



SAHAJANAND MEDICAL TECHNOLOGIES LIMITED

Transcript of 23rd Annual General Meeting of Sahajanand Medical Technologies Limited held on Friday, September 27, 2024, at 5:00 P.M. (IST) through Video Conference

Attendees:

Directors & Key Managerial Personnel present through Video Conferencing (“VC”)	Designation
Mr. Bhargav Dhirajlal Kotadia	Chairperson of the Meeting, Managing Director
Mr. Gautam Gode	Non-Executive Director
Mr. Jose Calle Gordo	Non-Executive Director and Chairperson of Nomination & Remuneration Committee
Mr. Abhishek Kabra	Non-Executive Director and Chairperson of Audit Committee
Ms. Sonalika Dhar	Independent Director
Mr. Amit Kumar Khandelia	Chief Financial Officer
Ms. Deepshikha Singhal	Company Secretary

Invitees present through VC
Mr. Mukesh Jain (Partner) & Mr. Raj Mehta (Director) <i>(Authorized Representative of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors)</i>
Mr. Swapnil Hasabnis <i>(Authorized Representative of M/s. Mayekar & Associates, Practicing Company Secretary)</i>

Ms. Deepshikha Singhal: Good evening, everyone! I welcome you all to the 23rd Annual General Meeting (“AGM”) of the Company.

Please note that Mr. Dhirajlal Kotadia, Chairperson is not attending the meeting due to his other commitments and accordingly, I propose that Directors present at the Meeting shall elect one of themselves to be Chairperson of the meeting.

All the Directors unanimously elected Mr. Bhargav Kotadia as the Chairperson of the Meeting.



Mr. Bhargav Kotadia : Good evening, everyone, I hope you and your family members are safe and in good health. I welcome you all to this 23rd AGM of the Company.

Ministry of Corporate Affairs has issued various circulars permitting the Companies to hold AGM through Video Conference facility or other audio-visual means, without the physical presence of the Members at a common venue. Therefore, in compliance with the provisions of the Companies Act, 2013 and MCA Circulars, the AGM of the Company is being held through Video Conference. The deemed venue for this AGM is the Registered Office of the Company at Surat.

I will now call on the Directors who are at this video conference to introduce themselves.

I request Mr. Jose Calle Gordo to introduce himself.

Mr. Jose Calle Gordo: Hi everyone, Good Morning, I am Jose Calle Gordo, I am a Non-Executive Director of the Company and attending the meeting from London UK.

Mr. Abhishek Kabra: Hi everyone, this is Abhishek Kabra, I am the Nominee Director on behalf of Samara Capital & Non-Executive Director on the Board of SMT and attending the meeting from Mumbai.

Mr. Gautam Gode: Hi everyone, I am Gautam Gode, I am the Nominee Director of the Samara Capital & Non-Executive Director on the Board of SMT and attending the meeting from Delhi.

Ms. Sonalika Dhar: Hi everyone, this is Sonalika Dhar, I am an Independent Director on the Board of SMT and attending the meeting from Mumbai.

(Members were informed by Ms. Singhal that Mr. Dhirajlal Kotadia, Non-executive Director, Mr. Harivadan Pandya, Non-executive Director, Mr. Ganesh Sabat, Executive Director and Mr. Debasis Panigrahi, Independent Director could not attend the Meeting due to their pre-occupancy.)

Mr. Bhargav Kotadia: Since the physical attendance of members is dispensed with, the requirement of appointing proxy is not applicable.



I confirm that:

- There is an adequate quorum, and the Company has received the necessary corporate authorizations in this regard. The quorum being present, I call the Meeting to order.
- The Meeting is duly constituted in accordance with the Act and the Articles or any other applicable laws
- All reasonable efforts have been made by the Company to enable the Members to participate and vote on the items being considered at the Meeting.

Representative of Statutory Auditors & Secretarial Auditors and Chairperson of the Audit Committee and Nomination and Remuneration Committee are also attending the Meeting.

The Annual Report and notice of this meeting were served electronically to all the Members and other stakeholders.

Statutory registers such as Register of Directors and KMPs, Register of Members, register of Contracts or Arrangements in which Directors were interested and such other documents referred to in the Notice are available for inspection by the Members during the Meeting.

