

Staying Healthy



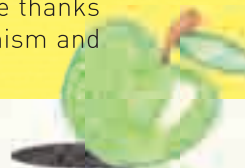
Annual Report 2012-13
Indraprastha Medical Corporation Limited



Staying Healthy

Notice	01
Directors' Report	10
Management Discussion and Analysis Report	19
Report on Corporate Governance	27
Auditors' Report	37
Balance Sheet	40
Profit & Loss Account	41
Cash Flow Statement	42
Notes to Financial Statements	43

The hand drawn illustrations used in this Annual Report reflect a child's vision of Apollo Hospitals and our core business of keeping people healthy. The drawings echo the optimism of the numerous children Apollo has touched in one way or another through the Save A Child's Heart Initiative (SACHi) and the Society to Aid the Hearing Impaired (SAHI). These children are fighters. And they are winners. They have sunny dispositions and are poised on the threshold of a whole new life experience thanks to the nurturing care of Apollo Hospitals, SACHi and SAHI. Apollo stands behind that optimism and strives to make their dreams real.



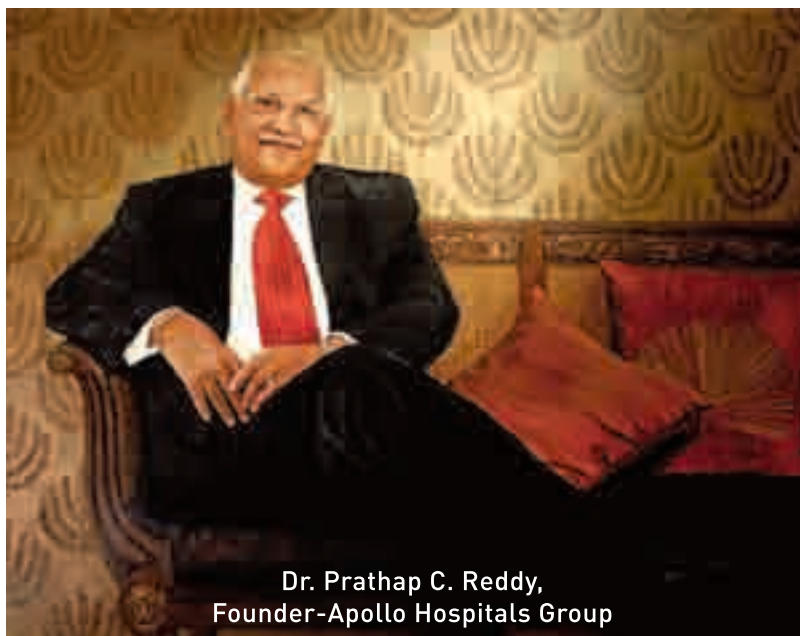
At Apollo, Staying Healthy is a Way of Life

A holistic approach to Staying Healthy physically and mentally underscores Apollo's approach to healthcare and patient well-being. In the face of rising disposable incomes in the country and changing demographics and disease profile, Apollo has committed to Staying Healthy in all aspects of its operations in order to help keep people, healthy. The group's leadership in value based integrated healthcare delivery has earned Apollo a distinction amongst peers in India, and a mark in the world as a preferred destination for affordable, quality medical care.

Founded on four pillars of excellence-Clinical, Technological, People and Value- Apollo's mission is to bring holistic healthcare of international standards within reach of every individual in India. Apollo provides outstanding care to a patient in all facets of healthcare including preventive medicine. It effectively and efficiently aligns people and technology, ably supported by best practices, to facilitate superior patient experience and outcomes. Its patient centric approach is led by effective and compelling medical management, resulting in enhanced physician performance and clinical outcomes. At Apollo teams of interdisciplinary professionals dedicate themselves round the clock to providing excellent care and service to patients and communities in a compassionate and respectful environment.

**dedicated
mission**

"Our **dedicated 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."



message

Dear Shareholders,

Just like the absence of sadness is not joy, the absence of disease is not health. The WHO states this, and all of us instinctively know it. Health is our greatest gift. It is god given, but the duty to nurture it is ours alone.

Apollo Hospitals has spent the last thirty years enriching and several million lives with its healing touch. Our commitment to advanced patient care has helped us put in place the world's busiest solid organ transplant program. During FY13 we completed 500 bone marrow transplants with outstanding outcomes. After successfully rolling out Robotic surgery capabilities in Chennai and Hyderabad, we introduced the same this year in our hospitals in Delhi and Kolkata. The group has completed over 130,000 heart surgeries, by far the largest cardiac programme across the globe, with a success rate of 99.6%. We are also the first healthcare organization in the Asia Pacific region to offer the Renaissance TM Robotic system for spine surgeries.

We plan to establish a Proton Therapy centre in India. This advanced radiation therapy under the Proteus Plus technology by IBA, Belgium, provides best-in-class treatment for cancer. This centre, will be the first of its kind in the region covering Asia, Africa and Australia.

For a growing country like India, staying healthy has to become a mantra. From the micro to the macro, every facet of our ecosystem needs to embrace the importance of staying healthy. Individuals, neighbourhoods, and organizations have to embrace it. Thanks to the stresses of modern day living, India has today emerged as the diabetes capital of the world and a spate of cardiac and other lifestyle diseases confronts our society.

At Apollo we believe staying healthy requires a 360 degree approach; our framework encompasses employees, the local communities, the under privileged, the corporate world, underserved communities and even neighbouring nations. And to all of them, our message is the same—follow an active lifestyle marked by systematic exercise, balanced meals, and stress-free living. Alongside, regular health checks are a must as early detection is closely aligned to staying healthy.

As a health services provider, we are committed to staying healthy in all aspects of our functioning and continuously endeavour to sharpen our clinical excellence. Apollo Hospitals Group is today one of the largest provider groups globally, having equalled or surpassed notable institutions across the world in several important criteria, including patient volumes, solid organ transplant volumes, and clinical outcomes. Even though the Apollo Group has continuously redefined itself over the past three decades, the core of our promise, serving the patient, remains unchanged and is our *raison d'être*. This defines and drives all our activities, be it clinical or operational, and ultimately determines our financial health as well.

Continuous value addition and innovation in each of our activities, the hallmark of the Apollo culture, underpins our corporate story. This has resulted in several accolades nationally and globally, testifying to our pioneering leadership in healthcare delivery. The responsibility of being at the helm inspires us to go the extra mile to surpass the highest expectations patients and their relatives have of us.

We live in a borderless world and healthcare is indeed truly so. When Apollo was conceived thirty years ago, very few believed us when we said that one day Apollo would reverse the trend of Indians going abroad for treatment, to one where India would be treating the world. Patients from across the globe now look up to the Apollo Hospitals Group to provide solutions to their health concerns, be it in cardiology, oncology, orthopaedics, neurology, gastroenterology, or transplants. Our approach is early detection and timely treatment, which we believe lead to better outcomes for the patients.

We are now embarking on a set of transformational initiatives keeping the future in mind. Building competencies and capabilities, infusing fresh talent, and future-proofing our team, remain our top agenda. Harnessing the power of information technology in reaching out to the patient will continue to be our talisman for enabling quality health care to all.

And finally as a responsible corporate, we continue to stay focused on running our business in an sustainable and socially responsible manner.

Over the past three decades, you, our shareholders, the Board of directors, our doctors, our employees, our bankers & financial institutions and the Central and State Governments have stood by us providing unwavering support through every step and initiative undertaken by us. I thank each one of you and look forward to your continued support, belief and trust.

With warm personal regards to you and your families. God bless.

Dr. Prathap C. Reddy

Indraprastha Medical Corporation Limited

Board of Directors

Chairman	: Mr. D. M. Spolia
Vice Chairman	: Dr. Prathap C. Reddy
Managing Director	: Mr. Jaideep Gupta
Directors	: Dr. B. Venkataraman Mr. Deepak Vaidya Prof. Ranjit Roy Chaudhury Ms. Renu S. Karnad Mr. Shakti Sinha Mr. S.C.L. Das Mr. Satnam Arora Mr. S. Regunathan Ms. Shobana Kamineni Ms. Suneeta Reddy Mr. T. S. Narayanasami Lt. Gen. (R) Vijay Lall, PVSM, AVSM, ADC Prof. V. N. Rajasekharan Pillai

Vice President	: Mr. Ajay Kumar Singhal
Cum Company Secretary	

Registered Office & Hospital Complex	: Sarita Vihar, Delhi - Mathura Road, New Delhi - 110 076
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Hospital at Noida	: Apollo Hospitals, E-2, Sector-26, Noida - 201 301
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Auditors	: M/s. S. C. Vasudeva & Co. Chartered Accountants, New Delhi
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Bankers	: Oriental Bank of Commerce, IndusInd Bank Limited
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NOTICE

Notice is hereby given that the twenty-fifth Annual General Meeting of Indraprastha Medical Corporation Limited will be held on Thursday, 26th September, 2013, at 10.30 A.M. at FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110 001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 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 Ms. Renu S. Karnad who retires by rotation and being eligible, offers herself for re-election.
4. To elect a Director in place of Mr. T. S. Narayanasami, who retires by rotation and being eligible, offers himself for re-election.
5. To elect a Director in place of Lt. Gen. (R) Vijay Lall who retires by rotation and being eligible, offers himself for re-election.
6. To elect a Director in place of Dr. B. Venkataraman who retires by rotation and being eligible, offers himself for re-election.
7. 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. 15 lacs plus out of pocket expenses."

SPECIAL BUSINESS:

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:
"RESOLVED THAT Mr. S. C. L. Das 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 as an Ordinary Resolution:

"RESOLVED THAT Mr. Shakti Sinha 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 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 one year w.e.f. 30th April, 2013, on the terms and conditions including remuneration as given below :

A. Salary

- a) Basic Salary Rs. 4,83,000/- (Rupees Four Lakhs Eighty Three Thousand 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'.

11. To consider and if thought fit, to pass with or without modification, the following as a Special Resolution:

Post Facto approval in terms of the Central Government approval no. 4/02/T-1/2013/D/9580 dated 23-01-2013, for entering into contract for appointing M/s Apollo Telehealth Services Private Limited as a Health Care Facilitator of the Company.

"RESOLVED THAT pursuant to Section 297 of the Companies, Act, 1956, and approval of the Central Government no. 4/02/T-1/2013/D/9580 dated 23-01-2013, and other applicable provisions, if any, consent of the members be and is hereby given to the contract entered into by the Company with M/s Apollo Telehealth Services Private Limited (ATHS) for appointing ATHS as a Health Care Facilitator of the Company, for a period from 03-01-2013 to

31-03-2015, as per the terms and conditions set out in the agreement entered into with ATHS and the value of the contract not exceeding Rs. 1 crore per annum.

RESOLVED FURTHER THAT the consent of the members be and is hereby given to the effect that :

- (a) the contract entered into by the Company with M/s Apollo Telehealth Services Private Limited (ATHS) for appointing ATHS as a Health Care Facilitator of the Company, is competitive, at arm's length without conflict of interest and is not less advantageous to it as compared to similar contracts with other parties and the company has not made any default u/s 297 in the past and there is no default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon and has filed its up to date Balance Sheet and Annual Returns with the Registrar of Companies;
- (b) the contract is falling within the provisions of section 297 of the Act and provisions of section 198, 269, 309, 314 and 295 are not applicable in the contract; and
- (c) the company and its directors have complied with the provisions of section 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956, with regard to the contract."

12. To consider and if thought fit, to pass with or without modification, the following as a Special Resolution:

Post Facto approval in terms of the Central Government approval no. 4/100/T-1/2013/D/303 dated 05-04-2013, for entering into contract for availing Housekeeping services from M/s Faber Sindoori Management Services Private Limited.

"RESOLVED THAT pursuant to Section 297 of the Companies, Act, 1956, and approval of the Central Government no. 4/100/T-1/2013/D/303 dated 05-04-2013, and other applicable provisions, if any, consent of the members be and is hereby given to the contract entered into by the Company with M/s Faber Sindoori Management Services Private Limited (FSMS), for availing of Housekeeping services from FSMS, for a period from 01-04-2013 to

31-03-2016, as per the terms and conditions set out in the agreement entered in to with FSMS and the value of contract not exceeding Rs. 2.50 crores per annum.

RESOLVED FURTHER THAT the consent of the members be and is hereby given to the effect that :

- (a) the contract entered into by the Company with M/s Faber Sindoori Management Services Private Limited (FSMS) for availing of Housekeeping services from FSMS, is competitive, at arm's length without conflict of interest and is not less advantageous to it as compared to similar contracts with other parties and the company has not made any default u/s 297 in the past and there is no default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon and has filed its up to date Balance Sheet and Annual Returns with the Registrar of Companies;
- (b) the contract is falling within the provisions of section 297 of the Act and provisions of section 198, 269, 309, 314 and 295 are not applicable in the contract; and
- (c) the company and its directors have complied with the provisions of section 173, 287, 299, 300, 301 and other applicable provisions of the Companies Act, 1956, with regard to the contract. "

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

Place: New Delhi
Date: 26th July, 2013

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

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, Ms. Renu S. Karnad, Mr. T. S. Narayanasami, Lt. Gen. (R) Vijay Lal and Dr. B. Venkataraman, Directors retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Mr. S. C. L. Das and Mr. Shakti Sinha were appointed by the Board as Additional Directors of the Company. Pursuant to Section 260 of the Companies Act, 1956, Mr. S. C. L. Das and Mr. Shakti Sinha 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. S. C. L. Das and Mr. Shakti Sinha 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.

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 Saturday, 21st September, 2013 to Thursday, 26th September, 2013 (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 26th September, 2013, after giving effect to all valid share transfers in physical form lodged with the Company up to the closing hours of business on 20th September, 2013, 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 20th September, 2013.
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 all unpaid or unclaimed dividend for the financial years ended 31st March, 2001 to 31st March, 2005, to the Investor Education and Protection Fund (IEP Fund) of the Central Government. The unpaid or unclaimed dividend for the financial year 2005-06, shall be due to be transferred to the IEP Fund on 15th September, 2013.

