

September 27, 2024

Listing Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot C-1, Block G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051

Symbol: MAXHEALTH

Listing Department,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

Scrip Code: 543220

Sub.: Transcript of 23rd Annual General Meeting

Dear Sir / Madam,

Please find enclosed copy of transcript of 23rd Annual General Meeting of the Company held on September 20, 2024 at 12.00 Noon (IST) through video conference / other audio-visual means.

The said transcript is also available on the website of the Company at www.maxhealthcare.in/investors/corporategovernance/general-meetings-and-postal-ballot.

Kindly take the same on record.

Thanking you

Yours truly,
For **Max Healthcare Institute Limited**

Dhiraj Aroraa
SVP - Company Secretary and Compliance Officer

Encl.: As above



Transcript of 23rd Annual General Meeting of Max Healthcare Institute Limited held on September 20, 2024

Dhiraj Aroraa

Dear members, good afternoon. I am Dhiraj Aroraa, Company Secretary and Compliance Officer of Max Healthcare Institute Limited.

I welcome you all to the 23rd Annual General Meeting of Max Healthcare Institute Limited. I hope you and your families are in good health. I am joining this meeting from Four Seasons Hotel, Mumbai.

I would like to inform you that this meeting is being convened through video conference in accordance with the provisions of Companies Act, 2013 and relevant circulars issued by MCA and SEBI. Deemed venue for this meeting shall be the registered office of the Company.

Please note that in compliance with the relevant MCA and SEBI circulars, electronic copies of the AGM notice and inaugural integrated annual report for the financial year 2023-24 was sent to all the members whose email address are registered with the Company, its RTA or depository participants and whose name appeared in the register of members or register of beneficial owners maintained by NSDL and CDSL as on Friday, August 16, 2024.

AGM notice and integrated annual report are also available on the website of the Company, its RTA, Link Intime India Pvt. Ltd., BSE and NSE. We have also dispatched physical copies of the integrated annual report to those members who have requested for the same.

Before we start the proceedings of this AGM, I would like to confirm that we have the requisite quorum present to conduct the proceedings of this meeting.

Now I would like to request Mr. Abhay Soi, Chairman and Managing Director of the Company to take forward the proceedings of this meeting.

Over to you Sir.

Abhay Soi

Thank you Dhiraj.

Dear members,

Good afternoon and a very warm welcome to all of you at the 23rd Annual General Meeting of your Company. I trust that you are all in good health and keeping safe.

The quorum being present, I call this meeting to order.

My colleagues on the board are also present at this AGM.

I am joining this meeting from Four Seasons Hotel, Mumbai and I would like to introduce Board of Directors of the Company:

- ✦ Firstly, Mr. K. Narasimha Murthy, Independent Director. Mr. Murthy is the Chairman of the Nomination & Remuneration Committee. He is joining the meeting from Four Seasons Hotel, Mumbai.
- ✦ Mr. Mahendra Lodha, Independent Director. Mr. Lodha is the Chairman of the Audit Committee. He is also joining the meeting from Four Seasons Hotel, Mumbai.
- ✦ Ms. Amrita Gangotra, Independent Director. Ms. Gangotra is the Chairperson of the IT Strategy Committee. She is joining the meeting from Four Seasons Hotel as well.
- ✦ Mr. Anil K. Bhatnagar, Non-Executive Director. Mr. Bhatnagar is joining the meeting from Delhi.
- ✦ Mr. Michael Thomas Neeb, Independent Director. Mr. Neeb is the Chairman of the ESG and Sustainability Committee. He is joining the meeting from Colorado, USA.
- ✦ Mr. Narayan K. Seshadri, Non-Executive Director. Mr. Seshadri is the Chairman of the Risk Management Committee. He is joining the meeting from Chennai.
- ✦ Mr. Pranav Amin, Independent Director. Mr. Amin is the Chairman of the Stakeholders' Relationship Committee on the Board. He is joining the meeting from Vadodara.
- ✦ Dr. Pranav C. Mehta, Independent Director. Dr. Mehta is joining the meeting from United States.

Thank you.

Over to you Dhiraj.

Dhiraj Aroraa

Thank you, Sir.

Dear members,

Apart from the Board Members, we also have members from the management team of the Company who have joined this meeting.

- ✦ Mr. Yogesh Kumar Sareen, Senior Director & Chief Financial Officer. Mr. Sareen is joining the meeting from Four Seasons Hotel, Mumbai.

- ✦ Ms. Vandana Pakle, Senior Director, Corporate Affairs. Ms. Pakle is joining the meeting from Four Seasons Hotel, Mumbai.
- ✦ Mr. Keshav Gupta, Senior Director – Growth, M&A and Business Planning. Mr. Gupta is joining the meeting from Mumbai.
- ✦ Dr. Mradul Kaushik, Senior Director – Operations & Planning and Chief Operating Officer (Cluster 1). Dr. Kaushik is joining the meeting from Mumbai.
- ✦ Col. Harinder Singh Chehal, Senior Director & Chief Operating Officer, (Cluster 2). Colonel Chehal is joining the meeting from Mumbai.
- ✦ Mr. Umesh Gupta, Senior Director – HR & Chief People Officer. Mr. Gupta is joining the meeting from Mumbai.

We also have representatives from Statutory Auditor, Deloitte Haskins & Sells, Chartered Accountants; Secretarial Auditor, DPV & Associates LLP, Practicing Company Secretaries and Cost Auditor, Chandra Wadhwa & Co, Cost Accountants, who are present in this meeting through video conference.

