



Dr. Agarwal's Eye Hospital Limited

CIN: L85110TN1994PLC027366

Registered Office: 3rd Floor, Buhari Towers, No.4, Moores Road,
Off Grems Road, Chennai - 600006.

Tel: 91-44-39916600, Email: investor@dragarwal.com, Website: www.dragarwal.com

POSTAL BALLOT NOTICE (Pursuant to Section 110 of the Companies Act, 2013)

To
The Members

Notice is hereby given, pursuant to Section 110 of the Companies Act, 2013 ("the Act") read with the Companies (Management and Administration) Rules, 2014, as amended from time to time, the draft resolutions appended below are proposed to be passed as Special Resolutions by way of Postal Ballot. The Proposed resolution/s and explanatory statement, pursuant to Section 102(1) of the Act detailing all material facts for the proposals is annexed hereto for your consideration.

To consider and, if thought fit to pass with or without modification/s following resolutions:

1. As a Special Resolution:

"RESOLVED THAT in accordance with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 the remuneration of Dr. Amar Agarwal (DIN: 00435684), Chairman Cum Managing Director of the company be and is hereby revised, as may be decided by the board from time to time, not exceeding Rs. 5,00,000/- (Rupees Five Lakhs only) per month, for the remaining period of his tenure i.e. up to 30th September 2016."

2. As a Special Resolution:

"RESOLVED THAT in accordance with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 the remuneration of Dr. Athiya Agarwal (DIN: 01365659), Wholetime Director of the company be and is hereby revised, as may be decided by the board from time to time, not exceeding Rs. 5,00,000/- (Rupees Five Lakhs only) per month, for the remaining period of her tenure i.e. up to 30th September 2016."

3. As a Special Resolution:

"RESOLVED THAT in accordance with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 the remuneration of Dr. Adil Agarwal (DIN: 01074272), Wholetime Director of the company be and is hereby revised, as may be decided by the board from time to time, not exceeding Rs. 4,50,000/- (Rupees Four Lakhs and Fifty thousand only) per month for the remaining period of his tenure i.e. up to 30th April 2016."

4. As a Special Resolution:

"RESOLVED THAT in accordance with the provisions of the Section 197 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and other applicable provisions, if any, of the Companies Act, 2013 the remuneration of Dr. Anosh Agarwal (DIN: 02636035), Wholetime Director of the company be and is hereby revised as may be decided by the board from time to time, not exceeding Rs. 4,50,000/- (Rupees Four Lakhs and Fifty thousand only) per month for the remaining period of his tenure i.e. up to 30th April 2016."

(By Order of the Board)
For Dr. Agarwal's Eye Hospital Limited

Sd/-
S. Ramanujam
Company Secretary

Place: Chennai
Date: February 4, 2015

NOTES:

- (i) The Statement and reasons for the proposed resolutions pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
- (ii) The Company has appointed Mr. N.K. Bhansali, Proprietor M/s. N. K. Bhansali & Co., Practising Company Secretaries, Chennai to act as the Scrutinizer for conducting the Postal Ballot process in a fair and transparent manner.
- (iii) The Postal Ballot Notice is being sent to all the Members, whose names appear in the Register of Members / Statements of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the close of business hours on 6th February 2015.
- (iv) In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, this Postal Ballot Notice is being sent by e-mail to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their Depository Participants (DP) (in respect of shares held in electronic form) and made available to the Company by the Depositories. Members who have not registered their e-mail address will receive this Postal Ballot Notice along with the Postal Ballot Form through post.
- (v) In compliance with Clause 35B of the Listing Agreement and the provisions of Section 110 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all its Members as an alternate mode to exercise their right to vote. For this purpose, the Company has entered into an agreement with NSDL for facilitating e-voting to enable the Members to cast their votes electronically. Please note that e-voting is optional.
- (vi) All documents referred to in this Postal Ballot Notice and in the Statement referred to under Section 102(1) of the Companies Act, 2013, setting out material are open for inspection by the Members at the Registered Office of the Company between 10: 00 a.m. and 5:00 p.m on all working days excluding Sundays and national holidays upto 26th March 2015.