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, 2006 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 the Registrar & Share Transfer Agent M/s. Link Intime India Pvt. Ltd., 44 Community Centre 2nd floor, Naraina Industrial Area Phase I, Near PVR, Naraiana , 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. Members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings through their Depository Participant and in respect of physical holdings with the Company/Registrar and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd., so that they can receive the Annual Report and other communication from the Company electronically.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd.
18. 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 | : MS. RENU S. KARNAD |
| Age | : 61 years |
| Qualification | : Bachelor in Law, Masters in Economics |

Expertise : Ms. Renu S. Karnad, Managing Director of Housing Development Finance Corporation Ltd. (HDFC), is a graduate in law from the University of Mumbai and holds a Master's degree in economics from the University of Delhi. She is a Pravin Fellow - Woodrow Wilson School of International Affairs, Princeton University, USA. She is a former President of the International Union for Housing Finance. She has been employed with HDFC since 1978. Apart from HDFC, Ms. Karnad is on the board of several HDFC group companies and a number of other leading corporations.

Outside Directorship :

BOSCH Ltd.
Credit Information Bureau (India) Ltd.
GRUH Finance Ltd.
Housing Development Finance Corp. Ltd.
HDFC Bank Ltd.
HDFC Asset Management Co. Ltd.
HDFC ERGO General Insurance Co. Ltd.
HDFC Property Ventures Ltd.
HDFC Standard Life Insurance Co. Ltd.
AKZO Nobel India Ltd.
United Spirits Ltd.
Credila Financial Services Private Ltd.
EIH Limited
Feedback Infrastructure Services Private Ltd.
G4S Corporate Services (India) Pvt. Ltd.
Lafarge India Private Ltd.
HT Parekh Foundation.
HDFC PLC. - Maldives
WNS (Holdings) Ltd.
HIREF International LLC

Membership of Committees of the Board of other Companies :

Audit Committee (BOSCH Ltd.) - Chairperson
Audit Committee { Credit Information Bureau (India) Ltd.} - Chairperson
Audit Committee (HDFC ERGO General Insurance Company Ltd.) - Member
Audit Committee (AKZO Nobel India Ltd.) - Chairperson
Shareholders'/Investors' Grievance Committee (BOSCH Ltd.) - Member

Shareholding in the Company : Nil

- | | |
|----------------------|---------------------------------|
| 2. Name | : MR. T. S. NARAYANASAMI |
| Age | : 64 years |
| Qualification | : B. Sc. |

Expertise : Shri T.S. Narayanasami has over four decades of experience in the banking / financial sector. He retired from his services as the Chairman and Managing Director, Bank of India in May, 2009. He also served as the Chairman of the Indian Bank's Association. Prior to leaving the services of Bank of India, he held the position of Chairman & Managing Director, Andhra Bank and Executive Director, Punjab National Bank. Earlier, he started his career in Union Bank of India in 1969 and held top management positions. During his tenure in Bank of India, the Bank had been rated as the "Best

Indraprastha Medical Corporation Limited

Performing Bank" among all Public, Private and Foreign bank for the year 2007-2008 by Business Today- KPMG Survey, 2008, the "Best Bank(PSB) Award" at NDTV Leadership Award, 2008 and "Dun & Brad Street-Rolta Corporate Awards, 2008 (Top Indian Company)". He is also the recipient of prestigious TA Pai Memorial Best Banker Award by Dehali, Kannadiga, a Kannada Monthly Magazine. He has widely traveled abroad.

Outside Directorship :

Experian Credit Information Company P Ltd.
Empee Hotels Ltd.

AXIS Asset Management Co.

Central Depository Services (India) Ltd. (CDSL)

LICHFL Assets Management Co. Pvt. Ltd.

Siddhivinayaka Advisory Services Pvt. Ltd.

Asia Motor Work Limited.

Essar Port Ltd.

Raos Investments Pvt. Ltd.

AMW Motor Ltd.

Viraj Profiles Ltd.

Tattwa Sabseas Pvt. Ltd., Singapore

Membership of Committees of the Board of other Companies :

Audit Committee (Asia Motor Work Limited.) - Member

Audit Committee (AXIS Asset Management Co.) - Member

Audit Committee (Central Depository Services (India) Ltd. (CDSL)) - Member

Audit Committee LICHFL Assets Management Co. Pvt. Ltd.) - Member

Audit Committee (Essar Port Ltd.) - Member

Shareholding in the Company : NIL

3. Name : LT. GEN. (R) VIJAY LALL, PVSM, AVSM, ADC

Age : 71 years

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

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.

Recently, he was given ALUMNI of EXCELLENCE award by his peers & associates, Indian & Global, in recognition of his sterling military career and valuable contribution to public administration.

Outside Directorship : None

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : Nil

4. Name : **DR. B. VENKATARAMAN**

Age : 87 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

5. Name : **MR. S. C. L. DAS**

Age : 47 years

Qualifications : IAS

Expertise : Mr. S. C. L. Das belongs to the Indian Administrative Service. He has 21 years of professional experience in general administration, financial management, transport, power, environment, health and allied sectors. He has served with the Chandigarh Administration and the Govt. of Arunachal Pradesh before coming to Delhi where he has served in the office of the Lt. Governor, Delhi; Ministry of Home Affairs, Govt. of India; the Prime Minister's Office and the United Nation's Office for Project Services, New Delhi. He is currently serving as the Secretary, Deptt. Of Health & Family Welfare in the Govt. of NCT of Delhi.

Mr. Das has degree in basic sciences and in law and has received training in public-private partnership, disaster management and e-governance. He also holds a PRINCE-2 Practitioner's certificate in project management from U.K. He has been working in the health sector for the last five years and is committed to the national goals and priorities in the social sectors.

Mr. Das has professional interests in development planning, participative governance and health policy and related issue. He also pursues his interest in issues concerning science and philosophy.

Outside Directorship : None

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : Nil

6. Name : **MR. SHAKTI SINHA**

Age : 56 years

Qualifications : IAS

Expertise : Mr. Shakti Sinha is an IAS officer of 1979 batch (AGMUT cadre) and is presently with the Government of National Capital Territory of Delhi as Principal Secretary (Finance & Planning). Mr. Sinha did his post-graduation in History from University of Delhi and International Communication & Policy from School of Public Policy (SPP), George Mason University, USA.

Besides Principal Secretary (Finance & Planning), he has also been assigned the responsibilities of Principal Secretary (Power), Chairman & Managing Director - Delhi Transco Limited & Delhi Power Company Limited and Chairman - Indraprastha

Indraprastha Medical Corporation Limited

Power Generation Company Limited & Pragati Power Corporation Limited.

He has been Chairman & Managing Director - Delhi State Industrial & Infrastructure Development Corporation Limited and Chief Executive Officer - Delhi Urban Shelter Improvement Board. Before joining Govt. of NCT of Delhi, Mr. Sinha was Chief Secretary, Andaman & Nicobar Islands. During his tenure, he has worked in different capacities with Andaman & Nicobar Islands administration, Government of Goa, Government of Delhi and Government of India.

Outside Directorship :

BSES Rajdhani Power Ltd.

BSES Yamuna Power Ltd.

Delhi Integrated Multi Modal Transit System Ltd.

Delhi Power Company Ltd.

Delhi Transco Ltd.

Geospatial Delhi Ltd.

Indraprastha Energy & Waste Management Company Ltd.

Indraprastha Power Generation Company Ltd.

Pragati Power Corporation Ltd.

Tata Power Delhi Distribution Ltd.

Delhi Cooperative Housing Finance Corporation

Delhi Financial Corporation

Delhi Metro Rail Corporation

Delhi Transport Corporation

Delhi State Civil Supplies Corporation

Delhi SC/ST/OBC/Minorities & Handicapped Financial & Development Corporation

Delhi State Industrial & Infrastructural Development Corporation

Delhi Tourism & Transportation Development Corporation

Shahjahanabad Redevelopment Corporation

Membership of Committees of the Board of other Companies :

Audit Committee (BSES Rajdhani Power Ltd.) - Member

Audit Committee (BSES Yamuna Power Ltd.) - Member

Audit Committee (Delhi Financial Corporation) - Chairman

Audit Committee (Delhi Integrated Multi Modal Transit System Ltd.) - Chairman

Audit Committee (Delhi Metro Rail Corporation) - Member

Audit Committee (Delhi State Civil Supplies Corporation) - Member

Audit Committee (Delhi Tourism & Transportation Development Corporation) - Chairman

Audit Committee (Geospatial Delhi Ltd) - Chairman

Audit Committee (Tata Power Delhi Distribution Ltd.) - Member

Shareholding in the Company : Nil

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

ITEM NO. 8

Mr. S. C. L. Das was appointed as an Additional Director of the Company on 1st November, 2012. Pursuant to Section 260 of the Companies Act, 1956, Mr. S. C. L. Das 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. S. C. L. Das as a Director of the Company, liable to retire by rotation.

Except Mr. S. C. L. Das, 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. Shakti Sinha was appointed as an Additional Director of the Company on 13th February, 2013. Pursuant to Section 260 of the Companies Act, 1956, Mr. Shakti Sinha 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. Shakti Sinha as a Director of the Company, liable to retire by rotation.

Except Mr. Shakti Sinha, 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

Mr. Jaideep Gupta was re-appointed as Managing Director of the Company for a period of 2 years w.e.f 30th April, 2011, and his re-appointment was approved by the members in Annual General Meeting of the Company held on 14th September, 2011. His period of office expired on 29th April, 2013.

The Board of Directors in the meeting held on 7th May, 2013, have re-appointed Mr. Jaideep Gupta as Managing Director of the Company for a further period of one year effective from 30th April, 2013. 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.

ITEM NO. 11

The Company has entered in to a contract with M/s Apollo Telehealth Services Pvt. Ltd. (ATHS) for availing the services of ATHS as a Health Care Facilitator.

ATHS has telemedicine centre in various locations across the globe and shall market your Company across the globe for the treatment of patients at Indraprastha Apollo Hospitals, New Delhi and Apollo Hospitals, Noida.

The terms of the contract with ATHS are similar to the terms of the contract with other Health Care Facilitators appointed by the Company.

ATHS is a company in which certain Directors of the Company are concerned or interested, hence approval of the Central Government was required under Section 297 of the Companies Act, 1956 for the contract with ATHS. The approval of the Central Government was obtained vide approval no. 4/02/T-1/2013/D/9580 dated 23-01-2013. The Central Government in its approval inter-alia prescribed the Company to place the proposed contract in the next Annual General Meeting of the Shareholders for their post facto approval.

The contract and the approval of the Central Government, referred to in resolution no. 11, would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

Except Dr. Prathap C Reddy, Ms. Suneeta Reddy and Ms. Shobana Kamineni, no other Director is concerned or interested in the aforesaid resolution.

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

ITEM NO. 12

The Company has entered in to a contract with M/s Faber Sindoori Management Services Private Limited (FSMS), for availing of Housekeeping services from FSMS for a period of the 3 years from 01-04-2013 to 31-03-2016.

FSMS is a joint venture company of Faber Facilities Sdn.Bhd, a subsidiary of Faber Group Berhad in Malaysia and Apollo Sindoori Hotels Limited, a subsidiary of Apollo Hospitals Group. FSMS is a company involved in the business of provision of healthcare support services and non-healthcare support services with more than 20 years of rich and varied experience.

The terms of the contract with FSMS are similar to the terms of the contract with other contractors except payment of service charges. Considering the value and international experience, FSMS brings to the Hospital, the terms of the contract are fair and reasonable and are similar to the contract entered by the Company with FSMS for availing of Housekeeping services from FSMS for the period 01-05-2010 to 31-03-2013, except the increase in the scope of work and the value of contract having increased from Rs. 1.00 crore to Rs. 2.50 crores.

FSMS is a company in which certain Directors of the Company are concerned or interested, hence approval of the Central Government was required under Section 297 of the Companies Act, 1956 for the contract with FSMS. The approval of the Central Government was obtained vide approval no. 4/100/T-1/2013/D/303 dated 05-04-2013. The Central Government in its approval inter-alia prescribed the Company to place the proposed contract in the next Annual General Meeting of the Shareholders for their post facto approval.

The contract and the approval of the Central Government, referred to in resolution no. 12, would be available for inspection by the members at the Registered Office of the Company on any working day between 11.30 A.M. to 1.30 P.M.

Except Dr. Prathap C Reddy, Ms. Suneeta Reddy and Ms. Shobana Kamineni, no other Director is interested in the aforesaid resolution.

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

Indraprastha Medical Corporation Limited

DIRECTORS' REPORT

Dear Shareholders,

The Directors take pleasure in presenting the 25th Annual Report of the Company along with the audited accounts for the year ended 31st March 2013.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Year ended 31-03-2013	Year ended 31-03-2012
Total Income	60,815.18	52,262.03
Profit before tax	4,548.11	4,001.02
Provision for taxation	1671.62	1,302.50
Net Profit (PAT)	2,876.49	2,699.60
Balance brought forward from previous year	5,684.72	4,939.84
Amount available for appropriation	8,561.21	7,639.44
Appropriations		
Transferred to General Reserve	2,500.00	250.00
Dividend (Proposed)	1,466.77	1,466.77
Corporate Dividend Tax	237.95	237.95
Balance carried to Balance Sheet	4,356.49	5,684.72

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 2,500.00 lakhs to the General Reserve out of the amount available for appropriation.

DIVIDEND

The Directors are pleased to recommend payment of dividend on equity shares @ Rs. 1.60 per share (16 percent) for the financial year ended 31st March, 2013 (previous year Rs. 1.60 per share).

OPERATIONS

During the year under review, the Company has registered all round growth in its working and achieved higher income and profit. The total income of the Company increased to Rs. 60,815.18 lakhs from Rs. 52,262.03 lakhs - an increase of 16%.

The Company's EBIDTA increased by 18% from Rs 6,769.46 to Rs 7,999.06, whereas the profit after tax increased to Rs 2,876.49 lakhs from Rs 2,699.60 lakhs.

The Solid Organ Transplantation Program of the Hospital continues to register outstanding growth. Kidney Transplants increased by 72% (from 340 to 584) and Liver Transplants increased by 28% (from 219 to 281) over the previous year. With this momentum and success, the Hospital became the Busiest Solid Organ Transplantation Center in the world, surpassing other renowned transplant centers across the globe.

Performance across numerous other specialties also showed a positive trend. To name a few, In-vitro Fertilization (IVF) procedures increased by 53% (from 83 to 127), Caesarian Sections increased by 20% (from 663 to 796), Dialysis increased by 21% (from 34602 to 41734) and Knee Replacements increased by 6% (from 588 to 688) over the previous year.

