

Narayana Hrudayalaya Limited

CIN- L85110KA2000PLC027497

Registered Office: 258/A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru - 562 158

Corporate Office: 261/A, 2nd Floor, Bommasandra Industrial Area, Anekal Taluk, Bengaluru - 560 099

Tel: +91 80 7122 2222, **Fax:** +91 80 2783 2648. **Website:** www.narayanahealth.org. **E-mail:** investorrelations@nhhospitals.org

POSTAL BALLOT NOTICE

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management and Administration) Rules, 2014]

To,
The Members,
Narayana Hrudayalaya Limited
(Formerly known as Narayana Hrudayalaya Private Limited)
Bengaluru.

NOTICE is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 to seek their approval by way of postal ballot/electronic voting (e-voting) in respect of resolutions contained in Special Business given herein after.

The explanatory statement, pursuant to Section 102 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 setting out all material facts and the reasons thereof, is annexed hereto along with this Postal Ballot Notice ("Notice") seeking Member's assent or dissent to the proposed resolutions.

SPECIAL BUSINESS:

1. Amendment in the Object Clause of Memorandum of Association of the Company:

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 the Section 13 of the Companies Act, 2013 read with applicable rules and all other applicable provisions, if any, of the Companies Act, 2013, including any amendment thereto or re-enactment thereof, and subject to other statutory approvals, consents, sanctions, if any, the Memorandum of Association of the Company be amended in the following manner:

(a) Under Clause III (A) "THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION", insertion of the following new clause 8 after the existing Clause 7:

8. To carry on, undertake, set up, establish, pursue, deal, trade, use and/ or enter into any partnership, or any arrangement for sharing profits, union of interests, joint ventures, reciprocal concession or otherwise with any person or persons or corporation carrying on or engaged in or about to carry on or engage in, any business of design and development of Information Technology, including but not limited to computer software, for application in the field of healthcare services."

(b) Clause III (C) containing "THE OTHER OBJECT FOR WHICH THE COMPANY IS ESTABLISHED" be deleted.

"RESOLVED FURTHER THAT the Board of Directors of the Company or Company Secretary of the Company, be and are hereby authorized to do all such acts, deeds and things and to sign all such documents, papers and writings as may be necessary to give effect to the resolution including carrying on such modifications, insertions, deletions, if any, as may be required from time to time."

2. Increase in the limits for providing Loans, Guarantee, Security and making Investments under Section 186 of the Companies Act, 2013:

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

"RESOLVED THAT in supersession of all earlier resolutions passed and pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Meeting of Board and its

Powers) Rules, 2014 including any statutory modification/s or re-enactment/s thereof, consent of the shareholders of the Company, be and is hereby accorded to the Board of Directors, to give loan/s or any other form of debt to any person or other body corporate/s and / or give guarantee/s and/ or provide security /ies and/or acquire by way of subscription, investment, purchase or otherwise, the securities of any other body corporate/s, its own subsidiary, associate company as may be required from time to time, exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more, as the Board of Directors may think fit, provided that the total loans or investments made, guarantee given, security provided, shall not at any time exceed Rs. 1,000 Crores (Rupees One Thousand Crores) or limits so prescribed under section 186 (as may be amended from time to time), whichever is higher.”

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

3. Providing security under Section 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company:

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

“**RESOLVED THAT** in supersession of all earlier resolutions passed and pursuant to the provisions of Section 180(1) (a) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 including any statutory modification or re-enactments thereof, and the Articles of Association of the Company, the consent the shareholders of the company be and is hereby accorded to the Board of Directors, to sell, lease, mortgage or dispose of whole or substantially whole of the undertaking of the company or to create mortgages/ charges/hypothecations and other encumbrances created/to be created by the company in favor of Indian or Foreign Financial Institutions, Banks or other Lending Institution(s) or export import banks, multilateral agencies and/or to such other persons (Lenders), if any, from whom the company has proposed or proposes to borrow any sum or sums of monies, which together with the monies already borrowed by the company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), and upon the terms and conditions decided / to be decided by the Board, to secure the facilities provided / to be provided by such Lenders together with interest, additional interest, cumulative interest, liquidated damages, remuneration of the agent or trustees, premium, if any on redemption, pre-payment costs, charges, expenses and all other moneys payable by the Company to the Lenders, trustees and agents, subject to maximum limit of Rs. 1, 000 Crores (Rupees One Thousand Crores Only) or limits so prescribed under Section 180(1)(a) (as may be amended from time to time), whichever is higher, including charges subsisting as on date “.

