the time being of the Company.
"Enterprise Value"	g)	"Enterprise Value" shall mean the fully diluted post money equity value of a Company plus any outstanding debt of such Company minus cash balances as on the date of acquisition of such Company.
"Financial Investor"	h)	"Financial Investor" shall mean:

	(i)	a banking company within the meaning of the Banking Regulation Act, 1949; foreign banks regulated by a banking supervisory authority in the country of their incorporation;
	(ii)	financial institutions including non-banking financial companies, incorporated in India, which are in the business of lending as their primary business;
	(iii)	foreign institutional investors/their sub-accounts registered with the Securities and Exchange Board of India;
	(iv)	pension funds or corporate funds or any other funds (including equity, mutual fund, venture capital, bond, balanced, private equity, buy-out or any other investment style) set up to explicitly make financial investments or any entity whose primary purpose is to invest capital; or
	(v)	any subsidiary or any entity controlled, directly or indirectly, by such entities referred to in (i), (ii), (iii) and (iv) above.
"Gender"	i)	Words importing the masculine gender shall include the feminine gender.
"Market Cap"	j)	"Market Cap" shall mean the outstanding number of Shares multiplied by the then prevailing market price of the Share on a Stock Exchange;
"Members"	k)	"Members" means members of the Company holding a share or shares of any class.
"Month"	l)	"Month" shall mean a calendar month
"Number"	m)	Except where the context otherwise requires, words importing the singular, shall include the plural and the words importing the plural shall include the singular.
"Office"	n)	"The Office" means the Registered Office for the time being of the company.
"Paid up"	o)	"Paid up" shall include "credited as fully paid-up".
"Person"	p)	"Person" shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable law
"Proxy"	q)	"Proxy" includes Attorney duly constituted under a Power of Attorney.
"Relative"	r)	"Relative" shall mean (a) a relative as defined under the provisions of the Act (b) any other person defined as such as per the Accounting Standard 18 issued by the Institute of Chartered Accountants of India, or (c) ascendants or descendants by marriage or kindred.
"Section"	s)	"Section" or "Sec" means Section of the Act.
"Shares"	t)	"Shares" shall mean the equity shares of the Company, with one vote per equity share and a par value of ₹ 5 per equity share.
"Share Capital"	u)	"Share Capital" shall mean the total issued and paid up shares of the Company, determined on a fully diluted basis.
"Share Equivalent"	v)	"Share Equivalent" shall mean any instrument convertible into shares including without limitation global depositary receipts, American depositary receipts, convertible debentures, warrants and convertible preference shares of the Company.
"Shareholding"	w)	"Shareholding" shall mean, in respect of any Person, the sum of the number of Shares held (legally or beneficially) by such Person on a fully diluted basis, such sum expressed as a percentage of the Share Capital;
"Special Resolution"	x)	"Special Resolution" means special resolution as defined by Section 189.

"Stock Exchange"	y)	"Stock Exchange" shall mean all those Securities and Exchange Board of India stock exchanges on which the Shares of the Company are listed as also recognized stock exchanges on which the Share Equivalents of the Company are listed;
"The Act"	z)	"The Act" or "The Companies Act" shall mean "The Companies Act, 1956".
"The Board" or "The Board of Directors"	aa)	"The Board" or "The Board of Directors" means a meeting of the Directors duly called and constituted or as the case may be the Directors assembled at a Board, or the requisite number of directors entitled to pass a circular resolution in accordance with these Articles.
"The Company" or "This Company"	bb)	"The Company" or "this Company" means Apollo Hospitals Enterprise Limited.
"The Register"	cc)	"The Register" means the Register of members to be kept pursuant to section 150 of the Companies Act 1956.
"These presents" or "Regulations"	dd)	"These presents" or "Regulations" shall mean these Articles of Association as now framed or altered from time-to-time and shall include the Memorandum where the context so requires.
"Transfer"	ee)	"Transfer" (including with correlative meaning, the term "Transferred By") shall mean to transfer, sell, pledge, assign, hypothecate, create a security interest in or Lien on, place in trust (voting or otherwise), exchange, gift or transfer by operation of law or in any other way subject to any encumbrance or disposal thereof.
"Writing"	ff)	"Writing" includes printing, lithography, type-writing and any other usual substitute for writing.
	gg)	The words and expressions used and not defined in these Articles but defined in the Companies Act, 1956 shall have the same meaning respectively assigned to them in the said Act.

2. The existing Article 6(a) be read as Article 6 and Article 6(b) be deleted

3. To delete the Articles 9(4), 9(5), 9(6), 10(3), 47A, 47B, 47C, 47D, 47E, 47F

4. The existing Article 79 be deleted and be substituted by the following as Article 79:

79 Five members personally present shall be a quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present when the meeting proceeds to business.