The Hospital continued to attract large number of domestic as well as international patients. The total registration of patients increased by 17% (from 119882 to 140208), Emergency admissions increased by 11% (from 9474 to 10500) and International patients increased by 32% (from 4768 to 6288) over the previous year.

Apollo Hospitals, Noida performed well across all operational parameters registering a profit of Rs. 97 lakhs against loss of Rs. 64.27 lakhs in the previous year. The ICU admissions increased by 54% (from 166 to 256), Knee Replacement surgeries increased by 59% (from 17 to 27), Apollo Health Checks increased by 46% (from 602 to 876) and repeat patients availing the out-patient services increased by 14% (from 12556 to 14357) over the previous year. The Apollo Hospitals, Noida continued to be one of the leading destinations for dialysis with more than 700 dialysis being done in a month.

The Expansion Project undertaken by the main Hospital to add 127 additional Beds comprising of

74 single rooms, 33 general ward beds and 20 ICU beds, has been completed. With the completion of the expansion project, the total bed strength of the Hospital has increased to 710 beds. The increased bed capacity has helped in tiding off the demand for additional beds and maintaining the satisfaction levels of the patients serviced.

The Apollo Institute of Robotic Surgery was launched in June, 2012 and has been successfully performing a good number of robotic surgeries with the Da-Vinci Robotic Surgical System. The latest offering from M/s Intuitive Surgical has a 3 dimensional field of vision for the surgeon with ten times magnification and robotic precision provided in an ergonomic manner. The technology enables smaller incisions, lesser blood loss and faster recovery apart from other advantages to the patient.

The Hon'ble Chief Minister of Delhi, Ms. Shiela Dikshit unveiled South Asia's first PET SUITE in the Hospital. The facility houses one of the world's first installations of integrated simultaneous 3 Tesla PET-MR and a 128 slice PET-CT. This facility will provide early and functional diagnosis of patients in Oncology as well as Neurosciences and an opportunity for novel research possibilities in Molecular Imaging and Nuclear Medicine putting the hospital on the global medical research map.

The Hospital successfully commissioned the Cosmetic Clinic. The clinic offers both non-invasive and surgical options in Aesthetic Medicine as well as Aesthetic Surgery in a dedicated facility. There is a fully functional out-patient wing providing a wide bouquet of non-surgical options including the latest offerings like Ultherapy and Therapeutic Lasers. The facility also houses a dedicated operation theatre complex with a Hair Restoration suite, a HEPA-filtered operating room and a three bedded recovery.

For the second consecutive year, more than 80 personnel including Doctors, Nurses, Paramedic, and allied support staff after undergoing one month rigorous training, provided medical cover for three day Indian Grand Prix Formula Race (F1) 2012 held in October, 2012 at the Buddh International Circuit (BIC). Medical cover

was also provided for a smaller "closed car" event called SIDVIN Festival of Speed at the Buddh International Circuit in November-December, 2012.

As part of the ongoing upgradation and renovation programme, a number of departments and units were refurbished to increase patient comfort and enhance operational efficiency.

Indraprastha Apollo Hospitals, the first Joint Commission International (JCI) accredited hospital in India, has well established its credentials as one of the leading referral tertiary care hospitals in this part of the world. The hospital provides care in virtually every specialty and subspecialty, including some of the most complex procedures. Many of the key outcomes are comparable to the best hospitals globally. This level of advanced technology and specialist skills was not contemplated 25 years ago, when the joint venture agreement was signed.

Since June 1998, the Hospital has been providing free treatment (excluding medicines and medical consumables) to patients referred by the Government of NCT of Delhi. A full time medical officer, deputed by the Directorate of Health Services (DHS), Government of Delhi, is available in the hospital premises on all working days to meet patients referred by the Government of NCT of Delhi, scrutinize the necessary documents as per criteria laid down for the purpose, and guide them appropriately to various specialties for out-patient consultation or in-patient treatment as required. The medical officer also daily liaises with the Hospital Nodal Officer and provides details of all free admissions to the DHS. During this financial year, 11754 patients (1910 IP and 9844 OP) referred by the Delhi Government were provided super-specialty care under this arrangement.

AWARDS AND ACCOLADES

The hospital has consistently strived to serve the patients with the most up-to-date clinical protocols aided by latest technology while keeping a constant focus on the quality of care that is delivered. With such practises and culture in place, the organization has been frequently acknowledged across various platforms.

The coveted 'The Week-Hansa' Survey on Best Hospitals in India published in December, 2012, has rated the hospital as:

- Best private multi-specialty hospital in Delhi, for the fifth consecutive year.
- Third best private sector hospital in India.
- Best Hospitals in Cardiac Care

Time Research Media Health care Excellence Awards-2012 felicitated organizations for their industry contributions. The innovations for increased efficiency and improved performance of healthcare delivery at large were awarded. The Hospital was rated as:

- India's Most Innovative Hospital
- Best Diagnostic and Imaging Centre in North India
- The Best Heart Care Centre in North India

The Hospital Management Asia (HMA) Awards recognizes and honours hospitals in Asia that carry out best practices in hospital management. HMA, 2012 garnered 363 entries representing 89 hospitals from 12 countries and Indraprastha Apollo Hospitals received Excellence Award for Corporate Social Responsibility and Excellence Award for Customer Service.

Apollo Hospitals received 'Asia Responsible Entrepreneurship Awards' (AREA) South Asia 2012 awards in two categories. Dr. Prathap C Reddy, Chairman, Apollo Hospitals Group won the prestigious award for Responsible Business Leader.

The Apollo Innovation and Quality Awards felicitate hospitals within the Group for their assiduous efforts and innovations to continuously enhance patient care. This year the hospital won four of the six awards and were in the top three positions in the other categories. The Apollo Innovation and Quality Awards, 2012 were as follows:

- First in Excellence in Financial Practices
- First in Excellence in Clinical Practices
- First in Excellence in Environmental Conservation
- First in Excellence in Operations
- Third in Excellence in HR Practices

The awards are a testimony to the level of services that the hospital persistently delivers and the excellence it strives for in tertiary and quaternary level healthcare.

FOCUS ON QUALITY

Being the first Internationally Accredited Hospital in India, Quality is deeply ingrained in the hospital's culture and it constantly strives to keep up to it.

The organization reviews and closely monitors the feedback level of its patients and deliberates on ways to improve our services according to the customer inputs. The average annual Voice of Customer (VOC) score was above satisfactory and remains a key focus area. Apart from this various Six Sigma projects for optimizing process performance and improving profitability had been undertaken last year.

The practices under various accreditations were constantly audited and compliance was ensured through JCI (Joint Commission International) mock audits that were conducted in December 2012 and April 2013. Also, the Laboratory services of the main hospital successfully underwent a Re-accreditation NABL (National Accreditation Board for Testing and Calibration Laboratories) audit in March, 2013.

Subsequent to the NABH accreditation of Apollo Hospital, Noida, the surveillance audit was conducted successfully. Apollo Hospital, Noida has been re-accredited by NABL.

ACE@25 (Apollo Clinical Excellence@25): The current average score for the ACE@25 data set is 81.3. The ALOS post THR and TKR is 5.0 days as well as 4.81 days respectively. Patient Satisfaction with Pain Management is 4.73 as against our target of 4.5. The Surgical Site Infection rate is 0.125% as against benchmark of 2%. The current rate of Break in Planned Radiotherapy is 2.5 as against benchmark of 5%.

RACE (ROCKET Apollo Clinical Excellence): The medical dashboard for the Centres of Excellence is a new initiative towards excellence and the average score for the RACE initiatives for last year has been 83.58. Door to antibiotic timing for sepsis is within our benchmark of 180 minutes. Elective

PTCA Mortality Rate is nil. Mortality rate for TKR and THR is 0% for our hospital. The Door to antibiotic time in sepsis patients is 154 minutes as compared to our benchmark of 180 minutes. The percentage of Major Complications for Radiotherapy patients has been nil. The One Year Survival Rate for Kidney Transplant Patients is 98.58%.

AQP (Apollo Quality Program): Apollo Quality Program is a group-wide program to bring quality, excellence and service delivery at a common platform making our offerings and services standardized. There has been 100% compliance to the completion of nursing handovers. 100% of the patients receive antimicrobial prophylaxis within one hour of surgery. There has been more than 99% compliance to minimum content of medical records on closed audits. The accuracy of ICD-10 coding is 100%. There has never been any incident of retained foreign body during surgery. The incidence of Hospital Acquired Pressure Ulcers is nil in the last year.

COMMUNITY OUTREACH PROGRAMS and CORPORATE SOCIAL RESPONSIBILITY (CSR)

- **Chacha Nehru Sehat Yojana:** Chacha Nehru Sehat Yojana was launched by the Govt. of NCT of Delhi on 14th November 2011 for providing Health Checks to all the students enrolled in the city's government schools. Indraprastha Apollo Hospitals provided medical screenings in schools and conducted immunization of students against Tetanus (Booster dose) and provided curative treatment, health education and counseling to the students. Medicines like iron, calcium, Vitamin A, antibiotics, antifungal, anti-histaminic, cough syrups etc. were given to the needy students.

During the implementation of the school health programme, the hospital teams have examined approximately 17,000 children in five schools in the given period from January 2012 to Feb 2013.

- **Jasola Clinic:** Apollo Hospitals, Delhi has adopted the Jasola village adjacent to the hospital. At the clinic, consultations in internal medicine, gynecology and pediatrics are

provided to the local residents thrice a week. During the year 2012-13, more than 4000 patients were screened at the clinic.

- **Mobile Health Scheme Service:** This scheme is in collaboration with the Delhi Government and undertakes physician visits to various neighboring areas like JJ Cluster area, Jasola, Madanpur Khadar, etc. from Monday to Saturday providing adequate primary health cover. Under this scheme more than 1900 patients were screened during the year 2012-13.
- **BLS Training:** Apollo Hospitals, New Delhi, organized various Basic Life Support (BLS) training sessions and Cardiac camps for the Delhi Police from April to September 2012. More than 550 people benefitted with this initiative. In a two day program, a team from Emergency services imparted basic life support training to over 800 prisoners and 150 staff members of Tihar Jail as a part of its community outreach program.
- **Health initiatives in Schools and Colleges:** BLS training and health talks were organized in various schools and colleges of Delhi to name a few, Satyawati College, St. Stephen's college, Asia Pacific Institute of Management, DAV Public School, British School, Khaitan Public School and Sanskriti School. Information booklets and related literature on good health were also distributed to the children.
- **Health Programme for Senior Citizens and NGO's:** 20 health camps and health talks were organized during the year for various Senior Citizens Association and NGO's. The camps covered various specialties like Gynecology, Orthopedics, Urology, Cardiology, Neurology and Respiratory. Some of the NGOs where the events were conducted were Tarawati Charitable trust, Aprajita Mahila Smiti and Care & Cure Foundation.
- **Apollo Dil Ki Daud:** As a part of our Neighborhood engagement Campaign, the third "Apollo Dil Ki Daud" mini marathon was organized on Sunday, 7th October 2012. More than 2000 participants ran for a healthy heart.

Our senior consultants also took part in this mini marathon.

Mr. Satpal Singh (Former Wrestler and Gold Medalist in 1982 Asian Games), Mr. Gurusharan Singh (Former Indian Cricketer) & Major D P Singh (Kargil veteran and Indian representative in Para Olympics) were the Guests for this event.

- **World Neighborhood Day:** World Neighborhood Day on 31st March, 2013 was celebrated by inviting all RWA members and community to participate in an evening function. This program was attended by approximately 400 neighborhood residents. Dr. Prathap C. Reddy graced this occasion and also launched the 'Apollo Protect' initiative. With Apollo Protect a concerted effort with structured adult vaccination against a host of acute and chronic Vaccine Preventable Diseases (VPD) like Cervical Cancer, Pneumococcal Meningitis, Swine Flu and Cholera to name a few is undertaken. This service will be the largest adult vaccination program in the country and would be available on all days of the week.

INFECTION CONTROL AND ENVIRONMENT

The infection control program is one of the most effective in the country. The multi-disciplinary hospital infection control committee actively reviewed the monthly infection control indices and the policies as well as practices for effective control over nosocomial infections.

Employee safety and protection against occupational hazards was a constant theme throughout the year which was addressed with educational drives, poster competition and on-site reviews of the prevalent knowledge and practices amongst the staff.

The incidence of nosocomial infections namely Catheter related Urinary Tract Infection (CRUTI) with an annual mean of 1.02 per 1000 Urinary Catheter Days, Central Line related Blood Stream Infection (CRBSI) with an annual mean of 0.71 per 1000 Central Line Days and Ventilator associated Pneumonia (VAP) with an annual mean of 1.85 per

1000 Ventilator Days is comparable with the best benchmarks across the world.

TECHNOLOGY ABSORPTION

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

1. **PET MRI:** Designed to diagnostically address the complexities of human body, Apollo Hospitals has installed a PET MRI, which is first of its kind across South Asia along with a PET CT, in the PET SUITE, signifying a tremendous leap forward in imaging capabilities.

PET MR system has resulted from the amalgamation of a state of art whole body 3T MRI scanner and a high end PET system, which has been fully integrated and precisely aligned within the same gantry. This enables to simultaneously acquire accurate information on morphology, function and metabolism and delivering highly defined, 3-D images, enabling them to make the best choices about treatments across specialties. The scanning thus takes less time, is more efficient and accurate and reduces patient discomfort. As MR has no radiation, the PET MR significantly reduces overall radiation dose, making it safer for children and also for patients undergoing repeated studies for therapy monitoring. The significance of this facility gets manifold augmented by the deft handling and interpretive reporting of leading dedicated experts in the field who have been engaged by the hospital. The PET-CT facility being equipped with state of the art 427 slice /sec CT scanner, Ultra HDPET with highly specialized 4D respiratory Gating software is a boon for cancer patients as the radiotherapists would be able to deliver highly precise radiation dose, synchronized with patients' breathing pattern.

2. **MALDITOF-VITEK® MS system for rapid automated identification of micro organisms causing infections:** Country's first MALDITOF-VITEK® MS system for healthcare setup was installed at Indraprastha Apollo Hospitals. The device by BioMerieux Inc. is based on

advanced technology for quick automated microbial identification of disease-inducing micro organisms such as fungi and bacteria to accelerate and increase the accuracy of diagnosis and treatment.