“**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution.”

By the order of the Board
For **Narayana Hrudayalaya Limited**

Ashish Kumar
Group Company Secretary & Compliance Officer

Place: Bengaluru

Date: 21.05.2016

Notes:

1. A copy of this notice has been placed on the website of the Company i.e., www.narayanahealth.org and shall remain on the website until the last date for receipt of the postal ballots from the shareholders.
2. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (“Postal Ballot Rules”), setting out all material facts in respect of the business set in this notice and reasons thereto is annexed hereto as Annexure – A (“the Explanatory Statement”).

3. The notice is being sent to all the members of Company, whose names appear on the register of members/ record of depositories as on 24th June, 2016.
4. The Board of Directors of the Company (“the Board”) at its meeting held on 21st May, 2016 appointed Mr. Sudhindra K S, Practicing Company Secretary (FCS No. 7909, CP No. 8190) as “The Scrutinizer” for conducting the postal ballot voting process in accordance with the law and in a fair and transparent manner. The Scrutinizer’s address is No. 85, Ojus Apartments, 004, ground floor, 4th Main, 13th Cross, Malleswaram, Bengaluru-560 003.
5. The members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed on the Postal Ballot Form and return the said Postal Ballot Form (**no other form or photocopy of the Postal Ballot Form is permitted**) duly completed with the assent (for) or dissent (against), in the attached self addressed, postage pre-paid business reply envelop, so as to reach the Scrutinizer not later than the close of working hours on **3rd August, 2016** to be eligible for being considered, failing which, it will be strictly treated as if no reply has been received from the Member. Members can chose only option either voting through the postal ballot or vote by electronic means in the manner set out herein in each case on or before the last date for e-voting i.e., **3rd August, 2016**. However envelopes containing Postal ballots, if sent by courier or registered / speed post at the expense of the members will also be accepted.
6. The date of dispatch of the Postal Ballot Notice shall be announced through advertisement in the following newspapers:
 - (i) Vijayavani – Kannada News Paper (Regional Language),
 - (ii) Business Standard - English newspaper.
7. The Scrutinizer will submit his report on 5th August, 2016 to Chairman or Managing Director of the Company or in his absence to any other designated Director or the Company Secretary after completion of scrutiny of postal ballot forms received on or before 3rd August, 2016. The results of voting by postal ballot will be declared on 5th August, 2016 at the registered office of the Company. Additionally, the result will be posted on Company’s website: www.narayanahealth.org and will be communicated to the Stock Exchanges where the shares of the Company are listed. In the event, the draft resolutions being assented to by the requisite majority of the Members by means of Postal Ballot, the date of declaration of the Postal Ballot result shall be deemed to be the date of passing of the said resolutions.
8. Shareholders who are entitled to vote may exercise his/ her vote through the postal ballot form or through e-voting. Voting rights of every Shareholder shall be reckoned on the paid-up value of Shares on the basis of names appearing in the ‘Register of Members’ or in the records of the depository, as applicable, as on 24th June, 2016 and any recipient of the Postal Ballot Notice whose name does not appear as a Shareholder in relation to the Shares as on the aforesaid date should treat the same as intimation only.
9. Shareholders who wish to seek a duplicate ballot form may approach Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot No. 31 & 32, Financial District, Gachibowli, Hyderabad - 500 032 fill in the details or can send mail to einward.ris@karvy.com or download from Karvy’s website (<https://evoting.karvy.com>) or Company’s Website (www.narayanahealth.org) under ‘Stakeholder Relations’.
10. Please note that any postal ballot form(s) received after the last date will be treated as not having been received and after the last date, the portal where e-votes can be cast will be blocked.
11. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the shareholders, to enable them to cast their vote electronically instead of dispatching the Postal Ballot form by post. The Company has engaged services of M/s. Karvy Computershare Private Limited for providing e-voting facility to Members. Kindly note that each member can opt for only one mode of voting i.e, **either Physical Ballot or by e-voting**. However in case members cast their votes through both modes, then voting done by e-voting shall prevail and voting cast through Physical Ballot shall be treated as invalid.

