

22nd ANNUAL REPORT
2014 - 2015



Medinova
Diagnostic Services Limited

BOARD OF DIRECTORS:

Dr. Sura Surendranath Reddy	Chairman
Mr. Sunil Chandra Kondapally	Managing Director
Mrs. Suprita Reddy Sura	Non-Executive Director
Mr. K. V. Ravindra Reddy	Independent Director
Mr. P. Kamalakar Rao	Independent Director
Dr. G. Ramesh Ramayya	Independent Director

Committees of the Board

Audit Committee:	Mr. P. Kamalakar Rao-Chairman Mr. K. V. Ravindra Reddy-Member Dr. Sura Surendranath Reddy-Member
Stakeholders' Relationship Committee:	Dr. Sura Surendranath Reddy-Chairman Mr. K. V. Ravindra Reddy-Member Mr. P. Kamalakar Rao-Member.
Nomination & Remuneration Committee:	Mr. K.V. Ravindra Reddy-Chairman Mr. P. Kamalakar Rao-Member Dr. Sura Surendranath Reddy-Member
Company Secretary	Mr. M. Ramana Reddy
Chief Financial Officer	Mr. N. Ravikumar
Statutory Auditors:	M/s. Ratnam Dhaveji & Co., 501, Akash Ganga, 6-3-635 & 637, Khairatabad, Hyderabad - 500004
Registrar and Share Transfer Agent:	XL Softech Systems Ltd 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034 Phone No(s): 040-23545913 / 14 / 15. Email: xlfield@rediffmail.com
Registered Office:	6-3-652, 'Anand Chambers' Somajiguda, Hyderabad - 500 082 Ph: 040-23310066 Email: medicorp@medinovaindia.com Website : www.medinovaindia.com
Corporate Identification Number:	L85110TG1993PLC015481



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of Medinova Diagnostic Services Limited will be held on Friday, the 25th day of September, 2015 at 11.00A.M. at Hotel Green Park, Greenlands, Begumpet, Hyderabad 500 016 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements i.e., Profit & Loss account for the year ended 31st March, 2015 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To ratify the appointment of M/s Ratnam Dhaveji & Co., Chartered Accountants (Firm Regn. No. 006677S) as Statutory Auditors of the Company, to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time and other applicable rules, if any as may be applicable, consent is accorded to ratify the re-appointment of M/s. Ratnam Dhaveji & Co., Chartered Accountants (Firm Regn. No. 006677S) as Auditors of the Company, who was appointed at the 21st Annual General Meeting to hold office from the conclusion of 1st Annual General Meeting (21st AGM) till the conclusion of the 5th Annual General Meeting (26th AGM) of the Company to be held in the year 2019, on such remuneration as may be decided by the Board of Directors or any Committee thereof”.

SPECIAL BUSINESS:

3. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that Mr. K. V. Ravindra Reddy (DIN 00083986) who was appointed by the Board of Directors as an Additional Director in an independent category to the Board of the Directors of the Company with effect from 10th November, 2014 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the Company to hold office as such for a period of 5 (five) consecutive years and that he shall not be liable to retire by rotation.”

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that Mr. P. Kamalakar Rao (DIN 03057676) who was appointed by the Board of Directors as an Additional Director in an independent category to the Board of the Directors of the Company with effect from 10th November, 2014 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the Company to hold office as such for a period of 5 (five) consecutive years and that he shall not be liable to retire by rotation.”

5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that Mrs. Suprita Reddy Sura (DIN 01206491) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 10th November, 2014 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation.”

6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that Dr. G. Ramesh Ramayya (DIN 00015424) who was appointed by the Board of Directors as an Additional Director in an independent category to the Board of the Directors of the Company with effect from 22nd May, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Independent Director of the Company to hold office as such for a period of 5 (five) consecutive years and that he shall not be liable to retire by rotation.”

7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that Dr. Sura Surendranath Reddy (DIN 00108599) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 13th August, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company, and shall be liable to retire by rotation.”