5. The existing Article 80 be deleted and be substituted by the following as Article 80:

80 If within half an hour from the time appointed for the meeting a quorum is not present the meeting if called upon the requisition of members shall be dissolved in any other case it shall stand adjourned to the same day in the next week and at the same time and place or to such other day at such other time and place as the Board may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be quorum.

6. To delete the Article 114(b)

7. The existing Article 118(a) and 118(b) be deleted and be substituted by the following as Article 118

118 A director may at any time summon a meeting of the Board of Directors. All meetings of the Board or any Committee of the Board shall be called by giving at least seven (7) days prior notice to the other directors, which notice shall be in writing and accompanied by the Agenda setting out in detail the business proposed

to be transacted at such meeting and all relevant documents thereto. All notices shall be sent to each of the directors at their usual address whether in India or abroad by an effective means of communication and through email. No meeting of the Board shall be convened at a shorter notice period without the prior written consent of all the Directors. The meeting of the Directors shall be held at least once in every three months and at least four such meetings shall be held in every year.

8. The existing Article 121(a) and 121(b) be deleted and be substituted by the following as Article 121

121 The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher; provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength the number of the remaining Directors that is to say the number of Directors who are not interested present at the meeting being not less than two shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting that is to say, the total strength of the Board after deducting therefrom the number of Directors, if any whose places are vacant at the time.

9 To delete Article 123 (5)

10. The existing Article 128 be deleted and be substituted by the following as Article 128.

128 A written resolution circulated to all the Directors or members of committees of the Board of Directors whether in India or overseas and signed by a majority of them as approved, shall (subject to compliance with the relevant requirements of the Act or the relevant applicable law) be as valid and effective as a resolution duly passed at a meeting of the Board of Directors or committee of the Board of Directors, as the case may be, called and held in accordance with these Articles of Association (provided that it has been circulated in draft form, together with the relevant papers, if any to all the Directors).

11. The existing Article 129(2) be deleted and the article 129(1) be read as Article 129

By order of the Board

For **APOLLO HOSPITALS ENTERPRISE LIMITED**

S.M. Krishnan

Sr. General Manager - Finance &
Company Secretary

Place : Chennai

Date : 20th May 2013

Notes:

- A member entitled to attend and vote at this Annual General Meeting may appoint a proxy to attend and vote on his / her behalf. A proxy need not be a member of the Company.** The instrument appointing the proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of the power or other authority shall be deposited either at the Registered Office of the Company at No. 19 Bishop Gardens, Raja Annamalaiapuram, Chennai - 600 028 or at the Secretarial Department, Ali Towers, III floor, No. 55 Greams Road, Chennai - 600 006 not less than 48 hours before the commencement of the meeting.
- The Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the Special Business as set out above is annexed hereto.
- The Register of Members and Share Transfer Books will remain closed from **Saturday, 27th July 2013 to Wednesday, 7th August 2013 (both days inclusive).**

4. Dividend upon its declaration at the meeting will be paid on or before 17th August 2013 to those members whose names appear:

(i) As members on the Register of Members of the Company as on 7th August 2013 after giving effect to all valid share transfers in physical form which would be received by the Company up to the closing hours of business on 26th July 2013.

(ii) As beneficial owners as per the list to be furnished by NSDL/CDSL as at the closing hours of business on 26th July 2013.

5. Members desiring any information as regards the accounts are requested to write to the Company at least seven days before the meeting so as to enable the management to keep the information available.

6. The Company has transferred all unclaimed dividend declared up to the financial year ended 31st March 1994 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978. Those Shareholders who have so far not claimed or collected their dividend up to the aforesaid financial year may claim their dividend from the Registrar of Companies, Tamil Nadu, Shastri Bhavan, Haddows Road, Chennai - 600 006.

7. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, as amended, the Company has transferred all unclaimed dividend for the financial years ended 31st March 1995 to 31st March 2005 to the Investor Education and Protection Fund (IEP Fund) established by Central Government pursuant to Section 205C of the Companies Act, 1956. It may also be noted that once the unclaimed dividend is transferred to the IEP Fund, no claim shall lie in respect thereof.

8. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, as amended, dividend for the financial year ended 31st March 2006 and thereafter, which remains unclaimed for a period of 7 years from the date of transfer of the same to the unclaimed dividend account as referred to in sub-section (1) of section 205A of the Act, will be transferred to the Investor Education and Protection Fund (IEP Fund) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31st March 2006 or subsequent financial years are requested to make their claim to the Secretarial Department, Ali Towers, III Floor, No.55 Greams Road, Chennai - 600 006. It may also be noted that once the unclaimed dividend is transferred to the IEP Fund as above, no claim shall lie in respect thereof.

