



## Narayana Hrudayalaya Limited

(CIN: L85110KA2000PLC027497)

Registered Office: 258/A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru-560 099

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

Tel: +91 80 7122 2129, Website: www.narayanahealth.org, E-mail: investorrelations@narayanahealth.org

### NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting (AGM) of the Members of Narayana Hrudayalaya Limited will be held at "Sathya Sai Samskruta Sadanam", No. 20, Hosur Road, Bengaluru - 560029 on Saturday, the 10<sup>th</sup> August 2019 at 11.30 A.M. to transact the following business:

#### A. Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2019 including Consolidated Financial Statements for the said year, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend of ₹ 1.00 per Equity Share for the financial year ended 31<sup>st</sup> March 2019.
3. To appoint a Director in place of Dr. Devi Prasad Shetty (DIN:00252187), who retires by rotation and being eligible, offers himself for re-appointment.

#### B. Special Business:

##### 4. Ratification of remuneration payable to the Cost Auditors for the Financial Year 2019-20

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT**, pursuant to the provisions of Section 148 and all the other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactments thereof for the time being in force), the Members of the Company hereby approve and ratify the remuneration of ₹ 3,00,000 (Rupees Three Lakhs) per annum plus applicable taxes and out of pocket expenses payable to M/s. PSV & Associates, Cost Accountants, Bengaluru (Firm Registration Number: 000304) who are appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of cost records for the Financial Year 2019-20.

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

##### 5. Appointment of Dr. Emmanuel Rupert (DIN: 07010883) as a Director of the Company

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT**, pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, and pursuant to applicable provisions of the Companies Act, 2013, and the Rules made thereunder (including any statutory modifications or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, Dr. Emmanuel Rupert (DIN: 07010883), who was appointed as an Additional Director with effect from 3<sup>rd</sup> February 2019, and who holds office until the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Dr. Emmanuel Rupert as a candidate for the office of a Director of the Company, be and is hereby appointed as a Director of the Company."

##### 6. Appointment of Dr. Emmanuel Rupert (DIN: 07010883) as Managing Director and Group CEO of the Company

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors and pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other

applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment/modification thereof) subject to such necessary approval(s), consent(s) or permission(s), as may be required, consent of the Members be and is hereby accorded to appoint Dr. Emmanuel Rupert (DIN: 07010883) as Managing Director and Group CEO of the Company for a period of 3 (three) years with effect from 11<sup>th</sup> February 2019.

**FURTHER RESOLVED THAT**, pursuant to the recommendation of Nomination and Remuneration Committee and the Board of Directors, subject to such consent(s), approval(s), permission(s) as may be required from any statutory authority, Dr. Emmanuel Rupert shall be paid the following remuneration with effect from 11<sup>th</sup> February 2019 till end of the term of appointment as Managing Director and Group CEO or till such time his remuneration is further revised, whichever is earlier:

**Consolidated Salary:** Dr. Emmanuel Rupert shall be paid consolidated salary up to ₹4,09,15,200 (Rupees Four Crore Nine Lakh Fifteen Thousand and Two Hundred only) per annum which includes performance-based pay, allowances and perquisites, with the authority to the Board to fix the salary within the said maximum limit from time to time including the various components of such salary.

**Stock Compensation:** A grant of 1,83,117 Options under the NH ESOP Plan 2015 on the following terms:

Vesting Plan	1 <sup>st</sup> Year (30%) – 54935 Options 2 <sup>nd</sup> Year (30%) – 54935 Options 3 <sup>rd</sup> Year (40%) – 73247 Options
Exercise Price	The exercise price shall be ₹ 10 per share. Dr. Emmanuel Rupert shall bear all tax liability in relation to grant of options.
Vesting Period	1 <sup>st</sup> Vesting – 1 <sup>st</sup> October 2019 2 <sup>nd</sup> Vesting – 1 <sup>st</sup> October 2020 3 <sup>rd</sup> Vesting – 1 <sup>st</sup> October 2021

All Vested Options shall be respectively exercised as per the vesting period in one or more tranches over the next 4 years from the date of first vesting, failing which the options shall lapse.

Exercise period and process of exercise

Dr. Emmanuel Rupert may Exercise the Options by applying to the ESOP Trust to issue and transfer to him shares pursuant to the Vested Options, accompanied by payment of an amount equivalent to the Exercise Price in respect of such shares and such other writing, if any, as the Board may specify to confirm extinguishment of the rights comprising in the options then exercised.

**Other Benefits:** Group Medclaim Insurance Policy, Group Personal Accident Policy, Group Term Life Insurance Policy and Group Term Life – Future Service Guarantee.

**FURTHER RESOLVED THAT**, all other terms and conditions as per the HR policy of the Company be and is hereby applicable including Earned/Privilege leave, Gratuity in terms of applicable provisions of the relevant statutes.

**FURTHER RESOLVED THAT**, the remuneration as set out above be paid to Dr. Emmanuel Rupert as minimum remuneration, in the event of loss or the profits made are inadequate, subject to the provisions of Schedule V of the Companies Act, 2013.