8. To Consider and thought fit, to pass with or without modification(s), the following resolution as Special Resolution:-

“RESOLVED THAT in supersession of the ordinary resolution passed under section 293 (1) (d) of the Companies Act, 1956 at its Extraordinary General Meeting held on 29.07.1993 and pursuant to section 180 (1)(c) and any other applicable provisions of the



Companies Act., 2013 and the rules made there under (including any statutory modification (s) or re-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to the Board of Directors to borrow monies in excess of the aggregate of the paid up share capital and free reserves of the company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loan obtained / to be obtained from the company's Bankers in the ordinary course of business, shall not be in excess of Rs. 100.00 crores (Rupees Hundred crores only)."

"RESOLVED FURTHER THAT the Board be and is hereby also authorised to do all such other acts, deeds, things as may be required from time to time which may be incidental or ancillary thereto in giving effect to this resolution".

9. To Consider and, if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT in supersession of the resolution passed under section 293(1)(a) of the Companies Act., 1956 on 29.07.1993 and pursuant to section 180 (1)(a) and any other applicable provisions of the Companies Act., 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the company be and is hereby accorded to the Board of Directors to create charge on the assets and undertakings of the company by way of equitable mortgage etc., with any Financial Institution(s), Bank(s) and such other lenders and to arrange or fix the terms and conditions including interest, repayment, security etc., for all such monies to be borrowed from time to time as may think fit and proper in the best interest of the company upto an amount not exceeding Rs. 100.00 crores."

"RESOLVED FURTHER THAT the Board be and is hereby also authorized to do all such other acts, deeds, things as may be required from time to time which may be incidental or ancillary thereto in giving effect to this resolution."

10. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:-

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013, other applicable provisions, if any, of the Companies Act, 2013 and Clause - 49 of Listing Agreement, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to enter into following contracts/ arrangements/ transactions with Related Parties on Arm's Length basis in any given financial year :

(Amount in Rs)

Name of the Company with whom transactions are being undertaken & Nature of relationship	Particulars of Transaction	Qty	Rate per Diagnostic Tests in Rs.	Total amount of Transactions proposed in each of the Financial Years*	Name of the Director or Key Managerial personnel who is related	Whether transaction is done at Arms' length (Yes/No)*
M/s. Vijaya Diagnostic Centre Pvt. Ltd., Promoter	Medical Diagnostic Services	Various Diagnostic Services	As per the terms of prevailing best practices	Upto Rs. 2.00 Crores Per Year	Dr. Sura Surendranath Reddy Mr. Sunil Chandra Kondapally and Mrs. Suprita Reddy Sura	Yes

*i) These are currently prevailing market rates used for determining the annual limits.

ii) Actual rates at which the transactions will be done will be at prevailing market price and at Arms length from time to time.

"FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorised to finalize the terms and conditions of the contract/ arrangements/ transactions and to execute such other documents, agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary for giving effect to the above resolution".

11. 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 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company"

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution of the Company"

By order of the Board
For Medinova Diagnostic Services Limited

Dr.Sura Surendranath Reddy
Chairman
DIN 00108599

Date: 13th August, 2015
Place: Hyderabad



NOTES:

- a. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
- b. A member entitled to attend and vote at the Annual General Meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight (48) hours before the commencement of the Meeting.
- c. Shareholders are requested to bring their copy of Annual Report to the Meeting. Any member desirous of having a copy of detailed accounts may apply to the Company and copies thereof will be available for reference at the venue of the Meeting.
- d. Brief details of Directors seeking appointment at the Annual General Meeting scheduled to be held on the Friday, the 25th September, 2015 (Pursuant to Clause 49 of the Listing Agreement) forms part of the notice.
- e. The Register of Members and Share Transfer Books will remain closed from Saturday, the 19th September, 2015 to Friday, the 25th September, 2015 (both days inclusive).
- f. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- g. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease in portfolio management. Members may contact the Company or Registrar and Share Transfer Agent of the Company, for assistance in this regard.
- h. i) The members who are holding shares in physical form are requested to intimate their e-mail ids and any change in their address with pin code immediately either to the Company or to the Registrar & Share Transfer Agent.
ii) The members who are holding shares in demat form are requested to intimate any change in their address with pin code immediately to their Depository Participants.
- i. Non-Resident Indian Members are requested to inform the Registrar and Share Transfer Agent, immediately of:
i) Change in their residential status on return to India for permanent settlement.
ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
- j. As part of the “Green Initiative”, the Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participants unless the Members have registered their request for a hard copy of the same.
- k. The Company has appointed M/s DVM Gopal & Associates, Practicing Company Secretaries, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
- l. Pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, the Company is pleased to provide the members’ the facility to exercise their right to vote at the 22nd AGM by electronic means and the business shall be transacted through e-voting services provided by Central Depository Services Limited. The e-voting facility will be available at the link www.evotingindia.com during the following voting period:

The instructions for Shareholders voting electronically are as under:

1. The voting period begins from 9.00 a.m. on 22nd September, 2015 to 5.00 p.m. on 24th September, 2015. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17th September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
3. Click on “Shareholders” tab.
4. Now, select the “COMPANY NAME” from the drop down menu and click on “SUBMIT”
5. Now Enter your User ID
6. For CDSL: 16 digits beneficiary ID,
7. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
8. Members holding shares in Physical Form should enter Folio Number registered with the Company.
9. Next enter the Image Verification as displayed and Click on Login.
10. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



11. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.

In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is AshokKumar with sequence number 1 then enter AS00000001 in the PAN field.

DOB: Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details: Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

12. After entering these details appropriately, click on "SUBMIT" tab.

13. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

14. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

15. Click on the EVSN for Medinova Diagnostic Services Limited on which you choose to vote.

16. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

17. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

18. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

19. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

20. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

21. If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

22. Note for Institutional Shareholders

23. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

24. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

25. After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

26. The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

27. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

28. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.

29. Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.



ANNEXURE TO THE NOTICE OF THE ANNUAL GENERAL MEETING, AS PER SECTION 102 OF THE COMPANIES ACT, 2013.

Item No.3

The Board of Directors has appointed Mr. K. V. Ravindra Reddy as an Additional Director in an independent category to the Board of the Directors of the Company with effect from 10th November, 2014. As per the provisions of Section 161(1) of the Act, Mr. K. V. Ravindra Reddy shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. K. V. Ravindra Reddy for the office of Director of the Company.

The Board has recommended the appointment of Mr. K. V. Ravindra Reddy as Independent Director for a period of 5 years effective from the date of this AGM.

Mr. K. V. Ravindra Reddy, non-executive director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board he fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. K. V. Ravindra Reddy as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

In compliance of clause 49 of the listing agreement, a brief profile and other details of the Director proposed to be appointed is given as Annexure B to this notice :

None of the Directors or KMP or relatives of Directors or KMP, except Mr. K. V. Ravindra Reddy, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 3 to be passed as an ordinary resolution

Item No.4

The Board of Directors has appointed Mr. P. Kamalakar Rao as an Additional Director in an independent category to the Board of the Directors of the Company with effect from 10th November, 2014. As per the provisions of Section 161(1) of the Act, Mr. P. Kamalakar Rao shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. P. Kamalakar Rao for the office of Director of the Company.

The Board has recommended the appointment of Mr. P. Kamalakar Rao as Independent Director for a period of 5 years effective from the date of this AGM.

Mr. P. Kamalakar Rao, non-executive director of the Company, has given a declaration to the Board that he meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board he fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Mr. P. Kamalakar Rao as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

In compliance of clause 49 of the listing agreement, a brief profile and other details of the Director proposed to be appointed is given as Annexure B to this notice:

None of the Directors or KMP or relatives of Directors or KMP, except Mr. P. Kamalakar Rao, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution

Item No.5

The Board of Directors has appointed Mrs. Suprita Reddy Sura as an Additional Director of the Company with effect from 10th November, 2014. As per the provisions of Section 161(1) of the Act, Mrs. Suprita Reddy Sura shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Suprita Reddy Sura for the office of Director of the Company.



Mrs. Suprita Reddy Sura has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given her consent to act as a Director. In the opinion of the Board, she fulfils the conditions specified in the Act and the Rules framed there under for her appointment.

