

# Narayana Hrudayalaya Limited

## Transcript of proceedings of 23<sup>rd</sup> Annual General Meeting

Held through Video Conference / Other Audio-Visual Means

**August 4, 2023**

<b>MANAGEMENT:</b>	<b>DR. DEVI PRASAD SHETTY – CHAIRMAN</b>
	<b>DR. EMMANUEL RUPERT – MANAGING DIRECTOR AND GROUP CHIEF EXECUTIVE OFFICER</b>
	<b>MR. VIREN PRASAD SHETTY, EXECUTIVE VICE CHAIRMAN</b>
	<b>MS. SANDHYA J – GROUP CHIEF FINANCIAL OFFICER</b>
	<b>MR. S. SRIDHAR – COMPANY SECRETARY</b>
<b>DIRECTORS:</b>	<b>MR. SHANKAR A – INDEPENDENT DIRECTOR AND CHAIRMAN – AUDIT, RISK &amp; COMPLIANCE COMMITTEE</b>
	<b>MR. NAVEEN TEWARI – INDEPENDENT DIRECTOR AND CHAIRMAN - STAKEHOLDERS RELATIONSHIP COMMITTEE</b>
	<b>DR. NACHIKET MOR – INDEPENDENT DIRECTOR AND CHAIRMAN, CSR COMMITTEE</b>
	<b>DR. KIRAN MAZUMDAR SHAW – NON-EXECUTIVE DIRECTOR</b>
	<b>MS. TERRI SMITH BRESENHAM – INDEPENDENT DIRECTOR</b>
	<b>MR. ARUN SETH – INDEPENDENT DIRECTOR</b>
	<b>MR. DINESH KRISHNASWAMY - INDEPENDENT DIRECTOR</b>
	<b>MR. B. N. SUBRAMANYA - INDEPENDENT DIRECTOR</b>
	<b>MR. MUTHURAMAN BALASUBRAMANIAN - INDEPENDENT DIRECTOR</b>

**Moderator:**

Dear shareholders, good morning and a warm welcome to you all to the 23<sup>rd</sup> Annual General Meeting of Narayana Hrudayalaya Limited through video conference. As a reminder for the smooth conduct of the meeting, the members will be in mute mode. The audio and video will be switched on when they are invited to speak, as per the preregistration. Please note that as per the requirement, the proceedings of the Annual General Meeting will be recorded and available on the website of the company. I now hand over to Dr. Devi Prasad Shetty, Chairman.

**Dr. Devi Prasad Shetty:**

Dear shareholders, I'm happy to meet you again and welcome you all to the 23<sup>rd</sup> Annual General Meeting of your company held through video conference facility. Pursuant to the Articles of Association of the company, as the Chairman of the Board of Directors I am entitled to chair the general meeting of shareholders. Accordingly, I am chairing this 23<sup>rd</sup> Annual General Meeting. We have requisite quorum to commence the meeting and accordingly call this meeting to order.

I would now like to introduce your Board members who have joined this meeting from a common venue in Bangalore.

- Mr. B.N. Subramanya, Independent Director
- Mr. Arun Seth, Independent Director
- Ms. Terri Bresenham, Independent Director
- Mr. Muthuraman, Independent Director
- Mr. Viren Prasad Shetty, Executive Vice Chairman
- Dr. Kiran Mazumdar Shaw, Non-Executive Director
- Dr. Emmanuel Rupert, Managing Director & Group CEO
- Mr. Dinesh, Independent Director
- Mr. Shankar, Independent Director
- Dr. Nachiket Mor, Independent Director, is joining virtually from Kolkata.
- Mr. Naveen Tewari, Independent Director, is joining us virtually from Bangalore.
- We also have Managing Director of Health City Cayman Island Limited, our subsidiary at Cayman, Dr. Anesh Shetty.
- We have our CFO- Ms. Sandhya and Company Secretary - Sridhar.

I would like to acknowledge the participation of the Partner, our authorized representative of our statutory auditors, Deloitte Huskins & Sons and the secretarial auditors Ganapathi & Mohan Company Secretaries.

I take this opportunity to inform you that four of our Independent Directors, Mr. Arun Seth, Mr. Muthuraman, Mr. Subramanya and Mr. Dinesh are retiring on the 7<sup>th</sup> August 2023, on completion of their second term as Independent Directors. I profusely thank them on behalf of myself, the Board and the shareholders for the immense contribution made by them to the growth of the company through the board process and their continuous guidance, strategic advice and governance oversight during their tenure.

