



## Narayana Hrudayalaya Limited

Registered Office: 258/A, Bommasandra Industrial Area, Anekal Taluk, Bengaluru-560099

CIN: L85110KA2000PLC027497

Website: [www.narayanahealth.org](http://www.narayanahealth.org), E-mail: [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org), Tel: +91 80 7122 2129

### NOTICE OF 21<sup>st</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 21<sup>st</sup> Annual General Meeting (AGM) of the Members of Narayana Hrudayalaya Limited will be held on Friday, the 27<sup>th</sup> August 2021 at 11.30 a.m. through Video Conferencing / Other Audio Visual Means to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company.

#### ORDINARY BUSINESS

- 1. To receive, consider and adopt the audited financial statements of the Company including the audited consolidated financial statements for the financial year ended 31<sup>st</sup> March 2021, together with the reports of the Board of Directors and the Auditors thereon.**

The members are requested to consider and pass the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT**, the Audited Standalone Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2021 including the Audited Balance Sheet as at 31<sup>st</sup> March 2021 and Statement of Profit & Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date along with notes thereon, Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March 2021, and the Auditors' Report and Report of the Board of Directors thereon along with all annexures, as issued to the Members pursuant to Section 134 of the Companies Act, 2013 be and are hereby received, considered and adopted.

- 2. To appoint a director in place of Mr. Viren Prasad Shetty (DIN:02144586), who retires by rotation and being eligible, offers himself for re-appointment.**

Explanation: As per Article 59 of the Articles of Association of the Company, at every AGM, one third of such of the directors as are liable to retire by rotation for the time being, shall retire from office and they will be eligible for re-election. Except the Managing Director and the Independent Directors, all other Directors are liable to retire by rotation. Mr. Viren Prasad

Shetty, whose office as a director is liable to retire by rotation at the ensuing AGM and being eligible, seeks re-appointment.

The members are requested to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

**RESOLVED THAT**, Mr. Viren Prasad Shetty (DIN:02144586), who retires by rotation at this Annual General Meeting pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and Article 59 of Articles of Association of the Company, be and is hereby re-appointed as a director of the Company and that his period of office be liable to determination by retirement of Directors by rotation under Companies Act, 2013 and the Articles of Association of the Company.

#### SPECIAL BUSINESS

- 3. Ratification of remuneration payable to the Cost Auditors for the Financial Year 2021-22**

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 ending 31<sup>st</sup> March 2022.

**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.

#### **4. Revision in remuneration 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 provisions of Sections 196, 197, 198, 200, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), 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), Article 52 of the Articles of Association of the Company 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. Emmanuel Rupert (DIN: 07010883) as Managing Director and Group CEO of the Company on the terms and conditions as hereinafter mentioned effective from 1<sup>st</sup> April 2021 and valid for the remaining tenure of his appointment or till such time his remuneration is further revised before the end of his tenure, whichever is earlier:

**Consolidated Salary:** Dr. Emmanuel Rupert shall be paid consolidated salary up to ₹ 4,70,52,480 (Rupees Four Crore Seventy Lakh Fifty Two Thousand Four Hundred and Eighty only) per annum which includes performance-based pay, allowances and perquisites but excluding the grant of 1,83,117 Options under the NH ESOP Plan 2015 approved by the members at the 19<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> August, 2019 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.

**Other Benefits:** Group Mediclaim 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 and Gratuity in terms of applicable provisions of the relevant statutes.

**FURTHER RESOLVED THAT**, in the event of loss or the profits made are inadequate as determined under Section 198 of the Act, in any financial year during the currency of the tenure of Managing Director and Group Chief Executive Officer, the Board of Directors be and is hereby authorised to pay such sum as remuneration to the Managing Director and Group Chief Executive Officer upto the consolidated salary as specified above, notwithstanding the limits prescribed under Schedule V of the Act.

**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.

#### **5. 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, 200, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), 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), Article 52 of the Articles of Association of the Company 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 2021 and valid for the remaining tenure of his appointment or till such time his remuneration is further revised before the end of his tenure, whichever is earlier:

**Consolidated Salary:** Consolidated salary upto INR 9,74,19,520/- (Rupees Nine Crore Seventy Four Lakh Nineteen Thousand Five Hundred and Twenty 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 Mediclaim Insurance Policy, Group Personal Accident Policy and 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 and Gratuity in terms of applicable provisions of the relevant statutes.

**FURTHER RESOLVED THAT**, in the event of loss or the profits made are inadequate as determined under Section 198 of the Act, in any financial year during the currency of the tenure of the Whole-time Director, the Board of Directors be and is hereby authorised to pay such sum as remuneration

to the Whole-time Director upto the consolidated salary as specified above, notwithstanding the limits prescribed under Schedule V of the Act.

**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.

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

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, 200, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), 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), Article 52 of the Articles of Association of the Company 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 Prasad 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 2021 and valid for the remaining tenure of his appointment or till such time his remuneration is further revised before the end of his tenure, whichever is earlier:

**Consolidated Salary:** Consolidated salary upto ₹ 2,40,00,000/- (Rupees Two Crore Forty Lakhs 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 Mediclaim 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 and Gratuity in terms of applicable provisions of the relevant statutes.

**FURTHER RESOLVED THAT**, in the event of loss or the profits made are inadequate as determined under Section 198 of the Act, in any financial year during the currency of the tenure of the Whole-time Director and Group Chief Operating Officer, the Board of Directors be and is hereby authorised to pay such sum as remuneration to the Whole-time Director and Group Chief Operating Officer upto the consolidated salary as specified above, notwithstanding the limits prescribed under Schedule V of the Act.

**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. 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 an **Ordinary 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, Article 57 of the Articles of Association of the Company, approval of the members be and is hereby accorded for the payment of revised remuneration of ₹ 1,20,00,000/- (Rupees One Crore and Twenty Lakhs Only) per annum effective from 1<sup>st</sup> April 2021 to Dr. Varun Shetty, a Consultant Surgeon, who is a relative of Dr. Devi Prasad Shetty, Chairman and Whole-time Director and Mr. Viren Prasad Shetty, Whole-time Director and Group Chief Operating Officer 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.

**8. 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 an **Ordinary 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, Article 57 of the

Articles of Association of the Company, the consent of the members be and is hereby accorded for the payment of revised remuneration of ₹ 80,00,000/- (Rupees Eighty Lakhs Only) per annum effective from 1<sup>st</sup> April 2021 to Dr. Vivek Shetty, a Consultant Surgeon, who is a relative of Dr. Devi Prasad Shetty, Chairman and Whole time Director and Mr. Viren Prasad Shetty, Whole-time Director and Group Chief Operating Officer 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.”