Instructions for Voting:

1. Voting through electronic means (e-voting)
 - a. In compliance with provisions of Section 110 of the Act, read with Companies (Management and Administration) Rules, 2014 and Listing Agreement, the Company is pleased to offer e-voting facility to all the Members of the Company. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating e-voting to enable the Members to cast their votes electronically instead of despatching Postal Ballot Form. The e-voting is optional. The instructions for Members for e-voting are as under:
 - A In case a Member receives an e-mail from NSDL [for members whose e-mail IDs are registered with the Company/ Depository Participant(s)]
 - i. Open the e-mail and open PDF file viz. "Dr.Agarwal's Eye Hospital e-voting.pdf" with your client ID or Folio No. as Password. The said PDF file contains your User ID and Password for e-voting. Please note that the Password is an initial Password.
 - ii. Launch internet browser and type the URL : <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder-Login.
 - iv. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password for Login.
 - v. If you are logging for the first time, please enter the user ID and Password sent to you.
 - vi. If you are logging in for the first time, Password Change Menu appears. Change the Password of your choice with minimum 8 digits / characters or a combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.
 - vii. Home page of "e-voting" opens. Click on e-voting: Active Voting Cycles.
 - viii. Select EVEN (E-Voting Event Number) of Dr.Agarwal's Eye Hospital. Once you enter the number, the "Cast Vote" Page will open. Now you are ready for e-voting.

- ix. Cast your vote by selecting appropriate option and click “Submit” and also click “Confirm” when prompted.
- x. Upon confirmation, the message “vote cast successfully” will be displayed.
- xi. Kindly note that vote once cast cannot be modified,
- xii. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are required to send scanned copy (PDF/JPG format) of the relevant board resolution/ authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at bhansalifcs@gmail.com with a copy marked to evoting@nsdl.co.in.

B In case a Member receives physical copy of the Postal Ballot Notice (for members whose e-mail IDs are not registered with the Company/Depository Participant (s) or requesting physical copy)

- (i) Initial Password is provided as below at the bottom of the Postal Ballot Notice.

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

- (ii) Please follow all steps from “Sl.No. ii to Sl No. xii” above, to caste vote.

1. In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the “Downloads” section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in or at the Telephone No. 022- 2499 4600
2. 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).
3. Kindly note that the Members can opt only one mode of voting, i.e., either by Physical Ballot or e-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case Members cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by e-voting will be treated as invalid.
4. Members desiring to exercise vote by Physical Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the Form duly completed and signed in the enclosed self addressed prepaid business reply envelope to the Scrutiniser. The postage cost will be borne by the Company. However, envelopes containing Postal Ballots, if sent by courier or Registered / Speed Post at the expense of the Members, will also be accepted.
5. The voting rights of Members shall be in proportion to their shares of the paid up Equity Share Capital of the Company as on the cut-off date of 6th February, 2015.
6. The voting period commences from 25th February 2015 (9:30 a.m. IST) and ends on 26th March 2015 (6:00 p.m. IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 6th February 2015, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
7. Mr. N.K Bhansali Practicing Company Secretary (Membership No. FCS 3942), has been appointed as the Scrutinizer to scrutinize the Postal Ballot voting process in fair and transparent manner.
8. The Scrutiniser will submit the report to the Chairman of the Company after completion of scrutiny of the Postal Ballot Forms, both physical and e-voting, and the results of the Postal Ballot will be announced on 30th March 2015 on or before 5.00 P.M at the Registered Office of the Company at 3rd Floor, Buhari Towers, No.4, Moores Road, Off Greams Road, Chennai- 600 006. The said date will be taken as the date of passing of the Resolution(s).
9. The Results declared along with the Scrutinizer’s Report will be hosted on the Company’s website www.dragarwal.com and on the website of NSDL within two (2) days of passing of the resolutions of the Company and communicated to the Bombay Stock Exchange Limited.

(By Order of the Board)
For Dr. Agarwal’s Eye Hospital Limited

Place: Chennai
Date: February 4, 2015

Sd/-
S. Ramanujam
Company Secretary

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS AS REQUIRED BY SECTION 102(2) OF THE COMPANIES ACT, 2013

ITEM Nos: 1 to 4

Dr Amar Agarwal and Dr. Athiya Agarwal respectively were appointed as Chairman cum Managing Director and Whole-Time Directors of the Company w.e.f. 1st October, 2013 for a period of three years by the members of the Company in the Annual General Meeting held on 13th August, 2013. Their appointments were approved in accordance with Schedule XIII of the Companies Act, 1956.

Dr. Adil Agarwal and Dr. Anosh Agarwal were appointed as Whole Time Directors of the Company w.e.f. 1st May, 2013 for a period of three years by the members of the Company in the Annual General Meeting held on 13th August, 2013. Their appointments were approved in accordance with Schedule XIII of the Companies Act, 1956.