The Company has appointed Mr. Devesh Kumar Vasisht, Partner of DPV & Associates LLP, Practicing Company Secretary Delhi as the scrutinizer for the e-voting process for this AGM. Mr. Vasisht is also present in this meeting through video conference.

Since this meeting is being convened through video conference, I would like to brief members about general instructions for participation in this meeting:

- ✦ Facility for joining this meeting through video conference and other audio-visual means is made available for the members on a first-come-first-serve basis.
- ✦ Relevant information for the members to join this meeting has been disclosed in the notice of AGM.
- ✦ Please note that, the documents referred in the explanatory statement of this Notice, Register of Members, Register of Directors, KMP and their shareholding, Register of Contract and Arrangements and other documents have been made available electronically for inspection by members during this AGM.
- ✦ Since, this AGM is being held through video conference, the facility for appointment of proxies by members was not available and hence the proxy register is not available for inspection.
- ✦ To avoid any disturbance and for smooth conduct of this meeting, members will be on mute mode by default. For members who had pre-registered themselves to speak at this AGM, the audio and video facility will be enabled by the moderator shortly. Also, please note that as per the

requirement, the proceedings of this AGM are being recorded.

- ✦ The Company had provided the facility to cast the vote electronically on all the resolutions set forth in the AGM notice.
- ✦ Members who have not yet cast their vote electronically during remote E-voting process and who are participating in this meeting will have now an opportunity to cast their votes during the meeting through the Instameet E-voting platform provided by Link Intime India Private Limited.
- ✦ Members can click on “Cast your vote” tab on the video conference screen, to avail this feature during the AGM and 15 minutes thereafter.
- ✦ In case members face any difficulty, they may reach out to the helpline numbers, 022-49186000, as also provided in the AGM Notice.

I would now request Chairman to address the members.

Over to you Sir.

Abhay Soi

Dear shareholders,

I am delighted to welcome all of you to the Company’s 23rd Annual General Meeting.

The year gone by has been a marquee year for the Company. It saw us acquiring two new hospitals in Nagpur and Lucknow, adding 750 beds to the network. These hospitals will allow us to serve patients in these new geographies. The acquired hospitals namely Alexis Hospital Nagpur and Sahara Hospital Lucknow have since been renamed as Max Super Specialty Hospitals and present tremendous opportunities for growth in the days ahead.

Max Hospital, Dwarka, a 303 bed, state of the art facility started operations in June earlier this year. The hospital has been designed to meet international standards in clinical and patient care services and we expect the hospital to not only attract patients from neighbouring geographies but from all across the world.

The addition of these hospitals to our network is a significant milestone in our journey to expand access to quality healthcare services. The work on our new hospitals in Gurgaon, Saket, Mumbai, Mohali and Patparganj is continuing apace and we expect these projects to be operational in the next 18-24 months.

As part of our ongoing commitment to growth, we are also actively exploring opportunities for growth in various cities across the country.

While we expand rapidly, our goal continues to be to provide high-quality, patient centric care, while minimizing our ecological footprint. By investing in advanced technologies, adopting green practices and fostering a culture of

sustainability, we aim to create a healthier future for our patients, staff and the communities we serve.

Today, we are one of the largest healthcare providers in the country, with 20 hospitals, over 4,300 beds and more than 19,500 highly qualified doctors, trained nursing staff, para-medics, expert technicians and other support staff. Last year, we treated 25 Lacs patients in our OPDs, admitted 2.32 Lac patients in our hospitals and performed over 1 Lac surgeries. While we took good care of our patients in the hospitals, we also worked hard at reducing our environmental footprint and made significant progress in achieving our sustainability goals.

We focussed on minimising our carbon footprint through achieving greater energy efficiency, reducing emission of green-house gases, waste reduction and management, installing renewable energy solutions, and conserving and rejuvenating natural resources.

Our hospitals achieved ISO 14001:2015 accreditation, demonstrating our dedication to efficient resource utilisation. We are transitioning to clean energy by installing solar-powered systems and partnering with renewable energy providers like Avaada Solar and Sunarka Energy. We have notably utilised 23.8 Lacs kilo Watt hour of renewable electricity this year.

Our new buildings meet the Indian Green Building Council's rigorous standards, earning us the prestigious Gold Standard and IGBC certifications for several of our facilities.

We have adopted alternative technologies for processing organic waste. This allows us to repurpose the resulting compost for use in our landscaping efforts. Our waste intensity based on occupied bed days per day in FY24 is 20% lower than the previous year, demonstrating our consistent commitment to balancing healthcare with environmental stewardship.

In our efforts to revive water bodies and recharge ground water, we constructed a pond in village Rajpura in Meerut. For this initiative, we partnered with IIT Delhi who helped us with the technical knowhow related to recharging of ground water aquifers.

Alongside our efforts to ensure sustainability, we continued to focus on clinical excellence, prioritise patient safety and delivering an exceptional patient experience.

Our commitment to clinical excellence is supported by state-of-the-art medical technologies, the expertise of multidisciplinary medical teams and data-driven quality and monitoring platforms that enhance patient outcomes.

We have undertaken many ambitious goals, including enhancing clinical outcome measures through innovative technologies, such as MaxCel, our digital platform that empowers healthcare professionals to monitor and benchmark clinical outcomes against standardised protocols and evidence-based national and global publications.

Patient safety systems are also embedded in all our clinical processes and IT systems, thereby raising appropriate alerts and helping clinicians re-consider their decisions. We ardently believe in listening to our patients and are committed to provide an environment where the voices of patients and their attendants are heard and addressed promptly. By leveraging advanced communication technology and best practices in customer service, we ensure that feedback is not just collected but also analysed and acted upon in real time.