In terms of Articles of Association all business to be transacted at this meeting of members of the Company shall be decided on a poll.

Accordingly, facility of voting through poll will be provided during the Meeting. The equity shareholders or their representatives shall cast their vote on the resolutions, by filling in the details as required in the online polling forms and submitting their response.

Polling process will be conducted in compliance with the applicable provisions of the Act and MCA Circulars and members will be briefed on the polling process later during the Meeting. The polling process will be conducted and scrutinized by the Company Secretary and the result of the voting will be announced at the end of the Meeting.

Ms. Deepshikha Singhal: We are now commencing the proceedings of the Meeting with Chairperson Speech. I request the Chairperson to please take the Meeting forward.



Mr. Bhargav Kotadia: On behalf of the Board of Directors and Sahajanand Medical Technologies Limited, it is an honor for me to present to you 23rd Annual Report for the Financial Year ended 31st March 2024.

It is with great pleasure that I share with you the culmination of another exciting year at Sahajanand Medical Technologies Limited (“SMT”). This enriching journey is encapsulated in our Annual Report that captures the progress we made in FY24, advancing our growth momentum with strategic initiatives, amidst an evolving external environment.

As I reflect on the remarkable strides we have made over the last year, it is evident that our dedicated team and loyal customers are at the centre of our endeavours, consistently propelling us towards greater heights.

Economic Scenario

India continues to assert its position as the world's fastest-growing major economy, propelled by strategic policy interventions and a revitalised synergy between the public and private sectors. Amidst global economic fluctuations, India stands out with its remarkable growth in FY 2023-24. This marks the third consecutive year of growth exceeding 7%, significantly outpacing the global average. This robust momentum is driven by a host of factors, including increased public sector investment in infrastructure, a resilient and adaptive financial sector, and a surging consumer demand. Additionally, the thriving manufacturing sector, sound growth in agricultural sector, favourable Government policies, growing global trade opportunities, and technological innovations continue to fuel the outstanding performance of the Indian economy.

The healthcare and medical device sectors in India have grown significantly in the last decade. A wide range of medical devices, from consumables to implantable medical devices, are produced in India. The market size of the medical devices sector in India is estimated to be \$11 billion in 2020 and expected to grow to \$50 billion by 2030 with CAGR of 16.4%.

However, there is still a huge gap in the current demand and supply of medical devices in India, as India has an overall 70-80% import dependency on medical devices.



To bridge the gap, the government has come up with multiple initiatives and policies to promote India's medical device sector.

Market

- *The global drug-eluting stent (DES) market is projected to reach approximately USD 3.2 billion by 2026, driven by increasing rates of cardiovascular diseases and rising demand for minimally invasive procedures.*
- *The PTCA balloon market is expected to grow significantly, projected to reach around USD 1 billion by 2026, fuelled by advancements in technology and increasing adoption in clinical settings.*
- *The TAVI market is poised for substantial growth, with an estimated size of USD 7 billion by 2026, supported by rising acceptance and increasing prevalence of valvular heart diseases.*
- *The occluder market is also on the rise, with projections indicating it will reach around USD 0.5 billion by 2026, driven by the demand for minimally invasive interventions.*

Key Highlights of FY 2023-24

- *In November 2023, we launched our new Aortic Valve Delivery Catheter (AVDC) featuring our patented Active Release mechanism.*
- *We introduced our new PTCA balloon with 6F KBT technology, significantly improving flexibility and trackability.*
- *Our collaboration with Technology Development Board (TDB) is focused on achieving complete vertical integration of TAVI technology in India, bringing critical capabilities such as Nitinol cutting, shape setting, extrusion, and braiding in-house.*
- *We have launched the latest generation Drug-Eluting Stent (DES), the Supraflex Cruz Nevo during the year.*
- *The Company successfully entered new markets for TAVI, including Malaysia, the UK, Albania, Greece, Egypt, Iran, Turkey, and the UAE.*
- *Your Company has formed a strategic partnership with Rampart Inc.*
- *The Company is also working with Accenture to improve our operational efficiency.*



Our financial performance has significantly improved in FY24, with a remarkable 13% consolidated revenue growth compared to FY23. This achievement is a testament to our dedicated global team, continued investment in R&D, and strategic commercial execution. Our go-to-market strategy in key European markets, including Germany, Spain, France, the UK, Poland, and Brazil, has contributed substantially to our growth. Today, we proudly market our products in 80 countries around the world.