#### **9. Payment of Remuneration to Non-executive Directors**

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

**RESOLVED THAT**, in supersession of the resolution passed by the members at the Annual General Meeting held on 3<sup>rd</sup> July, 2017 and pursuant to the provisions of Sections 149, 197 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 52 of the Articles of Association of the Company, consent of the members be and is hereby accorded for payment of remuneration to Non-executive Directors, including Independent Directors (other than the Managing Director and Whole-time Directors of the Company), for a period of five years commencing from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026, such sum by way of commission as the Board may determine from time to time, but not exceeding 1% (one percent) or such other percentage of the Net Profits of the Company in any financial year as may be specified under the Act from time to time and computed in the manner provided under Section 198 of Act.

**RESOLVED FURTHER THAT**, in the event of loss or inadequate profit as determined under Section 198 of the Act, in any financial year during the five years commencing from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026, the Non-executive Directors, including Independent Directors be paid such sum as remuneration and in such manner as may be determined by the Board of Directors, notwithstanding the limits prescribed under Schedule V of the Act.

#### **10. 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 (“the Act”), applicable provisions of 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 Article 29 of 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 Directors which the Board may have constituted / will constitute to exercise any or all of its powers including the powers conferred by this resolution) to offer, invite subscription for or issue debt securities, secured or unsecured, including redeemable Non-Convertible Debentures (“Debt Securities”) not exceeding ₹ 200 crores during the period of one year from the date of this Annual General Meeting 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 of Directors 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 along with the other borrowings of the Company, shall be within the overall borrowing limit as approved by the members at the AGM held on 3<sup>rd</sup> August, 2018 under Section 180(1)(c) of the Act, that is ₹ 1500 crores (Rupees One Thousand Five Hundred Crores only).

**RESOLVED FURTHER THAT**, the Board 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.

#### **11. Appointment of Ms. Terri Smith Bresenham (DIN: 09111500) as an Independent Director of the Company for a term of five consecutive years**

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

**RESOLVED THAT**, pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (“the Act”) 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, 25 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Article 48 of the Articles of Association of the Company, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Terri Smith Bresenham (DIN: 09111500), who was appointed as an Additional Director and also as an Independent Director of the Company with effect from 5<sup>th</sup> August, 2021 and who holds office pursuant to the provisions of Section 161 of the Act upto the date of this Annual General Meeting or the last date on which the Annual General Meeting for Financial Year 2020-2021 should have been held, whichever is earlier 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, and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose her as a candidate for the office of the Director, be and is hereby appointed as an

Independent Director of the Company to hold office for a term of five consecutive years from 5<sup>th</sup> August 2021 to 4<sup>th</sup> August 2026, not liable to retire 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.

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

**Sridhar S**

Group Company Secretary, Legal & Compliance Officer

Place: Bengaluru  
Date: 5<sup>th</sup> August, 2021

## Notes:

1. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Item Nos. 3 to 11 to be transacted at the Annual General Meeting as set out in the Notice, is annexed hereto. The Board of Directors of the Company at its meeting held on 31<sup>st</sup> May, 2021 and 5<sup>th</sup> August, 2021 considered that the special business under Item Nos. 3 to 11, being considered unavoidable, be transacted at the 21<sup>st</sup> AGM of the Company.
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 Director seeking appointment / re-appointment at the Annual General Meeting forms integral part of the Notice. The Director has furnished details as required under this regulation for their reappointment/ appointment and also as required under the Companies Act, 2013 and Rules made thereunder.
3. **General instructions for accessing and participating in the 21<sup>st</sup> AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:**
  - a. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') issued General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8<sup>th</sup> April 2020, 13<sup>th</sup> April 2020 and 5<sup>th</sup> May 2020, respectively and by General Circular No. 02/2021 dated 13<sup>th</sup> January 2021, allowed companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 ("MCA Circulars"). The Securities and Exchange Board of India ('SEBI') also issued Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May 2020 the validity of which has been extended till December 31, 2021 by SEBI, vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ("SEBI Circulars"). In compliance with these Circulars, provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 21<sup>st</sup> AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 21<sup>st</sup> AGM shall be the Registered Office of the Company.
  - b. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
  - c. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
  - d. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
  - e. Corporate Members (i.e., other than individuals/HUF, NRI, etc.) intending to send their authorised representatives to attend the meeting are requested to send to the Company a scanned copy of the Board or governing body Resolution/Authorization etc., authorising their representatives to attend the e-AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through registered email address to [sudhindraksfcs@gmail.com](mailto:sudhindraksfcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - f. In line with the MCA Circulars and SEBI Circulars, the Notice of the 21<sup>st</sup> AGM will be available on the website of the Company at [www. http://narayanahealth.org/](http://www.narayanahealth.org/), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and also on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - g. National Securities Depositories Limited ("NSDL") will be providing facility for voting through remote e-Voting, for participation in the 21<sup>st</sup> AGM through VC/OAVM Facility and e-Voting during the 21<sup>st</sup> AGM.
  - h. Members may join the 21<sup>st</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 11:15 a.m. IST i.e., 15 minutes before the time scheduled to start the 21<sup>st</sup> AGM.
  - i. Members may note that the VC/OAVM Facility, provided by NSDL, allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e., shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the 21<sup>st</sup> AGM without any restriction on account of first-come first-served principle.
  - j. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India ("ICSI") and

Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circulars, the Company is providing remote e-Voting facility to its Members in respect of the business to be transacted at the 21<sup>st</sup> AGM and facility for those Members participating in the 21<sup>st</sup> AGM to cast vote through e-Voting system during the 21<sup>st</sup> AGM.

#### 4. Instructions for Members for Remote e-Voting are as under:

- a. The remote e-Voting period will commence on Monday, 23<sup>rd</sup> August, 2021 (9.00 a.m. IST) and end on Thursday 26<sup>th</sup> August, 2021 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 20<sup>th</sup> August 2021, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- b. A person who is not a Member as on the cut-off date should treat this Notice of 21<sup>st</sup> AGM for information purpose only.