It is imperative for us to equip our clinical teams with the latest medical technology so that they are able to deliver clinical outcomes comparable to the best in the world. That is the only way for us to keep sharpening our 'cutting edge' and to remain at the frontiers of the practice of medicine.

Among our 24 robotic surgical systems are the Da Vinci Surgical Robot Systems, which enable minimally invasive procedures with extraordinary precision, and the Versius Surgical Robot, which assists in minimal access surgery with 3D vision. We also have the Mako Total Knee Application for robotic-arm assisted joint replacement surgery, ensuring precise surgery, minimal blood loss and faster recovery.

This year we introduced the advanced CAR-T therapy for advanced and difficult to treat cancers. This state-of-the art technology is now available in several of our hospitals in Delhi and Mumbai and has helped us successfully treat cancer patients with stubborn disease.

Our imaging technologies include the Artis Zee Cath Lab system, portable CT scanners and Bi-Plane technology for minimally invasive procedures among others. Furthermore, our hospitals are equipped with the Azurion 5 platform for interventional procedure and MAGNETOM Lumina for MRI scans.

We are also working towards advancing the frontiers of medical science. The Office of Research supports and guides our diverse research initiatives, promoting thought leadership. In FY24, we published our inaugural journal, The Max Medical Journal, which marked our foray into the world of clinical academics.

We forged new international partnerships with the Royal College of Obstetrics & Gynaecology in the United Kingdom and introduced the Advanced Trauma Life Support Course, accredited by the American College of Surgeons.

Our research and academic partnerships with esteemed institutions such as Imperial College London, Deakin University, and Amity University continued to grow with more areas of collaboration being identified. Currently, we are actively engaged in research on type 2 diabetes, cardiovascular disease, and antimicrobial resistance, with a focus on improving global health outcomes.

This year also saw our researchers publishing around 400 academic papers in internationally recognized medical journals.

We live in a digital world and spend hours on our digital devices engaging with the world around us. Our patients expect us to empower them with better access, more information, and convenience through digitally driven initiatives.

We have introduced apps for doctors and patients, enabling self-patient registration and integrating a global payment solution, making healthcare more accessible to all. With improved access and functionality, these platforms offer seamless downloads and timely updates, ensuring users stay well informed and connected at all times.

Additionally, we have also launched digital in-patient services, streamlined diagnostic testing processes, implemented a data lake and introduced a new appointment management system, all aimed at optimising the overall patient experience at various touch-points. Our user-friendly WhatsApp chatbot has streamlined appointment scheduling and video consultations, expanding access to quality healthcare services.

We have always believed that, while we build a world-class healthcare organisation, we can only do so by working with the local communities around our hospitals. Last year, we had identified three key areas for our CSR efforts, namely Education, Skills Development and Water Rejuvenation. I am happy to report that through the year we made significant progress in these areas.

One of our notable initiatives is the Max Medical Scholarship Programme, which fully funds medical education for students from economically disadvantaged households each year. This year, we also provided skills training to promote sustainable livelihoods to 1,700 undertrials in Tihar Jail, which will help them gain employment and re-integrate with society.

Pursuing our environmental goal of water neutrality, we constructed a pond in village Rajpura in Meerut, which benefits agriculture and recharges groundwater.

As a part of our commitment to providing treatment to the under-privileged, we provided free treatment to over 3.5 lac patients at our hospitals and in the local communities.

Now coming to our asset light adjacent businesses of Max Lab and Max@Home continued on a path of furious expansion and growth.

Max Lab services are now available in 41 cities through over 1,100 of collection centres, pick-up points in doctor's clinics and hospitals. Max Lab now offers a comprehensive menu of over 2,500 tests across multiple specialities. Additionally, our genomics and molecular lab significantly enhances our capabilities in molecular testing and advancing our engagement in biomolecular and genetic research through collaborations with national and international research institutes.

Max@Home services are now available in 12 cities. We have expanded Max@Home diagnostic services to include services like palliative care, holter

and ambulatory blood pressure monitoring. Our online care plans and 24/7 patient remote monitoring system ensure personalised care for our patients.

Let me now touch upon our overall performance for financial year 2024.

The results of this year have been a testament to both our strength and our strategic foresight, marked by significant growth in both revenue and profit. In a remarkable achievement, our key operating and financial metrics touched all-time highs and remain best in the industry.

This stellar growth can be attributed to the hospitals doing more higher end quaternary work, deployment of the latest medical technology across the network, higher occupancies, and better average revenue per occupied bed days.

As I reflect on the past year, I am proud to note that we delivered world-class healthcare to countless people. Our pursuit of improving healthcare access and opportunities for our patients has yielded remarkable results, positioning us for sustained growth in the future. Building on our healthy financial performance, we plan to significantly increase our bed capacity over the next five years, ensuring greater access to quality care for those in need. With compassion and dedication, we strive to reach more people and make a qualitative difference to their lives.

I am greatly humbled by what we have achieved so far and equally excited about what lies ahead.

Thank You.

Now, I will handover to Dhiraj for taking up agenda of this AGM.

Dhiraj Aroraa

Thank you, Sir!

Now, I will take up agenda of this AGM.

Notice of AGM, along with the board's report and auditors' report were already sent to members. With the permission of members, the notice of AGM, board's report and auditor's report are taken as read.

We are now taking up the resolutions as set forth in the AGM Notice.

There are 6 agenda items in the AGM Notice to be considered by members at this meeting. We will open the floor for questions by members after all the resolutions are considered. The text of all resolutions, along with explanatory statement, have been provided in the AGM Notice as circulated to members.