I also take this opportunity to introduce our recently appointed Independent Directors, Mr. A. Shankar, Dr. Nachiket Mor and Mr. Naveen Tewari. The new Board members come from diverse industry backgrounds, skills and expertise.

While Mr. Shankar is a designated senior advocate and a chartered accountant with nearly four decades of experience in finance, legal and taxation field, Dr. Nachiket Mor is an economist and management postgraduate with wide experience and expertise in financial and healthcare sector. Mr. Naveen Tewari, on the other hand, is the founder of InMobi -mobile advertising technology company, comes with vast experience in technology and digital marketing area. Your Board will utilize the diverse and vast experience and expertise of the new Directors for further growth and good governance of your company.

Shareholders kindly note that those shareholders participating in this meeting and have not cast vote through remote E-voting facility can now cast the vote through the E-voting facility provided in this meeting VC screen.

I now request Mr. Sridhar, Company Secretary, to provide the general information about the meeting for the benefit of the shareholders participating in this meeting. Thank you.

**Mr. Sridhar S:**

Thank you, Chairman Sir.

Dear shareholders, in compliance with the provisions of the Companies Act, 2013, SEBI regulations, circulars issued by the Ministry of Corporate Affairs and SEBI, this meeting is held through video conference facility. I would like to state that all efforts feasible have been made by the company to enable members to participate and vote on the items being considered in this meeting. The company has made available the facility for the shareholders to join the meeting through video conference on first come first serve basis. Live web streaming of this meeting is also being done through the video conference facility provided by NSDL.

Pursuant to the directions of the Ministry of Corporate Affairs, the notice along with the audited financial statements, Auditor's report, Director's report and other information required to be sent to the shareholders has been sent through email to the registered email ID of the shareholders and physical copy of Annual Report has been dispatched to those shareholders who made specific request for the same.

Since the meeting is conducted through virtual means, the option of appointing proxy is not allowed as per the circular of the Ministry of Corporate Affairs. Only the shareholders can attend the meeting. However, authorized representatives of corporate shareholders and institutional shareholders who have submitted the authorization resolution can attend and vote at the meeting.

Shareholders who have registered themselves to speak in the meeting would be enabled to speak after the Chairman announces the opening of the floor for the shareholders to speak. Shareholders can also pose questions through the 'Communicate' tab provided in the video conference screen anytime up to 12:15 p.m.

The registers and documents that are required to be made available during the meeting for inspection to the shareholders under Companies Act, 2013 are available for electronic inspection. Shareholders who want to inspect can send email to the designated email ID given in the notice.

We shall now have a message from our Chairman followed by presentation on the performance of the company by the Managing Director and Group CEO.

**Dr. Devi Prasad Shetty:**

Dear Shareholders, in '2011 Marc Andreessen, the co-founder of Netscape, famously stated that "software is eating the world". His prediction was proven correct as companies like Amazon, Google and Facebook changed the way we live our lives. However, not many people are aware that these companies were able to change the world because they are standing on the shoulders of giant platform ecosystems like Windows, Android, iOS and AWS. Being built on a stable platform allowed these companies to share information rapidly and innovate and build software that is so intuitive even children can download an app for the first time they pick up a phone. Unfortunately, the healthcare industry doesn't benefit from a platform that allows multiple programs to interact with one another. We are rigidly isolated from the progress made in the consumer technology industry due to the complexity of the existing systems. Contrary to popular perception, hospitals are not the safest places for the patients. Despite having worldclass hospitals and intense regulation it's estimated that if 200 patients just spend one night in an American hospital, one of them will die due to medical error. Medical error is widely acknowledged to be the third commonest cause of death in the U.S. hospitals after heart disease and cancer. According to the Joint Commission of the U.S., medical error usually happens due to communication failure. The foundation of patient care is built on the ability of the doctors, nurses and paramedics to communicate with each other in real time and take critical decisions. However, the existing electronic medical record systems don't do a very good job of addressing the communication gap in healthcare. Despite costing tens of millions of dollars, the dominant EMR system in the West don't have a happy end users and is cited as one of the commonest cause for the physician burnout in the United States of America. There needs to be a new platform that allows multiple sources of information and multiple methods of communicating patient data among doctors, nurses and technicians.