In today's landscape, the success of a business is not measured solely by financial metrics; it also encompasses our contributions to society. As part of our Corporate Social Responsibility (CSR) initiatives, we run two impactful projects focused on "Women Empowerment" and "Healthcare Access."

The "Women Empowerment" project aims to enhance the skills and livelihood potential of underserved women through structured tailoring training. Concurrently, our "Healthcare Access" initiative provides free primary health services to underserved areas via Mobile Medical Units, ensuring that healthcare reaches those who need it most.

The Board of the Company is entrusted with the ultimate responsibility for governance, strategic direction, and performance oversight. We provide leadership and objective guidance, ensuring that management adheres to principles of fairness and transparency. The Board and its Committees are well-equipped to guide the Company toward achieving excellence and creating value for all stakeholders.

In conclusion, I extend my heartfelt thanks to all of you for your continued trust and support, which empower SMT to overcome challenges and strive for excellence. I express my gratitude to my fellow Board Members, shareholders, employees, contractors, and vendor partners for your unwavering commitment to our mission and our "Pledge to Save Millions."

Now, with the permission of the members present at the Meeting, I take the Notice of the 23rd AGM as read.

I now request Mr. Amit Kumar Khandelia and Ms. Deepshikha Singhal to provide a brief update on agenda proposed to be considered at the Meeting.



Ms. Deepshikha Singhal: Thank You Bhargav.

(A Presentation was shared with all the Shareholders)

We will now move to the matters that are proposed to be considered at this Meeting.

We have 3 **Ordinary Businesses**, which are as under:

Agenda Item No. 1 relates to consideration and adoption of the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the Reports of the Board of Directors and Auditors thereon.

Members are requested to approve the agenda item by passing the ordinary resolution.

Agenda Item No. 2 & 3 relates to appointment of directors in place of Mr. Abhishek Kabra (DIN: 06782685), Non-Executive Director and Mr. Ganesh Sabat (DIN: 07983480), Executive Director, who retires from office by rotation and being eligible, have offered themselves for re-appointment.

As per the applicable provisions of Companies Act, 2013, two of the directors Mr. Kabra and Mr. Sabat were due to retire by rotation this year and being eligible, they have offered themselves for re-appointment.

Brief resume including qualification, experience, expertise in specific functional area and other required details were included in the notice of AGM.

Approval of members is sought by way of ordinary resolution and post approval; Mr. Kabra & Mr. Sabat shall act as the Non-executive Director and Executive Director, respectively, liable to retire by rotation.



Moving on to the **4 Special Businesses**, as under:

Agenda Item No. 4 relates to ratification for payment of Minimum Remuneration to Mr. Ganesh Sabat, Executive Director & Chief Executive Officer (DIN: 07983480) for FY 2023-24.

The remuneration of Rs. 4,06,52,022 paid to Mr. Sabat during FY24.

Remuneration paid during FY24 was in excess of the limits prescribed under the provisions of the Companies Act, 2013 due to no profits or inadequacy of profit in FY24.

Accordingly, approval of members is sought by way of Special resolution for ratification of remuneration paid to Mr. Sabat during FY24.

Brief statement including information required in terms of the Act read with Secretarial Standards on General Meetings is forming part of the Notice circulated along with the Annual Report.

None of the Directors of the Company and/or their relatives, except Mr. Sabat, are in any way concerned or interested in the proposal.

Agenda Item No. 5 relates to ratification for payment of Minimum Remuneration to Mr. Bhargav Kotadia, Managing Director (DIN: 06575042) for FY 2023-24

The remuneration of Rs.1,76,12,469 paid to Mr. Kotadia during FY24.

Remuneration paid during FY24 was in excess of the limits prescribed under the provisions of the Companies Act, 2013 due to no profits or inadequacy of profit in FY24.

Accordingly, approval of members is sought by way of Special resolution for ratification of remuneration paid to Mr. Kotadia during FY24.