12. Process for e-voting:

A. Members who received the notice through e-mail from Karvy:

- a. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>.
- b. Enter the login credentials (i.e. user-id & password) mentioned on the Postal Ballot Form. Your folio/DP ID - Client ID will be your user ID. However if you are already registered with Karvy for e-voting you can use your existing user ID and password for casting your vote.

Details	
User – ID	<p><u>For Members holding shares in Demat Form:-</u></p> <p>a) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID</p> <p>b) For CDSL :- 16 digits beneficiary ID/Client ID</p> <p><u>For Members holding shares in Physical Form:-</u></p> <p>Even No.(EVEN) as given in Form followed by Folio Number registered with the Company</p>
Password	Your Unique password is printed on the Postal Ballot form/ via email forwarded through the electronic notice.
Captcha	Enter the Verification code i.e. please enter the alphabets and the numbers in the exact way as they are displayed for security reasons.

- c. Please contact Karvy toll free No. 1-800-34-54-001 for any further clarifications.
- d. Members can cast their vote online between 5th July 2016 from 10.00 AM and 3rd August, 2016 till 5.00 P.M.
- e. After entering these details appropriately, Click on “LOGIN”.
- f. Members holding shares in Demat/Physical form will now reach Password Change menu, wherein they are required to mandatorily change their login password in the new password field. Change the password with new password of your choice with minimum 8 characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc). Kindly note that this password can be used by the Demat holders for voting for Resolution(s) of any other Company on which they are eligible to vote, provided that Company opts for e-voting through Karvy Computershare Private Limited e-voting platform. System will prompt you to change your password and update any contact details like mobile, email id etc. on 1st login. Note the new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (i) You need to login again with the new credentials,
 - (ii) Select “EVEN” of M/s. Narayana Hrudayalaya Limited,
 - (iii) Now you are ready for e-voting as Cast Vote page opens,
 - (iv) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (v) Upon confirmation, the message “Vote cast successfully” will be displayed
 - (vi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- g. On the voting page, you will see Resolution Description and against the same the option ‘FOR/AGAINST/ABSTAIN’ for voting. Enter the number of shares (which represents number of votes) under ‘FOR/AGAINST/ABSTAIN’.
- h. Corporate/ Institutional members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at sudhindraksfcs@gmail.com with a copy marked to evoting@karvy.com. The file scanned image of the Board Resolution/Authority letter etc. should be in the naming format “Corporate Name_EVEN.”

- i. If you are holding shares in Demat form and had logged on to “https://evoting.karvy.com” and casted your vote earlier for any Company, then your existing login id and password are to be used. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

B. In case of Members receiving Notice by Post:

- a. Please use the User ID and initial password as provided in the Form.
 - b. Please follow all the steps from Sl.No. (a) to (i) as mentioned in (A) above, to cast your vote.
13. Members are requested to notify the change in the address, if any, in case of shares held in the electronic form to the concerned Depository Participant quoting their Client ID and in case of Physical shares to the Registrars and Transfer Agent of the Company quoting their Folio Number.
14. **In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of www.evoting@karvy.com or contact Karvy at the following toll free No. 1-800-34-54-001.**

By the order of the Board
For **Narayana Hrudayalaya Limited**

Ashish Kumar
Group Company Secretary & Compliance Officer

Place: Bengaluru
Date: 21.05.2016

Annexure – A

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1:

Amendment in the Object Clause of Memorandum of Association of the Company:

To enable the Company to expand its healthcare business and to enlarge the boundaries for provision of healthcare services by adopting Information Technology. It is proposed to insert a specific clause in this regard in the Memorandum of Association (MOA) of the Company.

Therefore, a new clause 8 under the main objects of the MOA of the Company is inserted which is as follows:

“To carry on, undertake, set up, establish, pursue, deal, trade, use and/ or enter into any partnership, or any arrangement for sharing profits, union of interests, joint ventures, reciprocal concession, or otherwise with any person or persons or corporation carrying on or engaged in or about to carry on or engage in, any business of design and development of Information Technology, including but not limited to computer software, for application in the field of healthcare services.”

As per Schedule I - Table A to the Companies Act, 2013, Clause III(C) containing “OTHER OBJECT FOR WHICH THE COMPANY IS ESTABLISHED” be deleted.

The Board of Directors had, in its meeting held on 21st May, 2016 considered and approved this proposal, subject to the approval of Shareholders through Postal Ballot process (including E-voting).