As a senior doctor, I believe that technology will make healthcare safer, more affordable and restore the joy of taking care of patients. However, I also believe that if a technology company builds software far away from the patient's bedside, it won't be acceptable to the doctors. This inspired us to start our digital journey, which eventually gave birth to the 'Athma' platform for healthcare delivery and 'Medha' platform for healthcare analytics and AI. Today Athma includes AADI app for the inpatient care, NAMAHA app for the nursing care, Athma Laboratory Information System for managing laboratory, Athma Radiology Information System for radiology and reporting and NH Care app for the patients. True to our mission, we can seamlessly integrate with third party applications to unlock the full potential of our data. Athma enables mobile first; seamless communication between all our doctors, nurses, paramedics, administrators, patients and medical equipment. About 1.5 million messages flow every day between doctors, nurses, technicians and even the patients. This has dramatically improved the quality of patient care and patient satisfaction across all our group hospitals.

Here is an example of how our doctors have vastly improved our patient care routine because of the new tools available to us. Before I go to bed at 11 p.m., I conduct my ICU rounds sitting in the comfort of my home. I'm able to do this through AADI app on my iPhone which allows all the relevant patient information from Athma. My day begins at 4.30 in the morning with a fresh cup of coffee and checking up on all my patients virtually. Today, I can be anywhere in the world and I still see my ICU patients, interact with my colleagues, see the cardiac monitor or a particular patient or even talk to the patient, check the latest X-ray, change the medication or even speak to the patient's family from my phone. For the first time in my professional life as a heart surgeon, I can see everything about

my patients from anywhere I choose and at any time I want to see it. We are among the few hospitals in the world that can remotely treat critically ill patients with all the medical reports at our fingertips. For someone like me who used to spend many nights in the hospital as a young surgeon, this is nothing short of magic. Young students join the medical profession because they are inspired to heal the sick and reduce suffering in this world but modern healthcare system have a lot of mindless and rote tasks that kills the spark. We designed Athma to restore the joy of patient care by eliminating pointless task while improving clinical outcomes and administrative efficiency. Our study on nurses routine revealed that over 50% of their time is spent simply copying information from the machines and entering into another system or writing on a paper. After deploying NAMA Nursing App, we were able to reduce the time spent on this kind of monotonous work from 50% to less than 5%. This means that the nurses are now able to spend more time performing their clinical task and caring for their patients with empathy.

These innovations dramatically enhance patient satisfaction and improve the quality of care. Our Medha Analytics team has gathered mountains of clinical data to build the normal heart score - a risk scoring algorithm, which can predict an adverse cardiac event in post-op period well before the incidents can happen. In a recently published peer reviewed study, NH score outperformed both the existing benchmarks: STS and EuroSCORE II, for all outcomes in an Indian population. The Medha team is currently working on predicting cardiac function from a simple ECG with better accuracy than the existing models.

Building Athma and our technology platform is the most complex project we have ever undertaken. It is my belief that worldclass software for our industry can be built by brilliant engineers coding at the bedside, interacting with the doctors in the halls of the ICU and experiencing the joys of healing patients and relieving suffering. We are truly blessed to have the opportunity to run an institution that attracts both talented clinicians and worldclass software engineers with magic in their fingers. The end result is truly special.

I would like to thank the Ministry of Health, Government of India, for encouraging hospitals and diagnostic centers to adopt electronic medical records and bring about EMR as the next UPI moment for India. In a world where vast majority of hospitals don't use an electronic medical record or a modern software, there is an immense opportunity to improve the quality and affordability of healthcare through these digital tools. We want Athma to be embraced by hospitals around the world at a price they can afford. This will save millions of lives and will be a fitting tribute to the brilliant software developers who worked tirelessly for years to create this masterpiece.

We are extremely grateful for your trust in us and for giving us an opportunity to make this world a better place to live. Thank you so much.