**FURTHER RESOLVED THAT**, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

## 7. Appointment of Ms. Nivruti Rai (DIN: 01353079) as an Independent Director of the Company for a term of three consecutive years

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT**, pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and any other applicable provisions of the Companies Act, 2013

read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Nivruti Rai (DIN:01353079), who was appointed as an Additional Director of the Company with effect from 27<sup>th</sup> March 2019 pursuant to provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and who has submitted a declaration that she meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold office for a term of three consecutive years from 27<sup>th</sup> March 2019 to 26<sup>th</sup> March 2022 and whose office shall not be liable to determination by retirement of Directors by rotation.

**FURTHER RESOLVED THAT**, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

#### **8. Continuation of Mr. Muthuraman Balasubramanian (DIN: 00004757) as an Independent Director of the Company**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable act(s)/ rule(s)/ regulation(s) including the Companies Act, 2013 and the rules made thereunder, the approval of the Members of the Company be and is hereby accorded for continuation of Directorship of Mr. Muthuraman Balasubramanian (DIN: 00004757), Independent Director, on his attaining the age of 75 years on 26<sup>th</sup> September 2019 for the remainder of his tenure as an Independent Director which ends on 7<sup>th</sup> August 2023 at same terms and conditions as already approved by Members.

**FURTHER RESOLVED THAT**, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

#### **9. Revision in remuneration of Dr. Devi Prasad Shetty (DIN: 00252187) as Whole-time Director**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment/modification or enactment thereof for the time being in force), and the recommendation of the Nomination and Remuneration Committee and the Board of Directors, subject to such necessary approval(s), consent(s) or permission(s), as may be required, approval of the Members be and is hereby given to revise the remuneration payable to Dr. Devi Prasad Shetty (DIN: 00252187) as Whole-time Director of the Company on the terms and conditions as hereinafter mentioned effective from 1<sup>st</sup> April 2019 and for the remaining period of his appointment or till such time his remuneration is further revised before the end of his term, whichever is earlier:

**Consolidated Salary:** Consolidated salary upto ₹ 6,58,24,000/- (Rupees Six Crore Fifty Eight Lakh Twenty Four Thousand only) per annum which includes performance based pay, allowances and perquisites, with the authority to the Board to fix the salary within the said maximum limit from time to time including the various components of such salary.

**Benefits apart from consolidated salary:** Group Mediciam Insurance Policy, Group Personal Accident Policy, Group Term Life Insurance Policy.

**FURTHER RESOLVED THAT**, all other terms and conditions as per the HR policy of the Company be and is hereby applicable including Earned/Privilege leave, Gratuity in terms of applicable provisions of the relevant statutes.

**FURTHER RESOLVED THAT**, the revised remuneration as set out above be paid to Dr. Devi Prasad Shetty as minimum remuneration in the event of loss or the profits made are inadequate, subject to the provisions of Schedule V of the Companies Act, 2013.

**FURTHER RESOLVED THAT**, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

**10. Revision in remuneration of Mr. Viren Shetty (DIN:02144586) as Whole-time Director and Group Chief Operating Officer (COO)**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment/modification or enactment thereof for the time being in force) and the recommendation of the Nomination and Remuneration Committee and the Board of Directors, subject to such necessary approval(s), consent(s) or permission(s), as may be required, approval of the Members be and is hereby given to revise the remuneration payable to Mr. Viren Shetty (DIN: 02144586) as Whole-time Director and Group Chief Operating Officer of the Company, on the terms and conditions as hereinafter mentioned effective from 1<sup>st</sup> April 2019 and for the remaining period of his appointment or till such time his remuneration is further revised before the end of his term, whichever is earlier:

**Consolidated Salary:** Consolidated salary upto ₹ 1,35,43,200/- (Rupees One Crore Thirty Five Lakh Forty Three Thousand Two Hundred only) per annum which includes performance based pay, allowances and perquisites, with the authority to the Board to fix the salary within the said maximum limit from time to time including the various components of such salary.

**Benefits apart from consolidated salary:** Group Mediciclaim Insurance Policy, Group Personal Accident Policy, Group Term Life Insurance Policy and Group Term Life – Future Service Guarantee.

**FURTHER RESOLVED THAT**, all other terms and conditions as per the HR policy of the Company be and is hereby applicable including Earned/Privilege leave, Gratuity in terms of applicable provisions of the relevant statutes.

**FURTHER RESOLVED THAT**, the revised remuneration as set out above be paid to Mr. Viren Shetty as minimum remuneration in the event of loss or the profits made are inadequate, subject to the provisions of Schedule V of the Companies Act, 2013.

**FURTHER RESOLVED THAT**, the Board of Directors of the Company, be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper, expedient or incidental for giving effect to this resolution as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

**11. To provide loans to and / or give guarantees and / or provide securities in connection with loans raised by Meridian Medical Research and Hospital Limited, Subsidiary Company**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, approval of the Members be and is hereby accorded to provide loan(s) to Meridian Medical Research and Hospital Limited, a Subsidiary Company and/or to give guarantee(s), and/ or provide security(ies) in connection with any loan (excluding loans availed from banks and financial institutions) taken / to be taken by Meridian Medical Research and Hospital Limited, the aggregate of which shall not exceed ₹ 25,00,00,000/- (Rupees Twenty Five Crore only).