- c. The details of the process and manner for remote e-Voting are explained herein after.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:





Step 1: Access to NSDL e-Voting system

#### A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL viz., <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under '<b>IDeAS</b>' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

Type of shareholders	Login Method
	<p>4. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;"><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: center; gap: 20px;"> <div style="text-align: center;">  <b>App Store</b> </div> <div style="text-align: center;">  <b>Google Play</b> </div> </div> <div style="display: flex; justify-content: center; gap: 40px; margin-top: 10px;">   </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi/ Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43



## B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

### How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
    - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**.
  - c) How to retrieve your 'initial password'?
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
  - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
  8. Now, you will have to click on “Login” button.
  9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

8. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [sudhindraksfcs@gmail.com](mailto:sudhindraksfcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org) .

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**5. Process for those Members whose email ids are not registered for procuring user id and password and registration of email ids for e-Voting on the resolutions set out in this Notice:**

- i. Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 21<sup>st</sup> AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of: i) a signed request letter mentioning your name, folio number and complete address; and ii) self-attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, AADHAR Card) in support of the address of the Member as registered with the Company; to the email address of the Company [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org).
- ii. In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning your name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- iii. Alternatively, Member may send an e-mail request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for obtaining User ID and Password by proving the details mentioned in Point (i) or (ii) as the case may be.

- iv. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**6. Instructions for Members for participating in the 21<sup>st</sup> AGM through VC/OAVM are as under:**

- i. Member will be provided with a facility to attend the 21<sup>st</sup> AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
- ii. Please note that Members connecting from mobile devices or tablets or through laptops etc. connecting via mobile hotspot, may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. Members are encouraged to join the Meeting through Laptops for better experience.
- iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv. Members can submit questions in advance with regard to the financial statements or any other matter to be placed at the 21<sup>st</sup> AGM, from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, to reach the Company's email address [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org) before 21<sup>st</sup> August 2021 by 10:00 a.m. IST. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
- v. Members, who would like to ask questions during the 21<sup>st</sup> AGM with regard to the financial statements or any other matter to be placed at the 21<sup>st</sup> AGM, need to register themselves as a speaker by sending their request from their registered email address mentioning their name, DP

ID and Client ID number/folio number and mobile number, to reach the Company's email address [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org) by 21<sup>st</sup> August 2021 by 10:00 a.m. IST. Those Members who have registered themselves as a speaker shall be allowed to ask questions during the 21<sup>st</sup> AGM, depending upon the availability of time. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure the smooth conduct of the meeting.

- vi. Institutional Investors who are Members of the Company, are encouraged to attend and vote in the 21<sup>st</sup> AGM through VC/OAVM Facility.

**7. Instructions for Members for e-Voting during the 21<sup>st</sup> AGM are as under:**

- a. Members may follow the same procedure for e-Voting during the 21<sup>st</sup> AGM as mentioned above for remote e-Voting.
- b. Only those Members, who will be present in the 21<sup>st</sup> AGM through VC/OAVM Facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the 21<sup>st</sup> AGM.
- c. The Members who have cast their vote by remote e-Voting prior to the 21<sup>st</sup> AGM may also participate in the 21<sup>st</sup> AGM through VC/ OAVM Facility but shall not be entitled to cast their vote again.
- d. Members facing any technical issue in login can contact NSDL helpdesk by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**8. Other Guidelines for Members**

- a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
- b. The voting rights of Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date of 20<sup>th</sup> August, 2021.
- c. Any person, who acquires shares of the Company and becomes Member of the Company after the Company sends the Notice of the 21<sup>st</sup> AGM by email and holds shares as on the cut-off date i.e., 20<sup>th</sup> August, 2021, may obtain the User ID and password by sending a

request to the Company's email address [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org). However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

- d. 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 or casting vote through e-Voting system during the meeting.
- e. Mr. Sudhindra K S, Practicing Company Secretary (FCS No. 7909, CP No. 8190), Bengaluru is appointed as scrutinizer to scrutinize the remote e-voting and voting at the e-AGM venue in a fair and transparent manner.
- f. During the 21<sup>st</sup> AGM, the Chairman shall, after response to the questions raised by the Members in advance or as a speaker at the 21<sup>st</sup> AGM, formally propose to the Members participating through VC/OAVM Facility to vote on the resolutions as set out in the Notice of the 21<sup>st</sup> AGM and announce the start of the casting of vote through the e-Voting system. After the Members participating through VC/OAVM Facility, eligible and interested to cast votes, have cast the votes, the e-Voting will be closed with the formal announcement of closure of the 21<sup>st</sup> AGM.
- g. The Scrutinizer shall after the conclusion of e-Voting at the 21<sup>st</sup> AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the 21<sup>st</sup> AGM, who shall then countersign and declare the result of the voting forthwith.
- h. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.narayanahealth.org/> and on the website of NSDL at [www.evoting.nsdl.com](http://www.evoting.nsdl.com) immediately after the declaration of Results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.
9. In compliance with the aforesaid MCA Circulars and SEBI Circulars, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report

of Board of Directors, Auditor's report or other documents required to be attached therewith) Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website <https://www.narayanahealth.org/>, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL.

Those members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

- a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.
- b. Members holding shares in physical form may register their email address and mobile number with Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited (KFin) by sending an e-mail request at the email ID: [einward.ris@kfinotech.com](mailto:einward.ris@kfinotech.com) along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for registering their email address and receiving the Annual report, e-AGM Notice and the e-voting instructions.
10. The following documents will be available for inspection by the Members electronically during the 21<sup>st</sup> AGM. Members seeking to inspect such documents can send an email to [nhlagm2021@narayanahealth.org](mailto:nhlagm2021@narayanahealth.org)
  - i. Certificate from the Statutory Auditors relating to the Company's Stock options/Restricted Stock Units Plans under SEBI (Share Based Employee Benefits) Regulations, 2014.
  - ii. Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under the Companies Act, 2013.
11. 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 KFin to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to KFin.

12. 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 KFin.
13. Members are requested to note that as per Section 124(5) of the Act, the dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to the Unpaid Dividend Account, is liable to be transferred by the Company to the "Investor Education Protection Fund" (IEPF) established by the Central Government under Section 125 of the Act. Pursuant to IEPF Rules, the Company has uploaded the details of unpaid and unclaimed amounts lying with the

Company as on August 31<sup>st</sup>, 2020 (date of last AGM) on the website of the Company at <https://www.narayanahealth.org/> and also on the website of the Ministry of Corporate Affairs. Members may approach the Company Secretary and Compliance Officer of the Company for claiming the unclaimed dividend which is yet to be transferred to IEPF by the Company.