**Dr. Emmanuel Rupert:**

Ladies and gentlemen, esteemed shareholders and honored guests, I welcome you to the Annual General Meeting of Narayana Hrudayalaya Limited. As we reflect upon the milestones achieved in the past year, we strive to make a difference and shape a healthier tomorrow. We thank you all for being a crucial part of our shared vision and mission. We are extremely delighted and honored to have received the coveted Joint Commission Enterprise Accreditation. This achievement reflects our unwavering commitment to excellence, continuous improvement and delivering outstanding services to our stakeholders. The Joint Commission International

based in the United States is a 70 year old nonprofit organization that provides accreditation and certification services to healthcare organizations worldwide. Joint Commission mission is to improve the quality and safety of patients across the globe by helping healthcare organization meet rigorous international standards. The surveyors who are experienced healthcare administrators and professionals assess compliance with standards covering various aspects of governance, alignment of the governance to all the units, oversight on the direction and administration of each facility, integrated and operational processes between the enterprise and each facility, common set of policies and procedures, shared resource allocation, strategic planning and oversight on quality, patient safety, clinical outcomes and infection prevention processes.

This, we are the first healthcare organization in India to be accredited with the Joint Commission Enterprise and we are the first hospital chain to be accredited in Asia- Pacific and we are the largest cross continent groups to be accredited. We have units in India as well as the Caribbean.

The accreditation is not merely a certificate or a recognition. It symbolizes our dedication to providing exceptional value to our customers and communities. It reaffirms our commitment to uphold the highest standards of integrity, ethics and social responsibility in all that we do. This is just a steppingstone towards even greater heights. Together we shall continue to raise the bar and set new benchmarks of excellence in our industry, always striving to make a positive impact and leave a lasting legacy.

The individual units, there will be 8 units of us which will also go for individual unit wise accreditation and the Joint Commission accreditation will be completed by early October in all the 8 units.

A quick snapshot of the units of Narayana Hrudayalaya. At a glance, we have 20 units in India and 1 unit in the Cayman Islands and we have 3 Heart Centres and 21 Primary Care Centres and key focus areas has been Cardiac Sciences, Oncology, Gastro Sciences, Nephron-Urology practice, the Orthopedic units and the Neurosciences and the new emerging work in the Image Guided Therapies as well. We are transitioning hospitals from being just a hospital to Centres of Excellence. Excellence is not just on the paper but truly a Centre of Excellence is when we combine multiple things. Due to aging population and increase in noncommunicable disease, healthcare needs of patients are becoming more complex leading to complex clinical work. This enhanced complexities of clinical work is increasing day by day and there's a new recognition that ambulatory options have been available, shifting care from the inpatient to short stay or care in the outpatient settings because early discharge following surgery can be achieved without increasing the risk of complications. This when it is combined with high quality care and concentrated into a specialized high volume Centre of Excellence, combined with patient experience and service excellence and the clinical team giving outstanding clinical outcomes, this all leads to an outstanding healthcare practice and this is what we aim to convert all our hospitals into Centres of Excellence in all the respective fields. All this leads to increasing costs which puts pressure on the hospitals and there's a challenge to deliver all this high quality care in a more affordable manner.

The future of NH hospitals will be patient-centric that provides not only worldclass treatment but also provides a pleasant experience to the patients. Regional hospitals, small community hospitals, short stay surgical and daycare centres,

primary care and wellness centers will all be important in addition to large flagship state-of-the-art hospitals in the future. These smaller satellite units will take patient care closer to the homes and thus integrating all of these smaller units with the main hospital will be paramount for an efficient care. Patient need to come to a larger hospital only for advanced investigations and procedures and procedures in patients who have many comorbidities.

The key to this entire integration will be automation and digitization which is available through our Athma platform and this will play a major role in the seamless integration of patient and clinical information between every area of care to the patient.

All this leads to us delivering on growth and we have a consolidated operating revenues of Rs.45,268 million in FY23 and a CAGR of 15.9% while the operational profitability is Rs.10,313 million with a CAGR of Rs. 27.4 million.

A quick update on our units in the Cayman Islands. The new Radiation Oncology Centre in the Camana Bay, centre of the city unit, has been operationalized and we've seen a very good patient inflow into the centre and we are very confident that it will be a major radiation centre for the Caribbean region. The new block which is housed in the same campus is getting ready and the clinical services that will be offered in the new block as and when it gets operationalized are the Emergency Services, the Advanced Radiology and the Radiotherapy, which is currently operationalized in the adjacent block, and the Infusion Centres of Medical Oncology and Immunotherapy and the mother and child health involving obstetric care, the pediatric and neonatal care and also the solid organ transplants which will be housed in this centre.