**RESOLVED FURTHER THAT**, the Board of Directors (including any Committee of the Board, duly constituted / to be constituted by the Board of Directors of the Company for the purpose of evaluation and approval of various borrowings of the Company) be and is hereby authorized

to negotiate, finalise and agree the terms and conditions of the aforesaid loan/ guarantee/security and do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution and including without limitation, for matters connected therewith or incidental thereto and to sign and execute any deeds / documents / undertakings / agreements / papers / writing, as may be required in this regard.”

## 12. Issue of debt securities on Private Placement Basis

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Sections 42 and 71 and all other applicable provisions of the Companies Act, 2013 read with the Securities Contracts (Regulation) Act, 1956, the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Foreign Exchange Management Act, 1999 and any other applicable Rules, Regulations, Notifications, Circulars (including any statutory modification(s) or re-enactment thereof, for the time being in force), prescribed by the Government of India, Reserve Bank of India, or any other regulatory authority, whether in India or abroad, and in accordance with the Memorandum and the Articles of Association of the Company, the consent of the Members 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 of the Board) to offer, invite subscription for or issue debt securities, secured or unsecured, including redeemable Non-Convertible Debentures (“Debt Securities”) not exceeding ₹ 200 Crores in one or more series/ tranches, denominated in Indian Rupees or in any foreign currency on a private placement basis, on such terms and conditions as the Board may, from time to time, determine and consider proper and most beneficial to the Company including as to when the said debt securities be issued, the consideration for the issue, utilization of the issue proceeds and all matters connected with or incidental thereto.

**PROVIDED THAT**, the total amount that may be so raised in the aggregate, by such offer or invitation for subscriptions of the said Debt Securities, and outstanding at any point of time, shall be within the overall borrowing limit as approved by the Shareholders under Section 180(1)(c) of the Companies Act, 2013, that is ₹ 1500 crores (Rupees Fifteen Hundred Crores only)

**RESOLVED FURTHER THAT**, the Board of Directors of the Company (including any Committee thereof), be and is hereby authorised to finalise and execute all deeds, documents and writings as may be necessary, desirable or expedient, and to do all acts and take all such steps as may be necessary and to delegate all or any of these powers to any Director(s) or officer(s) to give effect to this resolution.”

## 13. Revision in remuneration payable to Dr. Varun Shetty as a Consultant Surgeon, an office or place of profit under the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Section 188 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, approval of the Members be and is hereby accorded for the payment of revised remuneration of ₹ 71,00,000 (Rupees Seventy One Lakh Only) per annum effective from 1<sup>st</sup> April 2019 to Dr. Varun Shetty, a Consultant Surgeon, who is a relative of Dr. Devi Prasad Shetty, Chairman & Whole-time Director and Mr. Viren Shetty, Whole-time Director and Group COO of the Company.

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

#### 14. Revision in remuneration payable to Dr. Vivek Shetty as a Consultant Surgeon, an office or place of profit under the Companies Act, 2013

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to the provisions of Section 188 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014, the consent of the Members be and is hereby accorded for the payment of revised remuneration of ₹ 53,50,000/- (Rupees Fifty Three Lakh Fifty Thousand Only) per annum effective from 1<sup>st</sup> April 2019 to Dr. Vivek Shetty, a Consultant Surgeon, who is a relative of Dr. Devi Prasad Shetty, Chairman & Whole-time Director and Mr. Viren Shetty, Whole-time Director and Group COO of the Company.

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

#### 15. Fees for delivery of any document through a particular mode of delivery to a Member

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT**, pursuant to provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the Company by sending it to him by post or by registered post or by speed post or by courier or by delivering to his office or address, or by such electronic or other mode as may be prescribed, the consent of the Members be and is hereby accorded to charge from the member the fee in advance equivalent to expenses of delivery of the documents being not more than the actual expenses applicable for such delivery, pursuant to any request made by any Member for delivery of such document to him, through any particular mode of services mentioned above.

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

By Order of the Board of Directors  
For **Narayana Hrudayalaya Limited**

**Sridhar S**

Group Company Secretary, Legal & Compliance Officer

Place: Bengaluru

Date: 24<sup>th</sup> May 2019

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning business under item nos. 4 to 15 is annexed hereto.
2. Details as required in Regulation 26(4) and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Companies Secretaries of India in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting forms integral part of the Notice. The Directors have furnished details as required under this regulation for their re-appointment/appointment and also as required under the Companies Act, 2013 and Rules made thereunder.
3. A route map showing the directions to reach the venue of the Nineteenth Annual General Meeting is annexed hereto.

4. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy, to attend and vote instead of himself/herself, and a proxy need not be a Member of the Company. The instrument appointing the proxy, duly completed, must be deposited at the Registered Office of the Company not less than forty eight (48) hours before the commencement of the Meeting (on or before 8<sup>th</sup> August 2019). Proxies submitted on behalf of limited companies, societies etc., must be supported by appropriate resolutions/authority as applicable. A person can act as a proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent (10 %) of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Members.