The Board recommends passing this resolution as a **Special Resolution**.

None of the Directors, Key Managerial Personnels or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Material documents in respect of the above resolution is available for inspection at Registered Office of the Company on all working days during business hours.

Item No. 2:

Increase in the limits for providing Loans, Guarantee, Security and making Investments under Section 186 of the Companies Act, 2013:

Pursuant to Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Power) Rules, 2014 and in supersession to the all earlier resolutions, the Board of Directors is authorized to give loans, guarantees or provide securities, acquire by way of subscription, investment, purchase or otherwise, the securities of any other body(ies) corporate, its own subsidiary, associate company as may be required from time to time, exceeding sixty percent of its paid up share capital, free reserves and securities premium account or one hundred percent of its free reserves and securities premium account, whichever is more.

In case the above limits are exceeded then, prior approval of shareholders by way of special resolution will be required. Members may note that in order to support its business activities, the Company may be required to give loans and/or any other form of debt to any person or other body corporate/s and / or give guarantee/s and / or provide security/ies in any other body corporate/s and/or acquire by way of subscription, investment, purchase or otherwise, the securities of any other body corporates in connection with the limits prescribed under the Companies Act, 2013 and rules made thereunder and as the Board of Directors may think fit, provided that the total loans or investments made, guarantee given, security provided, shall not at any time exceed Rs. 1,000 Crores (Rupees One Thousand Crores) or limits so prescribed under section 186 (as may be amended from time to time), whichever is higher.

It is therefore necessary to obtain prior approval of the shareholders by means of a Special Resolution, authorizing the Board to exercise aforesaid powers, up to the maximum amount not exceeding Rs. 1000 Crores (Rupees One Thousand Crores) outstanding at any point of time notwithstanding that the aggregate amount of all the loans / guarantees / securities / investments so far made together with the proposed loans / guarantees/ securities / investments exceeds the prescribed limits under the Companies Act, 2013.

In view of the same it is proposed to pass enabling resolutions authorizing Board of Directors of the company to give guarantees, securities, loans and/or make investments up to the limits as mentioned above or limits prescribed under Section 186 of the Companies Act, 2013 (as may be amended from time to time), whichever is higher.

The Board of Directors had, in its meeting held on 21st May, 2016 considered and approved this proposal, subject to the approval of Shareholders through Postal Ballot process (including E-voting).

The Board recommends passing this resolution as a **Special Resolution**.

None of the Directors or Key Managerial Personnels of the Company or their relatives is, in any way, concerned or interested, financially or otherwise in passing of the said Special Resolution.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Material documents in respect of the above resolution is available for inspection at Registered Office of the Company on all working days during business hours.

Item No. 3:

Providing security under Section 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company:

In terms of the resolution passed by the Shareholders of the Company at their Extra-Ordinary General Meeting held on 25th March, 2015, the shareholders had accorded their consent to the Board of Directors of the Company to borrow an amount upto Rs.480 Crores, at any point of time. In view of expected growth in business of the Company, it may be necessary for the Company to borrow monies from various sources consequent to which the amount outstanding could exceed the present limit.

The borrowings of the Company in general are required to be secured from time to time by creation of mortgage or charge on all or any of the movable or immovable property/assets of the Company in such form and manner as may be required by the lenders and acceptable to the Board of Directors of the Company. Mortgaging or creating charge by the Company on its assets to secure the funds borrowed from time to time within the overall limits of borrowing powers delegated to the Board of Directors, may be construed as disposal of the Company's undertaking within the meaning of Section 180(1)(a) of the Companies Act, 2013. It is therefore considered necessary for the Members to authorize the Board to create mortgage/charge on Company's assets in the manner proposed in the resolution to secure the funds borrowed by the Company from time to time.

The Board of Directors had, in its meeting held on 21st May, 2016 considered and approved this proposal, subject to the approval of Shareholders through Postal Ballot process (including E-voting).

The Board recommends passing this resolution as a **Special Resolution**.

None of the Directors or Key Managerial Personnels of the Company or their relatives are concerned or interested, financial or otherwise, in this Special Resolution.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Material documents in respect of the above resolution is available for inspection at Registered Office of the Company on all working days during business hours.

By the order of the Board
For **Narayana Hrudayalaya Limited**

Ashish Kumar
Group Company Secretary & Compliance Officer

Place: Bengaluru

Date: 21.05.2016