- ✦ Item No. 1 relates to, adoption of audited Standalone financial statements of the Company, for the financial year 2023-24 including the reports of board of directors and auditor's thereon, as an Ordinary Resolution;
- ✦ Item No. 2 relates to, adoption of audited consolidated financial

Statements of the Company for the financial year 2023-24 together with the report of auditor's thereon, as an Ordinary Resolution;

- ✦ Item No. 3 relates to, declaration of final dividend of ₹1.50 per equity share, having face value of ₹10 each, as an Ordinary Resolution;
- ✦ Item No. 4 relates to, appointment of Director in place of Mr. Narayan K. Seshadri, who retires by rotation and being eligible offers himself for re-appointment, as an Ordinary Resolution;
- ✦ Item No. 5 relates to, appointment of Dr. Pranav C. Mehta, as an Independent Director of the Company for a term of 5 years as a Special Resolution;
- ✦ Item No. 6 relates to, Ratification of remuneration payable to Cost Auditors for the financial year 2024-25 as an Ordinary Resolution;

There are no qualifications, reservations or adverse remarks in the Statutory Auditor's Report or Cost Audit Report for financial year 2023-24, which may have any material impact on the functioning of the Company.

During the financial year 2023-24, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards. However, there was a delay of 40 days, in appointment of an independent woman director on account of immediate resignation by erstwhile independent woman director with effect from April 14, 2023, due to her personal and unavoidable circumstances as stated by Secretarial Auditors in their Report.

In line with Nomination, Remuneration and Board Diversity Policy, the Board on recommendation of NRC appointed new Independent Woman Director with effect from August 23, 2023.

Now, the members who have pre-registered themselves as Speakers, are requested to ask their questions, when the Moderator announce their name.

Members are requested, to keep their questions brief & specific. In the interest of time, members are requested to raise their queries or provide suggestions or feedback within 3 minutes.

Speaker members are requested to switch on their audio and video while speaking and in case of any internet issue, such speaker member may switch-off video for un-interrupted speaking session.

In case of technical problem or connectivity issue with any speaker, we will move to the next speaker in the sequence and such speaker will be allowed to speak again subsequently by Moderator.

Members may also note that the Company reserves the right to limit the number of members asking questions depending on the availability of time for this AGM.

Now, the Moderator will unmute the audio and allow to switch on camera by member whose name is called out. Thereafter, members can ask their Questions.

Moderator Over to you Moderator.
Thank you, Sir.

I now invite our first speaker for the meeting Mr. Amit Thawani. Mr. Amit, please start your video and you may ask your question.

Amit Thawani Hi, thank you for letting me speak Chairman Sir. My first question is if you can give us an update on the Jaypee acquisition in terms of the capacity utilization and the ARPOB and my second question is, can you elaborate on the inorganic growth strategy going forward?

That's it.

Thank you!

Moderator Thank you, Mr. Amit.

I now invite our second speaker for the meeting, Mr. Praveen Kumar.

Mr. Praveen, please start your video and you may ask your question.

Praveen Kumar I'm audible, Sir?

Moderator Yes, you are audible, Sir.

Praveen Kumar A very, very good afternoon to my respected Chairperson, MD, esteemed Board of Directors, fellow shareholder, myself, Pravin Kumar joining this meeting from New Delhi. I have few observations which I love to share with the entire House, but before that in this financial year, this is our first interaction with the management service, the entire management team, each and every dedicated employee of our Company, a happy, healthy, and prosperous future, coming down to my observations.

I'm very, very deeply thankful to our respected Chairperson and MD for his very, very in depth and large address to the shareholder under review. Sir, I salute your leadership, the vision, the dedication you prepare your speech, it is very, very informative. I repeat, it is very, very informative for entertaining a person like me, so thank you very much for that. I'm with the Company for 3 years now and this year is very, very momentum for us, very, very great in terms of scale we are achieving.

In terms of integrated Annual Report, I mean first in the line which we are having, I mean that truly shows excellent corporate governance to the retail investor and as far as the CSR initiative is concerned, the environmental issue is concerned, I think our Company at a forefront to build India in a very, very constructive way. So, thank you very much for that.

In this regard, if you see that I wholeheartedly support, not because I'm shareholder of our Company, but as a citizen of India, that you will be rewarded the highest civilian award for that Sir.

Coming down to my observation, I wholeheartedly support all the resolution which you set out for the meeting today and my question to the management is, if it is possible a suggestion also if it is possible to prioritize treatment or incremental benefit and medical facilities to the shareholder of our Company if possible that I truly appreciate and one more thing which is very, very important for a detailed investor like me, Sir, the communication between the Company and the retail investor in this regard, I love to thank our respected CS and their entire team for bringing out higher standard corporate governance to the retail investor.

Even during the course of the year, if you have any update that will be promptly replied by mail. That truly boosts our morale as far as investment in the Company is concerned, Sir.

With this note, I just pray to the God that he will bless you with all the positivity so that you will keep the momentum of creating jobs, creating world class hospitals, creating a value creation for a retail investor like me, and I'm very, very delighted to hear that yes, we are number one as far as the CSR activity is concerned. It's not about that I'm a shareholder of a Company. To be very, very honest with you, it's a legacy to be part of such organization.

I wish you all the luck and all the best and thank you for this opportunity.
Thank you, Mr. Praveen.

Moderator

I now invite our third speaker for the meeting, Mr. Gagan Kumar.

Mr. Gagan, please start your video and you may ask your question.

Gagan Kumar

Yeah. Am I audible?

Moderator

Yes, you are audible, Sir and visible also.

Gagan Kumar

Good afternoon, Mr. Chairman, Board of Directors, and fellow shareholders, myself Gagan Kumar. I am joining this meeting from Delhi.

