

VISION 20.6

a blueprint for smarter healthcare

20.6

“
OUR MISSION IS TO BRING HEALTHCARE OF
INTERNATIONAL STANDARDS WITHIN THE
REACH OF EVERY INDIVIDUAL. WE ARE
COMMITTED TO THE ACHIEVEMENT AND
MAINTENANCE OF EXCELLENCE IN
EDUCATION, RESEARCH AND HEALTHCARE
FOR THE BENEFIT OF HUMANITY ”



Vision 20.6

A vision to look beyond the ordinary. To conquer the unknown. The vision to forge a new way.

A NEW WAVE OF HEALTHCARE

The difference between good and great is, at most times, a matter of perspective. It is the subtle variations in vision and focus that translates to the wide gulf between the two adjectives. Being great at what you do comes from determination, an inherent conviction and the discipline to see it through.

It all starts with a vision. A vision that empowers one to look ahead, to see things as they are. At Apollo we believe in Vision 20.6 - the rare ideal that defines perfection. It is rarely achievable. While most set their standards at the fairly common 20.20 mark, we understand that just isn't good enough.

20.6 vision is when you can see at 20 feet what others can discern only at 6 feet. It is the realm in which fascinating creatures like the eagle and the hawk operate. The mythical Jatayu, in the Ramayana, was said to possess spectacularly gifted sight. One can imagine it was 20.6 vision.

Our vision has been our talisman. Our ability to translate vision to reality has been our strength. We have done this by building in incredible focus in our way of working. Our culture of crystallizing vision into focus, execution and delivery has given life force to our revolutionary mission. In 15 years it has seen us become one of the leading integrated healthcare service providers in India

20.6 vision demands we look ahead. And make no mistake, healthcare is changing. The signs are already evident. Changing lifestyles, global dynamics and rapidly evolving technology have combined to provide impetus to this new wave of healthcare. It is a brand of healthcare that we are ready to embrace, ready to take on.



Hon'ble President of India, Smt. Pratibha Patil conferred Dr. Prathap C Reddy with the Padma Vibhushan, India's second highest civilian award in recognition of his immense contribution to healthcare.

Message

About three decades ago, Apollo Hospitals was only a fledgling of an idea. Born of a necessity to offer better healthcare to Indians, it has since become one of the leading healthcare service providers in India. The Apollo Hospitals Group has consistently envisioned patients' needs and introduced game changing innovations.

In the year gone by, Indraprastha Apollo has broken new grounds - from successfully carrying out the first independent Auditory Brain Implant (ABI) on a four year old child, to providing a unique mobile healthcare solution in collaboration with leading telecom service providers (m-health) to bringing North India's first of its kind Novalis Tx. Apollo remains true to its mission of bringing healthcare of international standards within the reach of every individual.

This year, we have launched a new strategic initiative around our Centres of Excellence to build on our core philosophy of high quality of care in key areas of Cardiac Sciences, Neuro Sciences, Orthopaedics, Oncology, Emergency and Transplants. The objective is to deepen and strengthen our leadership position and reputation in these critical areas by increasing our focus on clinical outcomes and patient care, simultaneously encouraging the development of sub-specializations. These form a critical part of our Vision 20.6 blueprint which is the rare ideal that defines perfection.

As we forge ahead, healthcare will become even more inclusive. The inauguration of the first Dialysis centre in collaboration with the Central Government Health Scheme (CGHS) and our active participation in Delhi Government's Bhagidari Program is a testament of Apollo's collaborative spirit.

In the years to come, your hospital will continue to define benchmarks in clinical care and service excellence. We always serve the patients with Tender Loving Care, state of the art technology, systems and the best talent India has to offer – medical or managerial. Our constant focus on clinical excellence and in attracting and retaining clinicians has become the corner – stone of our success.

We have received accolades which testify to our achievements and reinforces our commitment to excellence in patient care. Indraprastha Apollo Hospitals has been consistently rated as one of The Best Hospitals in India by 'The Week' survey – this year we have been ranked 5th Best Hospital in India and 2nd Best Hospital in Delhi.

Further, your company launched one of India's most visible campaigns against Heart Disease the 'Billion Hearts Beating Campaign' which focused on raising heart health awareness and encouraged citizens to take a pledge for a healthy heart. This campaign was officially launched in Delhi by our Hon'ble Chief Minister Smt Sheila Dikshit.

The Apollo Hospitals brand has come to symbolize hope and relief to patients, not only in India but across the globe as witnessed by the international patients being treated. The day is not far off when India will become the preferred Healthcare destination of the world and we at Apollo will strive to be at the forefront of the change.

I thank you for your confidence in Indraprastha Apollo Hospitals. Finally, I wish to thank the Board of Directors, doctors, employees, bankers and financial institutions and the Central and State Governments for extending their support in the initiatives undertaken by our company.

With warm personal regards to you and your families,



Dr Prathap C Reddy
Founder - Apollo Hospitals Group

**EXCELLENCE.
EXPERTISE. EMPATHY.**
three words that define
our culture. one mission
that anchors our vision.

At the heart of the Apollo story is the our unique prowess in clinical excellence, revolutionary expertise and the warm culture of Tender Loving Care. This defines the philosophy that makes Indraprastha Apollo Hospitals a trusted healthcare provider. It is this philosophy that has propelled our mission to touch lives, to heal and to continuously improve healthcare delivery in India. Indraprastha Apollo Hospitals is driven by a single thrust, to provide the best standards of patient care. It is this passion that has led to the development of our centers of excellence across medical disciplines.

Apollo's path breaking developments in clinical excellence, research and nurturing expertise stems from a simple goal to make the patient experience safer and better, and make our brand of healthcare more effective and efficient.



OUR VISION 20.6 IS FORTIFIED BY OUR CULTURE OF **EXCELLENCE**



Excellence at Indraprastha Apollo Hospitals is a continuous journey. The zeal to excel is the common thread that binds all the departments and functions in the Hospital towards a common goal. We continuously strive towards improving the structures and processes to achieve the best outcomes for our patients. This drive to excel in the fast changing world of medicines leads us from one quality improvement initiative to another. We focus on Clinical, Academic and Research Excellence. Skilled doctors and minutely detailed protocols have ensured its place among the world's best, in terms of outcomes and clinical excellence.

Indraprastha Apollo Hospitals became the first Hospital in India which received accreditation in the year 2005 and re-accreditation in the year 2008, from the Joint Commission International, USA (JCI) for delivery of quality healthcare services and meeting the JCI Standards for Patient Safety. Indraprastha Apollo Hospitals was surveyed again for re-accreditation in July, 2011, and has amply demonstrated greater than acceptable compliance with JCI Standards, which reflects our commitment to improve the safety and quality of patient care.

Another endorsement of our superiority in high class health-care delivery is the fact that every year thousands of patients from the world over come to our Hospital for treatment.

- ACE@25 (Apollo Clinical Excellence) is a clinical balance score card that we have institutionalized within the hospital to constantly measure and improve our performance across numerous parameters. ACE@25 incorporates 25 clinical quality parameters involving complication rates, mortality rates, one year survival rates and average length of stay after major procedures covering all major specialties. Also included are hospital acquired infection rates, patients satisfaction and medication errors. Benchmarks have been chosen from the world's best hospitals.

- A unique project titled Rocket 14, has been launched to focus towards service delivery and clinical excellence in cardiac sciences, Oncology, Neurosciences, Orthopaedics, Multi Organ Transplant and emergency medicine (what we refer as "Centres of Excellence") with the objective of becoming the first choice of patients in respective areas.

**VISION 20.6
IS NURTURED BY
A DEEP WEALTH
OF EXPERTISE**

Indraprastha Apollo Hospitals has been at the forefront of the march to nurture medical expertise and heighten efficiencies. Our focus has always been to provide the highest standard of medical treatment, enabled by attracting the best doctors, nurturing the best support staff and investing in tomorrow's technology, today.

Indraprastha Apollo Hospital has developed Clinical Practice Guidelines (CPGs) and Clinical Pathways (CPs) for treating various diagnoses in consultation with consultants in the respective specialty. Adherence to CPGs and CPs by our physicians is monitored on a continuous basis through closed file audits by the quality teams. Acute Myocardial Infarction, Fulminant Hepatic Failure, Seizure management, LSCS, Hysterectomy, Renal Transplants are a few diagnoses where CPGs are followed. CABG, GI Bleed, TURP, Lap Chole are examples of clinical pathways followed by the hospital. CPGs and CPs are reviewed on a periodic basis for incorporating newer developments.



An eagle can have
visual acuity of upto 20.2

**VISION 20.6 COMES
ALIVE WITH THE
WARMTH OF EMPATHY.
THE HEALING TOUCH
OF OUR TENDER LOVING
CARE (TLC) PHILOSOPHY**



Tender loving care (TLC) is a silent revolution that sweeps the corridors of Indraprastha Apollo Hospital, every single day. Its objective is simple and clear - ensure the best patient experience possible. It consists of a deck of best practices that encompasses the universe of patient touch points. It is a wide range of systems that have been perfected to ensure that every process at Indrapastha Apollo Hospitals is patient-centric. This is at the heart of the Apollo Way.

The TLC philosophy comes alive with the commitment of the members of the Apollo family. The doctors, nurses and other members come together and weave the magic that transforms Apollo into a place which is warm, helpful and friendly for every patient who comes in.

An eagle has vision that enables it to spot things upto one and a half miles away



Board of Directors

| | |
|---|--|
| Chairman | : Mr. P. K. Tripathi |
| Vice Chairman | : Dr. Prathap C. Reddy |
| Managing Director | : Mr. Jaideep Gupta |
| Directors | : Mr. Anil Kamineni Mr. Anshu Prakash Dr. B. Venkataraman Mr. D. M. Spolia Prof. Ranjit Roy Chaudhury Ms. Renu S. Karnad Mr. Satnam Arora Mr. S. Regunathan Ms. Suneeta Reddy Mr. T. S. Narayanasami Lt. Gen. (R) Vijay Lall, AVSM, PVSM, ADC Prof. V. N. Rajasekharan Pillai |
| Vice President Cum Company Secretary | : Mr. Ajay Kumar Singhal |
| Registered Office & Hospital Complex | : Sarita Vihar, Delhi – Mathura Road, New Delhi – 110 076 |
| Hospital at Noida | : Apollo Hospitals, E-2, Sector-26, Noida – 201 301 |
| Auditors | : M/s. S. C. Vasudeva & Co. Chartered Accountants, New Delhi |
| Bankers | : Oriental Bank of Commerce AXIS Bank Limited IndusInd Bank Limited |



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Indraprastha Medical Corporation Limited

NOTICE

Notice is hereby given that the twenty-third Annual General Meeting of Indraprastha Medical Corporation Limited will be held on Wednesday, 14th September, 2011 at 10.30 a.m. at NCUI Convention Centre, 3 Khel Gaon Marg, New Delhi - 110016, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Report of Directors' and Auditors' thereon.
2. To declare dividend on shares.
3. To elect a Director in place of Dr. B. Venkataraman who retires by rotation and being eligible, offers himself for re-election.
4. To elect a Director in place of Lt. Gen. (R) Vijay Lall, PVSM, AVSM, ADC, who retires by rotation and being eligible, offers himself for re-election.
5. To elect a Director in place of Prof. V. N. Rajasekharan Pillai who retires by rotation and being eligible, offers himself for re-election.
6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s. S. C. Vasudeva & Co., Chartered Accountants, be and is hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion of the next Annual General Meeting of the Company at a remuneration of Rs. 12.00 lacs plus out of pocket expenses."

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. P. K. Tripathi be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. D. M. Spolia be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Anshu Prakash be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation."

10. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT subject to the provisions of Section 198, 269, 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and such other approvals as may be necessary, the Company hereby accords its approval for the re-appointment of Mr. Jaideep Gupta as Managing Director of the Company for a period of 2 years w.e.f. 30th April, 2011, on the terms and conditions including remuneration as given below:-

A. Salary

- a) Basic Salary Rs. 4,31,250/- (Rupees Four Lakhs Thirty One Thousand Two Hundred Fifty only) per month.
- b) Performance bonus as may be decided by the Board, for each financial year or part thereof, subject to a ceiling of 35% of the annual Basic Salary.

B. Perquisites

- a) Rent free accommodation.
- b) Free use of Company's car with chauffeur.
- c) Fees of one club. Admission and life membership fees shall not be allowed.
- d) Reimbursement of Professional membership fee.
- e) LTA once in a year for self and family, as per the rules of the Company.
- f) Reimbursement of medical expenses for self and family, as per the rules of the Company.



- g) Insurance premium for Hospitalization Policy for self and family, as per the rules of the Company.
- h) Group Personal Accident Insurance premium, as per the rules of the Company.
- i) Contribution to Provident Fund as per the rules of the Company.
- j) Free Telephone facility at residence and Mobile Phone. Personal long distance calls on Telephone / Mobile Phone will be billed to the Managing Director.
- k) Leaves as per the rules of the Company. Leave accumulated but not availed of, can be encashed at the end of the tenure.
- l) Gratuity as per the rules of the Company.

C. Others

- a) Notice for separation - either party shall be at liberty to terminate the appointment with three months notice in writing to the other or payment of Basic Salary in lieu of the notice period.
- b) Mr. Jaideep Gupta will not be entitled to sitting fee for the meetings of the Board/ Committee of the Board, attended by him.
- c) If at any time, Mr. Jaideep Gupta ceases to be the Managing Director of the Company, he shall cease to be a Director of the Company.

D. Minimum Remuneration

In the absence or inadequacy of profits in any financial year during the currency of tenure of the Managing Director, the Company shall pay the above-mentioned amount of remuneration and benefits to Mr. Jaideep Gupta as 'Minimum Remuneration', subject to the approval of the Central Government, if required.

**By order of the Board
for Indraprastha Medical Corporation Limited**

**Ajay Kumar Singhal
Vice President cum
Company Secretary**

Place: New Delhi
Date: 30th July, 2011

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself and the proxy need not be a Member of the Company. The instrument appointing proxy, in order to be effective, must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In terms of Article 110 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Dr. B. Venkataraman, Lt. Gen. (R) Vijay Lall and Prof. V. N. Rajasekharan Pillai, Directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mr. P. K. Tripathi, Mr. D. M. Spolia and Mr. Anshu Prakash were appointed by the Board as Additional Directors of the Company. Pursuant to Section 260 of the Companies Act, 1956, Mr. P. K. Tripathi, Mr. D. M. Spolia and Mr. Anshu Prakash hold the office of Directors only up to the date of the Annual General Meeting of the Company. Notices have been received from members pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. P. K. Tripathi, Mr. D. M. Spolia and Mr. Anshu Prakash as Directors of the Company, liable to retire by rotation.

The information on the particulars of the Directors seeking appointment / re-appointment, as required under clause 49 of the Listing Agreement, has been attached hereto.

The Board of Directors of the Company commends their respective appointment / re-appointment.

4. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting, is annexed hereto.

5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 7th September, 2011 to Wednesday, 14th September, 2011 (both days inclusive).
6. Dividend, if declared, will be paid to those members whose names appear :-
 - a) as Members on the Register of Members of the Company as on 14th September, 2011, after giving effect to all valid share transfers in physical form lodged with the Company up to the closing hours of business on 6th September, 2011, and
 - b) as Beneficial owners as per the Statement of Beneficial Ownership to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in dematerialized form as at the closing hours of business on 6th September, 2011.
7. Securities & Exchange Board of India (SEBI) has made trading in the shares of the Company compulsory in dematerialized form for all investors. Members are requested to open an account with a Depository participant, if not done so far and dematerialize their shareholding to avoid inconvenience in future.
8. To avoid the incidence of fraudulent encashment of the Dividend warrants, Members, holding shares in physical form, are requested to intimate the Company under the signature of the Sole/First Joint holder, the following information, so that the Bank Account Number and Name and Address of the Bank can be printed on the Dividend Warrant:-
 - 1) Name of Sole/ First Joint Holder and Folio No.
 - 2) Particulars of Bank Account, viz.
 - i) Name of the Bank
 - ii) Name of Branch
 - iii) Complete address of the Bank with Pin Code Number
 - iv) Account Type, whether savings (SB) or Current Account (CA)
 - v) Bank Account Number allotted by the Bank.
9. Shareholders desirous of availing the facilities of Electronic Credit of Dividend are requested to submit ECS form duly filled in. ECS form can be obtained from the Registered Office of the Company.
10. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars can not act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
11. Non-Resident Indian Members are requested to inform immediately of:-
 - a) Change in their residential status on return to India for permanent settlement and
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
12. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred unpaid or unclaimed dividends for the financial years 2000-01 to 2002-03, to the Investor Education and Protection Fund (IEP Fund) of the Central Government. The unpaid or unclaimed dividend for the financial year 2003-04, shall be due to be transferred to the IEP Fund on 5th October, 2011.

No claim shall lie from a Member against the Company or the said Fund once the transfer is made to the said Fund and no payment shall be made in respect of any such claims. Members who have not encashed their dividend warrant(s) so far for the financial year



ended 31st March, 2004 or any subsequent financial year(s), are requested to make their claim to the Company Secretary at the registered office of the Company, before such transfer to the said Fund, in their own interest.