In compliance with the provisions of Section 161 of the Act, the appointment of Mrs. Suprita Reddy Sura as a Director is now being placed before the Members for their approval.

In compliance of clause 49 of the listing agreement, a brief profile and other details of the Director proposed to be appointed is given as Annexure B to this notice:

Except Dr. Sura Surendranath Reddy, Mr. Sunil Chandra Kondapally and Mrs. Suprita Reddy Sura none of other Directors or KMP or relatives of Directors or KMP, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 5 to be passed as an ordinary resolution:

Item No.6

The Board of Directors has appointed Dr. G. Ramesh Ramayya as an Additional Director in an independent category to the Board of the Directors of the Company with effect from 22nd May, 2015. As per the provisions of Section 161(1) of the Act, Dr. G. Ramesh Ramayya shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. G. Ramesh Ramayya for the office of Director of the Company.

The Board has recommended the appointment of Dr. G. Ramesh Ramayya as Independent Director for a period of 5 years effective from the date of this AGM.

Dr. G. Ramesh Ramayya, non-executive director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board he fulfils the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of Dr. G. Ramesh Ramayya as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

In compliance of clause 49 of the listing agreement, a brief profile and other details of the Director proposed to be appointed is given as Annexure B to this notice:

None of the Directors or KMP or relatives of Directors or KMP, except Dr. G. Ramesh Ramayya, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 6 to be passed as an ordinary resolution

Item No.7

The Board of Directors has appointed Dr. Sura Surendranath Reddy as an Additional Director of the Company with effect from 13th August, 2015. As per the provisions of Section 161(1) of the Act, Dr. Sura Surendranath Reddy shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Dr. Sura Surendranath Reddy for the office of Director of the Company.

Dr. Sura Surendranath Reddy has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given his consent to act as a Director. In the opinion of the Board, he fulfils the conditions specified in the Act and the Rules framed there under for his appointment.

In compliance with the provisions of Section 161 of the Act, the appointment of Dr. Sura Surendranath Reddy as a Director is now being placed before the Members for their approval.

In compliance of clause 49 of the listing agreement, a brief profile and other details of the Director proposed to be appointed is given as Annexure B to this notice:

Except Dr. Sura Surendranath Reddy, Mr. Sunil Chandra Kondapally and Mrs. Suprita Reddy Sura none of other Directors or KMP or relatives of Directors or KMP, are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 7 to be passed as an ordinary resolution

Item No.8 & 9

The members of the Company at their Extraordinary General Meeting held on 29.07.1993 approved by way of ordinary resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 40 Crores (Rupees Forty Crores) and create charge / mortgage the assets as per section 293(1)(a) of the Companies Act, 1956.



As per the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs, the Companies are required to pass the above resolutions under the new Act. In view of this, it is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and 180(1) (a) and other applicable provisions of the Companies Act, 2013, as set out at Item No.8&9 of the Notice.

The Board accordingly recommends the Special Resolution as mentioned at item no. 8 and 9 of this Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution.

Item No.10

Section 188 of the Companies Act, 2013 read with rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014 prescribe certain procedure for approval of related party transactions. The revised Clause 49 of the Listing Agreement which has come into operation with effect from October 1, 2014 has also prescribed seeking of shareholders' approval for material related party transactions.

The proviso to section 188 also states that nothing in section 188(1) will apply to any transaction entered into by the company in its ordinary course of business and at arm's length basis. All the proposed transactions put up for approval are in ordinary course of business and at arm's length.

