

# HEALTHCARE

**B**hupinder Bhargava (name changed), a 29-year-old information technology professional, was admitted to the emergency ward some months ago with acute pain in the chest, along with heavy breathing and perspiration. After primary medication, he was taken to the cath lab where an angiography was performed. It was found that he had a blockage in one artery. An angioplasty and stenting was immediately done and he was kept under observation for two days. He later told the doctors he had been very stressed because of work. He had feared he would be laid off.

Bhargava had been working overtime and at odd hours to show commitment to his bosses. His sleep patterns and dietary habits suffered due to this and he often felt helpless and angry due to the mental strain and pressure he was experiencing.

I have come across several such cases in my profession. People who work night shifts tend to have a poor diet and less access to wholesome food. They are prone to snacking increasingly at odd hours and have a poor sleep pattern. The common ailments for such people may include an increase in ulcers, indigestion and heartburn, frequent stomach aches, constipation, diarrhoea and loss of appetite. Job rotation (or working in different shifts of the day) makes it hard to develop a daily routine. This adversely affects the body and its functioning and it is the primary reason that causes anxiety, high blood pressure and heart disease in most working adults below the age of 45 nowadays.

Some common ways of combating this rising epidemic include taking care of what and when you eat, your fitness level and a considerate and supportive family.

Next week: How to prevent or manage

spondylitis

Afternoon workers should have their meal in the middle of the day, not in the middle of their work shift. And, night workers should eat lightly throughout the shift and have a moderate breakfast. Complete relaxation is required during meals to allow time for digestion.

O Drink a lot of water and cut down on highly salted foods. Reduce intake of food high in fat, while maintaining regular eating patterns, with well-balanced meals. Eat your recommended balance of vegetables, fruit, lean meat, poultry, fish, dairy products, grains and breads. Avoid any excessive use of antacids, tranquilisers and sleeping pills. Minimise the intake of caffeine and alcohol and avoid fast food.

O It is imperative to make sure your family and friends are aware of and considerate towards your sleep hours and needs. Ensure a comfortable and quiet place to sleep during the day. Air conditioning, telephone answering machine, car plugs and good blinds could help improve your sleep. It also helps to have adequate time for quiet

relaxation before bed, to facilitate better sleep. Try reading, breathing exercises and muscle relaxation techniques.

O Avoid strenuous exercise before sleeping because your body's metabolism will remain elevated for several hours and this makes sleeping difficult.

O Schedule at least one meal a day with the family. This helps to keep the communication channels open and promotes good eating habits.

O Pay close attention to physical fitness. A regular exercise regime helps the body adjust to the negative effects of strenuous work and can also help improve the quality and quantity.

**NEW DELHI:** Robotic surgery is picking up pace in the Capital to treat prostate cancer, say health experts. This surgery, however, is more expensive than other procedures to treat the disease.

More patients are now turning to robotic surgery while being treated for prostate cancer. This form of surgery is catching up fast even though the

traditional forms of surgery continues to exist. Currently, all major hospitals have robotic systems," said Dr S.M. Zaidi, Senior Consultant, Oncology, Indraprastha Apollo Hospitals.

However, the challenge remains in performing such surgeries.

"Robotic surgery involves more sophisticated techniques. The safety of the patient is assured considering the right person is performing it," said Zaidi.

The manufacturing companies of the machines usually provides an intensive training for the surgeons before they venture out on such surgeries.

Laparoscopic surgeries are minimally invasive and carried out through small incisions on body.

According to doctors, around 15 per cent of the total number of patients suffering from prostate cancers, who earlier opted for laparoscopic surgeries, are now going for robotic surgeries.

"Now a greater number of surgeries are being performed by robots. The key benefit of such surgeries lies in the precision," said Dr Rajeev Sood, Director - Urology, Robotics & Renal Transplant, Fortis.

"Since these machines

enable a 360 degree movement, it becomes easier to stitch the prostate area. The sophisticated technique enables a magnified vision," Dr Sood said.