The advantage is a significant reduction in time taken to provide doctors with actionable results in managing infection. The speed of diagnostic laboratory results has a critical impact on curbing the increasing antimicrobial resistance. The rapid identification of microorganisms has been shown to help guide patient treatment and improve clinical outcomes. The speed allows doctors to specifically target their therapies with the right antimicrobial at the right dosage. This plays an important role in preventing and slowing the emergence of resistant bacteria and fungi which is much required in today's world especially in countries like India.

3. **Matrix-Assisted Laser Desorption Ionization-Time of Flight mass spectrometry (MALDI-TOF MS):** Mass Spectrometry (MS) is a technique used to screen a multitude of molecules simultaneously and determine the identity of microbes by exciting them with laser and analyzing their protein pattern by analyzing their individual mass-to-charge ratio. These molecular "signatures" can be used for rapid bacterial and fungal identification (ID) from isolated colonies. MALDI-TOF-VITEK MS is based on Matrix-assisted laser desorption/ionization-time-of-flight mass spectrometry (MALDI-TOF MS) - one of the latest addition in most promising technologies, producing results in a matter of few minutes rather than days as it happens currently. The biggest payoff comes to the patients and clinicians with huge reduction in the time it takes to identify organisms. This technology assists clinicians dealing with infectious diseases in facing the ever-increasing number of potentially pathogenic species of bacteria and fungi influxed into clinical significance.
4. **Fibroscan:** This machine was procured to enhance the capabilities of our Gastroenterology department, providing a non invasive diagnostic tool to evaluate the stage of Liver fibrosis, which helps diagnosing,

monitoring treatment and projecting the prognosis.

5. **Brachytherapy:** With the procurement of latest Brachytherapy unit Apollo Cancer Institutes at Indraprastha Apollo Hospitals, became the most advanced comprehensive cancer care unit in the region with renowned experts in the field of Oncology. This unit comes with the advantages of precise targeting of the radiation, which spares healthy tissue; the fact that the procedure can usually be completed in 1-3 hours on an outpatient basis; a substantially lower incidence than surgery or external beam irradiation of both impotence and incontinence; and generally little impact on the patient's quality of life. Brachy" is a Greek word meaning short. Brachytherapy involves treating disease by exposure to a radioactive substance (radiotherapy). Doctors place a small radioactive source (pellet or seed) in or a short distance from a cancerous tumour. This unit of Brachytherapy allows use of a high dose of radiation while reducing the risk of damage to nearby healthy tissue and increasing the likelihood the cancer is destroyed.

Doctors may place Brachytherapy seeds inside a body cavity, such as the vagina, or insert seeds into body tissue using hollow needles. Brachytherapy may be used alone or with radiation given externally. Radioactive seeds may be left permanently in place or removed after some time. Now Brachytherapy is being used in the treatment of many malignancies, including: Bile duct, Breast, Cervical, Endometrial (uterine), Oesophageal, Lung, Ocular melanoma, Prostate, Soft tissue sarcomas and other tumors.

ENERGY CONSERVATION

The Company on a continuous basis undertakes programmes for conserving energy. In all nearly 800 light fixtures have been replaced with LED type energy saving light fixtures in areas across the hospital which has resulted in reduction of around 38 KW load on our existing electricity consumption. All other conventional light fittings are in the process of being replaced with LED type energy saving light fixtures.

A 330 KW capacity Variable Frequency Drives comprising of 47 VFD's has been installed in the AHU motor and secondary chiller pumps and it will enable the hospital to save around 66 KW of electricity load.

A BMS system in OT's & ICU's has been installed for better HVAC controls. The existing main LT panels have been upgraded with new ACB's with latest standards and protections.

A Novac Gas based total room flooding system in Clinac & Novalis TX has been installed.

All these initiatives will also help in reducing the energy consumption.

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. 7,033.44 lakhs

Outgo : Rs. 804.76 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, 2013 and of the profit of the Company for the year ended 31st March, 2013.

- (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, 2013, 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. P. K. Tripathi and Mr. Anshu Prakash 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. D. M. Spolia, Director of the Company was appointed as Chairman of the Board of Directors of the Company in place of Mr. P. K. Tripathi.

Mr. S. C. L. Das (Secretary, Health & Family Welfare, Govt. of Delhi) and Mr. Shakti Sinha (Principal Secretary - Finance & Power, Govt. of Delhi) were appointed by the Board as Additional Directors of the Company. Pursuant to Section 260 of the Companies Act, 1956, Mr. S. C. L. Das and Mr. Shakti Sinha hold the office of Directors only up to the date of the Annual General Meeting of the Company. Notice has been received from members pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. S. C. L. Das and Mr. Shakti Sinha 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, Ms. Renu S Karnad, Mr. T S Narayanasami, Lt Gen. (R) Vijay Lall and Dr B Venkatraman, 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.

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 Government of Delhi and the Union Government.

The Directors also wish to place on record their appreciation for the overall 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 : 26th May, 2013

D. M. Spolia
Chairman

Indraprastha Medical Corporation Limited

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, 2013.

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 :-					
Dr. Anupam Sibal 44 years	Group Director Medical Services	MBBS, MD (16 Years)	11/08/2002	11,645,975	Senior Consultant - Paediatric, Gastroenterology & Hepatology, Indraprastha Apollo Hospitals, New Delhi
Mr. Jaideep Gupta 48 years	Managing Director	B. Sc, PG Diploma in Rural Management (27 Years)	29/04/2005	8,220,656	Vice President - Operations, Apollo Hospitals Enterprise Limited, Kuala Lumpur (Malaysia)
Ms. Usha Banerjee 47 years	Director - Nursing	B. sc (Nursing), MBA (HR & Industrial Relation), Diploma in Hospital Administration, Diploma in Training and Development (20 Years)	12/12/2005	6,855,122	Director Nursing - Max Health Care Limited
Mr. P Shiva Kumar 47 Years	Vice President - Finance and Operations	B Com, ACA, ACMA (24 Years)	28/04/1997	6,675,933	Manager - Finance - Premier Auto Electrical Limited, Chennai
Mr. Ajay Kumar Singhal 55 Years	Vice President cum Company Secretary	B Com, LLB, FCS (30 Years)	01/05/1996	6,118,351	Practicing Company Secretary, 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

INDUSTRY STRUCTURE AND DEVELOPMENTS

General Overview of Healthcare Services in India

A combination of factors such as favourable fundamentals, population demographics and increasing consumer demand have helped the healthcare industry experience robust growth over the last decade. Apart from an expansion in the number of facilities and increased geographical reach, the industry has also made good progress in adopting new technologies, upgradation of skills, competence levels of Indian medical practitioners, setting up of world class hospitals and ability to attract medical value travellers.

While the public sector dominated the industry for a majority of the post-Independence era, over the last two decades the private sector in India has been the key engine for capacity addition and improvements in quality. This has led to a transformation in the profile of the sector.

However, significant progress remains to be made by the country in order to match global benchmarks. Progress on this front will depend on the nature of reforms introduced by the Government and also its implementation. The Healthcare Industry will need to demonstrate resoluteness as well as continuous focus on innovation. India's health sector, though unique and complex, offers a remarkable opportunity.

The Healthcare Services Delivery Landscape in India

According to the World Health Organisation's (WHO) report on world health statistics 2012, India improved life expectancy for the average citizen from 58 years in 1990 to 65 years in 2009. The Infant Mortality Rate has reduced from 81 per 1,000 in 1990 to 48 per 1,000 in 2010. While there has been an improvement on several parameters over the last two decades, India continues to trail most of its regional peers.

Of significant concern is the fact that Healthcare spends are not growing at the same pace as the GDP. India's healthcare spending as a percentage of GDP reduced from 4.4% in 2000 to 4.0% in 2010. This implies that, in nominal terms, India's healthcare expenditure has been growing at a

slower rate than the country's GDP.

The size of the Indian healthcare delivery industry, in 2011-12, was estimated to be Rs. 2,600 billion in value terms. The dominance of the private sector has meant that there has been a rapid development of inpatient-based facilities which now constitute 72% of the healthcare delivery industry with outpatient-based facilities representing the balance. (Source: CRISIL)

Another feature of the healthcare landscape in India is that out-of-pocket spend as a proportion of total healthcare spending continues to remain high at about 60% of total healthcare expenditure. This is due to low public spends and moderate penetration of health insurance.

The past decade also witnessed implementation of several pilots relating to public-private partnerships, particularly in hospitals and diagnostic services. These partnership initiatives range from primary care hospitals to super-speciality care hospitals. The challenge is to increase the number of partnerships and strengthen the existing few ensuring that the demand-supply gap can be bridged to some extent.

However, Infrastructure gaps continue to persist as the increase in total bed density of 1.3 per 1,000 is still significantly lower than the WHO guideline of 3.5 beds per 1,000. (Source: McKinsey)

Key Characteristics/ Trends

The healthcare delivery industry has delivered good growth in recent years and is poised for sustainable growth going forward. This is due to the confluence of several factors that have made it conducive for investments and growth. A few of these are:

Inadequate Public Infrastructure

In most countries around the world the bulk of Health Infrastructure is provided by the Government. However, in India it is the private sector which plays a more significant role in augmenting health infrastructure. While several admirable initiatives have been undertaken by both the Central and State Governments in India, the fact remains that the lack of overall quality in the public health infrastructure in India and inability to

cater to the demand for healthcare services has been a key enabler for the emergence of private healthcare service providers in India.

Growth in population and change in population mix

The continued population growth in India will lead to an increase in demand for additional beds. India's population is predicted to grow from approximately 1.2 billion in 2011-12 to over 1.5 billion by 2026. Increase in life expectancy of citizens is leading to a rapid increase in the total number of middle-aged and older adults, leading to a corresponding increase in demand for healthcare delivery systems and services.

Changing disease profile

An increasing proportion of deaths are now attributable to non-communicable diseases. Increasing per capita income has led to a shift in dietary patterns and changing lifestyle habits of a significant percentage of the populace. This is leading to a change in the disease profile within the country with increasing frequency of lifestyle-related diseases such as diabetes and hypertension which have spurred the demand for healthcare delivery and associated medical facilities.

Improving affordability

Although healthcare may be largely considered a non-discretionary expense, high-quality healthcare facilities are currently unaffordable for a large percentage of the population. Steady increase in disposable incomes in households in India will mean that a greater number of people will have higher purchasing power and be able to afford better quality healthcare. Increased penetration of health insurance combined with an enhanced variety of insurance products will mean that patients with health insurance prefer to visit private hospitals thereby driving growth in the private healthcare delivery sector.

Medical Value Travel

Medical value travel is used to define travellers for whom a medical procedure forms the primary reason for travel. The industry is estimated at \$ 40 billion with India being fifth in terms of volume of

International Patients after Thailand, Mexico, United States and Singapore. The medical procedures are largely elective in nature as medical value travel requires careful consideration and planning while emergency or necessary procedures are required to be conducted urgently. However, emerging cost competitive markets are offering an attractive alternative to high cost developed markets where healthcare is now unaffordable for many. Further, given the high clinical standards in these new destinations even health insurance companies are encouraging patients to opt for such treatments by reimbursing travel and residency expenses in addition to medical costs.

Increased Investor Interest and Investment

The non-discretionary nature of healthcare expenditure and the attractive growth rates delivered by leading players have resulted in increased focus on the healthcare industry as an investment opportunity. While the healthcare industry is inherently capital intensive in nature with a long-gestation period; steps to moderate capital intensity such as leasing of premises, franchising, operating and maintenance contracts, etc. have helped to somewhat mitigate such concerns. Further, high-volume specialisation and value added services have led to increased capital efficiency and improved asset utilizations. As a result, there has been a notable increase in venture capital and private equity investment into the industry.

Growth Projections

The healthcare services market is expected to grow at a compounded annual growth rate (CAGR) of 12% and expand from its current size of Rs. 2,600 billion in 2011-12 to Rs. 4,500 billion in 2016-17 (Source: CRISIL research). Growth is expected to be driven by rising per capita income, varying demographic mix, altered disease profile, demand for better quality healthcare, improving health insurance coverage, increase in medical value travellers and greater availability of facilities in Tier 2 and 3 cities in India.

The recent dominance of private investment in healthcare delivery and the focus on inpatient

(IP) led facilities by private players has led to IP led facilities representing 72% of the healthcare services market by value in 2011-12. This share is expected to expand to 75% in 2016-17 on the back of accelerated investments by private players which are skewed towards IP led treatment.

India continues to lag most other developing nations on the parameters of key benchmarks for healthcare delivery. In order to meet the global median on parameters of healthcare delivery, it is estimated that India will be required to make investments of over Rs. 7,000 billion over the next 5 years.

Hence intensified efforts over a sustained period of time will be required to catch up to global benchmarks. Introduction of required reforms, increasing investor interest and strong fundamentals are expected to lead to acceleration in capacity creation and growth that would be materially different compared to historical levels.

Health Insurance

According to the Insurance Regulatory and Development Authority (IRDA), gross premiums underwritten by non-life insurers in the health segment grew 19% to Rs. 133.45 billion in FY12 compared to Rs. 112.45 billion in FY11, with most non-life insurance companies recording double-digit growth rates in the health segment.

Less than 15% of India's population is covered through health insurance. Over 80% of health financing is through private financing, much of which is out of pocket payments and employer funding. Given the demand scenario and need for health financing, health insurance has a wider scope in the present day situation in India. There are over 30 health insurance products in the category offered by both life and non-life insurers. While health insurance is primarily offered as an additional segment by life and general insurers, there are also a handful of standalone health insurance players.

The introduction of health insurance portability has offered more convenience to customers and has

enhanced competition in the industry. It is likely that consumers can now expect a slew of innovative health insurance plans as insurers compete to attract and retain customers.

SWOT ANALYSIS

Strengths

Focused professional human resource pool of doctors and administrative staff with rich industry experience: Our management and clinical team comprise of senior professionals with abundant expertise and knowhow. They possess a proven track record in the healthcare services industry and have been instrumental in driving strategy and growth. A good mix of doctors with both clinical and administrative experience and functional professionals has enabled the company to repeatedly balance the multiple objectives of delivering best-in-class patient care, technology adoption, adherence to high standards of clinical excellence, value optimization and focus on key specialties while growing in a steady and calibrated manner.