5. For the convenience of Members and for the proper conduct of the meeting, entry to the place of meeting will be regulated by an attendance slip, which is annexed to the Proxy Form. Members/Proxies attending the meeting are kindly requested to complete the enclosed attendance slip, affix their signature at the place provided thereon and hand it over at the entrance.
6. Members are requested to bring Annual Report 2018-19 along with them to the Annual General Meeting, since extra copies will not be supplied at the Meeting.
7. The Company has fixed Saturday, 3<sup>rd</sup> August 2019 as the 'Record Date' for determining entitlement of Members to final dividend for the financial year ended 31<sup>st</sup> March 2019.
8. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend will be made within 30 days from date of the AGM, to all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and to Members in respect of shares held in physical form as of the close of business hours on Saturday, 3<sup>rd</sup> August 2019.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 and the certificate from Auditors of the Company certifying that the Narayana Hrudayalaya (Employee Stock Option Plan), 2015 are being implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 will be available for inspection by the Members at the Annual General Meeting.
10. Proxies shall be made available for inspection by a Member, during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.
11. All the documents referred to in the Notice and Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days during business hours up to the date of the Meeting.
12. Notice is sent to all the Members (electronic or physical copy), whose names appears in the Register of Members as on Friday, the 5<sup>th</sup> July 2019. The Notice of the meeting is also posted on the website of the Company i.e., [www.narayanahealth.org](http://www.narayanahealth.org).
13. In line with the measures of Green Initiative, the Companies Act, 2013 provides for sending notice of the meeting and other Member correspondence through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID with the Company/Karvy Fintech Private Limited ("Karvy"), the Registrar and Transfer Agent. Members holding shares in demat mode are requested to register their e-mail ID with their respective Depository Participants (DP). If there is any change in the e-mail ID already registered with the Company/Karvy, Members are requested to immediately notify the same to the Company.
14. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their DP. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and Karvy to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Karvy.
15. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1<sup>st</sup> April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Karvy for assistance in this regard.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DP with whom they are maintaining their Demat Accounts. Members holding shares in Physical form can submit their PAN details to Karvy.
17. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as

amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be considered at the 19th Annual General Meeting by electronic means and the businesses may be transacted through e-Voting Services. The facility of casting votes by the Members using an electronic voting system from a place other than venue of the Annual General Meeting ("remote e-voting") will be provided by Karvy.

18. The facility of Insta Voting shall be made available at the venue of the Annual General Meeting and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through insta voting.
19. The voting through electronic means will commence on Wednesday, 7<sup>th</sup> August 2019 at 10.00 A.M. and will end on Friday, 9<sup>th</sup> August 2019 at 5.00 P.M. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date Saturday, 3<sup>rd</sup> August, 2019, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Members, the Members shall not be allowed to change it subsequently.
20. The Members who have cast their votes before the Annual General Meeting can also attend the meeting but shall not be entitled to cast their votes again.
21. A person who ceases to be Member after the cut-off date should treat this notice for information purpose only.
22. Instructions for Voting through electronic means are as under:

**A. In case a Member receives an email from Karvy [for Members whose e-mail ids are registered with the Company/Depository Participant(s)]:**

- (i) Open e-mail and open PDF file viz. "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.karvy.com>.
- (iii) Click on Shareholder - Login

- (iv) Put user ID and password/PIN as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears, change the password with new password/PIN of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" i.e., E-Voting Event Number of "Narayana Hrudayalaya Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Shareholders holding multiple folios/demat account shall choose the voting process separately for each folios/demat account.
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/ are authorized to vote, to the Scrutinizer through e-mail to [sudhindraksfcs@gmail.com](mailto:sudhindraksfcs@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com).
- (xiv) The e-voting portal will remain open for voting from Wednesday, 7<sup>th</sup> August 2019 at 10.00 A.M. and will end on Friday, 9<sup>th</sup> August 2019 at 5.00 P.M (both days inclusive).

**B. In case a Member receives physical copy of the Notice of Annual General Meeting and for Members whose e-mail ids are not registered with the Company /Depository Participant(s) or requesting physical copy:**

- (i) EVEN, User ID & Initial Password is provided at the bottom of the attendance slip.



- (ii) Please follow all steps from Sl. No. A (i) to Sl. No. A (xiv) above, to cast your vote.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at downloads Section of [www.evoting.karvy.com](http://www.evoting.karvy.com) or call on toll free no. 1-800-3454-001 for any query.

### C. General Instructions:

- (i) If you are already registered with Karvy for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.karvy.com](http://www.evoting.karvy.com) or contact Karvy at the following toll-free No. 1-800-3454-001.
- (ii) 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).
- (iii) 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 on Saturday, 3<sup>rd</sup> August 2019.
- (iv) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e., Saturday, 3<sup>rd</sup> August 2019 may obtain the login ID and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com).
- (v) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the Annual General Meeting through insta poll.
- (vi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by email to [sudhindraksfcs@gmail.com](mailto:sudhindraksfcs@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com)
- (vii) The Company has appointed Mr. Sudhindra K S, Practicing Company Secretary (FCS No. 7909, CP No.