Since the company was making inadequate profits, their remuneration was finalized pursuant to erstwhile Part II(B) of Schedule XIII of the Companies Act, 1956. The Maximum remuneration payable to them was Rs. 36 Lakhs per annum.

Also the erstwhile Schedule XIII of the Companies Act, 1956 governing the remuneration payable to Managing Director and/or Whole time Directors has been replaced by Schedule V of the Companies Act, 2013. As per the present Schedule V, if the members approve the said proposed special resolution/s, the maximum remuneration payable to Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal and Dr. Anosh Agarwal on the basis of effective capital amounts to Rs. 84 lakhs per annum for each of the above mentioned four directors since the effective capital of the company as on 31st March 2014 is exceeding Rs. 5 Crore but less than Rs. 100 Crore.

The Board at its meeting held on 4th February 2015, on the recommendation of Nomination and Remuneration Committee has accorded in approval to the variation in the terms and conditions of remuneration payable to Dr. Amar Agarwal, Chairman Cum Managing Director and Dr. Athiya Agarwal, Dr. Adil Agarwal, and Dr. Anosh Agarwal, Wholetime Directors of the company for the remaining period of their tenure subject to the approval of the shareholders on the following terms and conditions as detailed below.

Except Dr. Amar Agarwal, Dr. Athiya Agarwal, Dr. Adil Agarwal & Dr. Anosh Agarwal, none of the other directors and Key Managerial Personnel of the Company and their relatives are concerned or interested in the Resolutions. The Board of Directors recommends the above Special Resolutions for the approval of the shareholders.

Disclosure pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 (For Item no. 1, 2, 3 & 4)

Further disclosure pursuant to Section II of Part II of Schedule V of the Companies Act, 2013 is given below.

I. GENERAL INFORMATION

1.	Nature of Industry	EYE HOSPITAL																				
2.	Date of Commencement of Business	12 th July, 1994																				
3.	In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in prospectus.	Not Applicable																				
4.	Financial Performance	<table border="1"> <tr> <td colspan="2" style="text-align: right;">Rs. in Lakhs</td> </tr> <tr> <td>Sales</td> <td style="text-align: right;">11,593.24</td> </tr> <tr> <td>Profit after Tax</td> <td style="text-align: right;">243.07</td> </tr> <tr> <td>Paid-up Share Capital</td> <td style="text-align: right;">470.00</td> </tr> <tr> <td>Reserves & Surplus</td> <td style="text-align: right;">1427.57</td> </tr> <tr> <td>Long term loans</td> <td style="text-align: right;">1196.75</td> </tr> <tr> <td>Total</td> <td style="text-align: right;">3094.32</td> </tr> <tr> <td>Less: Investments</td> <td style="text-align: right;">3.19</td> </tr> <tr> <td>Preliminary Expenses (To the extent not written off)</td> <td style="text-align: right;">Nil</td> </tr> <tr> <td>Effective Capital as on 31-03-14</td> <td style="text-align: right;">3091.13</td> </tr> </table>	Rs. in Lakhs		Sales	11,593.24	Profit after Tax	243.07	Paid-up Share Capital	470.00	Reserves & Surplus	1427.57	Long term loans	1196.75	Total	3094.32	Less: Investments	3.19	Preliminary Expenses (To the extent not written off)	Nil	Effective Capital as on 31-03-14	3091.13
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Less: Investments	3.19																					
Preliminary Expenses (To the extent not written off)	Nil																					
Effective Capital as on 31-03-14	3091.13																					
	Export performance and net Foreign Exchange Collaborations, if any	NIL																				
6.	Foreign investments or Collaborations, if any	NIL																				