Brief statement including information required in terms of the Act read with Secretarial Standards on General Meetings is forming part of the Notice circulated along with the Annual Report.



None of the Directors of the Company and/or their relatives, except Mr. Bhargav Kotadia and Mr. Dhirajlal Kotadia are in any way concerned or interested in the proposal.

Agenda Item No. 6 relates to revision in Remuneration of Mr. Ganesh Sabat, Executive Director and Chief Executive Officer (DIN: 07983480)

It is proposed to revise the remuneration of Mr. Sabat as provided herein below:

Remuneration Components	Amount in Rs.
Fixed	Upto Rs. 4,00,00,000
Variable (based on performance – actual payout to be determined by the Board of Directors)	Upto Rs. 3,20,00,000
ESOPs (Vesting - Later of 1 year or EUMDR approval on the Company's DES product)	16,000 shares at exercise price of Rs. 1 from Pool 2
Total	7,20,00,000

Detailed terms of remuneration are provided in the Notice of AGM as circulated along with the Annual Report.

In case of no profits or inadequacy of profits, the Company may pay remuneration over the ceiling limit as specified in the Act, provided the members' approval by way of a Special Resolution has been taken for payment of Minimum Remuneration for a period not exceeding 3 years.

Accordingly, it is proposed to revise the remuneration of Mr. Sabat as provided herein above for a period of 3 years from FY 2024-25 to FY 2026-27 by passing a Special Resolution.

Brief statement including information required in terms of the Act read with Secretarial Standards on General Meetings is forming part of the Notice circulated along with the Annual Report.

None of the Directors of the Company and/or their relatives, except Mr. Sabat, are in any way concerned or interested in the proposal.



Agenda Item No. 7 relates Minimum Remuneration to Mr. Bhargav Kotadia, Managing Director (DIN: 06575042) in case of no/inadequacy of profits

In case of no profits or inadequacy of profits, the Company may pay remuneration over the ceiling limit as specified in the Act, provided the members' approval by way of a Special Resolution has been taken for payment of Minimum Remuneration for a period not exceeding 3 years.

Accordingly, it is proposed to pay remuneration of Rs. 1,80,00,000 to Mr. Kotadia as a Minimum Remuneration in case of no profit / inadequacy of profit by passing a special resolution for a period of 3 years from FY 2024-25 to FY 202026-27.

Brief statement including information required in terms of the Act read with Secretarial Standards on General Meetings is forming part of the Notice circulated along with the Annual Report.

None of the Directors of the Company and/or their relatives, except Mr. Bhargav Kotadia and Mr. Dhirajlal Kotadia are in any way concerned or interested in the proposal.

I would now request the Chairperson to continue with further proceedings.

Mr. Bhargav Kotadia : Thank you, Deepshikha, for presenting the update. Members who wish to speak or have any query on the agenda items, may either post their questions in the chat box or click on raise "Raise Hand" tab available on the screen.

(No questions were raised)

Mr. Bhargav Kotadia : We will now commence the voting process and I would request Ms. Singhal to brief the members on the voting process.

Ms. Deepshikha Singhal: Thank you, Bhargav.

- Voting will be carried out through online Polling Paper.
- Link for Polling Paper will be shared in the Chat Box.



- Equity Shareholders or their representatives are requested to fill in the details as required in the Polling Paper, along with their assent or dissent on all the resolutions.
- Members are requested to confirm in the Chat Box once they complete the voting process.

(Link of Polling Paper was shared in the chat box)

I have shared the link for voting in the Chat box. Please confirm if you can access the link to the polling paper.

(Members confirmed that they can access the link.)

Ms. Deepshikha Singhal: We have received the voting from all the members. I confirm that all the members who are present at the Meeting and are eligible to vote have completed their voting.

I further confirm that all the Polling Papers received were valid and the resolutions have been unanimously passed. I request the chairperson to declare the voting results and conclude the meeting.

Mr. Bhargav Kotadia: Thank you all, on the basis of the Polling Papers, I declare that all the resolutions have been passed unanimously by the members.

Thank you everyone for your presence at the Meeting and for your co-operation and patience during the conduct of this Meeting.
