

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING HELD ON SATURDAY,
22ND JANUARY 2011 AT 11.00 A.M. AT CHINMAYA HERITAGE CENTRE,
TAPOVAN HALL, 2ND FLOOR, NO. 2, 13TH AVENUE, HARRINGTON ROAD,
CHETPET, CHENNAI – 600 031**

Directors Present: (1) Dr. Prathap C Reddy, Executive Chairman
(2) Ms. Preetha Reddy, Managing Director
(3) Ms. Suneeta Reddy, Executive Director – Finance
(4) Mr. N. Vaghul, Director
(5) Mr. Deepak Vaidya, Director
(6) Mr. G. Venkatraman, Director
(7) Mr. Rajkumar Menon, Director
(8) Mr. Khairil Anuar Abdullah, Director

Members Present: 284

Proxies : 124

Dr. Prathap C Reddy, Chairman extended a hearty and warm welcome to the Members present at the Extraordinary General Meeting and introduced the members of the Board of Directors.

The Chairman requested Mr. S.M. Krishnan, General Manager – Project Finance and Company Secretary to read the Notice and with the permission of the members the Notice was taken as read.

The Chairman explained to the members that the Company proposes to raise funds by way of issue of Securities through a Qualified Institutional Placement (QIP) Scheme and issue of preferential warrants to the Promoters/Promoter Group to part fund the expansion of its activities, finance additional working capital requirements and for general corporate purposes.

For APOLLO HOSPITALS ENTERPRISE LTD.



S.M. KRISHNAN
General Manager - Project Finance &
Company Secretary

IS/ISO 9001:2000

APOLLO HOSPITALS ENTERPRISE LIMITED

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Regd. Off. : 19, Bishop Gardens, Raja Annamalaipuram, Chennai - 600 028.

The Chairman informed the members that the Extraordinary General Meeting had been convened to obtain members' approval for the following proposals:-

- (i) Increasing the Authorized Share Capital of the Company from Rs. 850 million to Rs.1,100 million and consequential amendments to the Memorandum and Articles of Association of the Company.
- (ii) Raising of funds by way of equity and Non Convertible Debentures with warrants not exceeding in aggregate a sum of Rs.9000 million through Qualified Institutional Placement (QIP) Scheme.
- (iii) Issue of upto 3,276,922 convertible warrants to Dr. Prathap C Reddy, Promoter of the Company, at a price of Rs.472.46 per warrant (including a premium of Rs. 467.46 per warrant) calculated as per the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, aggregating to Rs.1548.21 million

Then Chairman invited questions from the shareholders on the resolutions.

The Chairman then answered the questions raised by the shareholders to their satisfaction.

ITEM NO. 1:-

Increase in the Authorized Share Capital.

Mr. Padmanabhan moved the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to Section 94 and other applicable provisions of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased by Rs.250,000,000/- (Rupees Two Hundred and Fifty million only), from Rs.850,000,000/- (Rupees Eight Hundred Fifty Million only) to Rs. 1,100,000,000/- (Rupees One Thousand One Hundred Million only) by authorizing the creation of 50,000,000 (Fifty million) new Equity Shares of Rs.5/- (Rupees Five only) each ranking pari passu with the existing equity shares of the Company in all respects."

Mr. T. Venkatesh seconded the resolution. The Chairman put the resolution to vote by show of hands.

The resolution was passed unanimously.

ITEM NO. 2:-

Amendment to the Memorandum of Association of the Company

Mr. P. Ramamurthy moved the following resolution as a Special Resolution

"RESOLVED THAT, upon Resolution No. 1 above pertaining to increase in the Authorised Share Capital becoming effective, Clause V of the Memorandum of Association of the Company be altered by substituting the existing Clause V thereof by the following :-

The Authorised Share Capital of the Company is Rs.1,100,000,000/- divided into:

- i) 200,000,000 equity shares of Rs.5/- each; and
 - ii) 1,000,000 preference shares of Rs.100/- each
- with or without voting rights with a power to consolidate or subdivide into such classes and to increase or reduce the capital whenever the circumstances warrant."

Mr. S.Yuvaraj seconded the resolution. The Chairman put the resolution to vote by show of hands.

The resolution was passed unanimously.