II. INFORMATION ABOUT APPOINTEE:

a) Dr. Amar Agarwal

1.	Background details	Dr. Amar Agarwal, 54 years, has been the Director of the company since its inception. He is MS, F R C S, F R C. Oph.(London) He has over 22 years of experience in Eye Care Industry.
2.	Past Remuneration	Rs.3,00,000/- per month (cost to the Company).
3.	Recognition or awards	Kelman Award by Hellenic Society of Greece, Barraquer Award by the Keretomileusis Study Group, American Academy Achievement Award and many Video awards at American Academy of Ophthalmology, American Society of Cataract & Ref. Surgery convention and European Society of Cataract & Refractive Surgery convention. He has won National Awards like Scientific innovation award, Champion of Humanity award and Outstanding achievement award for his invention of Phakonit, Microphakonit and PDEK a significant milestone in cataract surgery, including the best Doctor Award from the Tamil Nadu Govt on the occasion of Independence day celebrations during the year 2014.
4.	Job Profile and his suitability	Dr. Amar Agarwal is entrusted with overall control and supervision of the company. He is having substantial powers of management and is responsible for the general conduct and management of the business and affairs of the Company subject to the superintendence, control and supervision of the Board of Directors of the Company.
5.	Remuneration proposed	Not exceeding Rs.5,00,000/- per month.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration is revised keeping in mind the industry trends / profile and intellectual abilities / knowledge in the field of ophthalmology and is also comparable with other companies in the same line of business and of similar size.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person, if any	He is related to Dr. Athiya Agarwal, Dr. Adil Agarwal and Dr. Anosh Agarwal.

b) Dr. Athiya Agarwal

1.	Background details	Dr. Athiya Agarwal 58 years, has been the Director of the company since its inception. She is M D, F R S H (London), DO. She has over 22 years of experience in Eye Care Industry.
2.	Past Remuneration	Rs.3,00,000/- per month (cost to the Company).
3.	Recognition or awards	She has won many International video awards and presented case studies in several international forums.
4.	Job Profile and his suitability	She is entrusted with substantial powers of management and is responsible for the general conduct and management of the business and affairs apart from mentoring the research initiatives of the Company subject to the superintendence, control and supervision of the Board of Directors of the Company.
5.	Remuneration proposed	Not exceeding Rs.5,00,000/- per month.

6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration, is revised keeping in mind the industry trends/ profile and intellectual abilities / knowledge in the field of ophthalmology and is also comparable with other companies in the same line of business and of similar size.
7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person, if any	She is related to Dr. Amar Agarwal, Dr. Adil Agarwal and Dr. Anosh Agarwal.

c) Dr. Adil Agarwal

1.	Background details	Dr. Adil Agarwal 31 years, has been the Director of the company for the past seven years. He is a qualified MS and has also done Masters in Business Administration from the Stanford University.
2.	Past Remuneration	Rs.3,00,000/- per month (cost to the Company).
3.	Job Profile and his suitability	He is entrusted with overall control and supervision of the company, besides spearheading / drawing up expansion plans. He is having substantial powers of management and is responsible for the general conduct and management of the business and affairs of the Company subject to the superintendence, control and supervision of the Board of Directors of the Company.
4.	Remuneration proposed	Not exceeding Rs.4,50,000/- per month.
5.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration, is proposed to be revised taking into consideration the additional Management qualification and enhanced responsibilities bestowed on him, Also comparable with that paid by other companies in the same line of business and similar size.
6.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person, if any	He is related to Dr. Amar Agarwal, Dr. Athiya Agarwal and Dr. Anosh Agarwal.

d) Dr. Anosh Agarwal

1.	Background details	Dr. Anosh Agarwal 29 years, has been the Director of the company for the past four years. He is a qualified MS and MBA from Harvard University.
2.	Past Remuneration	Rs.3,00,000/- per month (cost to the Company).
3.	Job Profile and his suitability	He is entrusted with overall control and IT / Marketing / HR initiatives and supervision of the day to day administration of the company and is subject to the supervision and control of the Board of Directors of the Company.
4.	Remuneration proposed	Not exceeding Rs.4,50,000/- per month.
5.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration is Commensurate with his Managerial Qualification and is comparable with that one paid by other companies in the same line of business and of similar size.
6.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial person, if any	He is related to Dr. Amar Agarwal, Dr. Athiya Agarwal and Dr. Adil Agarwal.

III. OTHER INFORMATION

1	Reasons for loss or inadequate profits	As on 31 st March, 2014 the Company posted a net profit of Rs. 243.07 lakhs. As per the provisions of Schedule V of the Companies Act 2013, these would be inadequate for payment of remuneration to the four Whole time Directors.
2	Steps taken for improvement	Company is taking steps to reduce costs and to increase sales so as to increase the profits.
3	Expected increase in productivity and profits in measurable terms	The Company expects that improvement in business environment and several steps being taken to enhance revenue and reduce costs, which may yield better profitability in the years to come.

(By Order of the Board)
For Dr. Agarwal's Eye Hospital Limited

Place: Chennai
Date: February 4, 2015

Sd/-
S. Ramanujam
Company Secretary

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