13. In terms of Section 109(A) the Companies Act, 1956, the Shareholder of the Company may nominate a person to whom the shares held by him/her shall vest in the event of his/her death. In case, any member wishes to avail the nomination facility in respect of shares held by him/her, please write to the Company to obtain the nomination form.
14. Members holding shares in physical form are requested to notify immediately the change in their address, if any, to our Registrar & Share Transfer Agent M/s. Link Intime India Pvt. Ltd., A-40, 2nd Floor, Near Batra Banquet Hall, Naraina Ind. Area, Phase - II, New Delhi - 110 028.
15. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
16. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their Depository Participant. Members holding shares in physical form are requested to send their e-mail addresses to the Registrar and Transfer Agents, M/s. Link Intime India Pvt. Ltd.
17. Members are requested to bring their copy of Annual Report and Attendance Slip duly filled at the meeting.

INFORMATION REQUIRED TO BE FURNISHED IN PURSUANCE OF CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

The particulars of the Directors who are proposed to be appointed / reappointed are as given below:

1. Name : DR. B. Venkataraman

Age : 85 years

Qualification : IAS (Retd.)

Expertise : Dr. B. Venkataraman is a former member of the Indian Administrative Service. He has extensive experience in administration at various and widely spread levels, having held several senior posts both in the State Government and also in the Government of India, amongst which are Additional Chief Secretary (in which capacity he was in charge of the Department of Health among others), Member, Board of Revenue, Chief Secretary, apart from heading as Chairman of public sector undertakings like the State Industrial Development Corporation, State Mining Corporation and State Forest Development Corporation. In the Government of India he has had almost a decade of experience in the Ministry of Home Affairs and later held the post of Secretary to the Government of India, in the Ministry of Tourism and Civil Aviation, in which capacity he was connected with airport expansions, in India and abroad, introduction of Travel circuits in India for tourism promotion including the concept of the Palace on Wheels, introduced by him and had close connection with sanctions and execution of a number of hotels in Delhi like the Taj Palace, Sheraton Towers, Surya Sofitel, Le Meridien, Hilton among others in Delhi, apart from a number of hotels in the rest of the country.

He was Director for a spell of five years on the Indian National Trust for Art and Cultural Heritage, concerned with the conservation of the Varanasi and Mathura Brindavan heritage regions.

He is a Doctor of Literature (D.Litt) and is an author of repute of a number of books relating to and on Heritage of India with reference to peninsular India.

Outside Directorship :

C.J. International Ltd., (Le Meridien)
South Asia Enterprises Ltd.

Membership of Committees of the Board of other Companies :

Audit Committee (CJ International Ltd.) - Member

Shareholding in the Company : 15,800 Equity Shares of Rs.10/- each

2. Name : Lt. Gen. (R) Vijay Lall, PVSM, AVSM, ADC

Age : 69 years

Qualification : MBA, FBIM (UK), AIM; EC (USA), Distinguished F Inst D, MIBM, Distinguished FIIMM

Expertise : Lt. Gen. (R) Vijay Lall, PVSM, AVSM, ADC, had served the Indian Army for forty years, in various vital assignments and retired as Director General Ordnance Services & Senior Colonel Commandant AOC. He had over one hundred independent establishments all over the country, employing approx. a lakh of civilian and military personnel and handling a budget of ten thousand crores. His vast and multidimensional experience in logistics, supply chain management, administration, and human resource management; particularly of civilians, education and training won him many laurels. In his early years, he had the unique honour of heading an independent foreign defence organization, abroad.

As President (Mayor) of a very large cantonment, he made valuable contribution towards improving, the administrative responsiveness, quality of life as well as civic amenities for the citizens. This was applauded by the media and the Govt. As head of the College of Materials Management (which imparts integrated management education to selected Foreign and Indian Students) & Dean of Management, Jabalpur University, he dedicatedly persevered and got the institution 'Golden Peacock National Training Award' besides the recognition, as a 'Center of Excellence'. He was specially selected on a number of governmental studies and research for streamlining logistics, human resource and supply chain management; which lead to a saving of over one hundred crores to the government exchequer, besides, improving the cost effectiveness all round.

He was decorated/conferred with numerous honours & awards, Hon. ADC to President of India,

PVSM [Param Vishisht Seva Medal (for Distinguished Services of Most Exceptional Order)], AVSM (Ati Vishisht Seva Medal) {for Distinguished Services of Exceptional Order}, by the President of India, Commendation of the Chief of Army Staff; Distinguished Fellowship of the Institute of Directors, (World Quality Council) as well as the Indian Institute of Materials Management. He was declared 'Man of the Year 2000': by ABI, USA. His accomplishment got published in the books- "Asia Pacific Who's Who", Biography International, Asian - American Who's Who, as well as Distinguished and Admirable Achievers. The General is an 'Honorary Advisor' to the Indian Institute of Materials Management, besides; is a Fellow of the British Institute of Management and is also on the Executive Council of the American Institute of Management. Is a life member of Institute of Defence Studies and Analysis (India) and Chinmaya Centre of World Understanding.

Outside Directorship : None

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : NIL

3. Name : Prof. V. N. Rajasekharan Pillai

Age : 62 years

Qualification : M. Sc. (Chemistry)

Expertise : Prof. V. N. Rajasekharan Pillai has been at the helm of affairs of many higher education institutions and possesses experience in the field of science and educational administration for over 37 years. He has widely traveled all over the world and has presented papers & given lectures in a large number of National and International conferences, Universities and Institutions.

Presently, Prof. V. N. Rajasekharan Pillai is the Vice-Chancellor of Indira Gandhi National Open University (IGNOU), New Delhi. He is also the Chairman of the Distance Education Council (DEC).

Prof. Pillai has been decorated / conferred with numerous honours & awards including Presidential Gold Medal of the Indian Science Congress, Triennial National M. V. Pylee Award for the Top Academician of India, Indian Chemical Society Award for research achievements in Chemical Sciences and Honorary Doctorates.



Outside Directorship : Nil

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : Nil

4. Name : Mr. P. K. Tripathi

Age : 58 years

Qualification : IAS

Expertise : Mr. P. K. Tripathi, is a member of the Indian Administrative Service. He has extensive experience in public administration, having held several senior posts in the State Government and in the Government of India during 34 years of service and is presently posted as Chief Secretary, Government of NCT of Delhi.

Outside Directorship :

Delhi Transco Ltd.

Delhi Power Co. Ltd.

Delhi Integrated Multi Modal Transit System Ltd.

Pragati Power Corporation Ltd.

Geospatial Delhi Ltd.

Shahjahanabad Redevelopment Corporation

Delhi Metro Rail Corporation Ltd.

North Delhi Power Ltd.

BSES Rajdhani Power Ltd.

BSES Yamuna Power Ltd.

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : Nil

5. Name : Mr. D. M. Spolia

Age : 56 years

Qualification : IAS

Expertise : Mr. D. M. Spolia, is a member of the Indian Administrative Service. He has extensive experience in public administration, having held several senior posts in the State Government during 33 years of service and is presently posted as Principal Secretary (Finance), Government of NCT of Delhi.

Outside Directorship :

Delhi Power Co. Ltd.

Delhi Transco Ltd.

Delhi Transport Corporation

Delhi Metro Rail Corporation Ltd.

Delhi Financial Corporation

Delhi State Industrial & Infrastructural Dev. Corpn. Ltd.

Delhi Tourism & Transportation Dev. Corpn. Ltd.

Delhi State Civil Supplies Corporation Ltd.

Indraprastha Power Generation Co. Ltd.

Delhi Integrated Multi Modal Transit System Ltd.

Geospatial Delhi Ltd.

Shahjahanabad Redevelopment Corporation

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : Nil

6. Name : Mr. Anshu Prakash

Age : 50 years

Qualification : B.A., MBA, IAS

Expertise : Mr. Anshu Prakash, Principal Secretary (Health & Family Welfare) Government of Delhi, belongs to the Indian Administrative Service. He has served earlier as Commissioner and Secretary (Health) in Arunachal Pradesh and in Andaman & Nicobar Island. He has also served in the Ministry of Health & Family Welfare, Government of India. In other sectors, he has served as the Chairman & Managing Director of the Delhi Transport Corporation, Additional Commissioner (Engg.) in the Municipal Corporation of Delhi, Registrar of Cooperative Societies, Delhi, Secretary, New Delhi Municipal Council, and in Government of India in the Ministries of Finance and Tourism.

A Graduate in economics from St. Stephen's College. Mr. Anshu Prakash earned a Masters in Business Administration from Faculty of Management Studies, University of Delhi. He has been recognized for the pioneering work of using the Public Private Partnership Model to improve the health services in remote rural areas of Arunachal Pradesh. Currently he is also a Member of the Steering Committee on Health constituted by the Planning Commission for the 12th Year Plan.

Outside Directorship : None

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 7

Mr. P. K. Tripathi was appointed as an Additional Director and Chairman of the Company on 12th May, 2011. Pursuant to Section 260 of the Companies Act, 1956, Mr. P. K. Tripathi holds office only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. P. K. Tripathi as a Director of the Company, liable to retire by rotation.

Except Mr. P. K. Tripathi, no other Director is interested in the aforesaid resolution.

The Board of Directors of the Company commends the resolution for approval of the members.

ITEM NO. 8

Mr. D. M. Spolia was appointed as an Additional Director of the Company on 12th May, 2011. Pursuant to Section 260 of the Companies Act, 1956, Mr. D. M. Spolia holds office only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. D. M. Spolia as a Director of the Company, liable to retire by rotation.

Except Mr. D. M. Spolia, no other Director is interested in the aforesaid resolution.

The Board of Directors of the Company commends the resolution for approval of the members.

ITEM NO. 9

Mr. Anshu Prakash was appointed as an Additional Director of the Company on 12th May, 2011. Pursuant to Section 260 of the Companies Act, 1956, Mr. Anshu Prakash holds office only up to the Annual General Meeting. A notice has been

received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. Anshu Prakash as a Director of the Company, liable to retire by rotation.

Except Mr. Anshu Prakash, no other Director is interested in the aforesaid resolution.

The Board of Directors of the Company commends the resolution for approval of the members.

ITEM NO. 10

The appointment of Mr. Jaideep Gupta as Managing Director of the Company for a period of 2 years w.e.f 30th April, 2009, was approved by the members in Annual General Meeting of the Company held on 9th September, 2009. His period of office expired on 29th April, 2011.

The Board of Directors in the meeting held on 9th February, 2011, have re-appointed Mr. Jaideep Gupta as Managing Director of the Company for a further period of two years effective from 30th April, 2011. The terms of remuneration of Mr. Jaideep Gupta has the approval of the Remuneration Committee and are within the limit prescribed under Schedule XIII to the Companies Act, 1956.

An abstract of the terms of re-appointment of Managing Director and Memorandum of Interest of Directors pursuant to Section 302 of the Companies Act, 1956, was circulated to all the members of the Company.

The re-appointment of and payment of remuneration to Mr. Jaideep Gupta as Managing Director requires the approval of the members in General Meeting of the Company.

Except Mr. Jaideep Gupta, no other Director is interested in the aforesaid resolution.

The Board of Directors of the Company commends the resolution for approval of the members.



DIRECTORS' REPORT

Dear Shareholders,

The Directors take pleasure in presenting the 23rd Annual Report of the Company along with the audited accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

(Rs. in Lakhs)

| Particulars | Year ended 31-03-2011 | Year ended 31-03-2010 |
|---|--------------------------|--------------------------|
| Total Income | 46,241.50 | 43,647.98 |
| Profit before tax | 4,526.83 | 4,655.27 |
| Provision for taxation | 1,454.34 | 1,549.26 |
| Net Profit (PAT) | 3,072.49 | 3,106.01 |
| Balance brought forward from previous year | 3,827.72 | 2,687.76 |
| Amount available for appropriation | 6,900.21 | 5,793.77 |
| Appropriations | | |
| Transferred to General Reserve | 250.00 | 250.00 |
| Dividend (Proposed) | 1,466.77 | 1,466.77 |
| Corporate Dividend Tax | 243.61 | 249.28 |
| Balance carried to Balance Sheet | 4,939.83 | 3,827.72 |

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 250.00 lakhs to the General Reserve out of the amount available for appropriations and an amount of Rs. 1,112.11 lakhs is proposed to be retained in the Profit and Loss Account.

DIVIDEND

The Directors are pleased to recommend payment of dividend on equity shares @ Rs. 1.60 per share (16 per cent) for the financial year ended 31st March, 2011 (previous year Rs. 1.60 per share).

OPERATIONS

During the year under review, the total income of the Company increased to Rs 46,241.50 lakhs from Rs 43,647.98 lakhs in the previous year. The profit after tax stood at Rs. 3,072.49 lakhs against Rs. 3,106.01 lakhs in the previous year.

With upgraded facilities and focus on more personalized services to the patient, the total number of patient footfalls increased by 8 percent over the previous year (from 90739 to 97712).

The Company has identified Cardiology, Oncology, Neurology, Orthopaedics, Transplants and Emergency Services as key focus areas or what we refer to as "Centers of Excellence (COEs)", with the objective of becoming the first choice for patients in the respective COEs. We intend to achieve this primarily by providing the highest standards of care and consistently improving our clinical outcomes in all procedures under each COEs.

The strong marketing activities led to a surge of 11 percent in international patients over the previous year (from 5030 to 5599).

The multi organ transplant program of the hospital has achieved greater heights. Liver transplant surgeries increased by 42 percent over the previous year (from 117 to 166) and Renal transplant surgeries increased by 16 per cent over the previous year (from 151 to 175).

The orthopedics unit of the Hospital also performed exceedingly well and registered a growth of 24 per cent over the previous year (from 501 to 622).

The Dialysis unit of the hospital continued to be one of the major centers in the region and registered a growth of 15 per cent over the previous year (from 22883 to 26322).

A multi disciplinary team of surgeons at Indraprastha Apollo Hospitals has carried out a first independent successful Auditory Brain Implant (ABI) on a four year old child. In similar vein, successful total knee replacement was carried in a 93 year old gentleman by the Orthopedics team.

In view of its excellence in clinical care, Indraprastha Apollo Hospitals has been chosen to be the first non government private organization to be included under Pharmacovigilance Program of India under the aegis of Central Drugs Standards Control Organization, Ministry of Health and Family Welfare, GOI, for monitoring and reporting adverse drug reactions to various drugs.

The Hospitals held around 1500 indoor and outdoor Continuous Medical Education (CME) programs and several workshops, updates and symposia which comprehensively tackled many new advances and trends in all fields of medical sciences. Medical publications also formed a part of our continuous endeavor to share our experiences and expertise with the medical world all over the globe.

Indraprastha Apollo Hospitals has been re-empanelled with CGHS under the super specialty category.

Indraprastha Apollo Hospitals registered a strong presence in sporting events during the World Cup Hockey and Indian Premier League cricket matches.

In pursuance of the interim order passed by the Hon'ble Supreme Court of India on 30.11.2009 the Company continues to provide free treatment exclusive of medicines and medicine consumables to the patients referred by the Government of Delhi for free treatment in the Hospital. During the year, 7677 patients including outpatients new registrations and repeat visits were provided free treatment in the Hospital. On an average, 60 to 70 inpatients per day including 20 to 25 ICU patients are being treated free in the Hospital.

FACILITY UPGRADATION & EXPANSION

Upgradation and renovation work of a number of units continued during the year to add patient comfort and to achieve more operational efficiencies.

A new Endoscopic Ultrasound Unit has been commissioned. This new facility is headed by a Senior Consultant (Gastroenterology) who has moved from New York (USA). It is used to visualize inner structures, take biopsy and also treat diseases of thorax and abdomen under an endoscopically directed ultrasound.

A Bone Marrow Transplant Unit, one of the highest end of medical services, has also been created in the Hospital for intensive treatment and management of certain cancers like leukemia, lymphomas and also some non-cancerous diseases like thalassaemia.

Responding to the increasing organ transplant demands, another multi organ transplant unit has

also been added. A Video EEG facility has been incorporated to cater to epilepsy and epilepsy surgery program. An additional elevator has been commissioned. Four OPD wings and Day care facility have been renovated. An OP pharmacy, OPD billing counter, Insurance TPA helpdesk and ICU patient lobby have been setup for the comfort and ease of our patients.

The expansion plan undertaken by the Company to add 136 additional beds in the Hospital is almost complete despite of time overrun due to delay on the part of the contractors. About 50 beds are planned to be commissioned in September, 2011 and the remaining beds are expected to be commissioned by November, 2011.

AWARDS AND ACCOLADES

Awards and accolades continued to be heaped on the Hospital. It maintained its consistent good showing in the prestigious annual Best Hospitals in the country. Indraprastha Apollo Hospitals was ranked as the 5th Best Hospital in the country and 2nd best in Delhi in the annual ranking of the Best Hospitals in the country by The Week – Hansa Research Survey 2010.

Indraprastha Apollo Hospitals was ranked as the 2nd best Hospital for Management of Epidemics in Delhi and 2nd best Multi Speciality Hospital for Infertility in the country by The Week – Hansa Research Survey 2010.

Over the years, the medical fraternity at Indraprastha Apollo Hospitals has received many awards and accolades in recognition of its pioneering achievements in Indian healthcare. Excellence is reflected in the caliber and brilliance of our medical fraternity. While most of them have been trained in the best medical institutions in the country and abroad, several of them have also been decorated with prestigious national and international awards including coveted awards like Padma Shri and Dr. B. C. Roy Award and executives board of national organizations and academic bodies.

FOCUS ON QUALITY

Indraprastha Apollo Hospitals became the first Hospital in India which received accreditation in the year 2005 and re-accreditation in the year 2008, from the Joint Commission International, USA (JCI) for delivery of quality healthcare services and



meeting the JCI Standards for Patient Safety. Indraprastha Apollo Hospitals was surveyed again for re-accreditation in July, 2011, and has amply demonstrated greater than acceptable compliance with JCI Standards, which reflects our commitment to improve the safety and quality of patient care.