First of all, I would like to mention that I had requested for a hard copy of Annual Report, which I received well in time and Sir, I'm a proud shareholder of your Company.

Today, our share price touches 4-figure. So, our best wishes to the management and soon after increasing of ₹10 our market cap will be 1 lakh crores.

So, I'm a proud shareholder of the Company and I just want to, I just have one or two little queries Sir, that why has the Company proposed such a low dividend of 15% whereas some of the peers like Apollo 200%, Rainbow Hospital 30%, Aster DM 20%, they have proposed much higher dividend. So

why we are at lower side?

And my second question is, that in an involving healthcare landscape, digital innovation and technological investment are playing a key role in transforming access to healthcare? Please highlight the Company actions in this regard.

As I earlier mentioned, I am a proud shareholder, our investor-friendly approach and higher standard of corporate governance truly boost our morale to stay in the Company.

My best wishes to you and all the team. Thank you for this opportunity.

Moderator

Thank you, Mr. Gagan.

I now invite our fourth speaker for the meeting, Mr. Narender Singh Chauhan.

Mr. Narender, you may start your video and you may ask your question.

Narender Singh Chauhan

Hello. Am I audible?

Moderator

Yes, you are.

Narender Singh Chauhan

Hi Moderator.

Good afternoon, Chairman, Board of Directors, fellow shareholders, I'm Narender Singh Chauhan, attending this AGM from Delhi. Sir, first of all I would like to thank the Moderator and the Secretarial Department for giving me the opportunity to speak on this portal. Sir, the results of the hard work, dedication and efficiency with which you are working day and night for the Company, are in front of us. Sir, our share price has doubled since we attended the last AGM; it has increased by 80%. Sir, if possible, do think about giving a bonus or split. Thank you, sir.

All my remaining questions have been covered in your Chairman's speech, so thank you, sir. Thank you very much.

Moderator

Thank you, Mr. Narender.

I now invite our fifth speaker for the meeting, Mr. Sarvjeet Singh.

Mr. Sarvjeet, please start your video and you may ask your question.

Sarvjeet Singh

Hello, Chairman, Sir, can you hear my voice?

Moderator

Sir, you are audible.

Sarvjeet Singh

Chairman Sir, first of all, good afternoon to you, all the Board of Directors, all the staff of Max Healthcare Institute Limited, and my co-fellow shareholder.

Chairman Sir, the way you have explained about the Company in your opening

remarks gives a clear vision to Sir that the future of our Company is a bright. First and foremost, sir, thank you so much for considering my last year AGM request of publishing integrated annual report and I am delighted to see the integrated report ensuring the highest level of corporate governance has been held by you. Chairman Sir, right now I am coming to my question.

My first question is, does the Company focus on research and academics to foster a culture of knowledge sharing and collaboration? And the second one is Sir, most top listed companies are conducting Shareholder Certification Survey from these days, since our Company is a part of BSE NSE 100 Index, what are our plans for such conducting surveys? Please tell us a little about this. Also, Chairman sir, we have full confidence that the way you all are working hard day-by-day and leading the shareholders on the path of success, in the same way, we will continue to receive good returns in the future.

Additionally, Chairman sir, we would like to thank your Moderator and your entire staff who have frequently given us the opportunity to speak before you. Thank you so much for giving me a chance to speak in your AGM.

Thank you so much, Sir.

Moderator

Thank you, Mr. Sarvjeet.

I now invite our sixth speaker, Mr. Rakesh Kumar.

Mr. Rakesh, you are in the panel, please start your video and you may ask your question.

Rakesh Kumar

Hello Sir. Audible Sir?

Moderator

You're audible, Sir.

Rakesh Kumar

Chairman Sir, Board of Directors, Company Secretary, and co-shareholders. Sir, thank you very much for giving me the opportunity to speak on this platform.

Sir, the share price has improved so much that there are no questions left for us to ask, and you have clarified everything in your speech about the Company's future and the heights we will reach in the coming times. We have realized this because we are acquiring a new hospital every year. Secondly, sir, since we are continuously acquiring hospitals, would you consider raising funds through a rights issue or some other method? Please tell us a bit about this.

Thank you, sir.

Moderator

Thank you, Mr. Kumar.

I now invite our seventh speaker, Mr. Sandeep Singh.

Sandeep Singh

Am I audible, Sir?

Moderator Yes, you are audible.

Sandeep Singh Good afternoon to the Chairman sir, Board of Directors, and my co-fellow shareholder.

My only question is that, can the shareholder be given free coupon, discount coupon, or free health check up by the Company to the shareholder?

Thank you, Sir.

Moderator Thank you, Mr. Sandeep.

I now invite our eighth speaker, Mr. Santosh Kumar Saraf.

Mr. Santosh, you may start your video and you may ask your question please.

Santosh Kumar Saraf Namaskar!

Let me turn on my video for a bit. Respected Chairman, esteemed members of the Board of Directors, officers, and employees, I, Santosh Kumar Saraf from Kolkata, extend my warm regards to all of you. I hope you are in good health at this time, sir. I also want to express my gratitude to the 13,000 employees, whose hard work has led to our Company performing so well today, sir. Along with them, I thank your family and the employees' families, who constantly stand by them in support, allowing them to contribute fully to our Company, sir.

Sir, you gave a very good presentation and shared a lot of information, and I also thank the management for the Rs. 1.50 dividend, sir. We have 15 hospitals, I believe, sir. Even though I understand that all arrangements must be in place, I still have a couple of questions out of habit, so I am asking them, sir. These days, there are many fire accidents in hospitals, sir. What steps have we taken for fire extinguishers and safety, sir? And since we own 15 hospitals, do we have any arrangements for solar panels in our own buildings? Please take the trouble to share this, sir. Also, what is our Company's ESG rating? Please do share this as well, sir.