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

**Sridhar S**

Group Company Secretary, Legal & Compliance Officer

Place: Bengaluru

Date: 5<sup>th</sup> August, 2021

## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

### **Item No. 3**

#### **Ratification of Remuneration payable to the Cost Auditors for the Financial Year 2021-22**

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 2022, at a remuneration of ₹ 3,00,000 (Rupees Three Lakhs) exclusive of applicable taxes and reimbursement of out of pocket expenses payable to the Cost Auditors.

In accordance with Section 148(3) of the Act 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. 3 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 2022.

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. 3 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. 4**

#### **Revision in remuneration of Dr. Emmanuel Rupert (DIN:07010883) as Managing Director and Group Chief Executive Officer of the Company**

Dr. Emmanuel Rupert was appointed as Managing Director and Group Chief Executive Officer effective from 11<sup>th</sup> February 2019

by the Board of Directors and was subsequently approved by the members at the 19<sup>th</sup> AGM held on 10<sup>th</sup> August, 2019 and approved a maximum remuneration of ₹ 4,09,15,200 (Rupees Four Crore Nine Lakh Fifteen Thousand and Two Hundred only) excluding grant of 1,83,117 Options which was also approved at the said AGM.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 31<sup>st</sup> May 2021, approved increase in the remuneration payable to Dr. Emmanuel Rupert, as Managing Director and Group Chief Executive Officer of the Company as proposed in the resolution in Item No. 4 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. Emmanuel Rupert as Managing Director and Group Chief Executive Officer of the Company.

Accordingly, approval of the members is sought pursuant to the provisions of Sections 196, 197, 198, 200, 203 read with Schedule V and other applicable provisions, if any, of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 52 of Articles of Association of the Company.

Accordingly, the Board of Directors recommends the Special resolution as set out at Item No. 4 of this Notice, for the approval of the members.

Except Dr. Emmanuel Rupert, 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. Emmanuel Rupert has been provided in the Annual Report for Financial Year 2020-21.

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

## THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V OF THE ACT.

### I. General Information

(1) Nature of Industry:	Healthcare Industry – Operating and Managing Hospitals					
(2) Date or expected date of commencement of commercial production	Not Applicable. The Company was incorporated and commenced its operations in the year 2000.					
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable					
(4) Financial performance based on given indicators	INR in Million					
	<b>Year</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
	Turnover	18,781.65	22,809.07	28,609.20	31,278.09	25793.35
	EBIDTA	2,463.38	2,311.65	3,044.83	4,466.74	2102.8
	PBT	1,432.74	850.01	957.29	1,647.35	-492.3
	PAT	523.66	289.64	616.11	1,224.82	-74.57
(5) Foreign investments or collaborations, if any.	None					

### II. Information about the appointee:

(1) Background	Please refer profile of Dr. Emmanuel Rupert in page 07 of the Annual Report.								
(2) Past Remuneration	Rs. 4,09,15,200 (Rupees Four Crore Nine Lakh Fifteen Thousand and Two Hundred only)								
(3) Recognition or awards	Please refer profile of Dr. Emmanuel Rupert in page 07 of the Annual Report.								
(4) Job profile and his suitability	Please refer profile of Dr. Emmanuel Rupert in page 07 of the Annual Report.								
(5) Remuneration proposed	<p>Consolidated Salary upto ₹ 4,70,52,480 (Rupees Four Crore Seventy Lakh Fifty Two Thousand Four Hundred and Eighty only) per annum which includes performance-based pay, allowances and perquisites but excluding the grant of 1,83,117 Options under the NH ESOP Plan 2015 approved by the members at the 19<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> August, 2019 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.</p> <p>Other Benefits: Group Medclaim Insurance Policy, Group Personal Accident Policy, Group Term Life Insurance Policy and Group Term Life – Future Service Guarantee.</p>								
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	<p>The remuneration of Dr. Emmanuel Rupert was benchmarked with the study commissioned with Aon Hewitt, and also corroboration of data through internal benchmarking using industry specific data was carried out. The distribution of salary for MD &amp; Group CEO for hospital chains is as below:</p> <p style="text-align: right;">In Millions</p> <table border="1"> <thead> <tr> <th>25<sup>th</sup> Percentile</th> <th>Median</th> <th>75<sup>th</sup> Percentile</th> <th>90<sup>th</sup> Percentile</th> </tr> </thead> <tbody> <tr> <td>25.72</td> <td>33.52</td> <td>46.67</td> <td>58.74</td> </tr> </tbody> </table> <p>At current pay, Dr. Rupert is positioned at the 68<sup>th</sup> percentile of distribution. Further, considering that his last pay revision was done in Feb 2019 when he transitioned to the MD &amp; Group CEO role, the consideration for increment has been tabled after a period of 26 months, for 15% increment in FY 2021-22.</p>	25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile	25.72	33.52	46.67	58.74
25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile						
25.72	33.52	46.67	58.74						

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.	Except for drawing remuneration in his capacity as Managing Director and Group Chief Executive Officer, there is no other pecuniary relationship with the Company, except grant of 183117 Options under the NH ESOP Plan 2015 approved by the members at the 19 <sup>th</sup> AGM held on 10 <sup>th</sup> August, 2019. He is not related with any managerial personnel and directors of the Company
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### III. Other information

(1) Reasons of loss or inadequate profits	<p>For the Financial Year ended 31<sup>st</sup> March 2021:</p> <ul style="list-style-type: none"> <li>• Business got significantly impacted due to the nation-wide lockdown and accompanying severe restrictions on mobility (intra and inter-state as well as international) resulting in sharp dip in patients' footfalls across facilities.</li> <li>• International medical tourism business which used to contribute ~11% to Company's India business also got severely impacted due to travel restrictions.</li> <li>• In line with the directives of the various state governments, the Company reserved a certain portion of the beds for COVID-19 treatment which also deterred the non-COVID patients to visit the centres fearing the spread of infection.</li> <li>• Adoption of precautionary measures such as increased use of PPE kits, masks and other COVID-19 related protocols had a bearing on costs, thus putting pressure on overall profitability.</li> </ul>
(2) Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> <li>• Employees related expense - Hiring freeze, salary cuts were implemented to contain cost.</li> <li>• Overheads - Rationalisation of spends on advertisement &amp; marketing, business promotion activities and repair &amp; maintenance exercise.</li> <li>• Increased penetration in tier 2 regions is driving business for Company's hinterland centres and thus aiding in overall profitability.</li> <li>• Certain elements of cost which were earlier predominantly fixed in nature are now variable which will help the Company improve profitability during turbulent times.</li> <li>• Variable portion of doctors' compensation increased to align the doctors' salaries with revenues.</li> </ul>
(3) Expected increase in productivity and profits in measurable terms	<ul style="list-style-type: none"> <li>• Once the vaccination program picks up pace and unlocking exercise gathers steam as the second wave of the virus has peaked out, Company expects a recovery as patients would want to get their surgeries/procedures done which were put on hold due to the second wave of the infection notwithstanding further COVID related disruptions till the time majority of the population is vaccinated.</li> <li>• Normalcy in international medical tourism business will help improve profitability significantly.</li> </ul>

#### Item No. 5

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

Dr. Devi Prasad Shetty was appointed as Whole-time Director effective from 29<sup>th</sup> August, 2018 by the Board of Directors and was subsequently approved by the members at the 18<sup>th</sup> AGM held on 3<sup>rd</sup> August, 2018.