The Apollo Group has also been following 5S (sorting, straightening, systematic cleaning, standardizing, and sustaining) methodology – an acclaimed workplace practice. Indraprastha Apollo Hospitals won the first position in the 5S contest conducted across all the hospitals of the Apollo Group, securing a score of 72.8 per cent.

Service Excellence Executives recruited, trained at ITC Maurya and deployed on ground for patient satisfaction, obtaining feedback and patient liaison.

Apollo Hospitals, Noida has been awarded NABL (National Accreditation Board for Testing and Calibration Laboratories) certification. It has also received accreditation from the National Accreditation Board for Hospitals and Healthcare Provider (NABH) for the delivery of high quality of patient care.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Indraprastha Apollo Hospitals conducted numerous initiatives to improve the well-being of the community. Throughout the year mobile health camps and outreach events were conducted. The Hospital also took up some initiatives to increase awareness about pressing health issues. A few of these are highlighted below:

Billion Hearts Beating: As one of Asia's foremost integrated healthcare providers, Apollo Hospitals started the Billion Hearts Beating Campaign nationally. The idea behind this campaign is to create awareness among the people of this country on the risks associated with heart diseases and to motivate them to take the pledge to stay heart-healthy. The campaign was officially launched by Hon'ble Chief Minister Smt. Sheila Dikshit in July 2010. Over the first week of February 2011, over 200,000 members of the Apollo Hospitals Group, including employees and their families took the pledge to stay heart-healthy.

Women's Day – On the occasion free health camps were held for women, Breast Cancer Awareness talks, talks on prevention of heart disease and managing stress at work were also done. These

were held at venues such as the Delhi Secretariat, the Canadian High Commission, Embassy of Nepal, British Council and the India Habitat Centre.

A Run for Health - 'Apollo Dil Ki Daud', a mini marathon, was organized by Indraprastha Apollo Hospitals. Approximately 1000 people from nearby colonies, and doctors, nurses and support staff of Indraprastha Apollo Hospitals, participated in this health awareness run. The marathon was supported by Mr Anuj Choudhary (Arjuna awardee and CWG Silver medalist in Wrestling), Mr Ashok Masti (Punjabi Singer), Mr Rajeev Tomar (Olympian and Arjuna awardee in wrestling) and Mr Manish Chaudhary (President – Delhi University Students Union) who ran and walked to promote the benefits of an active lifestyle in order to fight against heart disease.

Apollo Times Wellness Workshops - Indraprastha Apollo Hospitals, in collaboration with The Times Wellness, has been organising regular workshops for the past four years. Five wellness workshops were conducted at the hospital auditorium in collaboration with the 'Times Foundation'. These workshops covered various health talks on general health, eye care, yoga, heart disease, osteoporosis and diabetes by the hospital's senior consultants. The talks were widely attended by public and applauded by the interactive audience

Community outreach programs - Almost 80 camps across the National Capital Region were conducted over the past year providing free ECG, Echo, BP, Blood Sugar and various consultations, where 10,000 people were benefited. Almost 12,000 people were screened across North India as part of our commitment to prevention and early detection of cardiac disease. Indraprastha Apollo Hospitals has, since its inception, stressed the importance of early diagnosis of cancer among the general public. Over the past year, several health awareness talks and cancer screening camps were conducted.

As an outreach of our commitment to the community, the Hospital continued to provide free OPD with provision of free medicines and medical consumables in Jasola village, near Sarita Vihar, New Delhi. The clinic is held thrice a week in specialties like Gynecology, Internal Medicine and Pediatrics for two hours. More than 200 patients are benefited every month.

Additionally, the hospital further built on its outreach activity by conducting monthly camps in Jasola village, where a total of nearly 2500 patients were treated.

The Hospital, in collaboration with the Government of Delhi, has treated nearly 20,000 patients under the Mobile Health Scheme Service to serve the following areas:

| | |
|------------------------------|--------------------------|
| JJ Cluster Area | Madanpur Khadar |
| BIW camp, Mathura Road | Subhash Camp, Near NTPC |
| New Sanjay camp – Near Okhla | Badarpur, Jasola Village |

Indraprastha Apollo Hospitals was honoured with a special award for its contribution in the activities of Bhagidari Scheme of the government of NCT of Delhi.

INFECTION CONTROL AND ENVIRONMENT

The Hospital continued with the trend of decrease in its infection indices. Employee safety and infection prevention were addressed by educational drives and measures were taken to augment personal protective equipment to prevent exposure inoculation injuries and provision of pre and post exposure prophylaxis. Staff were vaccinated for various preventable infections including H1N1 and Meningococcal infections and for other infections like Hepatitis B, it is an ongoing phenomenon. Care was also taken to maintain environment to acceptable standards to contain infective exposures.

It's a matter of pride that infection rates at the Hospital are now comparable with the best in the world for urinary catheter related Urinary Tract Infection. (UTI), Central Line Related Blood Stream Infections (CRBSI) and Ventilator Associated Pneumonia (VAP). The success of the infection control programmes can be gauged by the decreasing trends in CRBSI with values as low as 1.26 per 1000 Central Lines Days and for VAP 3.31 per 1000 Ventilator Days and for CRUTI at 1.56 per 1000 Urinary Catheter Days. This has largely been possible through ongoing meticulous implementation of numerous measures.

CONSERVATION OF ENERGY

The Company on a continuous basis undertakes programs for conservation of energy. Some of the energy conservations measures undertaken during the period under review are:-

1. Building Management Systems has been incorporated for critical & high energy consumption areas.
2. Plant maintenance on regular basis, review of Energy generation and its consumption are among the measures adopted towards this end also.
3. Water less urinals are being incorporated in public toilets.
4. Training & Education to reinforce energy conservation awareness among staff is being done on regular basis

TECHNOLOGY ABSORPTION

During the year, the Hospital continued its efforts to maintain international standards by investing in cutting-edge technology to offer the latest in medical care. Some of these are:

Novalis Tx Radiosurgery Linear Accelerator.

Novalis Tx Radiosurgery with Rapid Arc and BrainLAB-ExacTrac Frameless Stereotactic Radiotherapy. This state-of the art Linear accelerator provides extremely precise radiotherapy, even for moving organs, and is the first of its kind in North India.

Biochemistry Analyser- Advia.

The Siemens Advia is a state of the art, Blood Chemistry Analyzer with high throughput fully automatic workstation with automatic sample loading and preanalytic bar-coding. It is integrated with Hospital Information System enabling bidirectional patient data movement.

Accela Liquid Chromatography Mass Spectrometry Analyzer.

The state of the art Accela LC system with CTC auto sampler system has been installed to provide Rapamycin and Busulphan monitoring for patients undergoing Bone Marrow Transplant. This is currently the only hospital conducting these tests in Delhi.

HFO Ventilators

High Frequency Oscillatory Ventilation (HFOV) provides an alternative to conventional ventilation to treat respiratory failure in adults as well as paediatric patients.



INFORMATION TECHNOLOGY INITIATIVES

The Hospital continued investments in developing IT infrastructure and solutions that can not only result in better management of operations, but also result in substantial cost advantage. A few of them were:

Asset Management System – IBM Maximo: The system facilitates Biomedical and Engineering Departments to manage their Assets, preparation and follow-up of preventive maintenance schedule of Assets and importantly helps the user to log complaints as well as follow-up until the closure of the call.

Tier 3 Datacenter This was commissioned in January 2011. Designed and fitted out by IBM, the 1650 sqft facility houses a Data Center, MUX and Network Operating Center (NOC) with the latest facilities of uninterrupted power, air conditioning, fire, rodent & water leakage control, and advanced biometric access control features. Simultaneously, the Network has also been upgraded to Fiber Backbone with Redundancy and Clustering Switching technology to provide superior support.

FOREIGN EXCHANGE EARNINGS & OUTGO

(a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans

The Company is engaged in the healthcare business and is not carrying on any export activities. The Hospital has been empanelled with eminent international insurance companies and appointed healthcare facilitators in various countries to cater to international patients.

(b) Total Foreign Exchange Earnings and Outgo

During the year under review, foreign exchange earnings and outgo were as under:-

Earnings : Rs. 5,467.45 lakhs

Outgo : Rs. 3,441.01 lakhs

PARTICULARS OF EMPLOYEES

The Particulars of employees as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are annexed and form part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2011 and of the profit of the Company for the year ended 31st March, 2011.
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Management Discussion and Analysis Report and a Report on Corporate Governance is attached with this Report.

A Certificate from the Statutory Auditors of the Company regarding the Compliance by the Company of the conditions stipulated under Clause 49 of the Listing Agreement is also attached with this report.

A declaration by the Managing Director pursuant to clause 49(I)(D)(ii) of the Listing Agreement stating that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, during the financial year ended 31st March, 2011, is also attached with this report.

AUDITORS / AUDITORS' REPORT

M/s. S. C. Vasudeva & Co., Chartered Accountants, Auditors of the Company shall hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received a letter from M/s. S. C. Vasudeva & Co., Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956. The Board of Directors recommends the appointment of M/s. S. C. Vasudeva & Co., Chartered Accountants as Auditors of the Company.

DIRECTORS

Mr. J. P. Singh, Mr. Rakesh Mehta and Mr. Rajendra Kumar, resigned as Directors of the Company consequent upon their retirement / transfer from their office being ex-officio Directors nominated by the Govt. of Delhi.

Mr. P. K. Tripathi (Chief Secretary, Govt. of Delhi), Mr. D. M. Spolia (Principal Secretary – Finance, Govt. of Delhi) and Mr. Anshu Prakash (Principal Secretary – Health & Family Welfare, Govt. of Delhi) were appointed by the Board as Additional Directors of the Company. Pursuant to Section 260 of the Companies Act, 1956, Mr. P. K. Tripathi, Mr. D. M. Spolia and Mr. Anshu Prakash hold the office of Directors only up to the date of the Annual General Meeting of the Company. Notices have been received from members pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. P. K. Tripathi, Mr. D. M. Spolia and Mr. Anshu Prakash as Directors of the Company, liable to retire by rotation.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Dr. B. Venkataraman, Lt. Gen. (R) Vijay Lall and Prof. V. N. Rajasekharan Pillai, Directors of the Company shall retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-election.

Resolutions seeking approval of the shareholders for the appointment / re-appointment of Directors have been incorporated in the notice of the Annual General Meeting.

The information on the particulars of the Directors seeking appointment / re-appointment, as required under clause 49 of the Listing Agreement, has been furnished in the notice to the shareholders for the Annual General Meeting.

Your Directors wish to place on record their appreciation of the valuable services rendered by

Mr. Rakesh Mehta, Mr. J. P. Singh and Mr. Rajendra Kumar during their tenure as a Director of the Company.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

INSURANCE

All properties and insurable assets of the Company, including Building, Plant & Machinery and Stocks have been adequately insured, wherever necessary.

The Company also has a professional indemnity insurance policy to cover the risk on account of claims filed against the company in consumer courts.

RESEARCH & DEVELOPMENT

The Company is running a multi super-specialty Hospital and is not engaged in any major research & development activity. However, the Hospital continues to be a major centre for international clinical trials.

INDUSTRIAL RELATIONS

The Industrial Relations scenario continued to be cordial during the year under review.

ACKNOWLEDGEMENT

The Directors wish to thank and deeply acknowledge the cooperation, assistance and support extended by the financial institutions, banks, the Govt. of Delhi and the Union Government.

The Directors also wish to place on record their appreciation for the all round support and cooperation received from the employees at all levels and the consultant doctors.

For and on behalf of the Board

Place : New Delhi
Date : 30th July, 2011

P.K. Tripathi
Chairman

ANNEXURE TO DIRECTOR'S REPORT

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Director's Report for the year ended 31st March, 2011.

| Name of the Employee/ Age | Designation/Nature of Duties | Qualification & Experience | Date of Commencement of Employment | Remuneration Received (Rs.) | Last Employment held |
|--|--------------------------------------|---|--|--------------------------------|--|
| (A) Employed throughout the year and in receipt of remuneration not less than Rs. 60,00,000/- for the year :- | | | | | |
| Mr. Jaideep Gupta 46 years | Managing Director | B.Sc, PG Diploma in Rural Management (25Years) | 29/4/2005 | 7,286,241 | Vice President - Operations, Apollo Hospitals Enterprise Limited, Kuala Lumpur (Malaysia) |
| Dr. Anupam Sibal 42 years | Director Medical Services | MBBS, MD (14 Years) | 11/8/2002 | 8,669,714 | Senior Consultant - Paediatric, Gastroenterology & Hepatology, Indraprastha Apollo Hospitals, New Delhi |
| Mr. Anil Maini 58 years | President - Corporate Development | BA (Hos.), Diploma in Marketing Management, Management course in Senior Executive resident (31 Years) | 4/4/2005 | 9,142,396 | Marketing Head - Escorts Heart Institute and Research Centre, New Delhi |

(B) Employed for part of the year and in receipt of remuneration aggregating not less than Rs. 5,00,000/- per month:- NONE

- Notes :**
1. Remuneration includes salary, allowances, Company's contribution to Provident Fund and monetary value of perquisites and other benefits as valued under Income Tax Act, 1961.
 2. None of the above employment is/was on contractual basis except the employment of Mr. Jaideep Gupta.
 3. None of the employees as mentioned above is related to any Director of the Company and holds (by himself or along with his spouse and dependant children) more than 2% of equity shares of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Overview of the Business Environment, Industry Structure and Current Developments in the Sector

The Economic Climate

The Indian economy weathered the global slowdown very well and even expanded by 8 per cent in 2009-10. However rising inflation has been the biggest story in the country in 2010-11.

Now most economists have revised their earlier optimistic growth forecasts. The global ratings agency Fitch has forecasted the real GDP to rise 7.7 per cent in FY2011-12, compared with an estimated rise of 8.5 per cent in 2010-11.

"The growth has clearly hit a soft patch, as GDP grew only 7.8 per cent in the first quarter of 2011 (Q4 of FY11), down from 8.4 percent in Q4-FY10 and 8.9 percent in Q3-FY10," says Fitch Ratings in its global economic outlook. The ratings agency noted that although resilience of the Indian economy had increased, it is no longer a closed economy and is linked to the global economy through trade and financial flows.

The Healthcare Scenario

According to WHO, healthcare expenditure constituted approximately 4.2% of India's gross domestic product (GDP) in 2008. India's per capita spend on healthcare significantly trails behind developed countries. According to the WHO, India's per capita health expenditure stood at approximately US\$122 compared to approximately US\$ 7,164 in the United States, US\$ 3,222 in Germany and US\$ 265 in China. The global average per capita health expenditure was US\$ 863.

The Indian healthcare market is comprised of both the public and private sectors. According to the World Bank, the Indian public healthcare sector is under-funded and too small to meet the current health needs of the country. Over the last two decades, a majority of tertiary care institutions in the public sector have been facing a resource crunch, resulting in their inability to maintain and upgrade their equipment, pay for consumables, keep pace with latest technology and upgrade their infrastructure to meet the growing demand for complex diagnostic and therapeutic treatments. As a result, there is an increasing preference for private hospitals.

Current and Projected Healthcare Services Landscape

According to CRISIL, the private sector accounted for around 75 per cent of total healthcare expenditure in India, which is among the highest proportions of private healthcare spending in the world. The private sector in India comprises of assorted providers such as not-for-profit and voluntary organizations and trusts, private general practitioners, commercially driven providers including corporate houses, standalone specialist services, diagnostic laboratories and pharmacies. CRISIL research estimates suggest that the private health sector accounts for 50-55 per cent of inpatient care and 70-75 per cent of outpatient care.

India lags behind several global parameters in terms of hospital infrastructure and manpower. India ranks below several developing countries including China, Thailand, Sri Lanka and Vietnam in terms of both beds-to-population and physicians-to-population ratios. According to the WHO report on health statistics 2011, India's bed-to-population ratio is 9 for every 10,000 people, as compared to the global average of 29 per every 10,000 people. Also, while India has one of the largest medical workforce with almost 660,000 doctors and over 1.3 million nurses and midwifery personnel, there is a major shortage of skilled labour. India's ratio of physicians per 10,000 individuals is 6 (compared to the global median of 14) and ratio for nurses and midwifery personnel per 10,000 individuals is 13 (compared to the global median of 29).

Over the next 5 years, assuming a capital expenditure of Rs. 2.5 million per bed excluding land cost, it is estimated that in order to attain a ratio of 15 beds per 10,000 individuals, an investment of around Rs. 1,740 billion would be required. In order to attain the global benchmark of 29 beds per 10,000 population ratio, India will require an investment of approximately Rs 6,400 billion. Overall, the healthcare delivery market is expected to grow at a compounded rate of approximately 11 per cent and reach a size of Rs. 4,950 billion by 2018.

Future Outlook and Trends

The growth in demand for healthcare delivery services will be driven by a combination of various factors including shifting demographics, changing



disease profile, increasing income levels, greater health awareness and increasing health insurance coverage.

Shifting Demographics

It is expected that population growth in India will increase the demand for additional beds in future. India's population is predicted to grow from approximately 1.1 billion in 2009-10 to over 1.4 billion by 2026. Life expectancy is also increasing, further increasing the demand for beds. The proportion of people over 60 years is also expected to increase to over 12 per cent from current levels of approximately 8 per cent. As the requirement for healthcare delivery amongst the senior citizens is high, the shift in demographics signals the need for larger healthcare infrastructure in the coming years. As current healthcare delivery systems remain inadequate to meet such demand, CRISIL predicts that there could be a tremendous opportunity for growth in this area.