Rapid adoption of Technology: We have been at the forefront of technology adoption in the Indian Healthcare industry. With focus on robotics and introducing first state of the art PET Suite in South Asia, your company has consistently believed in leveraging technology to raise the bar on clinical standards and treatment quality. Apart from delivering meaningful efficiency gains, these initiatives contribute to our success rates and enable us to attract renowned doctors from India and abroad. This enhances the attractiveness of our hospital for patients from all corners of the globe.

Focus on Quality: Apollo has imbibed a strong focus on clinical excellence in its operations. Not only do we conduct a number of complex and high-end medical procedures, but we do so with success rates and clinical outcomes those are on par with the best institutions around the globe. We have designed several internal systems to monitor and ensure that all facilities match up to and, in some cases, surpass the best global healthcare standards.

WEAKNESSES

Capital Intensive: The hospitals sector is highly capital-intensive due to the high per bed costs. This includes costs of licenses & approvals, construction costs, interiors and costs of machines and equipment. Apart from maintenance costs for high end equipment, hospitals also need to bear replacement costs as these become obsolete. Hospitals are also highly labour-intensive. Skilled manpower includes doctors, nurses and para-medical staff comprising lab-technicians, radiographers and therapists.

Limited availability of doctors and medical personnel: As the hospital business is labour intensive there is significant human intervention at multiple points within healthcare delivery. As a result, we are dependent on our doctors, nurses and other healthcare professionals for continued efficiency and stability in our business. Top quality doctors and medical personnel are a finite resource and these professionals enjoy abundant opportunities in the form of entrepreneurial ventures, independent practice as well as competing offers from other service providers in India and abroad. Our continued performance and growth substantially depends on our ability to attract and retain the best medical talent.

Obsolescence of medical equipment and technology: We use sophisticated and expensive medical equipment in our hospitals to provide our services. The healthcare services industry is characterized by frequent product improvements and evolving technology, which could, at times, lead to sudden redundancy of medical equipment and result in asset impairment charges. Further, the introduction of new treatment technologies may render existing medical equipments obsolete. Rapid obsolescence also has the effect of diluting capital efficiency.

OPPORTUNITIES AND THREATS

i) OPPORTUNITIES

Increase in population and changing demographics

India is the second largest populated country in the world and is expected to see its

population expand from 1.2 billion people currently to 1.5 billion people in 2026. Further, with increasing longevity the number of middle-aged and elderly people is expected to multiply. This will result in an increase in the absolute numbers of persons requiring medical care and is expected to grow demand for all kinds of healthcare services, manifold.

Changing disease patterns

The WHO World Health Statistics, 2012 notes that non-communicable or lifestyle diseases accounted for 63% of deaths across the world in 2008. It is estimated that, globally, deaths from NCDs will increase from 36 mnp.a in 2008 to 55 mnp.a in 2030. This is due to changing dietary patterns and alterations in lifestyle caused by increasing incomes and improved affordability. These trends are leading to higher incidences of heart disease, diabetes and cancer. These developments are magnified in India due to its burgeoning middle class and economic growth.

Increasing demand for life enhancing procedures and elective surgeries

With increasing disposable incomes and health awareness, there is a growing demand for elective or planned surgeries. Patients are now willing to spend money to get ailments treated which are not life threatening but are constraints to optimal health. Hence, such procedures are discretionary rather than necessary. We intend to concentrate on this market and build a strong presence in this segment.

Growing medical value travel

It is well known that healthcare in developed countries is extremely expensive and out of reach for many. This has led to the advent of medical value travel. While regional peers like Singapore and Thailand have been at the forefront of medical value travel, India is fast emerging as a preferred destination. This is because these peers are preferred more for cosmetic treatment and surgeries of moderate complexity. However, Indian doctors are now highly regarded globally for their competency

and expertise. As a result, India is now very seriously being considered by global medical value travellers for whom factors like quality, medical skills and clinical outcomes also matter apart from cost arbitrage. According to the Associated Chambers of Commerce and Industry of India (ASSOCHAM), India's medical travel industry is also expected to grow from approximately US\$ 333.0 million in 2008 to US\$ 2.1 billion by 2015 at a CAGR of over 30.0% (Source: Frost & Sullivan).

ii) **THREATS**

High competition to impact sustainability

As the healthcare industry has been performing well and delivering healthy growth and returns there has been an increase in its attractiveness on a relative basis. There has been a rise in the number of corporate groups foraying into healthcare through green field facilities, JVs and acquisitions. There are pockets of over-capacity too being witnessed. Having invested significant funds into these ventures, there is a chance that some of these players may resort to unsustainable pricing in order to capture market share.

Increasing cost of resources

The emergence of several domestic hospital chains combined with the entry of international players will lead to an increasing number of competitors chasing finite resources such as land, quality medical professionals and potential acquisition targets. While supply of resources may improve gradually, demand growth is likely to be rapid resulting in increased costs of these resources. In order to continue to grow our operations we need to identify and acquire resources at reasonable rates. Any failure to do so may result in inability to suitably grow and expand our operations. Further, increases in operating costs can result in a negative impact on the Company's results of operations and financial condition.

Regulatory framework

The Government has indicated its intent to correct the imbalance in the healthcare industry

through initiatives such as the National Rural Health Mission, National Urban Health Mission, etc. However, these are few and far between and an overhaul of the regulatory framework is required rather than a few sporadic initiatives. Further, neighbouring countries are moving faster towards exploiting the medical tourism opportunity due to regulatory support such as ease in granting of medical visas, conducive infrastructure, lower cost of capital and ease in resource creation. The domestic regulatory framework needs to become more of an enabler and rapidly respond to the needs of the sector for it to realize its true potential.

High inflation

Inflation rates in India have been high in recent years and high inflation is expected to continue for some time. Increasing inflation in India is depleting the purchasing power of patients and is intensifying the cost of living for our employees. There is also upward pressure on other costs such as transportation, supplies, equipment and other expenses, and an inability to manage costs or pass increased costs onto patients will lead to compressed returns.

INDUSTRY OUTLOOK / PROSPECTS

During the period from 2007-08 to 2011-12, the total number of beds increased at a CAGR of 2% to reach 1.1 million. Over the next 5 years, CRISIL Research estimates the number of beds to increase at a CAGR of 3% to reach 1.3 million by 2016-17. However, it is unlikely to meaningfully address the shortfall in meeting demand in the sector.

Prospects are expected to remain attractive for almost all players in the sector. As long as various healthcare service providers spread their focus across the various underserved regions and avoid the trap of excessive competition in select upmarket areas there is likelihood of having sustainable growth for all.

Massive efforts will also be required from the Government to upgrade the Public Health capacity to desired levels. The Government will also have to balance its role between attempting to provide facilities and acting as an enabler to direct the flow of resources into the sector.

The private sector is expected to continue to drive the majority of bed additions in the coming years. This will be led by incremental healthcare infrastructure. Private hospitals are likely to upgrade their services for medical treatment and diagnostic services in order to provide one stop healthcare services to domestic and international patients.

It is likely that private players will continue to upgrade their skills and the overall healthcare market will be divided more categorically into sub-markets based on geographic location, complexity of care and economic strata of population being serviced.

There is an expected increase in the number of quaternary and tertiary care hospitals, which focus on lifestyle diseases and speciality treatment like neurology, cardiology, orthopedics and oncology as well as cater to the growing number of medical travellers.

Furthermore, an increasing trend of horizontal integration is expected wherein existing players will expand by either acquiring competitors or by adding more hospital beds.

An overhaul of the regulatory framework governing the sector is expected, which would enable the needs of service providers to be accommodated through measures such as continued tax incentives, access to cheaper financing and implementation of laws, which improve operational flexibility. There has been good Private Equity (PE) investments interest in the healthcare sector in India in recent years and the trend is expected to continue.

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.

OUTLOOK

Clinical Excellence

Indraprastha Apollo Hospitals has always accorded high priority to clinical excellence. It has identified the highest standards of clinical outcomes in various specialties across the globe and set itself

targets to meet or surpass these standards. In the process it has developed an enviable track record of clinical excellence.

In order to ensure sustainable clinical outcomes the Company follows an internal quality management process known as the "Apollo Clinical Excellence" program which is referred to as "ACE @ 25". This has been implemented across the entire network of Apollo Group hospitals. ACE @ 25 assesses performance based on 25 clinical parameters which are critical to delivering the very best clinical outcomes. In order to enhance its standards even further, the Company has introduced the Rocket ACE program which covers an additional 25 parameters in the six specialties categorized as Centers of Excellence leading to an advanced clinical performance assessment model for these key focus areas.

The focus on clinical excellences enables Apollo Hospitals to continuously assess the quality of care provided to patients and allows it to objectively measure the consistency and success of its healthcare delivery services.

Accreditations

As the world grows smaller and progresses towards a vision of becoming one large global marketplace, patients will increasingly be able to pick and choose a hospital facility in any part of the globe. In order to ensure standardization of healthcare delivery services across the globe, facilities are opting to be accredited by a credible agency or third party organisation which can evaluate and grade healthcare services according to a set of standards which are revised on a periodic basis. Indraprastha Apollo Hospitals was the first hospital in the country to receive accreditation from the prestigious Joint Commission International, USA in the year 2005. The hospital was reaccredited in July 2011 for a period of three years.

Medical Value Travel

While medical value travel has been taking place for several years its utility has been accentuated in recent times. Apollo enjoys a special standing with its presence through multiple overseas touch points and an enviable track record.

In order to attract larger numbers of medical value travellers, we have increased marketing efforts in markets such as Africa, the Middle East and South East Asia.

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

Your Company recognizes that it is exposed to an increasing degree of risks and has a risk management system covering various aspects of the business, including operational, legal, regulatory and financial reporting.

These risks can adversely impact the functioning of the Company through their effect on operating performance, cash flows, financial performance, management performance and overall sustainability of the Company.

The risks that may affect the functioning of the Company include, but are not limited to:

- Inflationary pressures and other factors affecting demand for our products
- Increasing costs of raw material, transport and storage, particularly due to adverse forex fluctuation
- Competitive market conditions
- Labour shortages and attrition of key staff
- Compliance and regulatory pressures including changes to tax laws
- Technological obsolescence in medical equipment
- Complaints before the Consumer Courts have been filed by patients or their relatives against the hospital and the Consultant Doctors for medical negligence even when some times the negligence is not actual but only perceived. Although, the Hospital has insured itself with professional indemnity policy to cover the financial risk, exposure in media can impact the reputation of the hospitals and its stakeholders.

- 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.
- 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. However, in pursuance of the interim order by the Hon'ble High Court of Delhi in the matter, entire amount as awarded by the Learned Presiding Officer, around Rs. 1 crore has been deposited with the Registrar General of Hon'ble High Court of Delhi. 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.

Your Company has a defined risk management model to identify potential risks, mitigate and monitor the occurrence of risk.

Risk Identification: Monitoring and identification of risks is carried out at regular intervals with a view to improve existing processes and procedures. This assessment is based on risk perception survey, business environment scanning and inputs from experts.

Risk measurement and treatment: After risks have been identified, risk mitigation and solutions are defined, so as to bring the risk exposure levels in line with the risk appetite.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has established a wide-ranging system of Internal Controls to ensure that all assets are safeguarded and protected against losses that may arise from unauthorized use or disposition, incorrect use and inappropriate storage. Further, it strives to ensure that all transactions are evaluated, authorized, recorded and reported accurately.

Your Company also has a review mechanism whereby the management regularly reviews actual performance in comparison to plans and estimates drawn by budgets and forecasts.

The system is designed to adequately ensure that financial and other records maintained are accurate and are reliable for preparing financial information and other data. The internal control procedures are augmented by an extensive programme of internal, external audits and periodic review by the management.

FINANCIAL PERFORMANCE/ OPERATIONAL PERFORMANCE

During the year under review, the total income of the Company increased to Rs 608.15 crores from Rs 522.62 crores in the previous year.

The profit before tax was Rs. 45.48 crores as compared to Rs. 40.02 crores in the previous year.

The profit after tax was Rs. 28.76 crores as compared to Rs. 26.99 crores in the previous financial year.

The operating expenses increased to Rs. 385.91 crores from Rs. 335.06 crores in the previous year.

Depreciation and amortization expenses increased to Rs. 25.89 crores from Rs. 21.82 crores for the previous year.

The provision for taxes during the year under review is Rs. 16.72 crores as compared to Rs. 13.03 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, 2013, was 3008 as against 2982 employees in previous year. The Company has also engaged contractors for various support services in the Hospital and they have deployed 977 workers as against 946 workers in the previous year.

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

CAUTIONARY STATEMENT

Some of the statements in this Management Discussion & Analysis, describing the Company's objectives, projections, estimates, expectations and predictions may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important developments that could alter your Company's performance include increase in material costs, technology developments and significant changes in political and economic environment, tax laws and labour relations.

For and on behalf of the Board

Place : New Delhi
Date : 26th July, 2013

D. M. Spolia
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, 2013, the Board of Directors consists of 16 (sixteen) members comprising of 1 (one) Executive Director and 15 (fifteen) Non-Executive Directors including 8 (eight) 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, 2013 and at the last Annual General Meeting held on 14th September, 2012, are as under:-

Name of the Director		Category	Number of Board Meetings attended	Attendance at the Last AGM
Mr. P. K. Tripathi (Chairman)	(1)	Non-Executive	3	Yes
Mr. D. M. Spolia (Chairman)	(2)	Non-Executive	2	No
Dr. Prathap C Reddy (Vice-Chairman)		Non-Executive	2	Yes
Mr. Jaideep Gupta (Managing Director)		Executive	4	Yes
Mr. Anshu Prakash	(3)	Non-Executive	2	Yes
Mr. S.C.L. Das	(4)	Non-Executive	2	N.A.
Dr. B.Venkataraman		Non-Executive - Independent	4	Yes
Lt. Gen. (R) Vijay Lall		Non-Executive - Independent	3	Yes
Ms. Suneeta Reddy		Non-Executive	4	Yes
Ms. Renu S. Karnad		Non-Executive	4	Yes
Mr. Satnam Arora		Non-Executive - Independent	3	Yes
Mr. Anil Kamineni	(5)	Non-Executive	-	N.A.
Ms. Shobana Kamineni	(6)	Non-Executive	2	Yes
Mr. S. Regunathan		Non-Executive - Independent	3	Yes
Prof. Ranjit Roy Chaudhury		Non-Executive - Independent	3	Yes
Prof. V. N. Rajasekharan Pillai		Non-Executive - Independent	2	No
Mr. T. S. Narayanasami		Non-Executive - Independent	3	No
Mr. Deepak Vaidya	(7)	Non-Executive - Independent	1	Yes
Mr. Shakti Sinha	(8)	Non-Executive	-	N.A.