Sir, as you mentioned, we are all using artificial intelligence technology, but how can we use it even more in the future? The future is all about AI technology, and when the time comes, we might see robots performing operations. If we embrace such technology, it would be great, sir.

I won't say much more, our employees and directors are working hard. Just one thing, Sir, please ensure that we have a VC meeting in the future so that we can express our gratitude to you and appreciate the good work of all our employees, brothers, and sisters, sir. I wish you all the best for the financial year 2024-25 and pray to God that it will bring success, health, wealth, prosperity, and safety to our Company, our directors' families, and all of our employees' families, sir. I also extend my best wishes to you, your family, and the employees' families for the upcoming festivals. I pray to God that these

festivals bring joy, happiness, and prosperity into their lives, sir. I also extend my personal good wishes for your own festivals. Lastly, Sir, with folded hands, I pray that next year we have a VC meeting.

Sir, as you can see, I'm 76 years old, and so won't be able to come to Delhi for the meeting. If it is not possible, please arrange for a hybrid meeting. I also humbly request our MD to please arrange a hybrid meeting with both physical and VC participation. Thank you, sir. Namaste, and thank you for giving me your time.

Moderator

Thank you, Mr. Santosh.

I now invite our ninth speaker, Ms. Amisha Vijay Bhinde.

Madam, you may start your video and you may ask your question.

Amisha Vijay Bhinde

Thank you for giving me the opportunity to speak here.

My first question is what are the future growth levers for the Company and my second question is where can the ARPOB and EBITDA go from here? That's all for now.

Thank you.

Moderator

Thank you, ma'am.

I now invite our 10th speaker, Mr. Srikanth Jhavar.

Mr. Srikanth, you may start your video and you may ask your question.

Srikanth Jhavar

Sir, can you hear me?

Moderator

Yes, you are audible, Sir.

Srikanth Jhavar

Good afternoon.

Respected Chairman and Board of Directors, first of all, good afternoon. I am Srikanth Jhavar, speaking from Hyderabad through this video conference. Please continue to have video conference meetings like this, sir, because, as my fellow shareholder Saraf Ji mentioned, shareholders can attend meetings through video conferencing, and some directors are attending from outside Mumbai or from Delhi, so please keep it this way, sir.

Sir, do we have any hospitals, especially in the south? Could you tell us a bit about that? And, considering insurance, do we have any plans to open hospitals in rural areas? Please share that. It is observed that FIIs hold 57% of the shares, and this gives a huge boost to small investors like us, indicating that great wealth is going to be created for us through this stock. And just like Apollo Hospital is expanding across India, how much do we plan to expand our hospitals across India in the next 2-3 years? Our Chairman Sir mentioned expansion in Pune and here, so are there any chances of opening hospitals in

other districts, such as in Gujarat, or elsewhere?

Please continue to have video conference meetings like this, and I would also like to thank our Secretarial Department and Mr. Dhiraj for providing the link on time. Lastly, I extend my best wishes for the upcoming Dusshera and Diwali festivals, sir. Thank you.

Moderator

Thank you, Mr. Srikanth.

I now invite our 11th and last speaker Mr. Manoj Kumar Gupta.

Mr. Manoj, you may start your video and ask your question, please.

Manoj Kumar Gupta

Good morning, respected Chairman, board of directors, fellow shareholders. My name is Manoj Kumar Gupta, and I've joined this meeting from my residence in Kolkata. I feel proud to be a shareholder of MAX Healthcare. Sir, first of all, thanks to you and your entire team of management for the excellent result of the company for the year 2023-2024, and for a nice presentation which has covered several questions which were rounding in the mind of investors. And thanks to the Company Secretary and his team to help us to join this meeting through VC. Future plan we have already covered. How do you face the competition, sir? I am a shareholder of all listed medical hospitals/companies. So, how do you face the competition? There is a lot of competition coming in the health sector. Indian health sector is around Rs. 8 lakh crores. So, what is your future outlook for the health sector in the country?

And sir, regarding the government schemes and political promises, such as Ayushman Bharat, Swasth Bharat, Swasthya Sathi in Bengal, and similar schemes offering 5-7 lakh coverage—how much of our money is currently stuck in these schemes? Because there's a complication where you cannot refuse patients who bring these Ayushman cards, especially in non-NDA state-run government states like Tamil Nadu, Kerala, Bengal, and others. If someone comes with a card and you admit them, how much of our money is still stuck in these schemes? And what steps have we taken for recovery, sir?

Sir, the health sector is currently growing in the country. Yesterday, I attended the Global Healthcare Aid event. They are going to Indore, Jaipur, Bombay, and Noida as well. So, what are your plans for this? The eastern part of the country is growing a lot in healthcare right now, and so are the north-eastern regions like Assam, Tripura, and Meghalaya. So, have you any plan to come in this region also, in Odisha, Jharkhand, Bihar? How many beds will you add in 2024-2025 under Max Healthcare? How many beds do you propose to add?

And sir, video conference should continue in future. And how will you reward the investors? And sir, how many surgeries take place by robot? Now, the robot system has come. So, have you installed the robot system for special OTs? And try to use the green energy to save the energy cost, sir.

And sir, last but not least, try to consider the discount coupon; not free, of cost. Three previous speakers said free of cost. Free of cost will be a burden

on the institution. I will suggest you to give some discount coupon or give a special package of 2,500, which includes 15 items for the shareholders or their families for check-up. Insta check-up, Gold check-up plan, Silver check-up plan. Please launch for the investor. With this, I strongly support all the resolutions. And I hope that when we meet next, our share price will be doubled.