Rising Income Levels

There has been a rapid growth of the middle and upper classes, particularly the urban middle class segment which accounts for a majority of healthcare spending in India. With the increasing affluence of the Indian population, the demand for healthcare services is expected to increase, leading to an increase in the per capita expenditure on health care.

Rising Health Awareness

With the rise in literacy levels across the country and growing awareness, it is expected that a greater percentage of the population will recognize the need for quality preventive and curative healthcare. This is likely to result in an increased demand for healthcare delivery services as the hospitalization rate (percentage of people who actually visit a hospital when unwell) will increase.

Changing Disease Profile

As a result of changing demographics (the most significant change being an increase in the percentage of the population in the 30-60 age group, from approximately 32.3 per cent in 2007 to approximately 40 per cent by 2026), and rising incomes (a greater percentage of households earning more than Rs. 200,000 per annum), the incidence of lifestyle-related diseases such as diabetes and hypertension are expected to

increase. It is estimated that in 2008, cardiovascular diseases, cancer and diabetes collectively accounted for approximately 13.8 per cent of all hospitalized cases. In terms of value, these three diseases accounted for approximately 38.6 per cent of in-patient revenues. The incidence of these three diseases will increase significantly in future as a result of a change in dietary habits and people adopting a more sedentary lifestyle. These diseases and their sequelae are expected to account for approximately 17.5 per cent and approximately 19.9 per cent of the hospitalized cases in 2012 and 2017 respectively.

Health Insurance Coverage

According to CRISIL, over 95 per cent of India's private healthcare expenditure is paid for by out-of-pocket expenditure as health insurance coverage is under 5 per cent. However, an increasing number of domestic workforce is being covered by corporate healthcare plans. As the penetration of health insurance increases, healthcare is likely to become more affordable for a larger percentage of the population. As a result, hospitalization rates (the percentage of times an individual actually visits a hospital when he/she needs to) is expected to increase. In addition, health check-ups, which form a mandatory part of health insurance coverage, are also expected to increase, boosting the demand for an adequate healthcare delivery system.

Medical Tourism

Medical tourism has gained momentum over the years and India is fast emerging as a major medical tourist destination. As governments across the globe and patients worldwide struggle with soaring healthcare costs, the relatively low costs of surgery and critical care in India is drawing the attention of global healthcare providers. These private healthcare providers are collaborating with Indian tourism to tap the potential of this burgeoning industry.

India is extremely competitive in terms of healthcare costs as compared to the developed countries and other nations in Asia. In addition, India has a pool of highly qualified doctors and support staff. The fact that India offers advanced medical facilities in critical areas such as Cardiology, Orthopedics and Joint Replacement, Ophthalmology, Organ

Transplants, Oncology and Urology, adds to its competitive advantage. The presence of large private hospital chains whose hospitals are globally renowned, enhances India's status as an attractive destination for medical tourism.

OPPORTUNITIES AND THREATS

i) OPPORTUNITIES

India- Favorable Demand Supply Equation

There is a significant gap between the demand for and supply of quality healthcare in India. Apart from abysmal public healthcare facilities India is faced with many other factors such as historical underinvestment, growing population and increasing incidence of lifestyle diseases. The current industry scenario favours larger players who can make the required investments and offer extensive and high quality treatments.

Healthcare Spending Forecast to Grow

The nature of health problems is changing rapidly. As treatments struggle to keep pace with the increasing complexity of health problems there is an increase in the use of technological innovations. Further, there is a shift in the epidemiology profile of the country with a larger proportion of lifestyle diseases such as diabetes as well as increase in heart diseases and cancer. This is resulting in an increase in the average cost of treatment.

Medical Tourism

Medical tourism has emerged as the fastest growing segment of the tourism industry in India despite the global economic downturn. High cost of treatments in the developed countries, particularly the USA and UK, has been forcing patients from such regions to look for alternatives and cost-effective health care destinations. Further, India's private hospitals have gained international recognition for their state-of-art facilities and skills. This is enhanced by the presence of an English speaking faculty and healthcare manpower. With aggressive marketing strategies, India can further increase its attractiveness as a destination for medical tourism and claim a greater market share of the Global Medical Tourism Industry.

Innovation in Delivery Models

The high cost of setting up new hospitals and the intensifying competition have spurred innovations

in the delivery model. Operators are utilizing avenues like Real Estate Investment Trusts (REITs) and Operations & Management contracts to reduce the capital outlay. There is also increasing regulation favouring investments in healthcare with tax concessions provided for investments in setting up new hospitals. These innovations provide operators with the ability to expand and generate attractive returns without investing similar amounts of capital as in the past.

ii) THREATS

Shortage of Trained Medical Personnel

The healthcare manpower to population ratio in India is very low as compared to the global norms. The Government of India in the last few years has taken certain steps to address the shortage of doctors and nurses both at the national and regional levels to ensure adequate healthcare delivery such as relaxation of regulations and permitting private medical colleges and nursing institutions to set up facilities. However the initiatives taken are not adequate to address the supply of healthcare professionals as against the existing high demand.

Intensified Competition: The attractiveness of the healthcare market in India has attracted a number of players and there has been an increase in competition in the industry. While there is room for growth in the healthcare sector in India, there are certain pockets such as metro cities where there is now the threat of oversupply. There is increased availability of funds for investment into this industry and this is leading to a surge in the number of hospital chains in the country. This will result in heightened competition for business, for locations and for market share.

Capital Intensive Nature of Business

While the investment environment has improved, the fact remains that the healthcare business requires significant domain expertise as well as large amounts of capital. Further, the gestation period for a new hospital is high resulting in further challenges on account of capital requirements.

Inflation & Rising Costs

There has been sustained cost pressure and rising inflation in India. This has resulted in a significant increase in the operating costs for the hospitals



business. Apart from high upfront costs, the cost involved in the day to day running of hospitals is increasing sharply. This poses a challenge for health care players to manage cost pressures while being able to sustain margins.

Obsolescence of Medical Equipment: The medical equipment and healthcare industries are characterized by rapid technological change. The development of new or improved products, processes or technologies results in obsolescence of existing equipment at a rapid pace. This has to balance with the need for providing the high quality treatments at affordable costs.

OVERVIEW OF SEGMENT-WISE BUSINESS PERFORMANCE

The Company is engaged in healthcare business, which in the context of Accounting Standard 17 issued by the Institute of Chartered Accountants of India, is considered the only business segment.

Financial year 2010-11 represented a year of consistent performance by the Hospital and the Company built on the strong foundation of growth laid earlier.

OUTLOOK

Indraprastha Apollo Hospitals is one of the strongest healthcare brands in India today. The third super specialty hospital set up by the Apollo Group, which has three decades of history in healthcare delivery, it has the backing of a strong parent. On its own too, the Hospital which is in its second decade, has built up a strong reputation for quality, innovation, international standards and care. The Hospital has some of the most experienced medical practitioners and talented administrators in the country. Several of its doctors have won top awards in their fields this year.

Indraprastha Apollo Hospitals provides advanced level of care in over 50 different medical departments and has always been one step ahead in its approach to healthcare delivery and offers seamless delivery of services at every level of care and provides end to end services to the patients.

Focus on high operational effectiveness, timely delivery of quality care have ensured that the Hospital maintains its leadership position.

The Hospital also enjoys a very high credit rating from independent credit rating agency CRISIL and will continue to attract funds for medium term loans.

Working on a fee for service model with its doctors, the Hospital has managed to cement doctor-hospital relationship and retain its top doctors and specialists.

The Hospital's focus on service excellence and building functional efficiencies stands it in good stead. The forward momentum in the industry continues, and demand is rising, hence the outlook for your Company appears bright.

RISK AND CONCERNS

The biggest concern is rising inflation in the economy. Staffing is a major concern for the healthcare industry as well. But these are sector wide concerns. For its part, Indraprastha Apollo Hospitals has tried to address the concerns by focusing hard on cost cutting drives, economizing, digital adoption strategies to reduce dependence on manpower.

Technological obsolescence in medical equipment is an ongoing risk that hospitals have to contend with. To counter this, the Hospital has buy-back arrangements with vendors for critical investments.

In a Public Interest Litigation (PIL) on free patient facility in the Hospital, the Hon'ble High Court of Delhi has held that free treatment provided by the Hospital as per the terms of the lease deed shall be inclusive of medicines and consumables. The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the impugned judgment and order of the Hon'ble High Court of Delhi. In pursuance of an interim order dated 30th November 2009 by the Hon'ble Supreme Court, the Company has been charging for medicines and consumables from the patients referred by Government of Delhi for free treatment. Similar issue is also being contested in the Supreme Court of India by some other hospitals in Delhi who have been given land at concessional rates.

The National Board of Examination (NBE) has issued guidelines that the minimum stipend / salary payable to a DNB trainee will be equal to the stipend / salary paid by the Govt. of India / Govt. of NCT of Delhi to their post graduate Trainees in their respective year of studies. The guidelines have been challenged by several hospitals in the city before the Hon'ble High Court of Delhi. If the Hon'ble Court eventually equates stipend / salary / allowances payable to post graduate trainees in

Government Hospitals with Private institutions, it would have wide ranging ramifications across a large section of Hospital employees and may result in a significant financial outflow.

In a matter before the Labour Court, which took place after the strike by a section of employees in the Hospital in September, 1998, the Learned Presiding Officer has awarded 50 per cent back wages as part of relief along with an amount of Rs. 9,000/- as litigation expenses to each of the workmen. The Company has challenged the aforesaid award in an appeal before the Hon'ble High Court of Delhi and the Hon'ble High Court has stayed the operation and implementation of the award. A group of employees has also challenged the said award before the Hon'ble High Court of Delhi seeking re-instatement and full back wages.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has put in place adequate internal controls to ensure that assets are safeguarded and protected against loss from unauthorized use or disposition and the transactions are authorized, recorded and reported correctly.

The internal audit department together with an independent firm of Chartered Accountants reviews the effectiveness of the systems and procedures. The internal auditors evaluate the adequacy of the internal control systems by analyzing and testing controls and make their recommendations to the management to improve controls wherever necessary.

FINANCIAL PERFORMANCE/OPERATIONAL PERFORMANCE

During the year under review, the total income of the Company increased to Rs 462.41 crore from Rs 436.47 crores in the previous year.

The profit before tax was Rs. 45.26 crores as compared to Rs. 46.55 crores in the previous year.

The profit after tax was Rs. 30.72 crores as compared to Rs. 31.06 crores in the previous financial year.

The operating expenses increased to Rs. 284.19 crores from Rs. 251.91 crores in the previous year. The increase in the operating expenses was in line with the growth of operating revenues and increase

in Staff cost to Rs. 98.52 cr. from Rs. 82.44 cr. in the previous year.

Depreciation and amortization expenses increased to Rs. 21.60 crores from Rs. 19.29 crores for the previous year. The increase is largely due to capital improvement projects completed during the year and normal replacement costs of facilities and equipment.

The provision for taxes during the year under review is Rs. 14.54 crores as compared to Rs. 15.49 crores in the previous year.

HUMAN RESOURCE DEVELOPMENT

Indraprastha Apollo Hospitals views its Human Resources role as a strategic business partner. The people associated with the Company are its assets as they are the key drivers in the sustained growth and success of the Company.

Indraprastha Apollo Hospitals has invested considerable energy and resource in identifying and developing talent. It has invested in capability building so that employees are not only trained to follow JCI norms but are also aligned to the company's vision and goals.

The total number of employees in the Company as on 31st March, 2011, was 3044 as against 2939 employees in previous year. The Company has also engaged contractors for various support services in the Hospital and they have deployed 904 workers as against 900 workers in the previous year.

Besides above, there are Consultant Doctors who work on a 'Fee for Service' basis.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board

Place : New Delhi
Date : 30th July, 2011

P K Tripathi
Chairman



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The basic objective of corporate governance policies adopted by the Company is to attain the highest levels of transparency, accountability and integrity. This objective extends not merely to meet with statutory requirements but also to go beyond them by putting into place procedures and systems, which are in accordance with best practices of governance. Your Company believes that good Corporate Governance enhances the trust and confidence of all the stakeholders. Good practice in corporate behaviour helps to enhance and maintain public trust in companies and the stock markets.

Your Company reviews its corporate governance practices to ensure that they reflect the latest developments in the corporate arena and thus position itself to conform to the best corporate governance practices. Your Company is committed to pursue excellence in all its activities and maximize its shareholders' wealth.

The Company's corporate governance policies and practices focus on the following principles:

1. To recognize the respective roles and responsibilities of the Board and Management.
2. To achieve the highest degree of transparency

by maintaining a high degree of disclosure levels.

3. To ensure and maintain high ethical standards in its functioning.
4. To give the highest importance to investor relations.
5. To ensure a sound system of risk management and internal controls.
6. To ensure that employees of the Company subscribe to the corporate values and apply them in their conduct.
7. To ensure that the decision making process is fair and transparent

2. BOARD OF DIRECTORS

(a) Composition of Board

As on 31st March, 2011, the Board of Directors consists of 14 (fourteen) members comprising of 1 (one) Executive Director and 13 (thirteen) Non-Executive Directors including 7 (seven) Independent Directors. The Chairman of the Board is Non-Executive.

The Chairman, Vice-Chairman and Managing Director of the Company are not liable to retire by rotation. All other Directors are liable to retire by rotation.

(b) Names and Category of Directors, Attendance of each Director at the Board Meetings and the last Annual General Meeting

The Names and Category of Directors on the Board, their attendance at the Board Meetings held during the financial year ended 31st March, 2011 and at the last Annual General Meeting held on 10th September, 2010, are as under:-

| Name of the Director | Category | Number of Board Meetings attended | Attendance at the Last AGM |
|---------------------------------------|-----------------------------|-----------------------------------|----------------------------|
| Mr. Rakesh Mehta (Chairman) | Non-Executive | 4 | Yes |
| Dr. Prathap C Reddy (Vice-Chairman) | Non-Executive | 4 | Yes |
| Mr. Jaideep Gupta (Managing Director) | Executive | 4 | Yes |
| Mr. J. P. Singh (1) | Non-Executive | 3 | No |
| Mr. Rajendra Kumar (2) | Non-Executive | 2 | Yes |
| Dr. B.Venkataraman | Non-Executive - Independent | 4 | Yes |
| Lt. Gen. (R) Vijay Lall | Non-Executive - Independent | 4 | Yes |
| Ms. Suneeta Reddy | Non-Executive | 4 | No |
| Ms. Renu S. Karnad | Non-Executive | 1 | No |
| Mr. V. R. Reddy (3) | Non-Executive - Independent | - | No |
| Mr. Satnam Arora | Non-Executive - Independent | 2 | No |
| Mr. Anil Kamineni | Non-Executive | 4 | Yes |
| Mr. S. Regunathan | Non-Executive - Independent | 4 | No |
| Prof. Ranjit Roy Chaudhury | Non-Executive - Independent | 4 | Yes |
| Prof. V. N. Rajasekharan Pillai | Non-Executive - Independent | 3 | No |
| Mr. T. S. Narayanasami (4) | Non-Executive - Independent | 2 | N.A. |

Indraprastha Medical Corporation Limited

- (1) Ceased to be a Director w.e.f. 10.02.2011.
- (2) Appointed by the Board as an Additional Director on 28.07.2010 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 10.09.2010.
- (3) Ceased to be a Director w.e.f. 10.09.2010.
- (4) Appointed by the shareholders as a Director at the last Annual General Meeting held on 10.09.2010.

(c) Number of Other Boards or Board Committees in which the Director is a Member / Chairman

None of the Directors on the Board holds the office of Director in more than fifteen Companies or membership of committees of the Board of more than ten Committees or Chairmanship of more than five Committees across all the companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other companies as on 31st March, 2011 have been made by the Directors.

The number of Directorships and Committee Chairmanships / Memberships held by them in other companies are given below. Other directorships do not include alternate directorships, directorships of private limited companies, section 25 companies and of companies incorporated outside India. Chairmanships / Memberships of Board Committees include only Audit and Shareholders / Investors Grievance Committees.

| Name of the Director | Number of Directorships in other public companies | | Number of Committee positions held in other public companies | |
|---------------------------------------|---|--------|--|--------|
| | Chairman | Member | Chairman | Member |
| Mr. Rakesh Mehta (Chairman) | 7 | 4 | Nil | Nil |
| Dr. Prathap C Reddy (Vice-Chairman) | 12 | 2 | Nil | Nil |
| Mr. Jaideep Gupta (Managing Director) | Nil | Nil | Nil | Nil |
| Mr. Rajendra Kumar | Nil | Nil | Nil | Nil |
| Lt. Gen. (R) Vijay Lall | Nil | Nil | Nil | Nil |
| Dr. B.Venkataraman | 1 | 1 | Nil | 1 |
| Ms. Suneeta Reddy | 2 | 9 | 1 | 2 |
| Ms. Renu S. Karnad | 1 | 11 | 3 | 2 |
| Mr. Satnam Arora | Nil | 3 | Nil | Nil |
| Mr. Anil Kamineni | Nil | 1 | Nil | Nil |
| Mr. S. Regunathan | Nil | Nil | Nil | Nil |
| Prof. V. N. Rajasekharan Pillai | Nil | Nil | Nil | Nil |
| Prof. Ranjit Roy Chaudhury | Nil | 1 | Nil | 1 |
| Mr. T. S. Narayanasami | Nil | 6 | 1 | 3 |

(d) Number of Board Meetings held and the dates of the Board Meeting

Four (4) Board meetings were held during the financial year ended 31st March, 2011. The dates of the meetings are as follows : 27th April, 2010, 28th July, 2010, 2nd November, 2010 and 9th February, 2011. The time gap between two consecutive Board meetings was not more than four months.