The members at the 19<sup>th</sup> AGM held on 10<sup>th</sup> August, 2019 approved maximum remuneration of ₹ 6,58,24,000/- (Rupees Six Crore Fifty-Eight Lakh Twenty-Four Thousand only) payable to Dr. Devi Prasad Shetty in his capacity as Whole time Director.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, at their meeting held on

31<sup>st</sup> May 2021, 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. 5 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, 200, 203 read with Schedule V and other applicable provisions, if any, of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 52 of the Articles of Association of the Company.



Accordingly, the Board recommends the Special resolution as set out at Item No. 5 of this Notice, for the approval of the members. Except Dr. Devi Prasad Shetty, Mr. Viren 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 Dr. Devi Prasad Shetty has been provided in the Annual Report for Financial Year 2020-21.

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

## THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V OF THE ACT.

### I. General Information

(1) Nature of Industry:	Healthcare Industry – Operating and Managing Hospitals					
(2) Date or expected date of commencement of commercial production	Not Applicable. The Company was incorporated and commenced its operations in the year 2000.					
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable					
(4) Financial performance based on given indicators	INR in Million					
	<b>Year</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
	Turnover	18,781.65	22,809.07	28,609.20	31,278.09	25793.35
	EBIDTA	2,463.38	2,311.65	3,044.83	4,466.74	2102.8
	PBT	1,432.74	850.01	957.29	1,647.35	-492.3
	PAT	523.66	289.64	616.11	1,224.82	-74.57
(5) Foreign investments or collaborations, if any.	None					

### II. Information about the appointee:

(1) Background	Please refer profile of Dr. Devi Prasad Shetty in page 06 of the Annual Report.
(2) Past Remuneration	INR 6,58,24,000/- (Rupees Six Crore Fifty-Eight Lakh Twenty-Four Thousand only)
(3) Recognition or awards	Please refer profile of Dr. Devi Prasad Shetty in page 06 of the Annual Report.
(4) Job profile and his suitability	Please refer profile of Dr. Devi Prasad Shetty in page 06 of the Annual Report.
(5) Remuneration proposed	Consolidated salary upto INR 9,74,19,520/- (Rupees Nine Crore Seventy Four Lakh Nineteen Thousand Five Hundred and Twenty only) per annum which includes performance-based pay, allowances and perquisites  Other Benefits: Group Medclaim Insurance Policy, Group Personal Accident Policy, Group Term Life Insurance Policy.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Remuneration for Dr. Devi Shetty was benchmarked through a corroboration of data through internal benchmarking using industry specific data from comparative hospital chains. The distribution of salary data for Chairman & Whole time director of his stature, expertise and experience for hospital chains are as below -

In Millions			
25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
20.83	65.82	121.34	137.86

The proposed change in salary was originally scheduled to be tabled in 2019-20, which, however, got deferred by two cycles due to the covid pandemic.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.

Dr. Devi Prasad Shetty holds 27.66% of shares in the Company. Dr. Devi Prasad Shetty and his relatives and related entity together hold 63.85% of the shareholding in the Company. Dr. Devi Prasad Shetty is related to Mr. Viren Prasad Shetty, Whole time Director and Group Chief Operating Officer (son).

### III. Other information

(1) Reasons of loss or inadequate profits

For the Financial Year ended 31<sup>st</sup> March 2021:

- Business got significantly impacted due to the nation-wide lockdown and accompanying severe restrictions on mobility (intra and inter-state as well as international) resulting in sharp dip in patients' footfalls across facilities.
- International medical tourism business which used to contribute ~11% to Company's India business also got severely impacted due to travel restrictions.
- In line with the directives of the various state governments, the Company reserved a certain portion of the beds for COVID-19 treatment which also deterred the non-COVID patients to visit the centres fearing the spread of infection.
- Adoption of precautionary measures such as increased use of PPE kits, masks and other COVID-19 related protocols had a bearing on costs, thus putting pressure on overall profitability.

(2) Steps taken or proposed to be taken for improvement

- Employees related expense - Hiring freeze, salary cuts were implemented to contain cost.
- Overheads - Rationalisation of spends on advertisement & marketing, business promotion activities and repair & maintenance exercise.
- Increased penetration in tier 2 regions is driving business for Company's hinterland centres and thus aiding in overall profitability.
- Certain elements of cost which were earlier predominantly fixed in nature are now variable which will help the Company improve profitability during turbulent times.
- Variable portion of doctors' compensation increased to align the doctors' salaries with revenues.

(3) Expected increase in productivity and profits in measurable terms

- Once the vaccination program picks up pace and unlocking exercise gathers steam as the second wave of the virus has peaked out, Company expects a recovery as patients would want to get their surgeries/procedures done which were put on hold due to the second wave of the infection notwithstanding further COVID related disruptions till the time majority of the population is vaccinated.
- Normalcy in international medical tourism business will help improve profitability significantly.

**Item No. 6****Revision in remuneration of Mr. Viren Prasad Shetty (DIN:02144586) as Whole-time Director and Group Chief Operating Officer**

Mr. Viren Prasad Shetty was appointed as Wholetime Director and Group Chief Operating Officer effective from 29<sup>th</sup> August 2018 by the Board of Directors at its meeting held on 29<sup>th</sup> May 2018 and was subsequently approved by the members at the 18<sup>th</sup> AGM held on 3<sup>rd</sup> August, 2018.