Indraprastha Medical Corporation Limited

- (1) Ceased to be a Director w.e.f. 21.01.2013.
- (2) Appointed as Chairman of the Board w.e.f. 13.02.2013.
- (3) Ceased to be a Director w.e.f. 26.10.2012.
- (4) Appointed by the Board as an Additional Director on 02.11.2012.
- (5) Ceased to be a Director w.e.f. 26.07.2012.
- (6) Appointed by the Board as an Additional Director on 01.08.2012 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 14.09.2012.
- (7) Appointed by the Board as an Additional Director on 01.08.2012 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 14.09.2012.
- (8) Appointed by the Board as an Additional Director on 13.02.2013.

(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, 2013, 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 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. D. M. Spolia (Chairman)	2	4	Nil	Nil
Dr. Prathap C Reddy (Vice-Chairman)	12	1	Nil	Nil
Mr. Jaideep Gupta (Managing Director)	Nil	Nil	Nil	Nil
Mr. S. C. L. Das	Nil	Nil	Nil	Nil
Mr. Shakti Sinha	5	7	2	4
Lt. Gen. (R) Vijay Lall	Nil	Nil	Nil	Nil
Dr. B.Venkataraman	1	1	Nil	1
Ms. Suneeta Reddy	3	7	1	1
Ms. Renu S. Karnad	3	11	4	2
Mr. Satnam Arora	Nil	2	Nil	Nil
Ms. Shobana Kamineni	Nil	10	Nil	1
Mr. S. Regunathan	Nil	Nil	Nil	Nil
Prof. V. N. Rajasekharan Pillai	Nil	Nil	Nil	Nil
Prof. Ranjit Roy Chaudhury	Nil	Nil	Nil	Nil
Mr. T. S. Narayanasami	Nil	9	1	5
Mr. Deepak Vaidya	1	3	3	1

(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, 2013. The dates of the meetings are as follows : 23rd May, 2012, 1st August, 2012, 2nd November, 2012 and 13th February, 2013. 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 & Operations) regarding financial statements in compliance with Clause 49V of the Listing Agreement.

(f) Code of Conduct

The Board of Directors had adopted 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, 2013.

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, 2013, the Audit Committee consists of five Non-Executive Directors (including three Independent Directors) viz. Dr. B Venkataraman, Lt. Gen. (R) Vijay Lall, Ms. Suneeta Reddy, Mr. Shakti Sinha and Mr. T. S. Narayanasami. 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	4
Mr. D. M. Spolia	Non - Executive	3	1
Mr. T. S. Narayanasami	Non - Executive - Independent	4	4

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, 2013, the Remuneration Committee consists of five Non-Executive Directors (including three Independent Directors) viz. Dr. B Venkataraman, Lt. Gen. (R) Vijay Lall, Ms. Suneeta Reddy, Mr. S. Regunathan and Mr. Shakti Sinha. Dr. B. Venkataraman (Independent Director) is the Chairman of the Remuneration Committee.

Indraprastha Medical Corporation Limited

(c) Attendance during the year

No meeting of the Remuneration Committee was held during the year.

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, 2013 are as under:-

- i) 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. P. K. Tripathi	60,000
Mr. D. M. Spolia	60,000
Dr. Prathap C Reddy	40,000
Mr. Anshu Prakash	40,000
Mr. S. C. L. Das	40,000
Lt. Gen. (R) Vijay Lall	1,80,000
Dr. B.Venkataraman	2,00,000
Ms. Suneeta Reddy	1,60,000
Ms. Renu S. Karnad	80,000
Mr. Satnam Arora	1,00,000
Ms. Shobana Kamineni	40,000
Mr. S. Regunathan	60,000
Prof. V. N. Rajasekharan Pillai	40,000
Prof. Ranjit Roy Chaudhury	60,000
Mr. T. S. Narayanasami	1,40,000
Mr. Deepak Vaidya	20,000

In addition to the sitting fees being paid by the Company for attending each meeting of the Board of Directors or Committees thereof, the Board approved the payment of commission of Rs. 2,50,000/- to each of the Non-Executive Director including Independent Directors for the year ended 31st March, 2013, 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. P. K. Tripathi	2,02,055 *
Mr. D. M. Spolia	2,50,000 *
Dr. Prathap C Reddy	2,50,000
Mr. Anshu Prakash	1,42,466 *
Mr. S. C. L. Das	1,02,740 *
Mr. Shakti Sinha	32,192 *
Lt. Gen. (R) Vijay Lall	2,50,000
Dr. B.Venkataraman	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	79,452
Ms. Shobana Kamineni	1,66,439
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	2,50,000
Mr. Deepak Vaidya	1,66,439

* As per the instructions received from the Govt. of Delhi, the amount of commission has been 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	71,59,937	10,60,719	82,20,656

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, 2013.

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 thirty six complaints during the year and no complaint was pending at the beginning of the year.

d) Numbers not resolved to the satisfaction of shareholders

: All the complaints have been resolved to the satisfaction of the complainants during the year.

e) Number of pending complaints as on 31st March, 2013

: None

6. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2011-2012	FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110 001	14 th September, 2012	10.15 A.M.
2010-2011	NCUI Convention Centre, 3 Khel Gaon Marg, New Delhi - 110 016	14 th September, 2011	10.30 A.M.
2009-2010	FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110 001	10 th September, 2010	12.15 P.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 14th September, 2012, 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.

- 3) No Resolution was required to be put through postal ballot last year.
- 4) No Special Resolution is proposed to be conducted through postal ballot.

7. DISCLOSURES

- 1) During the financial year ended 31st March, 2013, there were no materially significant related party transactions, pecuniary transactions or relationship between the Company and its directors, promoters or the management that may have potential conflict with the interests of the Company at large except the details of transactions disclosed in Notes forming part of the Accounts as required under Accounting Standard 18 issued under the Companies Accounting Standard Rules, 2006.

All details relating to financial and commercial transactions, where directors may have a potential interest, are provided to the Board and the interested Directors neither participate in the discussion nor do they vote in such matters. The Audit Committee of the Company also reviews related party transactions periodically.

- 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.
- 5) A qualified practicing Company Secretary carries out the Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total listed and paid up capital. This audit is carried out every quarter and the report thereon is submitted to the Stock

Indraprastha Medical Corporation Limited

exchanges and is also placed before the Board of Directors. The audit, interalia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

8. MEANS OF COMMUNICATION

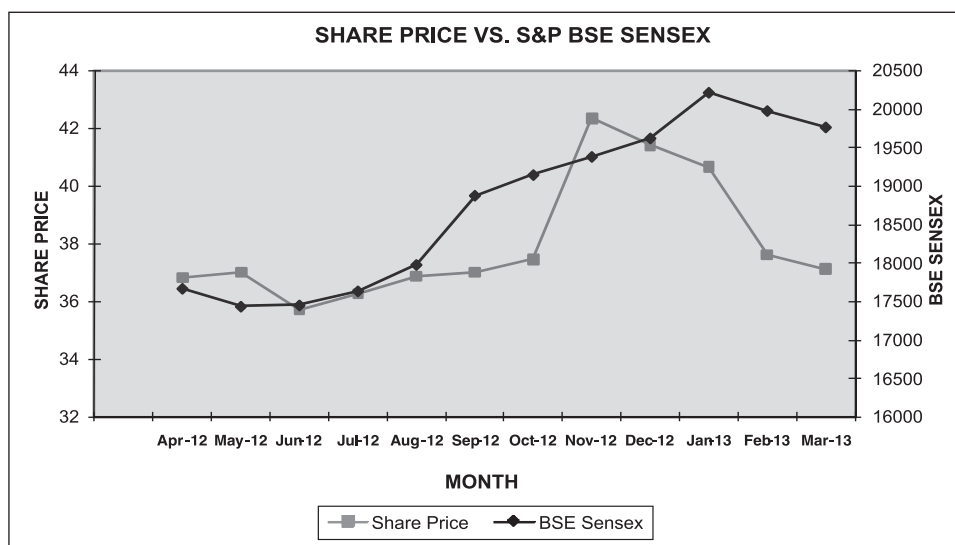
- (i) **Quarterly Results :** Quarterly Results of the Company are published in Financial Express -All Editions and Jansatta (Hindi) - Delhi Edition and are displayed on the Company's website www.apollohospdelhi.com.
- (ii) **Official News Releases:** The Company website also displays official news releases.
- (iii) **Presentations made to Institutional Investors or to the Analysts :** No presentation was made to institutional investors or to the analysts by the Company.

9. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting	Thursday, 26 th September, 2013, at 10.30 a.m. at FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110 001.
b. Financial Year	1 st April to 31 st March
c. Date of Book Closure	From Saturday, 21 st September, 2013 to Thursday, 26 th September, 2013 (both days inclusive) for payment of dividend for the year 2012-13.
d. Dividend Payment Date	On or after 30 th September, 2013.
e. Listing on Stock Exchanges	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).
f. Annual Listing Fee	Annual listing fee for the year 2013-14 has been paid by the Company to BSE & NSE.
g. Stock Code	BSE - 532150, NSE - INDRAMEDCO, Demat ISIN - INE681B01017
h. Market Price Data	Monthly High & Low during each month of the financial year 2012-13 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.)
April, 2012	36.05	34.10	2,24,307	36.80	34.20	1,29,911
May, 2012	42.05	32.30	6,72,677	37.00	32.40	4,41,252
June, 2012	35.90	33.80	2,25,665	35.70	34.15	1,38,898
July, 2012	36.20	34.10	2,39,871	36.25	34.40	1,20,966
Aug., 2012	38.20	34.25	3,33,414	36.85	34.55	1,59,528
Sep., 2012	37.90	33.45	5,08,757	37.00	33.35	1,73,307
Oct., 2012	37.30	34.10	6,16,156	37.45	34.30	2,33,679
Nov., 2012	42.35	34.60	11,55,091	42.35	34.55	4,79,077
Dec, 2012	41.35	37.05	7,01,563	41.40	37.00	3,50,176
Jan., 2013	40.80	36.50	4,40,308	40.65	36.50	1,95,870
Feb., 2013	37.70	34.50	6,78,889	37.60	34.70	1,14,608
March, 2013	35.50	26.25	4,18,292	37.10	32.50	2,33,044

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



- i. **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.
44 Community Centren 2nd floor
Naraina Industrial Area Phase I,
Near PVR, Naraiana , New Delhi - 110 028

- j. **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.

- k. **Distribution of shareholding as on March 31, 2013 :**

Shareholding of nominal value of Rs. Rs.		Shareholders		Share Amount	
		Number	% to total	Rs.	% to total
Upto	2,500	21,602	64.206	2,15,32,630	2.349
2,501 -	5,000	5,850	17.387	2,51,00,470	2.738
5,001 -	10,000	3,014	8.958	2,67,18,080	2.914
10,001 -	20,000	1,368	4.066	2,17,12,850	2.369
20,001 -	30,000	487	1.447	1,27,65,290	1.392
30,001 -	40,000	268	0.797	98,81,390	1.078
40,001 -	50,000	261	0.776	1,26,11,100	1.376
50,001 -	1,00,000	367	1.091	2,79,16,170	3.045
1,00,001 & above		428	1.272	75,84,92,020	82.739
Total		33,645	100.000	91,67,30,000	100.000

Indraprastha Medical Corporation Limited

Shareholding Category as on 31st March, 2013

Category	No. of Shares held	% to total
Indian Promoters	4,52,76,700	49.389
Foreign Promoters	14,75,000	1.609
Mutual Funds & UTI	3,70,553	0.404
Financial Institutions / Banks	4,82,437	0.526
Foreign Institutional Investors	10,000	0.011
Bodies Corporate	1,57,72,267	17.205
NRI's/OCB's	27,31,054	2.979
Indian public	2,55,54,989	27.877
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, 2013, 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
Ms. Shobana Kamineni	1,16,918
Prof. Ranjit Roy Chaudhury	1,000

I. Dematerialisation of shares

About 69% of the Company's paid-up equity share capital has been dematerialised up to 31st March, 2013.

The details of demat of shares as on 31st March, 2013, are as under:-

	No. of Shareholders	No. of Shares	% of capital
NSDL	17,658	5,74,58,345	62.68
CDSL	6,557	59,75,983	6.52

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.

m. 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.

n. Hospital Location

Indraprastha Apollo Hospitals

Sarita Vihar, Delhi-Mathura Road, New Delhi - 110076.

Apollo Hospitals

E-2, Sector 26, Noida - 201 301

o. Address for Correspondence

M/s. Indraprastha Medical Corporation Limited

Sarita Vihar, Delhi-Mathura Road,

New Delhi - 110076

E-mail Address for Investors:-

imclshares@apollohospitals.com

NON-MANDATORY REQUIREMENTS

1 (a) Whether Chairman of the Board is entitled to maintain 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 17 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 11 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 : 26th July, 2013

D. M. Spolia
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 Indraprastha Medical Corporation Ltd., (the Company) for the year ended on 31.03.2013, 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 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 : 26th July, 2013

Abhinav Khosla
Partner
M.No. 87010

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, 2013.

Name : Jaideep Gupta
Designation : Managing Director
Date : 11th July, 2013

INDEPENDENT AUDITORS' REPORT

**To the Members of
Indraprastha Medical Corporation Limited.**

Report on the Financial Statements

We have audited the accompanying Financial Statements of Indraprastha Medical Corporation Limited, which comprise Balance sheet as at 31st March, 2013 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This Responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our Responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall financial presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Financial

Statements give the information required by the Act 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, 2013,
- ii) In the case of the Statement of Profit and Loss, 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 such books;
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion the Balance Sheet, Statement of Profit and Loss 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 written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.C.Vasudeva & Co.
Chartered Accountants
Firm Reg. No. 000235N
Abhinav Khosla
Partner
M.No. 87010

Place: New Delhi
Dated: 7th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred in our report to the members of Indraprastha Medical Corporation Limited on accounts for the financial year ended 31st March 2013.