(e) Board Procedure

The Board of the Company is provided with detailed notes along with the agenda papers in advance in respect of various items discussed in the Board meetings including :-

- Annual Operating Plans and budgets and any updates.
- Capital expenditure and updates.

- Quarterly financial results / Annual financial statements.
- Minutes of meetings of audit committee and other committees of the Board.
- Appointment of senior executives just below the Board level.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems.
- Significant development in Human Resources / Industrial Relations.
- Report on legal matters.
- Quarterly statutory compliance report.
- Statement of transactions with related parties.



- Certificate by the Managing Director / CEO and Vice President (Finance) regarding financial statements in compliance with Clause 49V of the Listing Agreement.

(f) Code of Conduct

The Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Code of Conduct has been placed on the website of the Company. All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, during the financial year ended 31st March, 2011.

3. AUDIT COMMITTEE

(a) Terms of Reference

The terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors.

(b) Composition, Name of Members and Chairman

As on 31st March, 2011, the Audit Committee consists of three Non-Executive Directors (including two Independent Directors) viz. Dr. B Venkataraman, Lt. Gen. (R) Vijay Lall and Ms. Suneeta Reddy. Dr. B. Venkataraman (Independent Director) is the Chairman of the Audit Committee.

Mr. Ajay Kumar Singhal, Vice President cum Company Secretary is the Secretary to the Audit Committee.

(c) Meetings and attendance during the year

The Audit Committee met four times during the year and the time gap between two consecutive meetings was not more than four months. The name of Members, Chairman and their attendance at the Audit Committee Meetings are as under:

| Members | Category | Meetings Held | Meetings Attended |
|-------------------------------|-------------------------------|---------------|-------------------|
| Dr. B Venkataraman (Chairman) | Non - Executive - Independent | 4 | 4 |
| Lt. Gen. (R)Vijay Lall | Non - Executive - Independent | 4 | 4 |
| Ms. Suneeta Reddy | Non - Executive | 4 | 2 |

Mr. J. P. Singh, Director of the Company, also attended three meetings of the Audit Committee by invitation.

The Managing Director, Vice President cum Company Secretary, Vice President - Finance & Operations, and representatives of Statutory Auditors & Internal Auditors, were also present at the Audit Committee meetings.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

4. REMUNERATION COMMITTEE

(a) Terms of Reference

The terms of reference of the Remuneration Committee is to determine the Company's policy on specific remuneration packages for executive directors and other senior executives of the Company including pension rights, any compensation payment and such other relevant matters as may be referred by the Board from time to time.

(b) Composition, name of members and Chairman

As on 31st March, 2011, the Remuneration Committee consists of three Non-Executive Directors (including two Independent Directors) viz. Dr. B Venkataraman, Lt. Gen. (R) Vijay Lall, and Ms. Suneeta Reddy. Dr. B. Venkataraman (Independent Director) is the Chairman of the Remuneration Committee.

(c) Attendance during the year

No meeting of the Remuneration Committee was held during the financial year ended 31st March, 2011.

The Chairman of the Remuneration Committee Dr. B. Venkataraman was present at the last Annual General Meeting of the Company.

(d) Remuneration Policy

The remuneration policy is to remain competitive in the industry and to attract and retain talent and appropriately reward employees on their contribution.

(e) Details of Directors Remuneration

The details of Remuneration paid to Directors for the year ended 31st March, 2011 are as under:-

- The Non-Executive Directors are paid by way of sitting fee for attending each meeting of the Board of Directors or Committees thereof. The details of sitting fees paid to Non-Executive Directors are as under:-

| Name of the Director | Sitting Fee (Rs.) |
|---------------------------------|-------------------|
| Mr. Rakesh Mehta | 80,000 |
| Dr. Prathap C Reddy | 80,000 |
| Mr. J. P. Singh | 1,20,000 |
| Mr. Rajendra Kumar | 40,000 |
| Dr. B Venkataraman | 2,00,000 |
| Lt. Gen. (R)Vijay Lall | 2,00,000 |
| Ms. Suneeta Reddy | 1,20,000 |
| Ms. Renu S Karnad | 20,000 |
| Mr. Satnam Arora | 80,000 |
| Mr. Anil Kamineni | 80,000 |
| Mr. S. Regunathan | 80,000 |
| Prof. V. N. Rajasekharan Pillai | 60,000 |
| Prof. Ranjit Roy Chaudhury | 80,000 |
| Mr. T. S. Narayanasami | 40,000 |

In addition to the sitting fees being paid by the Company for attending each meeting of the Board of Directors or Committees thereof, the shareholders and the Ministry of Corporate Affairs, Govt. of India have approved payment of commission to the Non-Executive Directors including Independent Directors within the overall maximum ceiling of 1% (one percent) of net profits of the Company for a period of 3 years w.e.f. 1st April, 2009, to be determined by the Board of Directors for each financial year.

The Board approved the payment of commission of Rs. 2,50,000/- to each of the Non-Executive Directors including Independent Directors for the year ended 31st March, 2011, except the Non-Executive Directors who were/are on the Board for part of the year and being paid commission proportionately. The aggregate commission payable to all Non-Executive Directors is well within the limit of 1% of net profits of the Company calculated in accordance with the provisions of the Companies Act, 1956.

The amount of commission payable to each of the Non-Executive Directors are as under:-

| Name of the Director | Commission (Rs.) |
|---------------------------------|------------------|
| Mr. Rakesh Mehta | 2,50,000* |
| Dr. Prathap C Reddy | 2,50,000 |
| Mr. J. P. Singh | 2,15,753* |
| Mr. Rajendra Kumar | 1,69,178* |
| Dr. B Venkataraman | 2,50,000 |
| Lt. Gen. (R)Vijay Lall | 2,50,000 |
| Ms. Suneeta Reddy | 2,50,000 |
| Ms. Renu S Karnad | 2,50,000 |
| Mr. Satnam Arora | 2,50,000 |
| Mr. Anil Kamineni | 2,50,000 |
| Mr. S. Regunathan | 2,50,000 |
| Prof. V. N. Rajasekharan Pillai | 2,50,000 |
| Prof. Ranjit Roy Chaudhury | 2,50,000 |
| Mr. T. S. Narayanasami | 1,39,041 |
| Mr. V. R. Reddy | 1,10,959 |

* As per the instructions received from the Govt. of Delhi, the amount of commission shall be deposited in the Government account.

(ii) The details of Remuneration paid to Executive Director are as under:-

| Name of the Director | Salary | Perquisite | Total (Rs.) |
|----------------------|-----------|------------|-------------|
| Mr. Jaideep Gupta | 63,57,500 | 9,28,741 | 72,86,241 |

Apart from receiving director's remuneration by way of sitting fee for attending each meeting of the Board or Committee thereof and commission, none of the Non-Executive Directors has any pecuniary relationship or transactions with the Company during the year ended 31st March, 2011.

5. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

The Company has a Shareholders / Investors' Grievance Committee of directors to look into the redressal of complaints of investors. The Shareholders / Investors' Grievance Committee consists of three Non-Executive-Independent Directors viz. Lt. Gen. (R) Vijay Lall, Dr. B Venkataraman and Mr. Satnam Arora. Lt. Gen. (R) Vijay Lall is the Chairman of the Shareholders/ Investors' Grievance Committee. The Shareholders/ Investors' Grievance Committee met twice during the year.

- | | |
|--|---|
| a) Name of the Non-Executive Director heading the Committee | Lt. Gen. (R) Vijay Lall |
| b) Name and Designation of the Compliance Officer | Mr. Ajay Kumar Singhal Vice President cum Company Secretary |
| c) Number of Shareholders Complaints | The Company has received one hundred five complaints during the year and four complaints were pending at the beginning of the year. |
| d) Numbers not resolved to the satisfaction of shareholders | None |
| e) Number of pending complaints as on 31 st March, 2011 | 3 (Three) |



6. GENERAL BODY MEETINGS

(a) The last three Annual General Meetings were held as under :-

| Financial Year | Location | Date | Time |
|----------------|-----------------------------------|----------------------------------|------------|
| 2009-2010 | FICCI, Golden Jubilee Auditorium, | 10 th September, 2010 | 12.15 P.M. |
| 2008-2009 | Federation House, Tansen Marg, | 9 th September, 2009 | 11.00 A.M. |
| 2007-2008 | New Delhi - 110001 | 10 st September, 2008 | 11.00 A.M. |

Note:-

- 1) Special Resolution was passed at all three AGM's mentioned above for the appointment of Auditors, as more than 25% of the share capital of the Company is held by the Govt. of Delhi.
- 2) Special Resolution was passed at AGM on 9th September, 2009, in pursuance of Section

198, 269 & 309 of the Companies Act, 1956 for the appointment of and remuneration to Mr. Jaideep Gupta as "Managing Director" of the Company.

- 3) Special Resolution was passed at AGM on 9th September, 2009, in pursuance of Section 31 of the Companies Act, 1956, for alteration of the Articles of Association of the Company.
- 4) Special Resolution was passed at AGM on 9th September, 2009, in pursuance of Section 309(4) of the Companies Act, 1956, for approval of the shareholders for payment of commission to the Non-Executive Directors of the Company.
- 5) No Resolution was required to be put through postal ballot last year.
- 6) No Special Resolution is proposed to be conducted through postal ballot.

7. DISCLOSURES

- 1) During the financial year ended 31st March, 2011, the following were the related party transactions of material nature:-

| Name | Relationship | Nature of Transactions | Rs. in Lakhs | | |
|--|---|------------------------------|---------------------------------------|------------------|-------|
| | | | 31st March, 2011 | 31st March, 2010 | |
| Apollo Hospitals Enterprise Limited | Associate | Pharmacy Consumables | 1224.74 | 1615.29 | |
| | | License Fees | 85.80 | 90.03 | |
| | | Commission on Pharmacy Sales | 408.47 | 308.65 | |
| | | Reimbursement of Expenses | 378.25 | 82.80 | |
| | | Account Payable | 940.78 | 442.62 | |
| Apollo Sindoori Hotels Limited | Enterprises over which Directors are able to exercise significant influence | Purchase of Services | 47.64 | - | |
| | | Account Payable | 8.36 | - | |
| Dishnet Wireless Limited | | Purchase of Services | 5.36 | - | |
| | | Account Payable | 3.47 | - | |
| Health SuperHiway (P) Limited | | Purchase of Services | 4.30 | - | |
| | | Account Payable | 0.44 | - | |
| Faber Sindoori Management Services (P) Limited | | Purchase of Services | 53.55 | - | |
| | | Account Payable | 6.18 | - | |
| Apollo Munich Health Insurance Company Limited | | | Medical Health Insurance Premium | 226.10 | - |
| Managing Director | | Key Management Personnel | Remuneration to the Managing Director | 72.86 | 54.35 |
| Non Executive Directors | Directors | Sitting Fees | 12.80 | 15.00 | |
| | | Commission | 33.84 | - | |

Indraprastha Medical Corporation Limited

- 2) There were no instances of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- 3) The Company has not adopted a Whistle Blower Policy.
- 4) The Company has complied with all the Mandatory requirements of the Clause 49 of the Listing Agreement with Stock Exchanges on Corporate Governance. As regards the Non-mandatory requirements the extent of compliance has been stated in this report against each item.
- 5) A qualified practising Company Secretary carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

8. MEANS OF COMMUNICATION

- | | |
|--|---|
| (i) Quarterly Results | Published in the newspapers in terms of Clause 49 of the Listing Agreement. |
| (ii) Newspapers wherein results normally published | Financial Express - All editions & Jansatta (Hindi) - Delhi edition |
| (iii) Any website, where displayed | Yes - www.apollohospdelhi.com |
| (iv) Whether it also displays official news releases | Yes |
| (v) The presentations made to institutional investors or to the analysts | No |

9. GENERAL SHAREHOLDER INFORMATION

- | | |
|--|---|
| a. Annual General Meeting Date and Time and Venue | 14 th September, 2011 at 10.30 A.M. NCUI Convention Centre, 3 Khel Gaon Marg, New Delhi - 110016. |
| b. Financial Calendar | 1 st Qtr. - 1 st April to 30 th June 2 nd Qtr. - 1 st July to 30 th September 3 rd Qtr. - 1 st October to 31 st December 4 th Qtr. - 1 st January to 31 st March |
| c. Book Closure Date | Wednesday, 7 th September, 2011 to Wednesday, 14 th September, 2011. (both days inclusive). |
| d. Dividend Payment Date | On or after 18 th September, 2011 |
| e. Listing on Stock Exchanges | 1) The Bombay Stock Exchange Limited (BSE) & 2) The National Stock Exchange of India (NSE) The annual listing fee for the year 2011-12 has been paid. |
| f. Stock Code / Symbol | BSE - 532150 NSE - INDRAMEDCO |
| Demat ISIN in NSDL & CDSL | INE681B01017 |

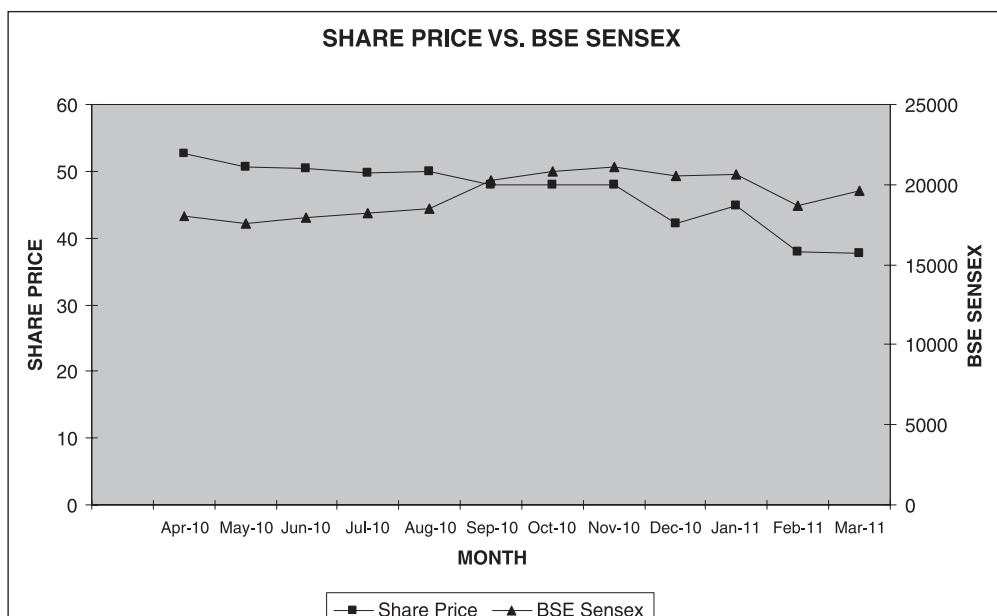


g. Market Price Data

Monthly High & Low during each month of the financial year 2010-11 at National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) are as under:-

| Month | National Stock Exchange | | | Bombay Stock Exchange | | |
|-------------|-------------------------|--------------|---------------|-----------------------|--------------|---------------|
| | Highest (Rs.) | Lowest (Rs.) | Volume (Nos.) | Highest (Rs.) | Lowest (Rs.) | Volume (Nos.) |
| Apr., 2010 | 53.50 | 45.00 | 57,56,342 | 52.70 | 45.50 | 51,49,657 |
| May, 2010 | 49.80 | 42.35 | 12,12,098 | 50.70 | 42.00 | 8,93,995 |
| June, 2010 | 49.95 | 43.25 | 10,87,565 | 50.50 | 43.30 | 6,71,332 |
| July, 2010 | 48.50 | 45.70 | 7,88,534 | 49.80 | 45.70 | 5,76,379 |
| Aug., 2010 | 48.60 | 43.90 | 16,10,072 | 49.90 | 43.90 | 11,10,157 |
| Sep., 2010 | 46.25 | 43.00 | 13,02,518 | 48.00 | 42.25 | 7,47,117 |
| Oct., 2010 | 47.80 | 43.75 | 28,89,778 | 47.90 | 43.65 | 17,35,321 |
| Nov., 2010 | 47.15 | 39.30 | 11,78,405 | 48.00 | 39.30 | 8,64,925 |
| Dec., 2010 | 44.40 | 36.75 | 7,09,436 | 42.15 | 36.75 | 4,24,544 |
| Jan., 2011 | 40.50 | 35.00 | 7,21,159 | 44.80 | 35.25 | 5,33,125 |
| Feb., 2011 | 37.40 | 30.60 | 6,81,061 | 37.95 | 30.20 | 6,61,406 |
| March, 2011 | 39.80 | 33.00 | 6,25,088 | 37.80 | 31.50 | 5,09,085 |

Performance of the share price of the Company in comparison to BSE Sensex



h. Registrar and Transfer Agents

M/s. Link Intime India Pvt. Ltd. continue to be the Registrar & Transfer Agents of the Company and their address is as under:-

M/s. Link Intime India Pvt. Ltd. A-40, 2nd Floor, Near Batra Banquet Hall, Naraina Ind. Area, Phase-II, New Delhi-110 028.

i. Share Transfer System

The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. Physical Shares which are lodged with the Registrar and Transfer Agents / or with the Company for transfer are processed and returned to the shareholders duly transferred within the time limit stipulated under the Listing Agreement subject to the documents being in order.

j. Distribution of shareholding as on 31st March, 2011

| Shareholding of nominal value of Rs. | | Shareholders | | Share Amount | |
|--------------------------------------|----------|--------------|------------|--------------|------------|
| | | Number | % to total | Rs. | % to total |
| Upto | 2,500 | 20,620 | 61.207 | 2,34,18,210 | 2.555 |
| 2,501 - | 5,000 | 6,436 | 19.104 | 2,76,45,280 | 3.016 |
| 5,001 - | 10,000 | 3,291 | 9.769 | 2,91,74,670 | 3.182 |
| 10,001 - | 20,000 | 1,435 | 4.260 | 2,30,12,060 | 2.510 |
| 20,001 - | 30,000 | 508 | 1.508 | 1,32,30,200 | 1.443 |
| 30,001 - | 40,000 | 285 | 0.846 | 1,04,74,830 | 1.143 |
| 40,001 - | 50,000 | 278 | 0.825 | 1,34,33,700 | 1.465 |
| 50,001 - | 1,00,000 | 382 | 1.134 | 2,88,68,710 | 3.149 |
| 1,00,001 & above | | 454 | 1.348 | 74,74,72,340 | 81.537 |
| Total | | 33,689 | 100.000 | 91,67,30,000 | 100.000 |

Shareholding Category as on 31st March, 2011

| Category | No. of Shares held | % to total |
|---------------------------------|--------------------|----------------|
| Indian Promoters | 4,48,47,726 | 48.92 |
| Foreign Promoters | 19,09,116 | 2.08 |
| Mutual Funds & UTI | 3,71,348 | 0.41 |
| Financial Institutions / Banks | 4,94,287 | 0.54 |
| Foreign Institutional Investors | 1,15,179 | 0.13 |
| Bodies Corporate | 1,60,39,596 | 17.50 |
| NRI's/OCB's | 22,93,356 | 2.50 |
| Indian public | 2,56,02,392 | 27.92 |
| Grand Total | 9,16,73,000 | 100.000 |

Shares held by Non-Executive Directors

The number of shares held by Non-Executive Directors as on 31st March, 2011, is as under:-

| Name of the Non-Executive Director | Number of shares held |
|------------------------------------|-----------------------|
| Dr. Prathap C Reddy | 2,37,187 |
| Dr. B Venkataraman | 15,800 |
| Ms. Suneeta Reddy | 1,38,293 |
| Prof. Ranjit Roy Chaudhury | 1,000 |

k. Dematerialisation of shares

About 67% of the Company's paid-up equity share capital has been dematerialised up to 31st March, 2011.