"Technically, it is not too difficult to master a robotic surgery. The robotic machines make the movements," he added.

The major handicap in robotic surgeries is that it is not cost effective.

"The number of patients with prostate cancer seeking the aid of robotic surgery has significantly increased," said Dr Sudhir Chaddha, Senior Urologist, Sir Ganga Ram Hospital.

"We expect that in the next few years, it will become more popular. But the cost remains a major handicap," said Dr Sudhir Chaddha, Senior Urologist, Sir Ganga Ram Hospital.

The cost for robotic surgery in treating prostate cancer varies between Rs 50,000 and Rs 70,000 across hospitals.

"With more availability in the market, robotic surgeries would be more cost effective in the next few years," said Chad-dha.

communications and Information Technology Ravi Shankar Prasad on Tuesday released a commemorative postage stamp on liver transplantation in India to mark the 15th anniversary of the country's first successful liver transplant on a two-year-old boy from Kandhupuram in 1998 carried out in Apollo Hospital.

Sanjay Kandaswamy, then a two-year-old, underwent the transplant on 15 November 1998 with his father being the donor. Now a 17-year-old Class XI student, Sanjay was present at the stamp release. "I want to be a heart surgeon when I grow up. I am already preparing for medical entrance. I want to save lives and chart out new milestones in medical history," he said.

The 1998 surgery had marked a pivotal shift

# BETTER MADE IN INDIA

Annual Report 2014-2015

in the field of liver transplantation in India. Over 900 liver transplants are now performed in the country annually.

Ravi Shankar Prasad said, "I am heartened to see young Sanjay amidst us today. His story is truly inspirational. Not only did his family set an example in courage, but he is also a living testament to the effectiveness of transplantation as a clinical intervention."

The minister added that the stamp was a statement of recognition of extraordinary initiatives by extraordinary people endowed with extraordinary "dinary talent".

"Organ transplant including liver transplant is a super speciality surgery and a lot still needs to be done to make organ transplant low cost and affordable," he said.

The stamp was designed by the Department of Posts.

Dr Prithip C. Reddy, Chairman, Apollo Hospitals Group said, "In these 15 years, approximately 4500 liver transplants have been performed in India. The Apollo Transplant Programme remained the busiest in the world in 2013 by performing 1456 transplants (390 liver, 1066 kidney)".

Dr Anupam Sibal, Group Medical Director, Apollo Hospitals and senior pediatric gastroenterologist said, "The journey that we started in 1998 has saved hundreds of lives. Sanjay now leads a normal life, goes to school, plays football and wants to become a doctor."

With drug addiction and rising cancer instances in the state, the IMA has planned to initiate a programme in Punjab to create awareness about organic farming where the use of pesticides and insecticides is far less. "Another problem crippling the state is mental health. We are focusing on these two issues in the state," said Dr Aggarwal.

are holding meetings with insurance companies and stress-ing on introducing changes in their policies."

Dr Aggarwal, who is a Padma Shri awardee, was in the city to attend the 5th Annual Conference of the Global Association of Physicians of Indian Origin (GAPIO).

"Reducing hospital burden with lessening the number of patients is the need of the hour. This can be done with more focus on day care or care at home. We are creating awareness among doctors to not admit a patient unless it is absolutely necessary. Insurance companies should be more patient-friendly so that doctors don't have to unnecessarily keep patients at the hospital even when a simple trip is required and no procedures are involved," said Dr Aggarwal.

"At present, insurance companies provide claim only if the patient is admitted in a hospital for at least 24 hours. Why? Can't an alternative be found out so that less critical IMA general secretary Dr K.K. Aggarwal at the 5th Annual Conference of the Global Association of Physicians of Indian Origin in Chandigarh.

Vishwa Deo Sharma, 58, from Agra has undergone three kidney transplants and now walks around with five kidneys in his abdomen.

During kidney transplants, the diseased kidney is usually removed unless it causes repeated infection or uncontrolled hypertension.