8190), Bengaluru to act as Scrutinizer for conducting the electronic voting process in a fair and transparent manner. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of insta poll facility for all those Members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.

- (viii) The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days from the conclusion of the meeting i.e., on or before 12<sup>th</sup> August 2019, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (ix) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.narayanahealth.org](http://www.narayanahealth.org) and on the website of Karvy immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.

By Order of the Board of Directors  
For **Narayana Hrudayalaya Limited**

**Sridhar S**

Group Company Secretary, Legal & Compliance Officer

Place: Bengaluru

Date: 24<sup>th</sup> May 2019

## EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

#### **Ratification of Remuneration payable to the Cost Auditors for the Financial Year 2019-20**

The Board, on the recommendations of Audit, Risk and Compliance Committee, has approved the re-appointment of M/s. PSV and Associates, Cost Accountants, Bengaluru, as Cost Auditors for the Financial Year ending 31<sup>st</sup> March 2020, at a remuneration of ₹ 3,00,000 (Rupees Three Lakhs) per annum plus applicable taxes and out of pocket expenses payable to the Cost Auditors.

In accordance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration so payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary resolution as set out at Item No. 4 of the Notice of the AGM for ratification of remuneration payable to the Cost Auditors for the Financial Year ending 31<sup>st</sup> March 2020.

None of the Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, either directly or indirectly in the proposed resolution.

Accordingly, the Board recommends passing of the Ordinary resolution as set out at Item No. 4 of this Notice, for the approval of the Members.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Item No. 5

#### **Appointment of Dr. Emmanuel Rupert (DIN: 07010883) as a Director of the Company**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 3<sup>rd</sup> February 2019, appointed Dr. Emmanuel Rupert as an Additional Director effective from 3<sup>rd</sup> February, 2019 and he holds office as an Additional Director till the date of this Annual General Meeting. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member proposing the candidature of Dr. Emmanuel Rupert for the office of director.

The Company has received consent, disclosures and declarations as applicable under the Companies Act, 2013 from Dr. Emmanuel Rupert.

Accordingly, the Board recommends passing of the Ordinary resolution as set out at Item No. 5 of this Notice, for the approval of the Members.

Except Dr. Emmanuel Rupert, none of the other Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, directly or indirectly in the proposed resolution.

Dr. Emmanuel Rupert is not related to any Director or Key Managerial Personnel of the Company.

Profile of Dr. Emmanuel Rupert has been provided in the Annual Report for Financial Year 2018-19.

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, issued by the Institute of Company Secretaries of India, brief profile of Dr. Emmanuel Rupert is annexed to this Notice.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### Item No. 6

#### **Appointment of Dr. Emmanuel Rupert (DIN: 07010883) as Managing Director and Group CEO of the Company**

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 3<sup>rd</sup> February 2019, appointed Dr. Emmanuel Rupert as Managing Director and Group CEO of the Company for a term of 3 years with effect from 11<sup>th</sup> February 2019, subject to approval of the Members at the ensuing Annual General Meeting on such terms and conditions including remuneration, as recommended by the Nomination and Remuneration Committee.

Dr. Emmanuel Rupert shall be paid remuneration during his tenure as Managing Director and Group CEO as proposed in the resolution under Item No.6 of the Agenda.

Approval of the Members is sought pursuant to the provisions of Sections 196, 197, 198, 203, Schedule V and other applicable

provisions, if any, of the Companies Act, 2013, (including any amendment/ modification thereof).

Accordingly, the Board recommends passing of the Special resolution as set out at Item No. 6 of this Notice, for the approval of the Members.

Except Dr. Emmanuel Rupert, none of the other Directors, Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, directly or indirectly in the proposed resolution.

Profile of Dr. Emmanuel Rupert has been provided in the Annual Report for Financial Year 2018-19.

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, issued by the Institute of Company Secretaries of India, brief profile of Dr. Emmanuel Rupert is annexed to this Notice.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 7**

#### **Appointment of Ms. Nivruti Rai (DIN: 01353079) as an Independent Director of the Company for a term of three consecutive years**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, had appointed Ms. Nivruti Rai (DIN: 01353079) with effect from 27<sup>th</sup> March 2019 as an Additional Director and in the capacity of an Independent Director, for a period of three consecutive years, not liable to retire by rotation.

Profile of Ms. Nivruti Rai has been provided in the Annual Report for Financial Year 2018-19.

Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2, issued by the Institute of Company Secretaries of India, brief profile of Ms. Nivruti Rai is annexed to this Notice.

As an Additional Director, Ms. Nivruti Rai holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 from a Member signifying his intention to propose the appointment of Ms. Nivruti Rai as a Director (categorized as 'Independent Director') of the Company. The Company has also received a

declaration from Ms. Nivruti Rai confirming that she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013. Ms. Nivruti Rai is also not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company.