The details of demat of shares as on 31st March, 2011 are as under:-

| | No. of Shareholders | No. of Shares | % of capital |
|-------------|---------------------|---------------|--------------|
| NSDL | 19,019 | 5,65,61,481 | 61.70 |
| CDSL | 6,724 | 51,43,327 | 5.61 |

Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within 15 days.

Shares of the Company are regularly traded at NSE & BSE.



I. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments.

m. Hospital Location

Indraprastha Apollo Hospitals,
Sarita Vihar, Delhi-Mathura Road, New Delhi - 110076.
Apollo Hospitals,
E-2, Sector 26, Noida - 201 301

n. Address for Correspondence

Postal Address :-

M/s. Indraprastha Medical Corporation Limited
Sarita Vihar, Delhi-Mathura Road,
New Delhi - 110076

E-mail Address for Investors:-

asinghal@apollohospitals.com

NON-MANDATORY REQUIREMENTS

- | | |
|--|---|
| 1 (a) Whether Chairman of the Board is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. | No office for the Chairman is maintained at the Company's expense. There was no reimbursement of expenses to the Chairman. |
| (b) Independent Directors may have a time not exceeding in the aggregate a period of nine years on the Board of the Company | As on date, there is no Independent Director having a term of office exceeding nine years on the Board of the Company except Dr. B. Venkataraman who was appointed on the Board of the Company on 22-9-1995 and has completed the term of 14 years and Lt. Gen. (R) Vijay Lall, who was appointed on the Board of the Company on 28-6-2002 and has completed the term of 9 years. |
| 2. Remuneration Committee | Please refer to Sr. No. 4 of this report |
| 3. Shareholder rights - the half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of shareholders | As the Company's half yearly results are published in English newspaper having a circulation all over India and in a Hindi newspaper having a circulation in Delhi region, the same are not sent to the Shareholders of the Company. |
| 4. Audit Qualifications | There are no audit qualifications in the Auditors report. |
| 5. Training of Board Members | At present, the Company does not have such a training programme for the Board members. |
| 6. Mechanism for evaluating non-executive Board members | At present, the Company does not have such a mechanism as contemplated for evaluating the performance of non-executive Board members. |
| 7. Whistle Blower Policy | At present, the Company does not have a Whistle Blower Policy. |

For and on behalf of the Board

Place : New Delhi
Date : 30th July, 2011

P.K. Tripathi
Chairman

C E R T I F I C A T E

To

The Members of Indraprastha Medical Corporation Ltd.

We have examined the compliance of conditions of corporate governance by M/s Indraprastha Medical Corporation Ltd., for the year ended on 31.03.2011, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that 3 (three) investor grievance(s) are pending against the company as per the records maintained by the company as on 31st March, 2011.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For S.C. Vasudeva & Co.,
Chartered Accountants
Firm Reg. No. 000235N

Place : New Delhi
Date : 30th July, 2011

Sanjay Vasudeva
Partner
M.No. 90989

Declaration under Clause 49-I (D) of the Listing Agreement

To

The Members of Indraprastha Medical Corporation Ltd.

I hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the provisions of the **CODE OF CONDUCT** during the financial year ended 31st March, 2011.

Name : Jaideep Gupta
Designation : Managing Director
Date : 22nd July, 2011



AUDITORS' REPORT

To the Members of Indraprastha Medical Corporation Limited.

We have audited the attached Balance Sheet of Indraprastha Medical Corporation Limited, as at 31st March, 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes an examination, on a test basis, of the evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order.

Further to our comments in the annexure referred to above, we report that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account, as required by law have been kept by the company so far, as appears from our examination of the books;
- c) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement are in agreement with the books of account;
- d) The Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- e) On the basis of the written representations received from the directors/companies in which they are directors as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) The provisions of Section 441 A of the Companies Act, 1956 regarding the levy and collection of cess on turnover or gross receipts of the companies, have not yet been notified by the Central Government. Accordingly, we do not express our opinion on the compliance of the said Section in terms of clause (g) of sub-section (3) of section 227.
- g) In our opinion and to the best of our information and according to explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
 - ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date

For S.C.Vasudeva & Co.

Chartered Accountants
Firm Reg. No. 000235N
Sanjay Vasudeva
Partner
M.No. 90989

Place: New Delhi

Dated: 12th May, 2011

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred in paragraph 3 of our report to the members of Indraprastha Medical Corporation Limited on accounts for the financial year ended 31st March 2011.

- (i) (a) According to the information and explanations given to us and on the basis of the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has maintained proper

- records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year and we are informed that no discrepancies were noticed on such physical verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the company and the nature of its business.
 - (c) According to the information and explanations given to us, the company has not disposed off substantial part of its fixed assets during the year.
- (ii) (a) According to the information and explanations given to us, the physical verification of inventory has been conducted at reasonable intervals during the year by the management. In our opinion the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management as evidenced by written procedures and instructions are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of its inventories. Further according to the information and explanations given to us no material discrepancies were noticed on physical verification of inventory as compared to the book records. The balance of inventory established on physical verification as at the year end have been incorporated in the books of account. Consequently, the shortages/excess, if any have been adjusted in the consumption of stores and spares.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to any companies, firms or parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (b) As the Company has not granted any loans, secured or unsecured to companies, firms or
- other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of Paragraph 4 (iii) (b), (iii) (c) and (iii) (d) of the Order are not applicable to the company.
- (c) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from any companies, firms or parties covered in the register maintained under Section 301 of the Companies Act, 1956.
 - (d) As the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, the provisions of Paragraph 4 (iii) (f) and (iii) (g) of the Order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
 - (b) In our opinion and according to the information and explanations given to us, each of the transactions made in pursuance of the contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the aggregate value of rupees five lakhs during the financial year under audit in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us the company has not accepted any deposits from the public. Therefore, the provisions of Section 58A, 58AA or any other relevant provisions of the



- Companies Act, 1956 and relevant rules framed thereunder are not applicable to the company.
- (vii) In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) According to the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income-tax, Sales Tax, Customs Duty, Wealth Tax, Service Tax, Cess and other material statutory dues applicable to the company, if any, have been regularly deposited with the appropriate authorities during the financial year. We are informed that the provisions of Excise Duty are not applicable to the company.
- (b) According to the information and explanations given to us, there are no dues of Sales tax, Income-tax, Customs Duty, Wealth tax, Service tax and Cess which have not been deposited on account of any dispute.
- (x) In our opinion, the company does not have accumulated losses and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) Based on our audit procedures and the information and explanations given by the management we are of the opinion that the company has not defaulted in repayment of dues to any financial institution or bank. As informed to us no money has been raised through debentures by the company.
- (xii) According to the information and explanations given to us, the company has not granted any loans and / or advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of paragraph 4(xii) of the Order are not applicable to the company.
- (xiii) The company is not a chit fund company or nidhi / mutual benefit fund/society. Therefore, the provisions of Paragraph 4 (xiii) of the said Order are not applicable to the company.
- (xiv) The Company is not dealing or trading in shares, securities, debentures and other investments. Therefore the provisions of paragraph 4(xiv) of the said Order are not applicable to the company.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of paragraph 4(xv) of the said Order are not applicable to the company
- (xvi) According to the information and explanations given to us and on the basis of the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that the term loans raised have been utilised for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments by the company.
- (xviii) According to the information and explanations given to us the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, the company has not issued any debentures. Therefore the provisions of paragraph 4 (xix) of the said Order are not applicable to the company.
- (xx) According to the information and explanations given to us, the company has not raised any money by public issue during the year. Therefore, the provisions of paragraph 4 (xx) of the said Order are not applicable to the company.
- (xxi) According to the information and explanations given to us, no fraud, on or by the company has been noticed or reported during the year.

For S.C.Vasudeva & Co.

Chartered Accountants
Firm Reg. No. 000235N
Sanjay Vasudeva
Partner
M.No. 90989

Place: New Delhi
Dated: 12th May, 2011

Indraprastha Medical Corporation Limited

BALANCE SHEET AS AT 31ST MARCH, 2011

| Particulars | Schedule No. | As at 31st March, 2011 Rs. | As at 31st March, 2010 Rs. |
|---|--------------|----------------------------------|----------------------------------|
| SOURCES OF FUNDS | | | |
| Shareholders' Funds | | | |
| Share Capital | 1 | 916,730,000 | 916,730,000 |
| Reserves and Surplus | 2 | 576,484,190 | 440,273,107 |
| Loan Funds | | | |
| Secured Loans | 3 | 750,248,808 | 292,885,629 |
| Deferred Tax Liability (Net) | | 306,898,442 | 282,010,083 |
| Total | | <u>2,550,361,440</u> | <u>1,931,898,819</u> |
| APPLICATION OF FUNDS | | | |
| Fixed Assets | | | |
| Gross Block | 4 | 3,988,088,908 | 3,748,215,627 |
| Less: Depreciation | | 1,730,233,628 | 1,689,535,851 |
| Net Block | | 2,257,855,280 | 2,058,679,776 |
| Capital Work in Progress | | 339,848,291 | 36,714,227 |
| Current Assets, Loans and Advances | | | |
| Inventories | 5 | 97,245,366 | 95,964,771 |
| Sundry Debtors | | 324,712,450 | 282,805,155 |
| Cash and Bank Balances | | 53,615,226 | 43,840,760 |
| Other Current Assets | | 170,822,347 | 144,813,441 |
| Loans and Advances | | 336,531,782 | 339,148,744 |
| | | 982,927,171 | 906,572,871 |
| Less: Current liabilities and Provisions | | | |
| Liabilities | 6 | 686,296,380 | 701,746,143 |
| Provisions | | 343,972,922 | 368,321,912 |
| | | 1,030,269,302 | 1,070,068,055 |
| Net Current Assets | | (47,342,131) | (163,495,184) |
| Total | | <u>2,550,361,440</u> | <u>1,931,898,819</u> |
| Notes to Accounts | 10 | | |

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Sanjay Vasudeva
Partner

M. No. 90989

Firm Reg. No. 000235N

Ajay Kumar Singhal
Vice President Cum
Company Secretary

P. K. Tripathi
Dr. Prathap C. Reddy
Jaideep Gupta
Suneeta Reddy

Chairman
Vice Chairman
Managing Director
Director

Place : New Delhi
Date : 12th May, 2011



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

| Particulars | Schedule No. | For the year ended 31st March, 2011 Rs. | For the year ended 31st March, 2010 Rs. |
|--|--------------|--|--|
| INCOME | | | |
| Hospital Revenue | | 4,354,712,681 | 4,244,268,391 |
| Other Income | 7 | 269,437,601 | 120,530,005 |
| Total | | 4,624,150,282 | 4,364,798,396 |
| EXPENDITURE | | | |
| Stores and Spares consumed | | 1,079,262,211 | 1,148,712,165 |
| Operating and Administrative Expenses | 8 | 2,841,941,162 | 2,519,112,328 |
| Interest and other Financial Charges | 9 | 43,632,619 | 38,542,427 |
| Depreciation | | 216,027,997 | 192,904,223 |
| Total | | 4,180,863,989 | 3,899,271,143 |
| Profit for the year | | 443,286,293 | 465,527,253 |
| Prior period adjustment | | (9,396,703) | - |
| Profit before tax | | 452,682,996 | 465,527,253 |
| Less : Provision for | | | |
| - Current Tax | | 121,354,857 | 161,222,111 |
| - Deferred Tax | | 24,888,359 | (9,248,569) |
| - Wealth Tax | | 97,421 | 90,560 |
| Tax paid/excess provision for tax written back | | (906,707) | 2,862,464 |
| Profit after tax | | 307,249,066 | 310,600,687 |
| Balance available for appropriation | | 307,249,066 | 310,600,687 |
| Appropriations | | | |
| Transferred to General Reserve | | 25,000,000 | 25,000,000 |
| Proposed Dividend | | 146,676,800 | 146,676,800 |
| Tax on Proposed Dividend | | 24,361,183 | 24,927,722 |
| Surplus carried to Balance Sheet | | 111,211,083 | 113,996,165 |
| Earnings per share of Rs. 10/- each (Refer to note no. 12 of Notes to Accounts) | | | |
| Basic & Diluted | | 3.35 | 3.39 |
| Notes to Accounts | 10 | | |

As per our separate report of even date attached

For S.C. Vasudeva & Co.
Chartered Accountants

Sanjay Vasudeva
Partner
M. No. 90989
Firm Reg. No. 000235N

Ajay Kumar Singhal
Vice President Cum
Company Secretary

P. K. Tripathi
Dr. Prathap C. Reddy
Jaideep Gupta
Suneeta Reddy

Chairman
Vice Chairman
Managing Director
Director

Place : New Delhi
Date : 12th May, 2011

Indraprastha Medical Corporation Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

| Particulars | Year Ended 31st March, 2011 Rs. | Year Ended 31st March, 2010 Rs. |
|--|---------------------------------------|---------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before tax & Extraordinary items | 452,682,996 | 465,527,253 |
| Add: | | |
| Depreciation | 216,027,997 | 192,904,223 |
| Prior period adjustments | (9,396,703) | - |
| Interest charged | 31,405,812 | 28,722,556 |
| Loss on discarded assets | 91,588 | 14,771,626 |
| Deduct: | | |
| Interest received | 1,873,396 | 2,442,203 |
| Compensation received (Net) | 43,734,460 | - |
| Operating Profit before Working Capital changes | 645,203,834 | 699,483,455 |
| Adjustments for | | |
| Trade & Other Receivables | (120,912,803) | 45,854,442 |
| Trade payables | 40,057,657 | 169,737,633 |
| Inventories | (1,280,595) | (5,130,010) |
| Cash Generated from Operations | 563,068,093 | 909,945,520 |
| Deduct: | | |
| Interest paid | (10,736,838) | (1,325,338) |
| Income tax paid | (188,668,380) | (178,555,945) |
| Net Cash from Operating Activities | 363,662,875 | 730,064,237 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of Assets (Net of sale) | (573,928,214) | (362,730,956) |
| Interest received | 1,467,235 | 2,095,434 |
| Net Cash from Investing Activities | (572,460,979) | (360,635,522) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from - long term loans | 575,000,000 | - |
| Proceeds from - short term loans | 100,000,000 | - |
| Repayment of - long term loans | (165,599,866) | (169,313,159) |
| Repayment of - short term loans | (100,000,000) | - |
| Interest paid | (20,441,539) | (27,944,668) |
| Dividend paid (including Corporate Dividend Tax) | (170,386,025) | (159,534,557) |
| Net Cash from Financing Activities | 218,572,570 | (356,792,384) |
| Net increase in cash and Cash equivalents | 9,774,466 | 12,636,331 |
| Opening Cash and cash equivalents | 43,840,760 | 31,204,429 |
| Closing Cash and cash equivalents | 53,615,226 | 43,840,760 |

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Sanjay Vasudeva
Partner

M. No. 90989

Firm Reg. No. 000235N

Ajay Kumar Singhal
Vice President Cum
Company Secretary

P. K. Tripathi
Dr. Prathap C. Reddy
Jaideep Gupta
Suneeta Reddy

Chairman
Vice Chairman
Managing Director
Director

Place : New Delhi

Date : 12th May, 2011



SCHEDULES

SCHEDULE 1

SHARE CAPITAL

Authorised

100,000,000 Equity Shares of Rs.10/- each

| As at 31st March, 2011 Rs. | As at 31st March, 2010 Rs. |
|-------------------------------------|-------------------------------------|
| 1,000,000,000 | 1,000,000,000 |
| 1,000,000,000 | 1,000,000,000 |