ITEM NO. 3:-

Amendment to the Articles of Association of the Company

Mr.T.R. Badrinath moved the following resolution as a Special Resolution

"RESOLVED THAT, upon Resolution No.1 above pertaining to increase in the Authorised Share Capital becoming effective and pursuant to the provisions of Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the existing Article 4 of the Articles of Association be altered by deletion of the existing Article 4 and substitution in place thereof the following Article as Article 4.

The Authorised Share Capital of the Company is Rs.1,100,000,000/- divided into:

- i) 200,000,000 equity shares of Rs.5/- each; and
- ii) 1,000,000 preference shares of Rs.100/- each

with or without voting rights with a power to consolidate or subdivide into such classes and to increase or reduce the capital whenever the circumstances warrant."

Mr. Shankar seconded the resolution. The Chairman put the resolution to vote by show of hands.

The resolution was passed unanimously.

ITEM NO. 4:-

Raising of funds through Qualified Institutional Placement (QIP) Scheme.

Mr. Praful Chawla moved the following resolution as a Special Resolution

- a) "RESOLVED THAT pursuant to Section 81(1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into with the Stock Exchanges and subject to the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time ("SEBI ICDR Regulations"), the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, applicable rules, regulations, guidelines or laws and/or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India and any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the "appropriate authorities"), and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission and / or sanction (hereinafter referred to as the "requisite approvals"), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the Board be and is

hereby authorized to issue, offer and allot in one or more tranches equity shares/ fully convertible debentures/ partly convertible debentures/ non convertible debentures with warrants/ any other securities, which are convertible into or exchangeable with equity shares on such date as may be determined by the Board but not later than 60 months from the date of allotment (collectively referred to as "QIP Securities"), to the Qualified Institutional Buyers ("QIBs") as per the SEBI ICDR Regulations, whether or not such QIBs are Members of the Company, on the basis of placement document(s), at such time or times in one or more tranche or tranches, at such price or prices, as the Board may determine on the relevant date in accordance with the SEBI ICDR Regulations and on such terms and conditions and in such manner as the Board may, in its absolute discretion determine, in consultation with the Lead Managers, Advisors or other intermediaries, provided however that the aggregate amount raised through issue of such QIP Securities shall not exceed in the aggregate a sum of Rs. 9000 million (Rupees Nine Thousand million only), including premium if any as may be decided by the Board, to investors as mentioned above."

- b) "RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of the QIP Securities, excepting Non-Convertible Debentures with or without Warrants, shall be the date on which the Board decides to open the proposed issue."
- c) "RESOLVED FURTHER THAT in the event that Non-Convertible Debentures (NCDs) with Warrants with a right exercisable by the Warrant Holder to exchange with Equity Shares of the Company are issued, the relevant date for determining the price of the equity shares of the Company, if any, to be issued upon exchange of the Warrants, shall be the date of the meeting on which the Board decides to open the proposed issue of the NCDs with warrants in accordance with the SEBI ICDR Regulations."
- d) "RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any Securities referred to in paragraph (a) above or as may be necessary in accordance with the terms of the offering, all such shares being *pari passu* with the then existing shares of the Company in all

respects, as may be provided under the terms of the issue and in the offering document."

- e) "RESOLVED FURTHER THAT such of these Securities to be issued as are not subscribed may be disposed of by the Board to such persons in such manner and on such terms as the Board in its absolute discretion thinks fit in accordance with the provisions of law."
- f) "RESOLVED FURTHER THAT the issue to the holders of the Securities with equity shares underlying such securities shall be *inter alia*, subject to suitable adjustment in the number of shares, the price and the time period etc., in the event of any change in the equity capital structure of the Company consequent upon any merger, amalgamation, takeover or any other re-organization or restructuring in the Company or of the capital of the Company."
- g) "RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Securities or instruments representing the same, as described in paragraph (a) above, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may at its absolute discretion deem necessary or desirable for such purpose, including without limitation the entering into of marketing and institution/trustees/agents and similar agreements/, to issue placement documents and to remunerate the Managers, and all other agencies/intermediaries by way of commission, brokerage, fees and the like as may be involved or connected in such offerings of Securities, with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit."
- h) "RESOLVED FURTHER THAT for the purpose aforesaid, the Board be and is hereby authorised to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds including but without limitation to the creation of such mortgage / hypothecation / charge on the Company's immovable/ movable assets, both present and future, under Section 293(1)(a) of the Companies

Act, 1956 in respect of the QIP Securities either on *pari passu* basis or otherwise or in the borrowing of loans as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

- i) "RESOLVED FURTHER THAT without prejudice to the generality of the above, the QIP Securities may have such features and attributes or any terms or combination of terms to provide for the tradability and free transferability thereof as per the prevailing practices and regulations in the capital markets including but not limited to the terms and conditions in relation to the payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for the issue of additional equity shares or variation of the conversion price of the QIP Securities during the duration of the securities and the Board be and is hereby authorized in its absolute discretion in such manner as it may deem fit, to dispose off such of the securities that are not subscribed."
- j) "RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s)/ Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

Mr. Venkatesulu seconded the resolution. The Chairman put the resolution to vote by show of hands.