In the opinion of the Board of Directors of the Company, Ms. Nivruti Rai is independent of the management of the Company and fulfils the conditions specified in the Companies Act, 2013, the rules made thereunder, and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment as an Independent Director. Further, the Board of Directors of the Company is of the opinion that Ms. Nivruti Rai is a person of integrity and has relevant experience and expertise for her to be appointed as Independent Director of the Company.

Copy of the letter of appointment of Ms. Nivruti Rai as an Independent Director setting out terms and conditions of appointment would be available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, except Saturday, upto and including the date of AGM of the Company and is also available on the Company's Website.

Accordingly, the Board recommends passing of an Ordinary resolution as set out at Item No. 7 of this Notice, for the approval of the Members.

Except Ms. Nivruti Rai, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Ms. Nivruti Rai is not related to any Director or Key Managerial Personnel of the Company.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 8**

#### **Continuation of Mr. Muthuraman Balasubramanian (DIN: 00004757) as an Independent Director of the Company**

Pursuant to the provisions of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 no listed entity shall continue the directorship of any person as a Non-Executive Director who has attained the age of 75 (Seventy five years) unless a special resolution is passed to that effect.

Mr. Muthuraman Balasubramanian, Independent Director of the Company, shall attain age of 75 years on 26<sup>th</sup> September 2019. He was re-appointed as Independent Director of the Company for a second term of five consecutive years from 8<sup>th</sup> August 2018. He brings in rich experience of more than 50 years in business strategy, business management and leadership. He holds a Bachelor's Degree in Metallurgical Engineering from Indian Institute of Technology, Madras and a Master's Degree in Business Administration from the Xavier Labour Relations Institute, Jamshedpur.

Mr. Muthuraman Balasubramanian joined Tata Steel Limited in 1966 and has held various positions at Tata Steel Limited including Vice-President (Marketing and Sales) and Vice President (Cold Rolling Mill Projects) and Managing Director. He retired from Tata Steel Limited as Vice-Chairman. He served on the board of Bosch India Limited for six years. He was also on the board of directors of Tata Industries Limited. He was the chairman of the Board of Governors of the Indian Institute of Technology, Kharagpur, National Institute of Technology, Jamshedpur and Xavier's Labour Relations Institute, Jamshedpur. He has been conferred with the prestigious 'Padma Bhushan' award in 2012, from the Government of India. He received the Tata Gold Medal in 2002 from the Indian Institute of Metals, Calcutta for his significant contribution to the metallurgical industries particularly to iron and steel industry.

Mr. Muthuraman Balasubramanian contributes significantly through the Board process on strategy formulation, review of business operations and financial results, risk management and controls. Therefore, the Nomination and Remuneration Committee and the Board of Directors considers that his continued association would be of immense benefit to the Company considering his rich experience, expertise and valuable contribution made to the Board of Directors of the Company and has recommended the continuation of directorship of Mr. Muthuraman Balasubramanian as Independent Director of the Company till his original term upto 7<sup>th</sup> August 2023 and accordingly approval of Members of the Company is sought to continue his directorship.

Accordingly, the Board recommends passing of the Special resolution as set out at Item No. 8 of this Notice, for the approval of the Members.

Except Mr. Muthuraman Balasubramanian, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution. Mr. Muthuraman Balasubramanian is

not related to any Director or Key Managerial Personnel of the Company.

Profile of Mr. Muthuraman Balasubramanian has been provided in the Annual Report for Financial Year 2018-19. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, issued by the Institute of Company Secretaries of India, brief profile of Mr. Muthuraman Balasubramanian is annexed to this Notice.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 9 Revision in remuneration of Dr. Devi Prasad Shetty (DIN: 00252187) as Whole-time Director**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 24<sup>th</sup> May 2019, approved increase in the remuneration payable to Dr. Devi Prasad Shetty, as Whole-time Director of the Company as proposed in the resolution in Item No. 9 of the Notice, and hereby recommend it for your approval.

The proposed remuneration is based on Industry Standards and the role and responsibilities of Dr. Devi Prasad Shetty as Whole-time Director of the Company.

Accordingly, approval of the Members is sought pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the Board recommends passing of the Special resolution as set out at Item No. 9 of this Notice, for the approval of the Members.

Except for Dr. Devi Prasad Shetty, Mr. Viren Shetty and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Profile of Dr. Devi Prasad Shetty has been provided in the Annual Report for Financial Year 2018-19. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, issued by the

Institute of Company Secretaries of India, brief profile of Dr. Devi Prasad Shetty is annexed to this Notice.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 10**

##### **Revision in remuneration of Mr. Viren Shetty (DIN:02144586) as Whole-time Director and Group COO**

The Board of Directors on recommendations of the Nomination and Remuneration Committee, at their meeting held on 24<sup>th</sup> May 2019 have passed a resolution for increasing the remuneration payable to Mr. Viren Shetty, Whole-time Director and Group COO of the Company as proposed in the resolution in Item No. 10 of the Notice, and hereby recommend it for your approval.

Approval of the Members is sought pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The proposed remuneration is based on Industry Standards and the role and responsibilities of Mr. Viren Shetty as Whole-time Director and Group COO of the Company.