Information in respect of such unclaimed dividend when due for transfer to the IEP Fund is given below:-

Financial Year Ended	Date of Declaration of Dividend	Last date for claiming unpaid Dividend
31 /03/2006	07/08/2006	02/09/2013
31/03/2007 (Interim)	24/03/2007	30/04/2014
31/03/2007 (Final)	24/08/2007	30/09/2014
31/03/2008	28/08/2008	05/10/2015
31/03/2009	26/08/2009	03/10/2016
31/03/2010	26/07/2010	03/09/2017
31/03/2011	22/07/2011	29/08/2018
31/03/2012	09/08/2012	04/09/2019

9. Members holding shares in physical form are requested to intimate the following directly to the Company's Registrar and Share Transfer Agents, Integrated Enterprises (I) Limited, Kences Towers, II Floor, No. 1 Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600 017.

- (a) Bank Mandate with full particulars for remittance of dividend directly into their bank accounts, if declared at the meeting.
- (b) Changes, if any, in their address at an early date.
- (c) Application for consolidation of folios, if shareholdings are under multiple folios.
- (d) Despatch of share certificates for consolidation.
- (e) Request for nomination forms for making nominations as per amended provisions of the Companies Act, 1956.

10. Members are requested to quote ledger folio numbers in all their correspondences.

11. Members holding shares in dematerialized form (electronic form) are requested to intimate any change in their address, bank mandate etc., directly to their respective Depository Participants.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents, M/s. Integrated Enterprises (India) Limited.

13. Electronic Clearing Service (ECS) Facility:

With respect to payment of dividend, the Company provides the facility of ECS to shareholders residing at the following cities:

Ahmedabad, Bangalore, Bhubaneswar, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram.

Shareholders holding shares in physical form who wish to avail ECS facility, are requested to forward their ECS mandate in the prescribed form to the Company's Registrar and Share Transfer Agent, Integrated Enterprises (I) Limited.

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

Item No. 8

Smt. Sindoori Reddy is currently serving as Vice President – Operations. She has a B.S degree in International Business and Finance from Pepperdine University, California. She played a key role in setting up and successfully running the Apollo Children's Hospital, Chennai. In her earlier assignment as Executive Director in Faber Sindoori Management Services Pvt Limited, she developed sound expertise in various facets of operations including people management skills.

It is considered that with her qualification, expertise, experience and knowledge, Smt.Sindoori Reddy can continue to effectively contribute to the Company's growth. Accordingly it would be prudent to re-appoint Smt. Sindoori Reddy as Vice President – Operations on such remuneration as may be decided by the Board not exceeding the ceiling prescribed by the Central Government from time to time, (the present ceiling limit being ₹ 250,000/- p.m. or ₹ 3,000,000/- p.a.).

The remuneration which would be offered to Smt. Sindoori Reddy is commensurate with the terms and conditions of appointment of employees in similar categories.

Smt. Sindoori Reddy is a relative (within the meaning of Section 6 of the Act) of Smt. Suneeta Reddy, Joint Managing Director, and is also a relative of Dr.Prathap C Reddy, Executive Chairman, Smt. Preetha Reddy, Managing Director, Smt. Shobana Kamineni, Executive Director – Special Initiatives and Smt. Sangita Reddy, Executive Director – Operations. Since Smt. Sindoori Reddy's remuneration exceeds the ceiling prescribed under Section 314(1)(b), of the Companies Act, 1956, approval of the shareholders is sought in this regard under the aforesaid Section. Accordingly, the Board recommends the resolution set out in Item No.8 of the Notice for approval of the members.

Memorandum of Interest of Directors

None of the Directors of the Company is in any way concerned or interested in the above appointment except Dr.Prathap C Reddy, Smt. Preetha Reddy, Smt. Suneeta Reddy, Smt. Shobana Kamineni and Smt. Sangita Reddy who are relatives of Smt. Sindoori Reddy.

Item No. 9

The Members at the Extraordinary General Meeting held on 27th December 2007 approved the proposal for amendment of certain articles pursuant to the Shareholders Agreement (Agreement) dated 24th September 2007 entered into between the Company and the Apax Group. As per the terms of the agreement, upon the Apax Group's equity holding falling below a minimum threshold limit of 5.65% of the total capital of the company, the special rights accorded to the Apax Group ceases. Since the Apax Group's shareholding is below the minimum threshold limit of 5.65%, the agreement ceases to be effective. Therefore it is proposed to amend the articles by way of substitution/ deletion of the existing articles according special rights to the Apax Group as detailed under Item No. 9 of the Notice. As amendments to the Articles of Association require the special consent of the members in a General Meeting, the necessary special resolution is placed before the members under Item No. 9 of the Notice for consideration and approval.

A copy of the existing Articles of Association of the Company and the amended Articles of Association of the Company, if approved, are available for inspection at the Registered Office during business hours till the conclusion of the meeting.

Memorandum of Interest of Directors

None of the Directors of the Company are concerned or interested in this resolution.

By order of the Board
For **APOLLO HOSPITALS ENTERPRISE LIMITED**
S.M. Krishnan

Sr. General Manager - Finance &
Company Secretary

Place : Chennai

Date : 20th May 2013