Thank you.

Moderator

Thank you, Mr. Gupta.

With this, we complete with the speaker shareholder session. I now hand over the proceedings to the Company Secretary.

Over to you, Mr. Aroraa.

Dhiraj Aroraa

Thank you, members, for your kind words of appreciation.

Now, I would request the Chairman to take up the questions raised by the speaker shareholders. Over to you, sir.

Abhay Soi

Thank you. There are lots of questions. I have penned down some of them. And hopefully, I will cover most of them. And whatever I am not able to, I think my colleague Yogesh will cover that as well.

So, as far as the Jaypee acquisition is concerned, that acquisition is yet to be concluded. It should be concluded in the next couple of weeks. And only thereafter, we will be able to tell you what level of ARPOB and EBITDA, etc., that we will be able to operate at. Having said that, it is a marquee asset, and we believe it will be a significant part of our profitability going into the future, and it should not take very long to mature as well. Thereafter, it gives us a great opportunity to expand operations because it is over 18 acres of land. And like I said, it is a marquee asset in a AAA location.

With respect to benefits to shareholders in the form of coupons or discounts, any benefit that we provide will be considered a pecuniary benefit and would be considered as dividend by the Company. And as a policy, we only provide benefits to shareholders, which can be availed by all shareholders. Some of our shareholders do not live in the geographical locations of where our facilities are. They will not be able to enjoy those benefits. So, any benefits that we provide would be in the form of dividend and not in the form of any free health checkups and so on and so forth, because everybody does not have access to our hospitals.

As far as low dividends are concerned, I think somebody remarked that they were very thankful that the share price has become ₹1,000 or exceeded ₹1,000, whereas it was about ₹400-500 at the same time last year. And yet, why is the dividend only 15%, unlike some of the other players? Now there are two reasons for it.

One is that there are tremendous opportunities in the healthcare space in

India for us to tap. We are able to create ROCE in excess of 34%, which is significantly higher than anybody else in the industry. We've also done multiple acquisitions and we continue to develop our brownfields and other greenfield assets to expand our footprint even further.

So, we are seeing these opportunities, and therefore, we see areas for us to deploy this cash rather than give cash as dividends. What happens is, if you were a Company which was paying high amount of dividends and did not have an ability to deploy the cash, then you would not have had the kind of capital appreciation that you've had on the shares. So, I think you're better off having 100% increase in capital value of your shares than having 15% or 20% or 30% dividend. So, for now, at least we believe we will be consistent with this dividend policy because we see the opportunities that we wish to tap in terms of funding our growth plans.

As far as future growth levers are concerned, I think future growth levers are of three types that we have in front of us.

We have, of course, the organic growth that we have through upscaling our clinical programs. Robotics have seen more than 60% increase over the last year alone. Oncology is growing at about 25%. Our international business is growing at about 24%. The number of robotic surgeries last year was approximately 3,700. Like I said, it's an increase of over 60%. So, we keep moving up the clinical curve as far as organic growth is concerned. This leads to a growth in top line as well as a growth in EBITDA. Please do keep in mind, that unlike normal inflation, there's real growth also which happens in hospitals, because any sort of innovation which happens, eventually passes through the portals of a hospital. So, all of that real growth does take place.

Other than that, we have done multiple acquisitions over the last six months alone, and thereby we have increased our bed capacity by more than 50% by acquiring not only the two acquisitions in Lucknow and Nagpur, but most recently Jaypee, as well as commissioning a new hospital in Dwarka. So that's, I think, an increase of about close to 1,700 beds on a base of 3,500 beds, and this is in the last six months alone.

So, other than that, we are looking forward to capacity addition of close to 1,000 plus beds in first quarter next year, that would increase our capacity even further. We have also purchased land in Lucknow for another 400-500 beds on Shaheed Path. We have just signed up a build-to-suit in Zirakpur in Punjab, and this is for another 250 beds. Then we have, on the anvil, Patparganj, another hospital coming up. We have on the anvil another hospital perhaps coming up after the next 4-5 years in our Saket cluster, with 600 beds.

So, you are seeing huge amount of growth opportunities there, brownfield in nature, as well as the asset-light models, because we are tying up with local developers for leasing assets which are constructed by them. It insulates us against any time and cost overruns and development risks. So that's a risk-free way of kind of adding capacity. But we are seeing a significant capacity addition, close to about 3,500 beds now, in addition to the 50% capacity

addition that we have already done. So, almost 80% capacity addition over the next three years. A large number of levers as far as growth is concerned.

If you look at our adjacent businesses, both Max Lab and Max@Home are growing at about 25% CAGR and over last many years. As we enter new cities, it gives these businesses a further fillip. So, I think we are on a good footing as far as the Company is concerned, in a very risk-free manner, to enhance our revenues as well as profitability and penetration within various other geographies.

Somebody did mention that there are other players which are entering some of the geographies like Indore and some are in South and so on. I think the Indian healthcare scenario allows for a lot of assets to be created. As per a recent Knight & Frank report, we require more than 2 billion square feet of healthcare infrastructure. And I can tell you something, if all the existing players would come and double or triple their capacity at this point in time, we still would not reach that optimum mark.

So, there are various segues of expansion, various geographies which various players are expanding in. I'm happy to note that nobody really seems to be expanding in the same geography because that's the big roadway that you have in front. So, everybody is expanding and it is a good thing. We need that in order to create quality infrastructure. So rather than look at other people's expansion, we are very happy that we are expanding, and perhaps, the expansion roadmap that we have in front is significantly more than compared to anybody else. And we are doing it in a risk-free manner.