Sharma has had three transplantations, the last one by Dr Sandeep Guleria, senior consultant surgeon at Indraprastha Apollo Hospital in August 2014.

Sharma and his family opted for a kidney transplant after operation on his mother and brother had already donated a kidney each. For the swap, his wife Rama Sharma donated her kidney to a woman from Ghaziabad, whose husband Rishipal in return donated his kidney to Sharma.

India has more than 15 lakh people with end-stage renal disease, with 2 lakh more added to this pool every year. Nearly 60,000 kidney transplants are needed to be performed annually but due to organ shortage the country manages only about 4000 in a year.

At any given day, there are more than 10,000 patients in India in need of an organ for transplant, out of which more than 50% don't have a matching donor within the family.

Providing relief to such patients is the trend of organ swapping, wherein un-related donors can swap kidneys or liver if they are compatible.

In order to streamline the process, the government two years ago had amended the Transplantation of Human Organs Act that simplified rules and extended the ambit of donors legally.

Sharma was one such person who benefited from organ swapping.

"My kidney got damaged for the third time in 2014 March after I had pneumonia. Till August 2014, I was on dialysis but I did not want to continue with it because it leads to vomiting and headaches," said Sharma, who runs a furniture business in Agra.

"Three transplants are extremely rare," says Dr Guleria. "One of the challenges in this case was that the kidney had to be placed between his own kidney and the kidney donated earlier." Normally, the kidney is put on the lower part of abdomen. Since, he had been on medicines for so long, and the kidney was not his own, there was a chance of rejection. We did not remove the damaged kidneys from his body; therefore, he is carrying five kidneys."

Nalain Aziz from Pakistan will turn two on April 26. But the toddler had been suffering from biliary atresia, a congenital defect where there is no con-

nection between the liver and intestine, and had been hospitalised nearly 20 times since his birth.

The disease affects one in 10,000 babies.

"He developed jaundice almost immediately after birth and was later diagnosed with this disease. Even after doctors in Lahore surgically blocked his liver ducts to prevent liver damage, his jaundice did not go away. We were then referred to India for a liver transplant," said Shoab Nawaz, his father.

The family of three arrived at Delhi's Apollo hospital, where Aziz's mother Sidra Shoab donated 25 per cent of her liver to save the child, making him the 50th Pakistani patient to undergo liver transplant at the hospital.

"It's been a wonderful experience. The doctors took very good care of my son," Nawaz said. Aziz underwent liver transplantation on March 12 and was discharged on April 1.

"In Aziz's case, the jaundice kept getting worse and he also began bleeding from the swollen veins in his food pipe. Liver transplant was his only option. We assessed his mother and she was found to be medically fit. According to the size of the child, we adjust the size further for the liver to fit in. The liver regeneration takes place within three weeks and one can get back to normal routine in three months," said Dr Anupam Sibal, group medical director and senior paediatric gastroenterologist, Apollo Hospital.

"Nearly 10 per cent babies don't accept the new liver or clots form in blood vessels and there are chances of

infection. But nothing of that sort happened in Aziz's case," Sibal added.

You are probably suffering from stress incontinence. It occurs when our pelvic muscles — located beneath the bladder aren't strong enough. Weak muscles are not able to withstand a stress or pressure (from coughing, sneezing, laughing too hard, lifting weights) pushing on the bladder and give way. They release their squeeze around the bottom of your bladder resulting in a leak.

Weakened pelvic muscles after childbirth is a big reason behind stress incontinence. Including in high-impact physical activities is also a factor. Obese women are more likely to develop urinary incontinence, as are women who don't exercise regularly.

Yes, leaking can be quite embarrassing and affect your quality of life. Here's what you can do. Kegel exercises: Also known as pelvic floor exercises, these are proven ways to improve or eliminate urinary incontinence. They strengthen the muscles that surround the opening of the urethra, vagina and rectum.