Issued, Subscribed and Paid up

(91,673,000 equity shares of Rs. 10/- each fully paid up)

| | |
|--------------------|-------------|
| 916,730,000 | 916,730,000 |
| 916,730,000 | 916,730,000 |

SCHEDULE 2

RESERVES AND SURPLUS

(a) General Reserve

As per last account

Add : Transferred from Profit and Loss Account

| | |
|-------------------|------------|
| 57,500,000 | 32,500,000 |
| 25,000,000 | 25,000,000 |
| 82,500,000 | 57,500,000 |

(b) Profit and loss account

Opening balance

Add : Surplus for the year

| | |
|--------------------|-------------|
| 382,773,107 | 268,776,942 |
| 111,211,083 | 113,996,165 |
| 493,984,190 | 382,773,107 |
| 576,484,190 | 440,273,107 |

SCHEDULE 3

SECURED LOANS

Loans from Banks:

-Term loans

| | |
|--------------------|-------------|
| 300,000,000 | 108,000,000 |
|--------------------|-------------|

(The above are secured by exclusive charge on the medical equipment and other movable fixed assets funded from the term loan and subservient charge on the movable fixed assets both present and future)

Other Loans and Advances:

-Term loan

| | |
|--------------------|------------|
| 300,329,164 | 82,929,030 |
|--------------------|------------|

(The above are secured by exclusive charge on the medical equipment and other movable fixed assets funded from the term loan)

(Due for repayment within 12 months Rs. 173,245,828/-

(Previous year Rs. 147,266,533/-))

Working capital facility from Bank

(Secured against hypothecation of stores, spares and receivables)

| | |
|--------------------|-------------|
| 149,919,644 | 101,956,599 |
| 750,248,808 | 292,885,629 |

FIXED ASSETS

| Particulars | Gross Block | | Depreciation/Amortisation | | | Impairment | | Net Block | | | |
|---|----------------------------|--------------------|---------------------------|-----------------------------|------------------------|-----------------------------|------------------------------|------------------------|------------------------|------------------------|------------------------|
| | Cost As at 1.04.2010 (Rs.) | Additions (Rs.) | Deletion/ Adjusted (Rs.) | Cost As at 31.03.2011 (Rs.) | Up to 31.03.2010 (Rs.) | For the Year Adjusted (Rs.) | Written back/ Adjusted (Rs.) | Up to 31.03.2011 (Rs.) | Up to 31.03.2011 (Rs.) | As at 31.03.2011 (Rs.) | As at 31.03.2010 (Rs.) |
| (A) TANGIBLE ASSETS | | | | | | | | | | | |
| LEASEHOLD LAND | NIL | | | NIL | | | | | | NIL | NIL |
| (LEASED FROM DELHI ADMINISTRATION) | | | | | | | | | | | |
| BUILDINGS | 1,021,902,285 | 96,993,242 | - | 1,118,895,527 | 186,312,134 | 23,527,199 | - | 209,839,333 | - | 908,996,194 | 885,590,151 |
| FURNITURE & FITTINGS | 139,683,041 | 14,832,540 | - | 154,515,581 | 69,724,940 | 8,974,178 | - | 78,699,118 | - | 75,816,463 | 69,958,101 |
| PLANT & MACHINERY | 369,657,735 | 20,750,273 | - | 390,408,008 | 155,307,434 | 18,201,428 | - | 173,508,862 | - | 216,899,146 | 214,350,301 |
| OFFICE EQUIPMENT | 261,348,526 | 19,666,378 | - | 281,014,904 | 144,660,985 | 18,968,980 | *** 9,396,703 | 154,233,262 | - | 126,781,642 | 116,687,541 |
| MEDICAL EQUIPMENT | 1,792,405,980 | 304,242,591 | 101,561,643 | * 1,995,086,928 | 921,355,589 | 141,656,934 | 76,407,882 | 986,604,641 | 95,642,566 | 912,839,721 | 805,812,569 |
| VEHICLES | 19,776,945 | 3,273,083 | 1,554,850 | 21,495,178 | 7,721,018 | 1,935,304 | 903,265 | 8,753,057 | - | 12,742,121 | 12,055,927 |
| TOTAL- A | 3,604,774,512 | 459,698,107 | 103,116,493 | 3,961,356,126 | 1,485,082,100 | 213,264,023 | 86,707,850 | 1,611,638,273 | 95,642,566 | 2,254,075,287 | 2,054,454,590 |
| B. INTANGIBLE ASSETS | | | | | | | | | | | |
| SOFTWARE | 25,192,757 | 1,540,025 | - | 26,732,782 | 20,967,571 | 1,985,218 | - | 22,952,789 | - | 3,779,993 | 4,225,186 |
| TOTAL-B | 25,192,757 | 1,540,025 | - | 26,732,782 | 20,967,571 | 1,985,218 | - | 22,952,789 | - | 3,779,993 | 4,225,186 |
| C. ASSET HELD FOR DISPOSAL | 118,248,358 | - | 118,248,358 | - | 62,689,852 | 778,756 | 63,468,608 | - | - | - | - |
| GRAND TOTAL (A+B+C) | 3,748,215,627 | 461,238,132 | 221,364,851 | 3,988,088,908 | 1,568,739,523 | ** 216,027,997 | 150,176,458 | 1,634,591,062 | 95,642,566 | 2,257,855,280 | 2,058,679,776 |
| Previous Year | 3,478,297,641 | 313,551,041 | 43,633,055 | 3,748,215,627 | 1,404,272,665 | 192,904,223 | 28,437,365 | 1,568,739,523 | 120,796,328 | 2,058,679,776 | 1,953,228,648 |
| Capital Work in Progress | | | | | | | | | | 339,848,291 | 36,714,227 |

* Includes certain Medical Equipments which have been depreciated on the basis of estimated useful life of 7 and 10 years based on the technological evaluation.

** Includes Rs.1,985,218/- (Previous year Rs.1,325,244/-) on account of amortisation of intangible assets.

*** Includes depreciation written back in respect of earlier years.



SCHEDULE 5

CURRENT ASSETS, LOANS AND ADVANCES

Inventories

| | As at 31st March, 2011 Rs. | As at 31st March, 2010 Rs. |
|--------------------------------|-------------------------------------|-------------------------------------|
| Stores & Spares | 46,841,848 | 39,317,284 |
| Crockery & Utensils | 4,878,813 | 4,517,699 |
| Linen | 4,477,513 | 8,203,871 |
| Medical & Surgical Instruments | 41,047,192 | 43,925,917 |
| | <u>97,245,366</u> | <u>95,964,771</u> |

Sundry Debtors (Unsecured)

| | | |
|---|--------------------|--------------------|
| Debts outstanding for a period exceeding six months | | |
| – Considered Good | 67,242,356 | 69,459,923 |
| – Doubtful | 16,734,116 | 14,263,821 |
| Other Debts | | |
| – Considered Good | 257,470,094 | 213,345,232 |
| | <u>341,446,566</u> | <u>297,068,976</u> |
| Less : Provision for doubtful debts | 16,734,116 | 14,263,821 |
| | <u>324,712,450</u> | <u>282,805,155</u> |

Cash and Bank Balances

| | | |
|---|-------------------|-------------------|
| – Cash balance on hand | 4,521,817 | 8,744,434 |
| – With scheduled banks | | |
| in current accounts | 3,516,076 | 18,750,754 |
| in fixed deposits | 34,734,902 | 6,721,638 |
| (includes Rs. 16,561,055/- pledged towards margin money) (previous year 3,640,160/-) | | |
| – With scheduled banks in Unpaid Dividend Account | 10,842,431 | 9,623,934 |
| | <u>53,615,226</u> | <u>43,840,760</u> |

Other Current Assets

| | | |
|---------------------------------|--------------------|--------------------|
| Patient's treatment in progress | 96,979,480 | 77,794,050 |
| Interest Receivable | 1,357,807 | 951,647 |
| Other Receivable | 72,485,060 | 66,067,744 |
| | <u>170,822,347</u> | <u>144,813,441</u> |

Loans and Advances

| | | |
|--|--------------------|--------------------|
| (Unsecured, considered good) | | |
| Advance for capital items | 7,309,043 | 91,591,184 |
| Advances recoverable in cash or in kind or for value to be received | 12,490,484 | 24,235,944 |
| Prepaid Taxes | 248,882,883 | 198,488,315 |
| Deposits | 13,904,814 | 11,644,114 |
| Prepaid Expenses | 53,944,558 | 13,189,187 |
| | <u>336,531,782</u> | <u>339,148,744</u> |

Indraprastha Medical Corporation Limited

| | As at 31st March, 2011 Rs. | As at 31st March, 2010 Rs. |
|---|---|-------------------------------------|
| SCHEDULE 6 | | |
| CURRENT LIABILITIES AND PROVISIONS | | |
| a. Current Liabilities | | |
| Sundry Creditors - -for Capital Works | 25,125,255 | 18,037,620 |
| -for Expenses | 360,947,156 | 247,230,227 |
| Advance from patients | 140,249,548 | 117,398,860 |
| Unclaimed Dividend | 10,842,431 | 9,623,934 |
| Other liabilities | 147,457,867 | 308,008,814 |
| | | |
| Interest Accrued but not due | 1,674,123 | 1,446,688 |
| | <u>686,296,380</u> | <u>701,746,143</u> |
| b. Provisions | | |
| Provision for Income tax | 121,354,857 | 161,222,111 |
| Provision for Wealth tax | 97,421 | 90,560 |
| Proposed Dividend | 146,676,800 | 146,676,800 |
| Tax on Proposed Dividend | 24,361,183 | 24,927,722 |
| Provision for Employee Benefits | 51,482,661 | 35,404,719 |
| | <u>343,972,922</u> | <u>368,321,912</u> |

| | For the year ended 31st March, 2011 Rs. | For the year ended 31st March, 2010 Rs. |
|---|--|--|
| SCHEDULE 7 | | |
| OTHER INCOME | | |
| Interest received from banks (Tax deducted at source Rs. 146,241/- (Previous Year Rs. 222,216/-)) | 1,780,203 | 2,257,600 |
| Interest received from others | 93,193 | 184,603 |
| License fee & commission from licensees | 73,912,661 | 72,137,205 |
| Service charges received from doctors | 16,380,926 | 16,602,764 |
| Miscellaneous income | 62,171,536 | 23,454,875 |
| Compensation received (Net) | 43,734,460 | - |
| Provision no longer required written back | 71,364,622 | 5,892,958 |
| | <u>269,437,601</u> | <u>120,530,005</u> |



SCHEDULE 8

OPERATING AND ADMINISTRATIVE EXPENSES

| | For the year ended 31st March, 2011 Rs. | For the year ended 31st March, 2010 Rs. |
|---|--|--|
| Salaries and wages | 880,517,048 | 741,987,893 |
| Contribution to Provident & Other Funds | 52,471,299 | 43,670,102 |
| Staff welfare | 52,199,447 | 38,711,935 |
| Consultation fees paid to doctors | 1,134,102,285 | 1,038,247,722 |
| Outside lab investigations | 6,631,750 | 5,169,997 |
| Leasehold ground rent | 12 | 12 |
| Power & Fuel | 145,012,589 | 130,589,729 |
| Rent | 18,870,723 | 17,318,631 |
| Travelling and Conveyance | 40,586,155 | 38,069,832 |
| Insurance | 6,351,632 | 6,498,431 |
| Directors' sitting fees | 1,280,000 | 1,500,000 |
| Communication | 16,092,041 | 14,810,287 |
| Printing and stationery | 33,505,225 | 28,578,990 |
| Advertisement | 142,596,620 | 73,790,558 |
| Legal and professional charges | 51,103,894 | 40,667,731 |
| Security charges | 14,008,994 | 11,773,163 |
| Payment to auditors | 1,290,000 | 899,270 |
| Auditors out of pocket expenses | 19,595 | 45,642 |
| Rates, taxes and licenses | 17,003,238 | 17,965,761 |
| Loss on Discarded Assets | 91,588 | 14,771,626 |
| Service Charges | 138,250,233 | 118,873,829 |
| Repairs and maintenance | | |
| - Building | 20,112,619 | 53,075,435 |
| - Plant & Machinery | 29,086,649 | 35,732,007 |
| - Others | 20,731,302 | 16,244,104 |
| Miscellaneous expenses | 10,364,115 | 17,828,573 |
| Bad debts written off | 3,595,907 | 5,387,046 |
| Provision for doubtful debts | 6,066,202 | 6,904,022 |
| | <u>2,841,941,162</u> | <u>2,519,112,328</u> |

SCHEDULE 9

INTEREST AND OTHER FINANCIAL CHARGES

| | | |
|-----------------------------|--------------------------|-------------------|
| Interest on term loans | 20,668,974 | 27,397,218 |
| Interest on working capital | 10,736,838 | 1,325,338 |
| Other financial charges | 12,226,807 | 9,819,871 |
| | <u>43,632,619</u> | <u>38,542,427</u> |

Indraprastha Medical Corporation Limited

SCHEDULE 10

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2011.

I. Significant Accounting Policies:

A. Accounting Convention

The accounts are prepared on accrual basis under the historical cost convention in accordance with the accounting standards referred to in section 211 (3C) of the Companies Act, 1956 and other relevant provisions of the said Act.

B. Revenue Recognition

- i) Revenue is recognized on accrual basis. Hospital Revenue comprises of income from services rendered to the out-patients and in-patients. Revenue also includes value of services rendered pending billing in respect of in-patients undergoing treatment as on 31st March, 2011.
- ii) Under the "Served from India Scheme" introduced by Government of India, an exporter of service is entitled to certain export benefits on foreign currency earned. The revenue in respect of export benefits is recognized on the basis of the foreign exchange earned at the rate at which the said entitlement accrues to the extent there is no significant uncertainty as to the amount of consideration that would be derived and as to its ultimate collection.

C. Fixed Assets

Fixed Assets are stated at historical cost less accumulated depreciation.

D. Depreciation

- i) Depreciation is charged on straight line method at the rates prescribed under schedule XIV to the Companies Act, 1956 (considered the minimum rate) or at higher rates, if the estimated useful life based on technological evaluation of the assets are lower than as envisaged under Schedule XIV to the Companies Act. In case of additions and deletions during the year, the computations are on the basis of number of days for which the assets have been in use. Assets costing not more than Rs. 5,000/- each, individually have been depreciated fully in the year of purchase.
- ii) When impairment loss / reversal is recognized, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any) on a systematic basis over its remaining useful life.

E. Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation.

F. Amortisation of Intangible Assets

- i) Intangible assets are amortised on straight line method over the estimated useful life of the asset.
- ii) The useful life of the intangible assets for the purpose of amortisation is estimated to be three years.

G. Impairment of Assets

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the Company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is determined on the basis of value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, the increase in the carrying amount of an asset due to reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.

H. Inventories

- i) Inventories are valued at lower of cost and net realizable value.
- ii) The cost in respect of the items constituting the inventories has been computed on FIFO basis.



I. Expenditure incurred during the construction period

In respect of new / major expansion of units, the indirect expenditure incurred during construction period up to the date of commencement of business, which is attributable to the construction of the project, is capitalised on various category of fixed assets on proportionate basis.

J. Employee benefits

Short Term Employee Benefits

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the Profit and Loss account of the year in which the related service is rendered.

Post Employment Benefits

Defined Contribution Plans

The Employer's contribution to Provident Fund and Employees Pension Scheme, a defined contribution plan is made in accordance with the Provident Fund Act, 1952 read with the Employees Pension Scheme, 1995.

Defined Benefit Plans

The Employees Gratuity Fund Scheme, managed by HDFC Standard Life Insurance Company Ltd. is a defined benefit plan. The liability for gratuity is provided on actuarial basis. The Present Value of the company's obligation is determined on the basis of actuarial valuation at the year end and the fair value of plan assets is reduced from the gross obligations under the gratuity scheme to recognize the obligation on a net basis.

Long Term Employee Benefits

The liability for leave encashment and other compensated absences is recognized on the basis of actuarial valuation made at the end of the year.

K. Foreign currency transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction.

Exchange difference arising on the settlement of monetary items or on reporting the company's monetary items at rates different from those at which they are initially recorded during the year or, reported in previous financial statements are recognised as income or expense in the year in which they arise.

L. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other costs are recognized as expense in the year in which they are incurred.

M. Taxation

- (i) Provision for Taxation comprises of Income Tax Liability on the profits for the year chargeable to tax and Deferred Tax resulting from timing differences between Book and Tax Profits. The Deferred Tax Asset/ Liability is provided in accordance with the Accounting Standard – 22 (AS-22), "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India.

N. Provisions and Contingent Liabilities

- (i) Contingent liability is disclosed in the case of :
 - (a) a present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - (b) a possible obligation , unless the probability of outflow in settlement is remote

II. Notes on Accounts

1. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 127,188,801/- (Previous Year Rs. 281,155,193/-).

2. Contingent Liability

- i) Claims against the company not acknowledged as debt Rs. 344,536,255/- (Previous Year Rs. 335,330,000/-) and interest thereon. This represents suits filed against the company and the consultant doctors. Based on the facts and circumstances, possibility of any of the claims resulting in a major financial loss to the company is remote. Notwithstanding above, the company is adequately insured to mitigate the possibility of any loss.
- ii) Letters of credit / Bank guarantees outstanding on account of stores / spares and medical equipment amounting to Rs. 14,592,492/- (Previous Year Rs. 23,805,634/-).
- iii) In respect of other matters Rs. 45,636,564/- (Previous Year NIL).