NH mission is and has always been to create an affordable, globally benchmarked and quality driven healthcare service. Recently, we have taken some important steps in this direction and we believe will revolutionize the healthcare and health financing in our country. I'm excited to announce that we have launched the Narayana One Health brand that has been created to make healthcare work together like magic. Narayana One Health will provide healthcare that is simple, integrated, friendly, personalized, high quality and affordable. It combines comprehensive healthcare available at home, at our clinics and our hospitals with personalized health services based on our healthcare needs and our deep healthcare knowledge and soon will also include seamless healthcare financing in the form of health insurance and health funding plans. All these are part of One Health membership plans. Narayana One Health is currently in Bangalore and will expand throughout the country in the coming years. Our worldclass physicians and state of the art healthcare delivery systems will help our customers get well and stay healthy.

At NH, we have always believed in getting closer to the patients and bringing the promise of quality, affordable healthcare to the doorstep of the country's millions and One Health is the next chapter in our journey. The patient experience, the service excellence and the business transformation initiatives in Narayana Hrudayalaya started to yield a lot of improvements. 80% of our appointments are through the Online Appointment Systems, the Feedback Management and the Patient Experience Management Systems are also digitalized and the NH Care app adoption is, we have 1 million downloads with a very active user base of more than half a million and we've seen that all the reports, every aspect of the work that we need to connect with them is available on the NH Care itself and making it a



paperless hospital. The EMR adoption is 100% in our units. The laboratory process automation has been so seamless that we are able to deliver the results of our laboratory investigations in routine biochemistry and hematology in less than 90 minutes from the time the invoice has been raised.

All this leads to excellent service standards and patient experience. All these are possible because of a strong clinical governance and quality framework that is in place. We have been doing this for the last two years and we put this into practice, and it encompasses many areas of the work and that is reflected in our accreditation standards and accreditation initiatives which we have achieved across all our units.

One notable thing which I would like to mention to all of you is, the Reference Lab in Bangalore is accredited by the College of American Pathologist and we are the first lab in South India to be a hospital based lab in South India to be accredited by the College of American Pathologists and we are only the fourth hospital in hospital based laboratory in the whole country to be accredited by this prestigious College of American Pathologist.

Clinical research and academics are the core of our culture and we have had more than 250 publications every year. Research is a very keen part and is a major area of work among many of our clinicians. We are doing very good clinical research. Academics we have more than 140 clinical programs, training programs with 35 affiliations and we have trained more than ten thousand workers to date. And this truly a remarkable journey of ours in preparing the future healthcare workers for the nation. All this will not be possible if we have the future ready talents through our Human resource department. We have almost 19,000 employees on our rolls. We have very strong talent acquisition and retention policies, talent development and learning initiatives and an employment engagement policy and keeps the employees, all our staff engaged in the appropriate manner.

As a healthcare organization we recognize the profound impact we have on the environment, the well-being of our communities and the lives of our patients. Our commitment to ESG principles aligns with our core values and we firmly believe that by integrating ESG considerations into our operations we can create lasting positive change. Our vision encompasses environmental responsibilities, and we will be prioritizing eco-friendly practices, embracing renewable energy practices, reducing our carbon footprint and strive to minimize waste and will lead the way in mitigating the environmental challenges. By improving access to care, digitizing patient safety and experiences and building in the workforce tomorrow will socially be engaging and by fostering a culture of innovation and strong governance framework we will maintain the strong governance integrity of the organization.

These are some of the awards and recognitions of many of our units across the network we have received from various organizations, and it shows the tremendous work and recognition that we have been receiving for the work that we do.

**Dr. Devi Prasad Shetty:**

Dear Shareholder, the notice along with the financial statement, Director's report and Auditor's report having been already sent to the shareholders, I shall take the same as read with your permission. Since there are no adverse remarks, qualification or observations in the auditor's report and secretarial auditor's report,



it does not call for reading the said reports. I now request the shareholders who have registered to speak at the meeting to address the meeting.