- (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 and other 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 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
Abhinav Khosla
Partner
M.No. 87010

Place: New Delhi
Dated: 7th May, 2013

Indraprastha Medical Corporation Limited

BALANCE SHEET AS AT 31ST MARCH, 2013

Particulars	Note No.	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	916,730,000	916,730,000
Reserves and Surplus	2	793,150,670	675,973,251
Non-current liabilities			
Long-term borrowings	3	297,083,336	278,750,003
Deferred Tax Liabilities (Net)	4	337,488,963	313,992,007
Other Long term liabilities	5	21,926,329	22,609,925
Long-term provisions	6	53,309,319	49,287,121
Current liabilities			
Short-term borrowings	7	221,720,570	245,774,468
Trade payables	8	509,955,448	346,222,614
Other current liabilities	9	910,245,240	872,538,586
Short-term provisions	10	319,650,190	298,050,330
Total		4,381,260,065	4,019,928,305
ASSETS			
Non-Current Assets			
Fixed Assets	11		
Tangible Assets		2,992,601,752	2,335,987,750
Intangible Assets		5,850,686	5,600,433
Capital Work in Progress		4,611,913	416,480,283
Long-term loans and advances	12	56,133,791	60,628,754
Other non current assets	13	2,032,132	6,837,000
Current Assets			
Inventories	14	116,815,942	1,03,227,516
Trade receivables	15	525,122,142	324,337,775
Cash and Bank balances	16	48,391,143	38,565,893
Short-term loans and advances	17	284,675,855	410,314,976
Other Current Assets	18	345,024,709	317,947,925
Total		4,381,260,065	4,019,928,305

Summary of significant accounting policies 24

The accompanying notes are integral part of the financial statements

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Firm Reg. No. 000235N

Abhinav Khosla
Partner
M. No. 87010

Ajay Kumar Singhal
Vice President Cum
Company Secretary

D.M. Spolia
Jaideep Gupta
Suneeta Reddy

Chairman
Managing Director
Director

Place : New Delhi
Date : 7th May, 2013

STATEMENT PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Note No.	For the year ended 31st March, 2013 Rs.	For the year ended 31st March, 2012 Rs.
REVENUE			
Revenue from Operations	19	6,067,249,224	5,216,976,477
Other Income	20	14,268,771	9,226,337
Total Revenue		6,081,517,995	5,226,202,814
EXPENSES			
Stores and Spares consumed		1,422,503,140	1,198,495,605
Employee benefits expense	21	1,265,977,217	1,177,871,080
Finance costs	22	86,179,800	58,570,752
Depreciation and amortization expense		258,914,969	218,273,057
Other expenses	23	2,593,131,637	2,172,890,614
Total Expenses		5,626,706,763	4,826,101,108
Profit before exceptional and extraordinary items and tax		454,811,232	400,101,706
Extraordinary items		-	-
Profit before tax		454,811,232	400,101,706
Tax Expenses			
- Current Tax		141,093,803	123,266,135
- Deferred Tax		23,496,955	7,093,566
Tax paid/excess provision for tax written back in respect of earlier years		2,571,611	(218,500)
Profit for the year from continuing operations		287,648,863	269,960,505
Profit / (Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit / (Loss) from discontinuing operations (after tax)		-	-
Profit / (Loss) for year		287,648,863	269,960,505
Earnings per equity share (Nominal value of equity share Rs. 10/-) (Refer to note no. 25 I of Notes to Financial Statements)			
Basic & Diluted		3.14	2.94
Summary of significant accounting policies	24		
The accompanying notes are integral part of the financial statements			

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Firm Reg. No. 000235N

Abhinav Khosla
Partner

M. No. 87010

Ajay Kumar Singhal
Vice President Cum
Company Secretary

D.M. Spolia
Jaideep Gupta
Suneeta Reddy

Chairman
Managing Director
Director

Place : New Delhi
Date : 7th May, 2013

Indraprastha Medical Corporation Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

Particulars	Year Ended 31st March, 2013 Rs.	Year Ended 31st March, 2012 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary items	454,811,232	400,101,706
Add:		
Depreciation and amortization expense	258,914,969	218,273,057
Interest expense	64,777,602	39,500,868
Wealth Tax	129,576	108,370
Loss on discarded assets	34,111	222,562
Deduct:		
Interest received	6,127,445	3,160,137
Profit on Sale of Assets	321,496	-
Operating Profit before Working Capital changes	772,218,549	655,046,426
Adjustments for		
Trade & Other Receivables	(159,866,871)	(226,245,916)
Trade payables	168,112,060	274,275,812
Inventories	(13,588,426)	(5,982,150)
Cash Generated from Operations	766,875,312	697,094,172
Deduct:		
Interest paid	(24,143,164)	(14,992,356)
Income tax paid	(74,251,877)	(127,410,927)
Net Cash from Operating Activities	668,480,271	554,690,889
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Assets (Net of sale)	(545,408,313)	(282,117,706)
Interest received	5,384,897	2,511,701
Net Cash from Investing Activities	(540,023,416)	(279,606,005)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from - long term loans	250,000,000	-
Proceeds from - short term loans	200,000,000	200,000,000
Repayment of - long term loans	(164,999,999)	(173,245,829)
Repayment of - short term loans	(200,000,000)	(100,000,000)
Interest paid	(40,909,616)	(25,557,231)
Dividend paid (including Corporate Dividend Tax)	(169,566,947)	(169,508,271)
Net Cash from Financing Activities	(125,476,562)	(268,311,331)
Net increase in cash and Cash equivalents	2,980,293	6,773,553
Opening Cash and cash equivalents	14,811,446	8,037,893
Closing Cash and cash equivalents	17,791,739	14,811,446

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Firm Reg. No. 000235N

Abhinav Khosla

Partner

M. No. 87010

Ajay Kumar Singhal

Vice President Cum

Company Secretary

D.M. Spolia

Jaideep Gupta

Suneeta Reddy

Chairman

Managing Director

Director

Place : New Delhi

Date : 7th May, 2013

NOTES TO FINANCIAL STATEMENTS

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
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The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current presentation.

1. Share Capital Authorised

100,000,000 Equity Shares of Rs.10/- each	1,000,000,000	1,000,000,000
	1,000,000,000	1,000,000,000
Issued, Subscribed and Paid up	916,730,000	916,730,000
(91,673,000 equity shares of Rs. 10/- each fully paid up)	916,730,000	916,730,000

a. Reconciliation of shares outstanding at the beginning and at the end of the year.

Equity Shares	As at 31 st March 2013		As at 31 st March 2012	
	Number	Amount Rs.	Number	Amount Rs.
Shares outstanding at the beginning of the year	91,673,000	916,730,000	91,673,000	916,730,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	91,673,000	916,730,000	91,673,000	916,730,000

b. Terms / Rights attached to Equity Shares.

The company has only one class of Equity Shares having par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing General Meeting.

During the year ended 31st March, 2013 the amount of per share dividend recognised as distribution to equity shareholders was Rs. 1.60 (Previous year Rs. 1.60).

In the event of liquidation of the company Equity shareholders will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

c. Shares held by holding / ultimate holding company and / or their subsidiaries / associates

There is no holding / ultimate holding company of the company

d. Details of Shareholders holding more than 5% shares in the company.

Name of Shareholder	As at 31 st March, 2013		As at 31 st March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Government of National Capital Territory of Delhi (Including nominees)	23,834,200	26.00%	23,834,200	26.00%
Apollo Hospitals Enterprise Limited	20,190,740	22.02%	20,190,740	22.02%
Housing Development Finance Corporation Limited	9,000,000	9.82%	9,000,000	9.82%

e. The company has not issued any shares for consideration other than cash, bonus shares and no shares have been bought back during the period of five years immediately preceding the reporting date.

2. Reserves and surplus

a. General Reserve

Opening balance	107,500,000	82,500,000
Add : Transferred from surplus in Statement of Profit and Loss	250,000,000	25,000,000
	357,500,000	107,500,000

b. Surplus in Statement of Profit and Loss

Opening balance	568,473,251	493,984,190
Add : Surplus for the year	287,648,863	269,960,505
Less: Transferred to General Reserve	250,000,000	25,000,000
Less: Proposed Dividend	146,676,800	146,676,800
Less: Tax on Proposed Dividend	23,794,644	23,794,644
	435,650,670	568,473,251
Total	793,150,670	675,973,251

Indraprastha Medical Corporation Limited

NOTES TO FINANCIAL STATEMENTS

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
3. Long-Term Borrowings		
a. Term Loans		
Secured Loans		
Loans from Banks	93,750,000	168,750,000
Loan from others	203,333,336	110,000,003
Total	297,083,336	278,750,003
b. Term loan from Indusind Bank Limited was taken during the financial year 2010-11 and carries interest @ 12.25% p.a. The loan is repayable in 16 quarterly instalments of Rs. 18,750,000/- each, starting from the end of moratorium period (15 Months) from the date of first disbursement. The loan is 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.		
c. Term loan from GE Capital Services India was taken during the financial year 2010-11 and carries interest @ 9.40% p.a. The loan is repayable in 15 quarterly instalments of Rs. 18,333,333/- each from the date of the loan. The loan is 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.		
d. Term loan from Siemens Financial Services (P) Limited was taken during the financial year 2012-13 and carries interest @ 12.00% p.a. The loan is repayable in 15 quarterly installments of Rs. 16,666,667/- each from the date of the loan. The loan is secured by first and exclusive charge on the medical equipment financed.		
4. Deferred Tax Liabilities (Net)		
Deferred Tax Liability (net) as on 31 st March, 2013 is as follows:		
Timing difference on account of depreciation	366,402,444	332,950,945
Less: Deferred tax assets arising on account of Provision for doubtful debts	5,315,044	5,474,733
Provision for Employee benefits and others	23,598,437	13,484,205
Net deferred tax liability	337,488,963	313,992,007
5. Other Long Term Liabilities		
Security Deposits	18,595,160	17,256,820
Others	3,331,169	5,353,105
Total	21,926,329	22,609,925
6. Long-Term Provisions		
Provision for Employee Benefits		
Provision for Leave Benefits	53,309,319	49,287,121
Total	53,309,319	49,287,121
7. Short-term borrowings		
Loans repayable on demand		
From banks:		
Working capital facility from Bank	121,720,570	145,774,468
Commercial paper (Unsecured)	100,000,000	100,000,000
Total	221,720,570	245,774,468
a. The company has availed cash credit limit of Rs. 150,000,000/- from Indusind Bank to meet the working capital requirements at an interest rate of 12.50% p.a. The limit is secured by first pari-passu charge on the entire current assets of the company.		
b. The company has issued commercial paper, which was subscribed by Canara Bank at an interest rate of 9.55% p.a. The commercial paper was for 90 days with maturity date of 9th April, 2013.		
8. Trade payables		
Due to Micro and Small Enterprises	-	-
Due to Others		
-for Expenses	379,547,365	300,183,932
-for others	130,408,083	46,038,682
Total	509,955,448	346,222,614

NOTES TO FINANCIAL STATEMENTS

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
9. Other current liabilities		
Current maturities of long-term debt	215,000,000	148,333,332
Interest Accrued but not due	350,226	625,404
Advance from patients	165,060,915	141,021,698
Unclaimed Dividend	12,710,101	11,805,604
Sundry Creditors for Capital items	104,736,774	155,648,437
Sundry Creditors for expenses	313,323,691	347,745,632
TDS and other Statutory Liabilities	55,491,845	39,098,227
Other payables		
Provision for Gratuity	22,617,345	9,858,523
Staff benefits payable	4,219,549	6,131,670
Others	16,734,794	12,270,059
Total	910,245,240	872,538,586
10. Short-term provisions		
Provision for Income tax	141,093,803	123,266,135
Proposed Dividend	146,676,800	146,676,800
Tax on Proposed Dividend	23,794,644	23,794,644
Provision for Employee Benefits		
Provision for Leave Benefits	8,084,943	4,312,751
Total	319,650,190	298,050,330

NOTE No. 11

FIXED ASSETS

Particulars	Gross Block			Depreciation/Amortisation			Impairment		Net Block	
	Cost As at 1.04.2012 (Rs.)	Additions (Rs.)	Deletion/ Adjusted (Rs.)	Cost As at 31.03.2013 (Rs.)	Up to 31.03.2012 (Rs.)	For the Year (Rs.)	Written back/ Adjusted (Rs.)	Up to 31.03.2013 (Rs.)	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
A. TANGIBLE ASSETS										
LEASEHOLD LAND (LEASED FROM DELHI ADMINISTRATION)	NIL			NIL					NIL	NIL
BUILDINGS	1,208,055,940	485,257,863	-	1,693,313,803	230,977,588	24,710,516	-	255,688,104	1,437,625,699	977,078,352
FURNITURE & FITTINGS	170,809,429	46,225,350	-	217,034,779	86,778,317	9,923,116	-	96,701,433	120,333,346	84,031,112
PLANT & MACHINERY	410,607,956	53,790,171	-	464,398,127	193,438,803	21,695,421	-	215,134,224	249,263,903	217,169,153
OFFICE EQUIPMENT	337,950,966	46,359,711	173,047	384,137,630	176,345,295	27,800,646	115,929	204,030,012	180,107,618	161,605,671
MEDICAL EQUIPMENT	2,106,328,050	275,206,252	136,268,033	*2,245,266,269	1,127,870,162	168,772,026	92,580,100	1,204,062,088	989,262,712	882,815,322
VEHICLES	22,923,514	5,018,866	637,093	27,305,287	9,635,374	2,298,532	637,093	11,296,813	16,008,474	13,288,140
TOTAL- A	4,256,675,855	911,858,213	137,078,173	5,031,455,895	1,825,045,539	255,200,257	93,333,122	1,986,912,674	2,992,601,752	2,335,987,750
B. INTANGIBLE ASSETS										
SOFTWARE	32,282,710	3,964,965	-	36,247,675	26,682,277	3,714,712	-	30,396,989	5,850,686	5,600,433
TOTAL- B	32,282,710	3,964,965	-	36,247,675	26,682,277	3,714,712	-	30,396,989	5,850,686	5,600,433
GRAND TOTAL (A+B)	4,288,958,565	915,823,178	137,078,173	5,067,703,570	1,851,727,816	**258,914,969	93,333,122	2,017,309,663	2,998,452,438	2,341,588,183
Previous Year	3,988,088,908	302,813,522	1,943,865	4,288,958,565	1,634,591,062	218,273,057	1,136,303	1,851,727,816	2,341,588,183	2,257,855,280
Capital Work In Progress									4,611,913	339,848,291