3. The appeal filed by the company against assessment of property tax by MCD, was decided by the Additional District Judge, Delhi on 17th April, 2004 remanding the case to MCD for reassessment on the basis of directions set out in the said order.

During the year ended 31st March, 2011, assessment was carried out by MCD and as per assessment order, an amount of Rs. 61,560,927/- is assessed as property tax liability up to 31st March 2004. The provision made in the books upto 31st March, 2004 was Rs. 83,693,078/-. This has resulted in writing back of provision to Profit and Loss Account amounting to Rs. 22,132,151/-.

Further the company has provided Rs. 3,465,389/- (Previous year Rs. 2,968,053/-) against property tax liability for the year ended 31st March, 2011 as per unit area method of calculating the property tax.

4. Under the terms of the agreement between the Government of NCT of Delhi and the company, the Hospital project of the company has been put up on the land belonging to Government of NCT of Delhi. The Government of NCT of Delhi is committed to meet the expenditure to the extent of Rs. 154,780,000 out of IMCL Building fund account (funds earmarked for the period) together with the interest thereon for construction of definite and designated buildings while the balance amount of the cost of the building will be borne by the Company. As at 31st March, 2011, the aforesaid fund, together with interest thereon amounting to Rs. 192,357,946 have been utilized towards progress payments to contractors, advances to contractors, payments for materials, etc. The ownership of the building between Government of NCT of Delhi and the company will be decided at a future date keeping in view the lease agreement.
5. On a Public Interest Litigation (PIL) regarding free treatment in the hospital the Hon'ble Delhi High Court vide its order dated 22nd September, 2009 has held that free treatment provided by the hospital as per the terms of lease deed with Government of National Capital Territory of Delhi shall be inclusive of medicines and consumables. In response to the said order the company filed a Special Leave Petition in the Hon'ble Supreme Court for appropriate directions with a prayer to stay the judgment of the Hon'ble Delhi high court. The Hon'ble Supreme Court of India has admitted the Special Leave Petition and passed an interim order on 30.11.2009. In pursuance of the interim order, the Hospital is charging for medicines & medical consumables from patients referred by the Govt. of Delhi for free treatment in the Hospital.

6. Employee benefits

- (i) The summarized position of Post - employment benefits and long term benefits recognised in the Profit and Loss Account and the Balance Sheet as required in accordance with Accounting Standard - 15 (Revised) are as under:

| | Amount in Rs. | | | |
|--|--------------------|-------------------|--------------------|-------------------|
| | 2010-11 | | 2009-10 | |
| | Gratuity Funded | Leave Unfunded | Gratuity Funded | Leave Unfunded |
| (a) Expense recognised in Profit and Loss Account | | | | |
| Current Service Cost | 8,119,877 | 11,757,991 | 7,213,599 | 7,814,312 |
| Interest Cost | 3,750,513 | 2,832,377 | 2,967,349 | 2,098,323 |
| Expected return on Plan Assets | (3,062,253) | - | (3,161,575) | - |
| Net Actuarial (Gain)/ Loss recognised in the year | 2,817,587 | 10,405,696 | 4,198,477 | 5,752,094 |
| Total expenses recognised in the Profit and Loss Account | 11,625,724 | 24,996,064 | 11,217,850 | 15,664,729 |
| (b) Amount recognised in the Balance Sheet | | | | |
| Present value of obligation as at the end of the year | 61,367,377 | 51,482,661 | 46,881,410 | 35,404,719 |
| Fair value of plan assets as at the end of the year | 54,741,653 | - | 38,278,164 | - |
| Unfunded net liability recognised in the Balance Sheet | (6,625,724) | (51,482,661) | (8,603,246) | (35,404,719) |



Amount in Rs.

| | 2010-11 | | 2009-10 | |
|---|-----------------|------------------------------|-----------------|------------------------------|
| | Gratuity Funded | Leave Unfunded | Gratuity Funded | Leave Unfunded |
| (c) Changes in the present obligations | | | | |
| Present value of obligations at beginning of the year | 46,881,410 | 35,404,719 | 38,288,370 | 27,977,645 |
| Interest cost | 3,750,512 | 2,832,377 | 2,967,349 | 2,098,323 |
| Current service cost | 8,119,878 | 11,757,991 | 7,213,599 | 7,814,312 |
| Benefits paid | (4,351,724) | (8,918,122) | (2,766,561) | (8,237,655) |
| Actuarial loss / (gain) on obligations | 6,967,301 | 10,405,696 | 1,178,653 | 5,752,094 |
| Present Value of obligations at year end | 61,367,377 | 51,482,661 | 46,881,410 | 35,404,719 |
| (d) Changes in fair value of plan assets | | | | |
| Fair value of plan assets at the beginning of the year | 38,278,164 | - | 38,902,974 | - |
| Expected return on plan assets | 3,062,253 | - | 3,161,575 | - |
| Employer contribution | 13,603,246 | - | 2,000,000 | - |
| Benefits paid | (4,351,724) | - | (2,766,561) | - |
| Actuarial gain / (loss) on Plan Assets | 4,149,714 | - | (3,019,824) | - |
| Fair value of plan assets at the end of the year | 54,741,653 | - | 38,278,164 | - |
| (e) Principal actuarial assumptions at the Balance Sheet Date (Expressed as weighted average). | | | | |
| Discount Rate | 8.25% | 8.00% | 8.00% | 7.50% |
| Expected rate of return on plan assets (In case of Gratuity Fund) | 8.00% | - | 8.00% | - |
| Expected rate of salary increase | 5.00% | 5.50% | 5.00% | 5.00% |
| Method used | | Projected unit credit method | | Projected unit credit method |

(ii) The company's contribution to provident fund scheme recognised as expense for the year are as under:

| | Amount (Rs.) | Amount (Rs.) |
|----------------------------------|--------------|--------------|
| - Contribution to Provident fund | 21,141,068 | 16,753,005 |
| - Contribution to Pension fund | 15,079,332 | 12,146,354 |

7. The company had filed application for determination of question of law under section 84 of the Delhi Value Added Act, 2004 (VAT) before the Commissioner, Trade and Taxes, Delhi (CTT) regarding the applicability of VAT to the hospitals, inter alia, in respect of medicines and consumables administered by the hospitals in the course of medical treatment to its patients.

The CTT has vide its order dated 17th March, 2006 in this regard held that VAT would be applicable to the hospitals in respect of the aforesaid. The company preferred an appeal against aforesaid order of the CTT before Delhi VAT Tribunal. The matter is now pending before Delhi VAT Tribunal.

8. Travelling and conveyance includes Rs. 1,281,105/- (Previous year Rs. 754,914/-) on account of Directors' travelling.
9. Other Income include Rs. 39,972,666/- (Previous Year NIL) on account of export benefits under Served From India, Scheme.
10. (a) For the current year ended 31st March, 2011 timing differences have resulted in a net deferred tax expense amounting to Rs. 24,888,359/-, which is adjusted to the provision for taxation for the year.

(b) Deferred Tax Liability (net) as on 31st March, 2011 is as follows:

| | Amount (Rs.) 2010-11 | Amount (Rs.) 2009-10 |
|--|-------------------------|-------------------------|
| Timing difference on account of depreciation | 326,541,865 | 317,571,417 |
| Less: Deferred tax assets arising on account of Provision for doubtful debts | 5,429,384 | 4,738,085 |
| Provision for Employee benefits and others | 14,214,039 | 30,823,249 |
| Net deferred tax liability | 306,898,442 | 282,010,083 |

Indraprastha Medical Corporation Limited

11. Related party disclosures

| | | | Rs. in Lakhs | |
|--|---|-----------------------------------|------------------|------------------|
| Name | Relationship | Nature of Transactions | 31st March, 2011 | 31st March, 2010 |
| Apollo Hospitals Enterprise Limited | Associate | Pharmacy Consumables | 1224.74 | 1615.29 |
| | | License Fees | 85.80 | 90.03 |
| | | Commission on Pharmacy Sales | 408.47 | 308.65 |
| | | Reimbursement of Expenses | 378.25 | 82.80 |
| | | Account Payable | 940.78 | 442.62 |
| Apollo Sindoori Hotels Limited | | Purchase of services | 47.64 | - |
| | | Account Payable | 8.36 | - |
| Dishnet Wireless Limited | | Purchase of services | 5.36 | - |
| | | Account Payable | 3.47 | - |
| Health Super Hiway (P) Limited | Enterprises over which Directors are able to exercise significant influence | Purchase of services | 4.30 | - |
| | | Account Payable | 0.44 | - |
| Faber Sindoori Management Services (P) Limited | | Purchase of services | 53.55 | - |
| | | Account Payable | 6.18 | - |
| Apollo Munich Health Insurance Company Limited | | Medical health insurance premium | 226.10 | - |
| Managing Director | Key Management Personnel | Remuneration to Managing Director | 72.86 | 54.35 |
| Non Executive Directors | Directors | Sitting fees | 12.80 | 15.00 |
| | | Commission | 33.84 | - |

12. The Basic earning per share (EPS) disclosed in the profit and loss accounts has been calculated by dividing the net profit for the year ended 31st March, 2011 attributable to equity shareholders by the weighted average number of equity shares outstanding during the said financial year. The net profit attributable to equity share holders is Rs. 307,249,066/- (Previous Year Rs. 310,600,687/-) and the weighted average number of equity share is 91,673,000 for this purpose.
13. There was a fire in oncology department on 3rd May, 2010 and a medical equipment suffered extensive damage. The said equipment was insured at reinstatement value. The compensation of Rs. 98,514,210/- received in this regard in the current year from the insurance company has been utilised for the purchase of new medical equipment. The written down value of the medical equipment as at 31st March, 2010 was Rs. 55,558,506/- and written down value on the date of loss was Rs. 54,779,750/-. The excess of claim received from the insurance company over the written down value of the asset as appearing in Profit and Loss Account has been shown as compensation received (Net) in other income.
14. The Company has no suppliers who fall into the category of Micro, Small and Medium Enterprises as defined in "The Micro, Small and Medium Enterprises Development Act, 2006". Hence there is no amount due to Micro, Small and Medium Enterprises for the year ended 31st March, 2011 (Previous Year Rs. Nil).
15. Fixed Assets includes expenditure amounting to Rs. 66,547,919/- (Previous Year 66,125,840/-) on building incurred by the company in connection with setting up 57 bedded hospital at Noida (U.P.). The hospital has been set up on land taken on lease from Noida Authority. The rights of the lease deed has been acquired through an assignment deed in favour of the company by Apollo Hospital Enterprise Limited, who are the sub-lessee.
16. In accordance with the Accounting Standard , AS-28 on Impairment of Assets , the company has assessed whether any indications with regard to impairment of any assets are present as on the Balance Sheet date. Based on such assessment , it has been ascertained that there are no such indications and thereby no formal estimate of the recoverable amount has been made.
17. a) Computation of Net Profit under section 198 read with section 349 of the Companies Act, 1956, for the purpose of commission payable to the Non-Executive Directors.



Profit before Tax and Managerial Remuneration

Add : Provision for doubtful debts

Less : Profit on discarded assets

Add : Loss on discarded assets

Profits for computation of Commission

Maximum permissible .i.e. 1% of Profit

Commission payable to Non Executive Directors

2009-10
Amount in Rs.

470,962,065

6,904,022

-

14,771,626

492,637,713

4,926,377

3,383,562

Amount (Rs.)
2010-11

Amount (Rs.)
2009-10

b) Remuneration paid to Managing Director and Non Executive Directors:

I) Managing Director

Salary & allowances

6,357,500

4,852,400

Perquisites

928,741

582,412

II) Commission to Non Executive Directors

3,383,562

-

Pursuant to the approval received for shareholders of the company and the Central Government, as per the requirement of the Companies Act 1956, the Board of Director's approved the amount of remuneration payable to the Non Executive Directors of the company during the current year pertaining to year 2009-10. Thereby the computation of Profits under section 198 read with section 349 of the Companies Act, 1956, in respect of commission payable to Non-Executive Directors has been given for the year 2009-10.

18. Earnings in Foreign Currency:

On account of Hospital Revenue

546,745,466

400,697,486

19. Expenditure incurred in Foreign Currency:

On account of travel

2,790,683

1,160,672

On account of other matters

29,635,559

13,472,004

Outflow of Foreign Currency :

On account of remittance of dividend

3,640,794

3,461,433

For financial year

2009-2010

2008-2009

Number of non-resident shareholders

28

29

Number of shares held by them

2,275,496

2,307,622

Amount (Rs.)
2010-11

Amount (Rs.)
2009-10

20. Value of Imports on CIF basis:

Capital Goods

297,426,273

105,622,176

Stores & Spares

10,607,718

16,744,217

21. Payment to Auditors:

As audit fee

1,200,000

800,000

Tax audit fee

90,000

99,270

Total

1,290,000

899,270

22. Stores & Spares Consumed

Particulars

2010-11

2009-10

Rs.

%

Rs.

%

Imported

12,712,335

1.18

19,009,390

1.65

Indigenous

1,066,549,876

98.82

1,129,702,775

98.35

Total

1,079,262,211

100

1,148,712,165

100

Indraprastha Medical Corporation Limited

23. Materials consumed are of varied nature and include items of food, beverages, medical consumables etc. Therefore it is not feasible to give the details as required under part II of schedule VI to the Companies Act, 1956.
 24. The company is engaged in the healthcare business, which in context of Accounting Standard 17 issued by the Institute of Chartered Accountants of India is considered the only business segment.
 25. Previous year figures have been regrouped/rearranged wherever necessary.
 26. Schedule 1 to 10 form an integral part of the Balance Sheet and Profit & Loss Account and have been authenticated as such.
 27. All figures have been rounded off to the nearest rupee.
-

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Sanjay Vasudeva

Partner

M. No. 90989

Firm Reg. No. 000235N

Ajay Kumar Singhal

Vice President Cum

Company Secretary

P. K. Tripathi

Dr. Prathap C. Reddy

Jaideep Gupta

Suneeta Reddy

Chairman

Vice Chairman

Managing Director

Director

Place : New Delhi

Date : 12th May, 2011



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. : 55-30958 State Code : 55

Balance Sheet 31 03 2011
Date Month Year

II. Capital raised during the year (Amount in Rs. '000)

| | | | |
|--------------|-----|---------------------------|-----|
| Public Issue | NIL | Rights Issue | NIL |
| Bonus Issue | NIL | Private Placement: | NIL |
| | | Foreign Direct Investment | NIL |
| | | Promoters | NIL |

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. '000)

| | | | |
|--|-----------|----------------------------|-----------|
| Total Liabilities | 2,550,361 | Total Assets | 2,550,361 |
| Sources of Funds | | | |
| Paid-up Capital | 916,730 | Reserves & Surplus | 576,484 |
| Share Application Money | NIL | Unsecured Loans | — |
| Secured Loans | 750,249 | Net deferred tax liability | 306,898 |
| Application of Funds (Amount in Rs. '000) | | | |
| Net Fixed Assets | 2,257,855 | Capital Work in Progress | 339,848 |
| Net Current Assets | (47,342) | Investment | Nil |
| Accumulated Losses | Nil | Misc. Expenditure | - |

IV. Performance of Company (Amount in Rs. '000)

| | | | |
|--------------------------|-----------|-----------------------|-----------|
| Total Income | 4,624,150 | Total Expenditure | 4,180,864 |
| Profit/Loss Before Tax | 452,683 | Profit/Loss After Tax | 307,249 |
| Earning per share in Rs. | 3.35 | Dividend | 146,677 |

V. Generic Names of Three Principal Products/Services of Company (as per terms)

Item Code No. (ITC Code): —

Product Description: Health Care Services

INDRAPRASTHA MEDICAL CORPORATION LIMITED

Hospital Complex, Sarita Vihar, Delhi-Mathura Road, New Delhi - 110 076

PROXY FORM

DP Id.....

Client Id.....

(For shares held in Demat Form)

Folio No.

(For shares held in Physical Form)

I/We

being a Member/Members of Indraprastha Medical Corporation Limited hereby appoint

..... of in the

district of or failing him

..... of in the

district of as my/our Proxy to vote for me/us on my/our behalf at the

Annual General Meeting of the Company to be held on Wednesday, 14th September 2011 at 10.30 a.m.

at NCUI Convention Centre, 3 Khel Gaon Marg, New Delhi - 110 016 and at any adjournment thereof.

Signed this day of 2011.

Signature



NOTE: The instrument appointing Proxy should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.



INDRAPRASTHA MEDICAL CORPORATION LIMITED

Hospital Complex, Sarita Vihar, Delhi-Mathura Road, New Delhi - 110 076.

ATTENDANCE SLIP

DP Id.....

Client Id.....

(For shares held in Demat Form)

Folio No.....

(for shares held in Physical Form)

Name of the Member

No. of Shares held

Name of Proxy

(To be filled in only when a Proxy attends the Meeting)

I hereby record my presence at the Annual General Meeting held on Wednesday, 14th September 2011 at 10.30 a.m. at NCUI Convention Centre, 3 Khel Gaon Marg, New Delhi - 110 016

Signature of Member/Proxy





Indraprastha Medical Corporation Limited
Registered office & Hospital Complex
Sarita Vihar, Delhi-Mathura Road, New Delhi - 110076 (India)
www.apollohospdelhi.com