Accordingly, the Board recommends passing of the Special resolution as set out at Item No. 10 of this Notice, for the approval of the Members.

Except Mr. Viren Shetty, Dr. Devi Prasad Shetty, and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

Profile of Mr. Viren Shetty has been provided in the Annual Report for Financial Year 2018-19. Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards 2, issued by the Institute of Company Secretaries of India, brief profile of Mr. Viren Shetty is annexed to this Notice.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 11**

##### **Providing loans to and / or give guarantees and / or provide securities in connection with loans raised by Meridian Medical Research and Hospital Limited, Subsidiary Company**

The Company holds 99.12% in the equity share capital of Meridian Medical Research and Hospital Limited(MMRHL). MMRHL currently operates two hospital units in West Bengal.

The Board of Directors seek consent of the Members by way of a Special resolution pursuant to Section 185 of the Companies Act, 2013 (as amended by the Companies (Amendment) Act, 2017) for making of loan(s) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken (excluding loans availed from banks and financial institutions) by MMRHL of an aggregate amount not exceeding ₹ 25,00,00,000/- (Rupees Twenty Five Crore only) on the terms mentioned in the resolution set out at Item No. 11 and necessary delegation of authority to the Board of Directors of the Company for this purpose.

The aforesaid limit of upto ₹ 25,00,00,000/- (Rupees Twenty Five Crore only) shall be utilized by MMRHL for its operational/ working capital requirements including margin money, as may be required, from time to time for expansion of its business activities and the matters connected and incidental thereto.

The Board of Directors recommend the resolution set out at Item No. 11 for the approval of the Members of the Company.

Except Dr. Emmanuel Rupert, Dr. Devi Prasad Shetty, Mr. Viren Shetty, Mr. Muthuraman Balasubramanian, being Directors on the Board of the Company and MMRHL and their relatives, none of the Promoters, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 12**

##### **Issue of debt securities on Private Placement Basis**

In terms of the Circular issued by SEBI on 26<sup>th</sup> November 2018, all Large Corporates (i.e., listed entities with borrowing of Rs.100 crores or more and long term credit rating of AA and above) are stipulated to fund atleast 25% of their incremental borrowings during each financial year through issue of debt securities. With

the objective of ensuring compliance with this requirement as and when your Company meets the criteria of Large Corporate, your company is proposing an enabling resolution for the approval of the Members as set out in Item No.12.

As per the provisions of Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Members of the company by a Special Resolution.

For the purpose of availing financial assistance (including borrowings) for its business or operations, the Company may offer or invite subscription to secured / unsecured redeemable non-convertible debentures/debt securities on private placement basis (within the meaning of the Section 42 of the Act) in one or more series / tranches. Hence, the Board of Directors ('Board') pursuant to Section 71 and Section 42 read with Rule 14 of the Companies (Prospectus & Allotment of Securities) Rules, 2014 seeks your approval to offer or invite subscription to debt securities, on such terms and conditions, including the issue price but within the overall borrowing limits under Section 180(1)(c) of the Act, as may be required by the Company, from time to time, for a year.

Accordingly, the Board recommends passing of the Special resolution as set out at Item No. 12 of this Notice, for the approval of the Members.

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

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 13**

#### **Revision in remuneration payable to Dr. Varun Shetty as a Consultant Surgeon, an office or place of profit under the Companies Act, 2013**

The Board of Directors at their meeting held on 24<sup>th</sup> May 2019, on the recommendation of Audit, Risk and Compliance Committee and Nomination and Remuneration Committee of the Company, has approved revised remuneration payable to Dr. Varun Shetty as a Consultant Surgeon with a Remuneration of ₹ 71,00,000 (Rupees Seventy One Lakh only) per annum which

is commensurate with his experience and as per prevalent industry standards.

Dr. Varun Shetty being a relative of Dr. Devi Prasad Shetty, Chairman and Whole-time Director and Mr. Viren Shetty, Whole-time Director and Group COO of the Company is deemed to be holding an office or place of profit in the Company in terms of Section 188 (1)(f) of the Companies Act, 2013.

Dr. Varun Shetty graduated with MBBS in 2010 and later finished his DNB in Cardiothoracic Surgery from Narayana Institute of Cardiac Sciences in 2016. He later did his FRCS In Cardiothoracic Surgery from the Joint Surgical College UK in 2018. He is now a Consultant Surgeon in the department of Cardiac surgery at Narayana Institute of Cardiac Sciences, Bengaluru. He is currently paid remuneration of ₹ 52,32,000 (Rupees Fifty Two Lakhs and Thirty Two Thousand only) per annum.

Since the above proposed revision in remuneration exceeds the limit prescribed under Section 188 of the Companies Act 2013, the revision in remuneration will require prior approval of the Members vide a Special resolution.

Accordingly, the Board recommends passing of the Special resolution as set out at Item No. 13 of this Notice, for the approval of the Members.