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

** Includes Rs.3,714,712 (Previous year Rs.3,729,488/-) on account of amortisation of intangible assets.

NOTES TO FINANCIAL STATEMENTS

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
12. Long-Term Loans And Advances (Unsecured, considered good)		
Capital Advances	31,962,603	41,089,420
Security Deposits	20,237,572	19,519,822
Others	3,933,616	19,512
Total	56,133,791	60,628,754
13. Other non current assets		
Margin money with banks	2,032,132	6,837,000
	2,032,132	6,837,000
14. Inventories		
Stores & Spares	56,893,106	46,343,047
Crockery & Utensils	1,506,301	2,747,622
Linen	15,908,819	7,115,049
Medical & Surgical Instruments	42,507,716	47,021,798
Total	116,815,942	103,227,516
15. Trade Receivables		
Unsecured		
Outstanding for a period exceeding six months from the date they are due for payment		
-Considered Good	128,840,635	55,922,118
-Considered Doubtful	15,637,082	16,873,890
Less : Allowance for doubtful receivables	15,637,082	16,873,890
	128,840,635	55,922,118
Other trade receivables		
-Considered Good	396,281,507	268,415,657
Total	525,122,142	324,337,775
16. Cash and Bank balances		
Cash and cash equivalents		
Cash balance on hand	10,081,288	11,974,902
Balances with banks	7,710,451	2,836,544
Other Bank balances		
Margin money with banks	14,241,604	9,212,496
Fixed deposits	3,647,699	2,736,347
Earmarked Balances - unpaid dividend accounts	12,710,101	11,805,604
Total	48,391,143	38,565,893
17. Short-term loans and advances		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	52,658,970	90,523,318
Prepaid Taxes	160,817,734	254,385,119
Deposits	4,941,100	5,752,850
Prepaid Expenses	66,258,051	59,653,689
Total	284,675,855	410,314,976
18. Other Current Assets		
(Unsecured, considered good)		
Patient treatment in progress	138,395,697	114,992,089
Interest accrued not due on FDR's	2,748,791	2,006,243
Custom duty credit recoverable	59,526,310	95,520,562
Others receivable	128,381,579	89,545,724
Others		
Rent receivable	6,692,406	5,928,969
Franchise fees receivables	645,833	645,833
Other	8,634,093	9,308,505
Total	345,024,709	317,947,925

Indraprastha Medical Corporation Limited

NOTES TO FINANCIAL STATEMENTS

	As at 31st March, 2013 Rs.	As at 31st March, 2012 Rs.
19. Revenue from operations		
Sale of services	5,912,346,705	5,029,679,940
Other operating revenue		
License fee & commission from licensees	94,867,312	86,404,818
Service charges received from doctors	15,518,352	13,443,880
Miscellaneous income	44,516,855	87,447,839
Total	6,067,249,224	5,216,976,477
20. Other Income		
Interest received from bank	1,870,349	2,211,046
Interest received from others	4,257,096	949,091
Profit on sale of asset	321,496	-
Provision no longer required written back	7,819,830	6,066,200
Total	14,268,771	9,226,337
21. Employee benefits expense		
Salaries and wages	1,145,486,831	1,067,834,068
Contribution to Provident & Other Funds	74,232,996	67,792,203
Staff welfare	46,257,390	42,244,809
Total	1,265,977,217	1,177,871,080
22. Finance costs		
Interest on term loans	40,634,438	24,508,512
Interest on working capital	24,143,164	14,992,356
Other financial charges	21,402,198	19,069,884
Total	86,179,800	58,570,752
23. Other expenses		
Consultation fees paid to doctors	1,589,544,926	1,345,553,488
Outside lab investigations	8,333,146	8,396,031
Leasehold ground rent	12	12
Power & Fuel	210,392,837	157,938,680
Rent	22,948,808	21,564,760
Travelling and Conveyance	56,230,757	51,625,903
Insurance	11,046,056	9,088,968
Directors' sitting fees	1,450,025	1,300,000
Communication	15,141,440	15,675,019
Printing and stationery	46,354,321	36,557,314
Advertisement	260,572,381	172,597,577
Legal and professional charges	46,892,919	54,995,106
Security charges	24,040,614	21,487,342
Payment to auditors	1,490,000	1,292,000
Auditors out of pocket expenses	66,138	66,037
Rates, taxes and licenses	22,584,243	17,924,599
Loss on Discarded Assets	34,111	222,562
Service Charges	150,783,472	123,005,292
Repairs and maintenance		
- Building	27,714,348	44,070,836
- Plant & Machinery	71,802,586	55,702,398
- Others	6,586,472	17,194,368
Miscellaneous expenses	4,851,685	4,669,334
Bad debts written off	7,687,318	5,757,014
Provision for doubtful debts	6,583,022	6,205,974
Total	2,593,131,637	2,172,890,614

SIGNIFICANT ACCOUNTING POLICIES

24. 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 at the end of the year.
- 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, the 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 the 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 Statement of Profit and Loss 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 or construction 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

A Provision is recognised (for Liabilities that can be measured by using a substantial degree of estimation). When :

- (a) the company has a present obligation as a result of a past event,
- (b) a probable outflow of resources embodying economic benefits is expected to settle the obligation; and
- (c) the amount of obligation can be reliably measured.

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.

25. Notes on Accounts

- A. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 29,042,064/- (Previous Year Rs. 28,401,276/-).

B. Contingent Liability

- i) Claims against the company not acknowledged as debt Rs. 374,943,000/- (Previous Year Rs. 365,226,000/-) 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. 25,840,509/- (Previous Year Rs. 15,051,523/-).
- iii) In respect of other matters Rs. 55,685,726/- (Previous Year 55,685,726/-).

- C. 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, 2013, 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.

- D.** 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.

E. Employee benefits

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

	2012-13		2011-12	
	Gratuity Funded	Leave Unfunded	Gratuity Funded	Leave Unfunded
(a) Expense recognised in Statement of Profit and Loss				
Current Service Cost	10,625,467	11,634,453	10,704,841	10,311,430
Interest Cost	5,857,812	4,287,990	5,062,809	4,376,026
Expected return on Plan Assets	(5,078,895)	-	(4,379,332)	-
Net Actuarial (Gain)/ Loss recognised in the year	11,212,961	1,896,062	(1,529,795)	(3,036,727)
Total expenses recognised in the Statement of Profit and Loss	22,617,345	17,818,505	9,858,523	11,650,729
(b) Amount recognised in the Balance Sheet				
Present value of obligation as at the end of the year	91,797,822	61,394,262	68,915,438	53,599,872
Fair value of plan assets as at the end of the year	69,180,477	-	59,056,915	-
Unfunded net liability recognised in the Balance Sheet	(22,617,345)	(61,394,262)	(9,858,523)	(53,599,872)
(c) Changes in the present obligations				
	2012-13		2011-12	
Present value of obligations at beginning of the year	68,915,438	53,599,872	61,367,377	51,482,661
Interest cost	5,857,812	4,287,990	5,062,809	4,376,026
Current service cost	10,625,467	11,634,453	10,704,841	10,311,430
Benefits paid	(6,141,125)	(10,024,115)	(5,167,801)	(9,533,518)
Actuarial loss / (gain) on obligations	12,540,230	1,896,062	(3,051,788)	(3,036,727)
Present Value of obligations at year end	91,797,822	61,394,262	68,915,438	53,599,872
(d) Changes in fair value of plan assets				
Fair value of plan assets at the beginning of the year	59,056,915	-	54,741,653	-
Expected return on plan assets	5,078,895	-	4,379,332	-
Employer contribution	9,858,523	-	6,625,724	-
Benefits paid	(6,141,125)	-	(5,167,801)	-
Actuarial gain / (loss) on Plan Assets	1,327,269	-	(1,521,993)	-
Fair value of plan assets at the end of the year	69,180,477	-	59,056,915	-
(e) Principal actuarial assumptions at the Balance Sheet Date (Expressed as weighted average).				
Discount Rate	8.00%	8.00%	8.50%	8.50%
Expected rate of return on plan assets (In case of Gratuity Fund)	8.70%	-	8.60%	-
Expected rate of salary increase	5.00%	5.50%	5.00%	6.00%
Method used		Projected unit credit method		Projected unit credit method

Indraprastha Medical Corporation Limited

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

	Amount in Rs.	Amount in Rs.
- Contribution to Provident fund	25,916,232	15,647,164
- Contribution to Pension fund	20,528,268	35,515,225
- Contribution to ESI	4,697,985	6,218,323

- F.** 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.

- G.** Travelling and conveyance includes Rs. 1,336,562/- (Previous year Rs. 406,408/-) on account of Directors' travelling.

H. Related party disclosures

Amount in Rs.				
Name	Relationship	Nature of Transactions	31 st March, 2013	31 st March, 2012
Apollo Hospitals Enterprise Limited	Associate	Pharmacy Consumables	133,712,446	127,125,412
		License Fees	10,338,000	9,909,000
		Commission on Pharmacy Sales	53,038,161	47,093,285
		Reimbursement of Expenses	17,800,041	16,445,072
		Account Payable	313,323,691	347,745,632
Apollo Sindoori Hotels Limited	Enterprises over which Directors are able to exercise significant influence	Purchase of services	12,480,947	17,940,382
		Account Payable	5,252	444,684
Dishnet Wireless Limited		Purchase of services	674,160	661,800
		Account Payable	-	-
Health Super Hiway (P) Limited		Purchase of services	784,052	802,152
		Account Payable	451,724	120,510
Faber Sindoori Management Services (P) Limited		Purchase of services	9,139,787	7,011,336
		Account Payable	778,262	407,741
Apollo Munich Health Insurance Company Limited		Medical health insurance premium	27,830,291	24,661,880
Managing Director		Remuneration to Managing Director	8,220,656	8,928,583
Non Executive Directors	Directors	Sitting fees	1,450,025	1,300,000
		Commission	3,418,034	3,384,931

- I.** The Basic earning per share (EPS) disclosed in the Statement of Profit and Loss has been calculated by dividing the net profit for the year ended 31st March, 2013 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. 287,648,863/- (Previous Year Rs. 269,960,505/-) and the weighted average number of equity share is 91,673,000 (Previous Year Rs. 91,673,000) for this purpose.
- J.** 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, 2013 (Previous Year Rs. Nil).
- K.** Fixed Assets includes expenditure amounting to Rs. 67,587,227/- (Previous Year 67,587,227/-) 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 from Apollo Hospital Enterprise Limited, who are the sub-lessee.
- L.** 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 exists 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.

	2012-13 Amount in Rs.	201 1-12 Amount in Rs.		
M. Earnings in Foreign Currency:				
On account of Hospital Revenue	703,344,009	735,809,854		
N. Expenditure incurred in Foreign Currency:				
On account of travel	15,915,129	6,599,468		
On account of other matters	60,994,093	46,583,408		
Outflow of Foreign Currency :				
On account of remittance of dividend	3,566,253	3,616,237		
For financial year	2011-2012	2010-2011		
Number of non-resident shareholders	26	27		
Number of shares held by them	2,228,908	2,260,148		
O. Value of Imports on CIF basis:				
Capital Goods	200,321,891	125,455,928		
Stores & Spares	38,089,419	14,249,695		
P. Payment to Auditors:				
As audit fee	1,400,000	1,200,000		
Tax audit fee	90,000	90,000		
Other matters	-	2,000		
Reimbursement of Expenses	66,138	66,037		
Total	1,556,138	1,358,037		
Q. Stores & Spares Consumed				
Particulars	2012-13	2011-12		
	Rs.	%	Rs.	%
Imported	42,289,939	2.97%	16,066,342	1.34%
Indigenous	1,380,213,201	97.03%	1,182,429,263	98.66%
Total	1,422,503,140	100%	1,198,495,605	100%
R.	The company is engaged in the healthcare business, 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.			
S.	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.			
T.	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

Firm Reg. No. 000235N

Abhinav Khosla
Partner
M. No. 87010

Ajay Kumar Singhal
Vice President Cum
Company Secretary

D.M. Spolia
Jaideep Gupta
Suneeta Reddy

Chairman
Managing Director
Director

Place : New Delhi
Date : 7th May, 2013

This image shows a full page of blank handwriting practice paper. It features evenly spaced horizontal blue lines across the entire surface, providing a guide for letter height and placement. There are no margins, text, or other markings on the page.

INDRAPRASTHA MEDICAL CORPORATION LIMITED

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 Thursday, 26th September 2013 at 10.30 a.m. at

FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110001 and at any

adjournment thereof.

Signed this day of 2013.

Signature

Affix
Revenue
Stamp

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

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 Thursday, 26th September, 2013 at 10.30 a.m. at FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110001

Signature of Member/Proxy

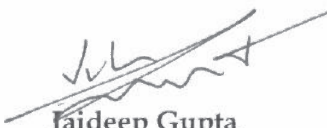
our people are our most precious asset
for the future of our nation

That is why it is important to inculcate in them the determination to stay healthy. Apollo considers it their responsibility to inculcate a healthy balanced lifestyle in India's billion plus people, 75% of who are less than 25 years of age and will one day be responsible for foisting India into the echelons of the super powers. Through several well thought out initiatives, Apollo has run awareness programs, and organized health checks; it has extended financial support to underprivileged children towards education and healthcare; and it has advocated the benefits of **Staying Healthy** through a lifestyle punctuated by good eating habits, active exercise, and regular health checks.

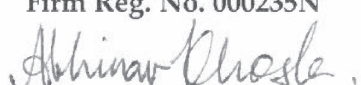
Listing Agreement – Clause 31(a)

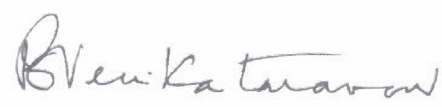
FORM A

1.	Name of the Company:	Indraprastha Medical Corporation Limited
2.	Annual financial statements for the year ended	31st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Nil


Jaideep Gupta
Managing Director


P. Shivakumar
Vice President – Finance & Operations


For M/s S C Vasudeva & Co.
Chartered Accountants
Firm Reg. No. 000235N

Abhinav Khosla
Partner
M. No. 87010


Dr. B. Venkataraman
Chairman – Audit Committee