Till very recently, we have been a debt-free company. We will have a bit of debt now due to this recent acquisition of Jaypee that we are concluding, but very well within our stated target. Right now, it is almost 0.5x net debt to EBITDA. So, we will continue with that, with a low-risk model, low-debt model on a balance sheet.

I think, again, somebody also spoke about bonus and split. At this point of time, we are not considering that. We are not really seeing any great benefit in splitting a share or providing a bonus, because it does not really change the capital structure. It is more sort of accounting than anything else.

With respect to requiring further capital to fund our CAPEX, like I mentioned, it will be very little debt that we will be requiring. We will not be requiring any external capital in the form of equity. So, we do not need to do any preferential capital or any rights issue or whatever.

Today, our assets are generating a significant amount of free cash flows, which are being used to redeploy to create all of those assets that we are creating at present. So, we are in a good place as far as that is concerned. As we create more assets, these assets themselves will generate more free cash flows. So, we see ourselves being past their critical size, critical mass where we require. We have already broken away from that. We are snowballing into a situation where we are creating higher and higher amount of free cash flows, which we then dedicate to further capacity expansion, tapping into the

large demand-supply gap that India has in terms of quality infrastructure. So, I think we are in a good place with respect to that, and we do not really need to raise any further capital in times to come.

How do we face our competition? In many ways, in many markets, we are very happy to tell you that each one of our hospitals has a significantly higher occupancy in whichever micro markets that we operate in compared to the peers. And this is really a demonstration of the fact that we are able to provide, have a higher credibility, perhaps in my mind, or provide better outcomes, a better value proposition that people prefer our hospitals, and therefore leading to higher occupancy and unavailability of beds, which we are now trying to rectify.

With respect to Ayushman. Somebody did ask, what about the government schemes like Ayushman, and how much money is in receivables with these schemes and so on? Ayushman Bharat and none of other state schemes are compulsory. None of our hospitals have adopted these schemes. So, I'm happy to tell you that we have no outstanding with that. Approximately 6% of our beds are totally free for the poor; we don't charge for that. And these are really as part of our land leases. So, we adhere to that, we ensure that it is done. But that is separate because it is totally free. There is no recoverable on that from the government or any other agency. But we do not really have any government schemes, such as Ayushman Bharat that we have empaneled with, nor are these schemes compulsory. These schemes are attractive to some players in the industry, but although they are on lower rates, and they have adopted these schemes. We do not have any such problems.

So, if I missed out on anything, including I think perhaps fire or safety, I probably would have missed out on. Yogesh, you may want to take those.

Yogesh Kumar Sareen

Yeah, so I think there was a question on how many beds are getting added in this year.

So, this year we have around 440 beds to be added, of which 300 has already been added, 140 will be added by December. And then, we also have this Jaypee acquisition, which we hope to conclude by the end of this month. So that will add another 500 beds in this year. So that means, if I take the Jaypee acquisition also, then we'll be adding around 1,000 beds to the network in this year. We have a lot of capacity being added next year, and you have the details of that already in the Annual Report. So that's one question.

And there was also a question about the fire safety. I want to assure the shareholders that we have a lot of money being spent on fire safety. We have a lot of focus on fire safety. In fact, the Risk Management Committee meets and discusses the fire safety every six months. We have a detailed checklists which are filled up on a daily basis. So, I would say, we have all that one can do to protect the people in the hospital from fire. And I would say, not only fire safety, it's also electrical safety. Every two years we get an audit done by a third party, and this is in addition to the annual audit which is done by the government departments. So, I want to assure the shareholders that we do all that can be done on fire safety in our hospitals. Thank you.

Dhiraj Arora

So, there was a question on conducting the Shareholder Satisfaction Survey. So, I wish to update that we are committed to continuously enhancing our shareholder engagement practices to improve our shareholder services and strengthen services standard.

The Company had conducted a Shareholder Satisfaction Survey during FY23-24. A questionnaire containing six key questions on various aspects of the shareholder experience was sent to the shareholders via email. And I'm happy to report that the survey results indicate that a high level of investor confidence, with 83% of responses categorized as Excellent or Good.

Thank you, members, for raising your questions. Though the management has answered all the questions raised, in case any question is left out, we would request the members to drop us an e-mail at investors@maxhealthcare.com.

The Board has appointed Mr. Devesh Kumar Vasisht, Partners of DPV & Associates LLP, Practicing Company Secretaries, as Scrutinizer, to scrutinize remote E-voting process and E-voting process for this AGM in a fair and transparent manner. His decision will be final with regard to validity and results of the voting of this AGM.

The Members present at the meeting, who could not cast their vote during remote E-voting period, can cast their votes using Instameet E-voting platform until 15 minutes from conclusion of this meeting.

The resolutions as set forth in the Notice of AGM shall be deemed to have been passed today, subject to receipt of requisite number of votes. Based on the Scrutinizer's report, the combined results for the remote E-voting and E-voting done at this meeting will be declared within prescribed timelines from the conclusion of this AGM.

Results will be submitted with Stock Exchanges and will also be uploaded on Company's website and website of Company's RTA, Link Intime India Private Limited.

We have now carried all the items mentioned in the Notice of AGM. With the permission of Chairman, the meeting stands concluded.

I thank all the members and participants for attending this meeting. We wish you safe and healthy year ahead.

Namaskar!

The meeting was concluded at 1:16 pm (IST) (including time allowed for E-voting at the AGM).

Note: This transcript has been edited for the purpose of factual accuracy, better reading & clarity.