To do Kegel exercises, squeeze your muscles to tighten your rectum and vagina. Hold Kegel squeezes for 6 to 8 seconds. Group 8 or 12: squirts into each session. Do them every day. Remember, Kegel exercises help those who do them consistently. So make them part of your routine life-long. (See YouTube videos by Michelle Kerway on Kegel exercises.)

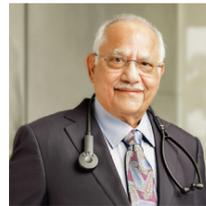
Other lifestyle changes: Don't hold urine for too long. Make regular trips to the washroom to reduce chances of leakage with an over full bladder. Also avoid drinks that stimulate the bladder such as alcohol and coffee.

The above should help you. However, if the symptoms worsen, consult a doctor.

Union Minister for Com-

# CONTENTS

## Message 2



Dr. Prathap C Reddy  
Founder  
Apollo Hospitals Group

## Statutory Section 4

Corporate Information .....	4
Notice to the Shareholders .....	5
Directors' Report .....	13
Management Discussion & Analysis .....	32
Report on Corporate Governance .....	39

## Financial Statements 49

Independent Auditors' Report .....	49
Balance Sheet .....	52
Statement of Profit & Loss .....	53
Cash Flow Statement .....	54
Notes to Financial Statements .....	55

# IN RECOGNITION

1. The Hospital won the “Best Quality Initiative” award at the IMTJ Medical Travels Award ceremony 2015, London
2. The Hospital was also recognised with the “Best Technology Initiative” award at the 5<sup>th</sup> MT India Healthcare Awards function, 2015
3. The Hospital also won ten awards at the Annual Apollo Innovation Awards:

**Excellence in  
Community Service:  
One 3<sup>rd</sup> Rank Award**

**Excellence in  
HR Practices:  
Three 1<sup>st</sup> Rank Awards and  
one 3<sup>rd</sup> Rank Award**

**Excellence in  
Operations:  
One 1<sup>st</sup> Rank Award**

**Excellence in  
Environment Conservation:  
One 2<sup>nd</sup> Rank Award**

**Excellence in  
Clinical Services:  
One 1<sup>st</sup> Rank Award and  
one 2<sup>nd</sup> Rank Award**

**Excellence in  
Financial Services:  
One 3<sup>rd</sup> Rank Award**

---

**W**e stated last year that your body is priceless and we would like to reiterate that we at Apollo are committed to that which is priceless—our patients. The group continues to place the patient at the core of its operations with unparalleled dedication, a culture of continuous improvement and enhanced clinical outcomes while simultaneously augmenting patient experience and comfort.

**B**y leveraging the collective experience and skills of our doctor fraternity, investing in the latest technology, harnessing advancements in IT, embracing on-going learning and research, and benchmarking with the best in the world, we have successfully brought high standards of quality healthcare to the people over these thirty plus years. The JCI (Joint Commission International) and

NABH (National Accreditation Board for Hospitals & Healthcare Providers) accredited hospitals within our fold bear testimony to our focus on patient safety and our all encompassing patient care model.

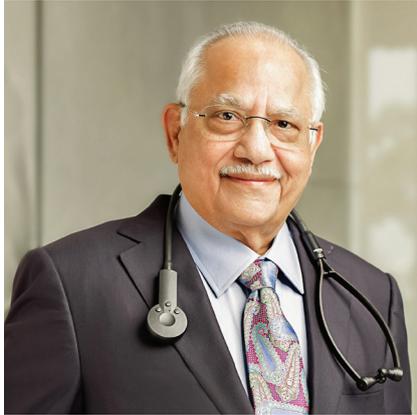
**G**iven the present fast changing disease and patient profiles, achieving and sustaining such excellence in healthcare services is not an easy task. It entails vision, strategic leadership and skillful balancing of care-giving in a range of specialties with a gamut of specialists, protocols and processes. This tried and tested experience stands singular and unshakeable for building requisite scale for tackling India's tremendous disease burden and touching that large segment of the population that is even today without access to basic healthcare. Importantly, it ensures successful repeatability

of our delivery model and endows us with confidence to deliver better and faster each time.