**Moderator:** Inviting our first speaker shareholder Mr. Ankur Chandha. I request you to kindly unmute your audio, switch on your video and ask your question. Please do restrict your questions or comments to a maximum of 3 minutes. Mr. Ankur, we have sent a request for unmute, kindly accept that and start speaking. Mr. Ankur, we have sent you a request for unmute, kindly accept that and ask your question. Chairman Sir, it seems we are facing some technical difficulties with Mr. Ankur Chandha, we will move on to our next speaker shareholder Mr. K. Sadananda Sastry

**Mr. K. Sadananda Sastry:** Am I audible? Hello.

**Moderator:** Yes Sir, you are audible. Please ask your question.

**Mr. K. Sadananda Sastry:** Are you seeing me?

**Moderator:** We can't see you Sir. You need to start your video.

**Mr. K. Sadananda Sastry:** Okay. I will start.

**Moderator:** We have sent you the request to start your video. Kindly switch on your video and ask your question.

**Mr. K. Sadananda Sastry:** Okay. Now.

**Moderator:** Yes. We can see you, please proceed.

**Mr. K. Sadananda Sastry:** Okay. Good morning, Sir. I am Sadananda Sastry from Bangalore. My number is 11702201. Sir, I will go according to your report only and none other than that. My questions will be very simple. To start with the Slogan, "Vaidyo Narayano Harihi" I wish good health to one and all. By turning the page, first page of your report and by seeing your joyful face and complexion I am inspired, and it made me more active. Patients whom you are treating are very lucky. No one can measure the value of your care showered on the public. Sir, now-a-days you are appearing in the social media giving awareness, health guidelines, diet awareness, home remedies to the public which are appreciable. The public are grateful to you, Sir. In one way or the other it has become a part of our CSR but at your cost and company's gain. Sir, CSR reaches those who benefit, but your services reach the entire world. Thank you very much Sir. In one way or the other Piti Arogya Bhagya are your personal efforts. Personally, I am feeling guilty, you are our chairman, but we do not have your personal contacts other than AGM. Sir I need your personal contact details because I am a press person and a social worker at all India level. Once you gave me your Mr. Viren's number, but it did not work out. Your messages to the public have reached all parts of the country. I want to promote your messages, sacrifices and image of the company further. Sir, coming to the report Page no. 2, Sir in your message you have selected two apps, one is AADI another is ATHMA. Why can't you add a third one called AYUSH. AADI for rounds, ATHMA for information and AYUSH for treatment. Page no. 21, NH Cancer Care any other type of treatment found out for cancer patients as an alternative to chemotherapy, which leaves side effects. Page no. 23 Cancer care – cancer care revenue is going up which means that chemotherapy is still popular. Why can't the company reduce its popularity by going into other devices? Page no. 27 – Why liver transplant center is there only in Delhi? Why don't you open in

Bangalore? On Page no. 37 we are seeing 19 units at various centers. Why the company didn't mind to open 20th one in Devanagari, so called 2nd capital city of Karnataka? Page no. 47, one small correction. It is not Narayana Vaishno Devi Hospital, but it is Shree Mata Vaishnodevi Narayana Super Specialty Hospital. Jai Mata ji sounds everywhere in Katra like Govinda Govinda in Tirupati. Devotees respect Jai Mataji deity to full extent. Another one correction on Page 118, it is Kalburgi and not Kalburgayi. Sir page no. 68 – foreign exchange earnings and control over expenditure is super but imports increasing, how about supporting make in India? Page no. 70 with liberty and affectionately I call you Dr. Devi Shetty, that you are more popular and known in the public. Doctor Sir, we see you not only as a doctor, Director, Chairman but also see you as a steering master of our company. It felt sorry to see one short of your attendance of 8 board meeting, have you attended? You have attended only 7 out of 8, is there any solid reason Sir? Sir, page no. 81, this is the 23<sup>rd</sup> AGM, 25<sup>th</sup> is ahead – 24, 25 will be the silver jubilee AGM.

**Moderator:** Sir, requesting you to kindly conclude your speech.

**Mr. K. Sadananda Sastry:** Okay. Very few now. Can we expect a silver jubilee physical meeting to be performed in a befitting manner? Lastly, balance sheet Page no. 214 the trade receivables, trade loss of 850 million overaged 141 million which are hurdles to the profit product, any attempt made for realization? Bank balance is high, inflated from 146 mn to 2251 mn, does the company need such a heavy unremunerative balance? Company's capital structure is unchanged. Other equities that has sufficiently grown up. Company has the possibility to declare bonus shares, that too in commemoration of silver jubilee celebration. With this we can minimize borrowings and finance cost to push the profit further. Notes of further item, professional fees missing, whether it is left over as a matter of principle. Lastly on page no. 284, in engineering innovation and in healthcare, you have talked about artificial hearts. Is there any demo in the hospital? Can we share, can the shareholders visit it to witness it? Company may once conduct a health camp for the shareholders as a mark of respect. Lastly, on page no.34, stories of Charan, Manju, Papiya Kundu narrated is very heart touching. Let it come, publish more and more to fill the self-confidence in the minds of public as well as patients especially. Thank you very much sir. See you next year in the physical meeting. Thank you very much.