Pursuant to the provisions of revised Clause 49 of the Equity Listing Agreement, the following contracts / arrangements / transactions are material in nature and require the approval of the unrelated shareholders of the Company by a special resolution:

The other related information as envisaged under Companies (Meetings of Board and its Powers) Rules, 2014 and amendments thereto, and the Company's Related Party Transaction Policy are furnished hereunder:

- | | |
|---|---|
| a) Name of the related party | : M/s. Vijaya Diagnostic Centre Pvt. Ltd., |
| b) Name of the director or key managerial personnel who is related, if any | : Dr. Sura Surendranath Reddy
Mr. Sunil Chandra Kondapally
Mrs. Suprita Reddy Sura |
| c) Nature of relationship | : Holding Company |
| d) Nature, material terms, monetary value and particulars of the contract or arrangement | : Medical Diagnostic Services to be provided as per rates which will be at prevailing Market Price and at Arms Length upto a total Transactional Value not exceeding Rs.2.00 Crores in each financial year. |
| e) Any other information relevant or important for the members to take a decision on the proposed Resolution. | : The Audit Committee of the Company at their meeting and the Board of the Directors at their Meeting held on 22nd May, 2015 have approved the proposed Related Party Transaction. |

As per Clause 49(VII)(E) of the Listing Agreement, all entities / persons that are directly / indirectly related parties of the Company shall abstain from voting on resolution(s) wherein approval of material Related Party Transactions is sought.

Accordingly, all related parties of the Company, i.e. Dr. Surendranath Reddy Sura, Mr. Sunil Chandra Kondapally and Mrs. Suprita Reddy Sura will not vote on this resolution.

Except the above, None of the Directors or any of the Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 10 of the Notice.

Item No.11

The Articles of Association ("AoA") of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares. The proposed new AoA will be placed at the venue of the meeting for inspection of the members.

None of the directors or KMP or relatives of Directors or KMP are in any way interested or concerned financially or otherwise in the said resolution.

The Board recommends the Special Resolution set out at Item No. 11 of the Notice for approval by the shareholders.

By order of the Board
For Medinova Diagnostic Services Limited

Dr.Sura Surendranath Reddy
Chairman
DIN 00108599

Date: 13th August, 2015
Place: Hyderabad



ANNEXURE – A

Details of the Directors proposed to be appointed at the AGM Scheduled to be held on Friday, the day 25th of September, 2015, (Pursuant to Clause 49 (VIII)(E) of the Listing Agreement is given below:

Name of the Director	Mr. K. V. Ravindra Reddy	Mr. P. Kamalakar Rao	Mrs. Suprita Reddy Sura	Dr. G. Ramesh Ramayya	Dr. Sura Surendranath Reddy
Date of Birth	19.04.1942	09.09.1952	17.11.1981	27.05.1955	29.10.1948
Date of Appointment	10.11.2014	10.11.2014	10.11.2014	22.05.2015	13.08.2015
Relationship with Directors	None	None	Daughter of Dr. Sura Surendranath Reddy	None	Father of Mrs. Suprita Reddy Sura
Expertise in specific functional areas	Corporate Legal Affairs & Business Administration.	A Chartered Accountant by Profession having vast Experience in the field of Audit & Accounts.	Vast Experience in Medical Diagnostic Services Management with expertise in Capex and Inventory management.	Medical & Surgical Treatments for Prostate and related urinary problems and Management of Hospitals	A Doctor by Profession and has vast experience in providing comprehensive range of Diagnostic Services spanning radiology and imaging, Nuclear Medicine, Conventional and speciality lab services through the companies established by him.
Qualification	B.Sc,LLB	CA	MBA	FRCS (Eng) FRCS (Edin) ChM	M.D. (Radiology)
Board Membership of other companies as on March 31, 2015	6	Nil	8	2	12
Chairman / Member of the Committees of the Board of Directors as on March 31, 2015	3	3	Nil	Nil	3
Chairman / Member of the Committee of Directors of other Companies in which he / she is a Director as on March 31, 2015	1	Nil	Nil	Nil	Nil
Audit Committee	1	Nil	Nil	Nil	Nil
Stakeholders' Relationship Committee	1	Nil	Nil	Nil	Nil
Nomination and Remuneration Committee	1	Nil	Nil	Nil	Nil
Corporate Social Responsibility Committee	1	Nil	Nil	Nil	Nil
Number of shares held in the Company as on March 31, 2015	Nil	Nil	Nil	Nil	Nil

Note: This does not include position in foreign companies, position as an advisory board member and position in companies under Section 25 of the Companies Act, 1956 (corresponding to companies under Section 8 of Companies Act 2013) but include private limited companies.