The members at the 19<sup>th</sup> AGM held on 10<sup>th</sup> August, 2019 approved maximum remuneration of ₹ 1,23,12,000 (Rupees One Crore Twenty-Three Lakhs and Twelve Thousand only) payable to Mr. Viren Prasad Shetty in his capacity as Whole time Director and Group Chief Operating Officer.

The Board of Directors on recommendations of the Nomination and Remuneration Committee, at their meeting held on 31<sup>st</sup> May, 2021 have passed a resolution for increasing the remuneration payable to Mr. Viren Prasad Shetty, Whole-time Director and Group Chief Operating Officer of the Company as proposed in the resolution in Item No.6 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, 200, 203 read with Schedule V and other applicable provisions, if any, of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 52 of the Articles of Association of the Company.

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

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

Except Mr. Viren Prasad 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 Prasad Shetty has been provided in the Annual Report for Financial Year 2020-21.

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

**THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SECTION II OF PART II OF SCHEDULE V OF THE ACT.****I. General Information**

(1) Nature of Industry:	Healthcare Industry – Operating and Managing Hospitals					
(2) Date or expected date of commencement of commercial production	Not Applicable. The Company was incorporated and commenced its operations in the year 2000.					
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable					
(4) Financial performance based on given indicators	INR in Million					
	<b>Year</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
	Turnover	18,781.65	22,809.07	28,609.20	31,278.09	25793.35
	EBIDTA	2,463.38	2,311.65	3,044.83	4,466.74	2102.8
	PBT	1,432.74	850.01	957.29	1,647.35	-492.3
	PAT	523.66	289.64	616.11	1,224.82	-74.57
(5) Foreign investments or collaborations, if any.	None					

**II. Information about the appointee:**

(1) Background	Please refer profile of Mr. Viren Prasad Shetty in page 07 of the Annual Report.
(2) Past Remuneration	INR 1,23,12,000 (Rupees One Crore Twenty-Three Lakhs and Twelve Thousand only)
(3) Recognition or awards	Please refer profile of Mr. Viren Prasad Shetty in page 07 of the Annual Report.
(4) Job profile and his suitability	Please refer profile of Mr. Viren Prasad Shetty in page 07 of the Annual Report.

(5) Remuneration proposed Consolidated salary upto ₹ 2,40,00,000/- (Rupees Two Crore Forty Lakhs only) per annum which includes performance-based pay, allowances and perquisites.

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

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

Mr. Viren Shetty, Whole time Director, was elevated to the role of Group COO, taking additional responsibility of supporting and assisting the top management in leading the transformation journey for NH to a new phase, new business initiatives, growing the digital initiative and technology interventions, overseeing the international growth and expansion agenda, organic growth and business development with the current business.

In the Aon Hewitt study, Mr Viren Shetty's salary was positioned at 29<sup>th</sup> percentile against comparative roles in the industry and related ancillary industries.

In Millions			
25 <sup>th</sup> Percentile	Median	75 <sup>th</sup> Percentile	90 <sup>th</sup> Percentile
11.77	19.97	24.25	29.52

The proposed remuneration for Mr. Viren Shetty is tabled as commensurate, based on the additional role enhancement, new business initiatives and projection of growth trajectory.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.

Mr. Viren Prasad Shetty holds 1% of shares in the Company. Mr. Viren Prasad Shetty and his relatives and related entity together hold 63.85% of the shareholding in the Company. Mr. Viren Prasad Shetty is related to Dr. Devi Prasad Shetty, Chairman and Whole time Director (father).

### III. Other information

(1) Reasons of loss or inadequate profits For the Financial Year ended 31<sup>st</sup> March 2021:

- Business got significantly impacted due to the nation-wide lockdown and accompanying severe restrictions on mobility (intra and inter-state as well as international) resulting in sharp dip in patients' footfalls across facilities.
- International medical tourism business which used to contribute ~11% to Company's India business also got severely impacted due to travel restrictions.
- In line with the directives of the various state governments, the Company reserved a certain portion of the beds for COVID-19 treatment which also deterred the non-COVID patients to visit the centres fearing the spread of infection.
- Adoption of precautionary measures such as increased use of PPE kits, masks and other COVID-19 related protocols had a bearing on costs, thus putting pressure on overall profitability.

(2) Steps taken or proposed to be taken for improvement

- Employees related expense - Hiring freeze, salary cuts were implemented to contain cost.
- Overheads - Rationalisation of spends on advertisement & marketing, business promotion activities and repair & maintenance exercise.
- Increased penetration in tier 2 regions is driving business for Company's hinterland centres and thus aiding in overall profitability.
- Certain elements of cost which were earlier predominantly fixed in nature are now variable which will help the Company improve profitability during turbulent times.
- Variable portion of doctors' compensation increased to align the doctors' salaries with revenues.

(3) Expected increase in productivity and profits in measurable terms

- Once the vaccination program picks up pace and unlocking exercise gathers steam as the second wave of the virus has peaked out, Company expects a recovery as patients would want to get their surgeries/procedures done which were put on hold due to the second wave of the infection notwithstanding further COVID related disruptions till the time majority of the population is vaccinated.
- Normalcy in international medical tourism business will help improve profitability significantly.

**Item No. 7****Revision in remuneration payable to Dr. Varun Shetty as a Consultant Surgeon, an office or place of profit under the Act**

The members of the Company at the Annual General Meeting of the Company held on 3<sup>rd</sup> August, 2018 has appointed Dr. Varun Shetty as Consultant Surgeon being an office or place of profit under Section 188 of the Companies Act, 2013 as he is related to Dr. Devi Prasad Shetty and Mr. Viren Prasad Shetty. Presently he draws a remuneration of ₹ 71,00,000 (Rupees Seventy-One Lakh Only) per annum. Due to COVID-19 pandemic, there was no revision in the remuneration paid to Dr. Varun Shetty, during FY 2020-21.

The Board of Directors at their meeting held on 31<sup>st</sup> May, 2021, 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. Varun Shetty as a Consultant Surgeon with a Remuneration of ₹ 1,20,00,000/- (Rupees One Crore and Twenty Lakhs 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 Prasad Shetty, Whole-time Director and Group Chief Operating Officer 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 Act.

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, a unit of the Company.

Since the above proposed revision in remuneration exceeds the limit prescribed for seeking approval of members under Section 188 of the Act, the revision in remuneration will require prior approval of the members vide an Ordinary resolution. Accordingly, the Board recommends the Ordinary resolution as set out at Item No. 7 of this Notice, for the approval of the members.

Except Dr. Devi Prasad Shetty, Mr. Viren 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.