The resolution was passed unanimously.

ITEM NO. 5:-

Preferential Allotment of warrants convertible into equity shares to Promoter

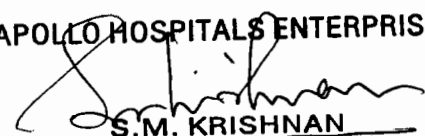
As Dr. Prathap C Reddy, Executive Chairman was interested in the proposed resolution Mr.N. Vaghul, Director was requested to chair the Meeting. Mr.N.Vaghul took the chair and conducted the proceedings.

Mr. Praful Chawla moved the following resolution as a Special Resolution

"RESOLVED THAT pursuant to Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the Articles of Association of the Company, the applicable regulations of the Securities and Exchange Board of India (SEBI), listing agreement entered into with the Stock Exchanges and subject to the consent/approval, if any required, of any other authorities/institutions and subject to any conditions and modifications as may be prescribed by them while granting any such approval, consent, permission or sanction and agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot up to 3,276,922 warrants (hereinafter referred to as "Warrants") on a preferential basis to Dr.Prathap C Reddy, one of the Promoters of the Company with each warrant convertible into one equity share of the Company of nominal value of Rs.5/- each at a price of Rs. 472.46 which includes a premium of Rs.467.46 per share, which price is not less than the price calculated in accordance with Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (hereinafter referred to as "SEBI ICDR Regulations") for preferential allotment of equity shares/warrants and on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment."

"RESOLVED FURTHER THAT the 'relevant date' in relation to the issue of Warrants in accordance with the SEBI ICDR Regulations, would be 23rd December 2010, being the date 30 days prior to the date of passing of this resolution."

"RESOLVED FURTHER THAT the issue of Warrants, if any, as above, shall be subject to the following terms and conditions:

For APOLLO HOSPITALS ENTERPRISE LTD.

S.M. KRISHNAN
General Manager - Project Finance &
Company Secretary

1. The Warrants shall be convertible (at the sole option of the warrant holder) at any time within a period of 18 months from the date of allotment of warrants.
2. Each Warrant shall be convertible into one equity share of nominal value of Rs.5/- each at a price of Rs. 472.46 which includes a premium of Rs. 467.46 per share, which price shall not be less than the price calculated in accordance with the SEBI ICDR Regulations for preferential allotment of shares.
3. The Warrant holder shall, on the date of allotment of warrants, pay an amount equivalent to 25% of the total consideration per warrant.
4. The Warrant holder shall, on the date of allotment of equity shares pursuant to the exercise of option against each such warrant, pay the balance 75% of the consideration.
5. The amount referred to in (3) above shall be non interest bearing and shall be forfeited, if the option to acquire shares is not exercised within a period of 18 months from the date of allotment of the warrants.
6. The number of warrants and the price per warrant shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI ICDR Regulations for corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring.
7. The lock-in of shares acquired by exercise of warrants shall be applicable for a period of three years from the date of allotment of the shares."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including without limitation, appointment of consultants, solicitors, merchant bankers, or any other agencies as may be required, and entering into arrangements for listing, trading, depository services and such other arrangements and agreements as may be necessary, and also to seek listing of the equity shares

issued pursuant to conversion of the warrants with any Indian stock exchanges with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of warrants and in complying with any regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of the warrants and that the said equity shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank in all respects pari passu with the existing equity shares of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any whole time Director or any other Officer or Officers of the Company to give effect to the aforesaid resolution".

Mr. Ramamurthy seconded the resolution. The Chairman put the resolution to vote by show of hands. The resolution was passed unanimously.

The meeting concluded with a vote of thanks to the Chair.

For APOLLO HOSPITALS ENTERPRISE LIMITED



**S.M. KRISHNAN
GENERAL MANAGER – PROJECT FINANCE
& COMPANY SECRETARY**

/Certified true copy/