**Dr. Devi Prasad Shetty:** Thank you, thank you.

**Moderator:** Chairman Sir, our next speaker shareholder, Mr. Pratik has not joined the meeting yet. Hence we move on to our next speaker shareholder, Mr. Bharat Mulchand Shah. Mr. Shah, we have sent you an unmute request. Kindly unmute your mike, switch on your video and ask your question.

**Mr. Bharat Mulchand Shah:** Can you hear me?

**Moderator:** Yes sir, we can hear you. We can hear you sir. You may proceed.

**Mr. Bharat Mulchand Shah:** Sir, please hold on. Respected Chairman Sir, Dr. Devi Prasad Shettyji, Shri Viren Prasadji, Dr. Rupertji, Dr. MDji and other respected directors, I am Bharat Shah from Mumbai. Sir, I have been your shareholder from the time of issue. I have no queries because of the systematic and organized way in which you are running your company. I would like to thank you a lot for that sir. I want our company to grow like this by leaps and bounds. I am praying to God for that. On the first page,

you have mentioned about Rabindranath Tagore Cardiac Centre, is this in Bangalore or where is it? Please let me know where this centre is located? I would request you to tell me. Otherwise, you are running the company in a very systematic way, so I have no queries. You have given us a good dividend and I have full confidence that the dividend will go on increasing sir. On page no. 63, you have mentioned about CSR activities. You are conducting a very good CSR activity, it's a very noble cause. I am thanking you very much for it sir. I will not say anything further. I will also thank you for all the awards that you have won sir. If you have any health scheme sir, then please invite us sir. I am requesting you. In case you want to schedule a face to face meeting next year, then please keep a hybrid version also so that people from outside can also join you. You must definitely keep face to face and if possible, I will definitely come to Bangalore to attend your AGM. In case I cannot come, you keep a hybrid meeting also so that I can join you from here and I would like to thank the Company Secretary, Sridharji and his entire team. The Company Secretary is very hardworking sir. I had sent a mail to them and I immediately got a reply from them. They even sent me a copy of the Annual report. Your CS team member called me in the morning and called me today also. They are giving very good investor services. I would like to thank Sridharji and his entire team. Sir, I want to tell Sridharji that I don't have his telephone number. Sridharji, please email me your telephone no. Then I can directly talk to you on the phone. Rest, I give my full support to all the resolutions. Thank you very much. Thank you and Jai Hind sir. I hope your health is good and I want the company to go ahead. I pray to God for that. Thank you very much. Sir, thank you, Jai Hind.

**Dr. Devi Prasad Shetty:**

Thank you so much.

**Moderator:**

Thank you very much. That was the last speaker shareholder. I now hand over the proceedings to Mr. Sridhar.

**Mr. Sridhar S:**

Dear shareholders, thank you for your comments, suggestions and your questions. We are now playing a video on our CSR initiatives and our service offerings. We will try to answer all your questions after this video. Please continue to stay with us.

Video plays from 01.17.17 to 01.26.34.

Dear shareholders, thank you again for your valuable suggestions and questions. While our management will respond to your questions now, the shareholders are requested to write to the company at any time if you have any queries on the designated email id, if you have any further questions. I now request the management team to respond to the shareholders on the questions raised at this meeting. We have not received any online questions till now.

**Dr. Emmanuel Rupert:**

Good afternoon, I am Dr. Emmanuel Rupert. Regarding the question on the unit in Davanagere, we have a heart centre functioning in Davanagere for almost 10 years now and we are expanding into neurosciences and we are considering expanding in neuro sciences and other specialties along with our partners there. So, we are in discussion with them. The moment we are ready, we will come back to you and we will keep you informed regarding that.