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

**Item No. 8****Revision in remuneration payable to Dr. Vivek Shetty as a Consultant Surgeon, an office or place of profit under the Act**

The members of the Company at the Annual General Meeting of the Company held on 3<sup>rd</sup> August, 2018 has appointed Dr.

Vivek Shetty as Consultant Surgeon being an office or place of profit under Section 188 of the Act, as he is a relative of Dr. Devi Prasad Shetty and Mr. Viren Prasad Shetty. He is presently paid a remuneration of ₹ 53,50,000/- (Rupees Fifty Three Lakh Fifty Thousand Only)

The Board of Directors at their meeting held on 31<sup>st</sup> May, 2021, 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 ₹ 80,00,000/- (Rupees Eight Lakhs 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 Prasad Shetty, Whole-time Director and Group Chief Operating Officer 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 Act.

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 Rajiv Gandhi University of Health Sciences 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, a unit of the Company.

Since the above proposed revision in remuneration exceeds the limit prescribed for seeking members approval under Section 188 of the Act, the revision in remuneration will require prior approval of the members vide an Ordinary resolution. Accordingly, the Board recommends the Ordinary resolution as set out at Item No. 8 of this Notice, for the approval of the members.

Except Dr. Devi Prasad Shetty, Mr. Viren 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. This explanatory statement may also be regarded as a disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Item No. 9****Payment of Remuneration to Non-executive Directors**

The members had, at the AGM held on 3<sup>rd</sup> August, 2017 approved, under the provisions of Section 197, 198 and other applicable provisions of the Companies Act, 2013, payment of remuneration by way of commission to Non-Executive Directors of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Section 198 of the Act, for a period of five years commencing April 1, 2015.

With the greater emphasis on Corporate Governance requirements under the Act and the SEBI Listing Regulations, the role and responsibilities of the Board, particularly Independent Directors has become more onerous, requiring greater time commitments, attention and a higher level of oversight. In view of the above, the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on May 31<sup>st</sup>, 2021 recommended and approved payment of commission to Non-executive Directors, including Independent Directors, not exceeding 1% of the net profits of the Company as computed under Section 198 of the Act for each of the financial years for next five financial years commencing from 1<sup>st</sup> April 2021, in terms of Section 197 and 149 of the Act.

The Nomination and Remuneration Committee and the Board of Directors also considered and approved that in the event of company incurring loss or the profits made are inadequate in any financial year as computed under Section 198 of the Act, then the Non-executive directors, including Independent Directors be paid remuneration as may be determined by the Board of Directors, notwithstanding the limit prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

Pursuant to Section 197, 149, Schedule V and other applicable provisions of the Act, Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Article 52 of the Articles of Association of the Company, remuneration of non-executive directors, including independent directors require approval of members in general meeting.

The remuneration payable pursuant to the approval under Item No.9 shall be in addition to fees payable to the Directors for attending meetings of the Board and Committees and reimbursement of expenses for participation in the Board and other meetings. The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

Accordingly, members' approval is sought by way of a Special Resolution for payment of remuneration to the Non-Executive Directors, including independent directors as set out in the said resolution.

None of the Directors, Key Managerial Personnel or their respective relatives, are concerned or interested in the Resolution mentioned at Item No. 9 of the Notice, except the Non- Executive Directors, to the extent of the remuneration that may be received by them.

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

##### **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 ₹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. 10.

As per the provisions of Section 42 of the Act 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 each of the offers or invitations. However, in case of offer or invitation for "Non-Convertible Debentures" (NCDs), it shall be sufficient for the Company to pass prior to the offer or invitation Special Resolution only once a year for all the offers or invitations for such debentures during the year.

For meeting the requirement of SEBI Circular on 26<sup>th</sup> November, 2018 cited above, the Company may offer or invite subscription to secured / unsecured redeemable non-convertible debentures/ debt securities on private placement basis (within the meaning of Section 42 of the Act) in one or more series / tranches. Hence, the Board of Directors pursuant to Section 71 and 42 of the Act read with Rule 14 of the Companies (Prospectus & Allotment of Securities) Rules, 2014 seeks your approval to offer or invite subscription to debt securities, as may be required by the Company, from time to time, for a year, on such terms and conditions, including the issue price but within the overall borrowing limits under Section 180(1) (c) of the Act.

Accordingly, the Board recommends the Special resolution as set out at Item No. 10 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, either directly or indirectly in the proposed resolution.

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

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

##### **Appointment of Ms. Terri Smith Bresenham (DIN: 09111500) as an Independent Director of the Company for a term of five consecutive years**

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, had appointed Ms. Terri Smith Bresenham (DIN: 09111500) with effect from 5<sup>th</sup> August, 2021 as an Additional Director in terms of provisions of Section 161 of the Companies Act, 2013, rules made thereunder and also as an Independent Director. As per the provisions contained under Section 161 of the Companies Act, 2013, the "Additional Director" so appointed shall hold office upto the date of the next Annual General Meeting or the last date on which the Annual General Meeting should have been held, whichever is earlier. Accordingly, Ms. Terri Smith Bresenham, as an Additional Director, holds office

upto the date of this Annual General Meeting. In terms of provisions contained under Section 160 of the Companies Act, 2013 and the rules made thereunder, a person who is not a retiring director in terms of Section 152 shall, subject to the provisions of this Act, be eligible for appointment to the Office of Director at any General Meeting, if she or some member intending to propose her as a Director, has, not less than fourteen days before the meeting, left at the Registered Office of the company, a notice in writing under her hand signifying her candidature as a Director, or the intention of such member to propose her as a candidate for that office, as the case may be, along with deposit of one lakh rupees. However, as per the proviso to Section 160 the requirement of deposit of amount shall not apply in case of appointment of Independent Director or a director recommended by the Nomination and Remuneration Committee. Since Ms. Terri Smith Bresenham is an Independent Director and recommended by the Nomination and Remuneration Committee, there is no requirement of submission of requisite deposit.

Accordingly, the Company has received a notice from a member proposing candidature of Ms. Terri Smith Bresenham, for the office of Director in terms of Section 160 of the Companies Act, 2013. Ms. Terri Smith Bresenham has also given a declaration to the company that she meets criteria of independence as prescribed under Section 149 of the Companies Act, 2013 read with Rule 5 Companies (Appointment & Qualification of Directors) Rules, 2014 and relevant regulation of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Information in terms of Regulation 36 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

(a) Brief resume of the director

A brief profile of Ms. Terri Smith Bresenham is attached to this Notice.