Except Dr. Devi Prasad Shetty, Mr. Viren Shetty and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 14**

#### **Revision in remuneration payable to Dr. Vivek Shetty as a Consultant Surgeon, an office or place of profit under the Companies Act, 2013**

The Board of Directors at their meeting held on May 24, 2019, on the recommendation of Audit, Risk and Compliance Committee and Nomination and Remuneration Committee of the Company, has approved revision in remuneration payable to Dr. Vivek Shetty as a Consultant Surgeon with a Remuneration of ₹ 53,50,000/- (Rupees Fifty Three Lakh Fifty Thousand only) per annum which is commensurate with his experience and as per prevalent industry standards.

Dr. Vivek Shetty being a relative of Dr. Devi Prasad Shetty, Chairman and Whole-time Director and Mr. Viren Shetty, Whole-time Director and Group COO of the Company is deemed to be holding an office or place of profit in the Company in terms of Section 188 (1)(f) of the Companies Act, 2013.

Dr Vivek Shetty graduated with MBBS in February 2011 and subsequently did MS in General Surgery in May 2014. He further completed Fellowship in Head and Neck Oncology from RGUHS in 2016.

He underwent training in Head and Neck Surgical Oncology in June 2016 following which, he has been working as a Consultant Surgeon in the department of Head and Neck Oncology at Mazumdar Shaw Cancer Center, Bengaluru. He is currently paid remuneration of ₹ 32,04,600 (Rupees Thirty Two Lakhs Four Thousand and Six Hundred Only) per annum.

Since the above proposed remuneration exceeds the limit prescribed under Section 188 of the Companies Act 2013, the appointment will require prior approval of the Members vide a Special resolution.

Accordingly, the Board recommends passing of the Special resolution as set out at Item No. 14 of this Notice, for the approval of the Members.

Except Dr. Devi Prasad Shetty, Mr. Viren Shetty and their relatives, none of the Directors or Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the said resolution.

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item No. 15 Fees for delivery of any document through a particular mode of delivery to a Member**

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by registered post, by speed post, by electronic mode, or any other modes as may be prescribed.

Further, a member may request the delivery of document through any particular mode by paying such fees as may be determined by the members in the Annual General Meeting.

Accordingly, the Board recommends the passing of the Ordinary Resolution at Item No. 15 of the Notice for members approval.

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

This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

By Order of the Board of Directors  
For **Narayana Hrudayalaya Limited**

**Sridhar S**

Group Company Secretary, Legal & Compliance Officer

Place: Bengaluru

Date: 24<sup>th</sup> May 2019

Brief profile of Directors seeking appointment/re-appointment at the Annual General Meeting

[Pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Particulars	Dr. Devi Prasad Shetty	Dr. Emmanuel Rupert	Ms. Nivruti Rai	Mr. Muthuraman Balasubramanian
DIN (Director Identification Number)	00252187	07010883	01353079	00004757
Date of Birth (Age in Years)	8 <sup>th</sup> May 1953 (66 Years)	29 <sup>th</sup> December 1967 (51 years)	05 <sup>th</sup> November, 1966 (52 Years)	26 <sup>th</sup> September 1944 (74 Years)
Date of Appointment	19 <sup>th</sup> July 2000	3 <sup>rd</sup> February 2019	27 <sup>th</sup> March, 2019	8 <sup>th</sup> August 2015
Qualification	MBBS, Master's Degree in Surgery	MBBS from M.S. Ramaiah Medical College, M.D (Anesthesiology) from Benaras Hindu University, Fellowship, Cardiac Anesthesiology and Critical Care Medicine, Madras Medical Mission	Bachelor's degree in statistics, physics & chemistry and master's degree in applied mathematics from University of Lucknow master's degree in electrical and industrial engineering from Oregon State University	Master's in business administration, Degree in metallurgical engineering
Expertise in specific functional areas	He is Renowned Cardiac Surgeon and Healthcare Entrepreneur Please refer to the Directors Profile section in this Annual Report for detailed profile	He has over 25 years of clinical experience and 10 years of experience as Administrator in Healthcare delivery. Please refer to the Directors Profile section in this Annual Report for detailed profile	She has wide experience in Information Technology.  Please refer to the Directors Profile section in this Annual Report for detailed profile	He has wide experience in Business Strategy, Business Management and Leadership Please refer to the Directors Profile section in this Annual Report for detailed profile
Number of Board Meetings attended during the Financial Year 2018-19	6	1	NA	6
*Directorships held in other Listed Companies	NIL	NIL	NIL	Sundaram Fasteners Limited
**Membership of Committees of other Listed Companies	NIL	NIL	NIL	Strategy Committee Chairman
Relationship between Directors of the Company inter-se	Dr. Devi Prasad Shetty is Father of Mr. Viren Shetty, Whole-time Director and Group COO	None	None	None
Number of shares held in the Company	6,47,00,571	NIL	NIL	120

Note: Directorship held in other Companies details is as on 24<sup>th</sup> May, 2019

\* Includes names of Listed Companies in which the person holds the Directorship (Other than Narayana Hrudayalaya Limited).

\*\* Includes names of other Listed Companies in which the person holds the Membership of Committees of the Board of Directors (Other than Narayana Hrudayalaya Limited).