Regarding the liver transplant program for the whole last financial year, we did around close to 75 liver transplants across the country. This was not done only in

Delhi national capital region. We have 2 units there, the unit in Gurugram and the unit in Delhi, the Dharamsheela Narayana Super Specialty Hospital but we do it in our flagship hospital in Bangalore as well. Along with that, the unit in Kolkata, the Rabindra Nath Tagore Institute of Sciences, the Mumbai Childrens' Hospital as well as the unit in Jaipur, so we have practically 6 units doing liver transplants. And the team is a pan NH team, we have a strong team and who are conducting all these programs across the entire NH network.

The question regarding the artificial heart, this is a program which the team from NH led by Dr. Devi Shetty, our Chairman along with a group of highly skilled clinicians from Narayana Hrudayalaya are collaborating with IIT Kanpur, with a very talented bunch of engineers who in the creation of India's artificial heart program. So, this is a very innovative program done by the Kanpur IIT and it's in a very interesting phase of the program and I am sure it will benefit a lot of Indians once it goes through various stages of trials and the products comes to complete fulfillment of what we initially planned to do.

The alternative therapy for oncology program, we do have apart from only chemotherapy, there are lot of precision medicines now a days in the form of immuno therapy and the new system which we have hired, we are partnering with Immuneel which is along with Biocon and Immueel. We have what is called the CAR T Therapy, which is Chimeric Antigen Receptor Therapy, which is a very specific therapy only for that particular individual. You re-engineer the cells taken from the patient's own body and re-engineer in a GMP certified lab. There are very few centres in the world that are actually doing something like this and it has yielded tremendous results when the trial which was conducted at Narayana Hrudayalaya and it's a very promising therapy and going forward you will hear more details about this as it gets established in the practice.

The photograph on the 2<sup>nd</sup> page, it is of a unit Rabindranath Tagore, which is the name of unit in Kolkata. It is our flagship hospital in Kolkata and that is the photograph which has been put there.

We will consider your request for a hybrid meeting in the coming AGMs. The Company Secretary team will be in touch with you as well as the Company Secretary will be in touch with the individual shareholders regarding your request for having Dr. Shetty's number. We will be directly communicating with you regarding that.

**Ms. Sandhya:**

Thank you sir. Good afternoon, this is Sandhya. I am the Group CFO. I pick up the other questions which were asked. One was on the feedback on the Narayana Vaishnodevi Specialty Hospital on page 47 of the annual report, that is the incorporated name of the company. The hospital is called Mata Vaishnodevi, Shri Mata Vaishnodevi Narayana Super Specialty Hospital, exactly like the way you had articulated.

The 2<sup>nd</sup> question was on the increase in the ECL provisioning that was because we took a slightly more stringent accounting approach. In reality, we were able to unlock significant amount of working capital in the current year. Our receivable days came down from 85 days to 73 days and overall, we were able to unlock, at a working capital level, greater than 1000 mn of cash. You could also see that in the increase in our cash balance.

There was a question on why there is a significant increase in cash balance and why it is still being held? So, as you would have seen, we have declared our highest ever dividend in the current year to return to the shareholders, subject to approval of the shareholders. Also, we have very ambitious capital expenditure plan in the current year and some of this cash will be utilized towards the capital expenditure that we will incur which will lead our company to growth path in the future.

With that I think we have answered most of the questions that were raised. Wherever there were comments in terms of the improvements, we will take them on Board, and we will work on them. Thank you.

**Dr. Devi Prasad Shetty:**

Dear Shareholders, thank you for taking out time to attend your company's 23<sup>rd</sup> AGM and for your active participation. The Board has appointed Mr. Surendra K.S, Practicing Company Secretary as the scrutinizer for a fair and independent scrutiny of the votes cast through remote e-voting and voting at the AGM. The scrutinizer shall submit his report as soon as possible after the close of the voting and the voting result will be declared and published on or before 7<sup>th</sup> of August 2023. The meeting will remain open for further 15 mins for shareholders who have not cast the vote, to cast their votes post which, the meeting shall stand concluded. I hereby authorize the Company Secretary Mr. Sridhar to declare the voting result and be placed on the website of the company on or before 7<sup>th</sup> of August 2023. With this, we have completed all the business of this 23<sup>rd</sup> Annual General Meeting. Thank you once again. Thank you. Most grateful.

**END OF TRANSCRIPTION**