(b) Nature of expertise in specific functional areas

Ms. Terri Smith Bresenham earned her master's degree in Biomedical Engineering from the University of Texas, and her bachelor's in Medical Technology from the University of Tennessee. Ms. Terri's career spans roles in hospital, R&D, commercialization and operational environments. As a GE Corporate Officer, Ms. Terri spent nearly 30 years with GE's Healthcare business, most recently serving as Chief Innovation Officer, where she led innovation and the identification and incubation of disruptive business models for the company. This included leading GE's billion-dollar digital health business and advancing clinical data, AI platforms and partnerships. Prior to this, she was President and CEO of GE's Sustainable Healthcare Solutions business, based out of Bangalore, India, focused on improving access to quality care in regions of Africa, India and Southeast Asia.

Among various achievement in the course of her journey with GE Healthcare, she was responsible for driving new sources of growth through organic and partnership models. Developed a portfolio of digital and data analytics platforms for healthcare enterprise solutions and telemedicine. Developed first in market concepts for point-of-care additive manufacturing, augmented reality and virtual reality systems with contracts in leading government and academic centers. Launched new business P&L to accelerate market development and global penetration of affordable healthcare technologies, services and new healthcare delivery models across 70 countries. Responsible for full P&L of GEHC in Africa, India and Southeast Asia, as well as portfolio investments and returns in new Affordable Care products (Digital Health, Imaging, Ultrasound, Monitoring, Anesthesia, Respiratory & Interventional). Led global P&L and innovation investments, including M&A, for PreClinical imaging systems, PET/CT, Nuclear Medicine, Cyclotrons and Radiopharmaceuticals. Developed and launched GE's 1<sup>st</sup> MR/PET integrated system.

(c) Disclosure of relationships between directors inter se

Ms. Terri Smith Bresenham is not related to any director of the company.

(d) Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years

Ms. Terri Smith Bresenham is and was not a director on any listed company in India.

(e) Shareholding of non-executive directors in the listed entity, including shareholding as a beneficial owner

Ms. Terri Smith Bresenham does not hold any shares in the company either as a registered holder or as a beneficial holder.

(f) In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements

As provided in (a) above and in the Profile of Ms. Terri Smith Bresenham, she not only possesses qualification in the healthcare field, but she is also a proven innovator and global healthcare domain expert, with a track record of technical, commercial and operational excellence that creates sustainable, profitable growth across many different situations and geographies.

In the opinion of the Board of Directors of the Company, Ms. Terri Smith Bresenham 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. Terri Smith Bresenham is a person of integrity and has relevant experience and expertise for her to be appointed as Independent Director of the Company.

Relevant documents in respect of the said item are open for inspection by the members at the Registered Office of the Company on all working days during 2:00 PM to 5:00 PM up to the date of the Meeting.

Accordingly, the Board recommends the Special resolution as set out at Item No. 11 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, either directly or indirectly in the proposed resolution.

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

**Sridhar S**

Group Company Secretary, Legal & Compliance Officer

Place: Bengaluru

Date: 5<sup>th</sup> August, 2021



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

[Pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

Particulars	Mr. Viren Prasad Shetty	Ms. Terri Smith Bresenham
Director Identification Number (DIN)	02144586	09111500
Date of Birth / Age	18 May 1984 ( 36 years)	16 December 1960 ( 60 years)
Date of first appointment on the Board	10 <sup>th</sup> April 2008	5 <sup>th</sup> August, 2021
Educational Qualification	Master's in Business Administration, BE in Civil Engineering.	M.S. Biomedical Engineering, B.A. Medical Technology
Experience (including expertise in specific functional areas) /Brief Resume	He has wide experience in operations, management and business strategy in hospital industry.  Please refer to the Directors Profile section in this Annual Report for detailed profile	Please refer to Annexure of this Notice for detailed profile
Directorships held in other companies and entities (excluding foreign companies and Section 8 companies)	Ten	One
Memberships/ Chairmanships of Committees across in other listed companies and entities	Nil	Nil
Relationship with other Directors/ Key Managerial Personnel	Mr. Viren Prasad Shetty is the son of Dr. Devi Prasad Shetty, Chairman and Whole-time director	None
No. of shares held in the Company either by self or on a beneficial basis for any other person	2,043,608 equity shares of ₹10 each.	Nil

For details regarding the number of meetings of the Board/Committees attended by the above Directors during the year and remuneration drawn/ sitting fees received, please refer to the Boards' Report and the Corporate Governance Report forming part of the Annual Report.

**Profile of Ms. Terri Smith Bresenham**



**Terri Smith Bresenham**

Ms. Terri is passionate about developing new systems of healthcare that yield more precision, affordability and accessibility for patients. She is a proven innovator and global healthcare domain expert, with a track record of technical, commercial and operational excellence that creates sustainable, profitable growth across many different situations and geographies. She is co-founder of Forte Health Advisors, LLC and serves on boards of healthcare companies in the USA and internationally that focus on novel innovations, digital platforms, tech-enabled services, and new care delivery models that can scale and benefit patients, providers and investors.

Ms. Terri's career spans roles in hospital, R&D, commercialization and operational environments. As a GE Corporate Officer, Ms. Terri spent nearly 30 years with GE's Healthcare business, most recently serving as Chief Innovation Officer, where she led innovation and the identification and incubation of disruptive business models for the company. This included leading GE's billion-dollar digital health business and advancing clinical data, AI platforms and partnerships.

Prior to this, she was President and CEO of GE's Sustainable Healthcare Solutions business, based out of Bangalore, India,

focused on improving access to quality care in regions of Africa, India and Southeast Asia. She and her team developed new systems of R&D, launched a health tech incubator (five.eight) to partner with regional innovation, created a medical skills creation platform and built specialized project development solutions for governments, aid organizations and development banks. Earlier, Ms. Terri served as President and CEO of GE Healthcare India, where she spearheaded development of a portfolio of affordable innovations and created GenWorks, a first-in-market distribution and services company to exclusively bring innovative medical technologies to the semi-urban and rural markets of India. Previously she was CEO of various global product businesses of Ultrasound, Molecular Imaging, Women's Health and Bone Health businesses and in the early part of her GE career was a design engineer in MR, CT and PET. She earned her Master's in Biomedical Engineering from the University of Texas, and her Bachelor's in Medical Technology from the University of Tennessee.

Ms. Terri is active in community-based health projects and is a champion for women leadership in technology and global health.