**W**e focus 24/7, 365 days on what is best for our patient and this commitment has earned our group the trust of the community, which knows and believes that we will try our best under any circumstance, no matter what. At Apollo we understand the responsibility of that trust and the faith of the people that our Hospital is the best place to go to whether it is for a health check, a minor surgery or a major illness. This is the essence that makes our Hospitals offer hope to people sometimes even when there is none.

**A**pollo Hospitals is an institution that true to Prime Minister Modi's call, is Made in India for India; one that will not rest satisfied but will push boundaries till it achieves better healthcare towards a better quality of life.

## MESSAGE



Dear Shareholders,

You will remember my message to you last year that your body is Priceless. At Apollo Hospitals we are relentless in our mission of helping you stay healthy whether it is through prevention or early diagnosis and treatment. You are priceless to us; and in choosing to deliver the best possible healthcare solutions to you, we champion innovation, invest in cutting edge technology, refine process and protocols and support on-going learning and research, to continuously better ourselves and improve our standards of care and clinical outcomes.

We have invested in new facilities and added beds, and built systems that extend the reach of our expertise and skills to those in remote areas. We have leveraged technology to build integrated healthcare delivery models, which facilitate seamless electronic medical records, Hospital Information Systems and telemedicine-based health outreach

initiatives, for enhanced access to medical care. We have also supported private public partnerships that will not only fortify this goal but will help to increase investments in healthcare delivery.

I would like to point out that the increased incidence of Non Communicable Diseases (NCDs) in India poses a great challenge to its socio economic development as it is estimated that NCDs will cost India USD 6 trillion by 2030. To combat this threat, screenings of high-risk groups, followed by enrolment of diagnosed populations in holistic care plans, including education and counseling on healthy living will be required. We are actively steering this path by advocating periodic health checks for early detection and cure. I firmly believe that at an individual level, a healthy future belongs to those who prepare for it in a knowledgeable way. Personal health should be safeguarded in an informed manner. At Apollo we consider ourselves your partner in this journey. We are entering one of the most exciting stages in the evolution of diagnostics. The path of Predictive and Personalized healthcare is the new way forward; we have therefore brought the Apollo Personalized Health Check to you.

In the last thirty two years since we opened Apollo Hospital's doors to you, sweeping changes have transformed our country and the world in the area of healthcare.

From the time when Indians traveled overseas for medical treatment, we have come a full circle; India is now globally reckoned as a value driven, high quality health care destination and people from all over the world come here for treatment. India's reinvention as a healthcare hub is built on a few critical pillars, the foremost of which is focus on quality and patient safety. The Apollo Hospitals group is extremely proud of its pioneering effort in this regard. Our thrust on quality practices, stringent internal scoring systems, medical audits and international accreditations have helped us better the quality of our healthcare on par with hospitals in the West. Today we have patients travelling from over 120 countries for treatment at our hospitals across India.

Our overall scorecard is impressive and this to a large extent is emblematic of the marked improvement in clinical outcomes in India. The Indian healthcare fraternity at large is now experimenting, collaborating and leveraging its collective might to usher in a new dawn in medical treatment, testifying that Healthcare, is continuously being Made Better in India. At Apollo Hospitals we have built a strong foundation through sustained performance. Our operating parameters and financial metrics have bettered year on year and we are well placed to play a meaningful role in India's emerging healthcare requirements.

---

**O**ur Doctors, our nurses, our paramedical staff and each one of our employees continue to share our vision for a better, healthier India and we are proud to have some of the most talented and committed people working with us today, without whose passionate contributions, we would not have reached this far.

**O**ur Hospital has the distinction of conducting India's first successful liver transplant in 1999. A commemorative stamp to celebrate the 15<sup>th</sup> anniversary of this prestigious achievement was released by Shri Ravi Shankar Prasad, Honourable Minister of Communications and Information Technology, and Minister of Law and Justice, Government of India. The stamp is the recognition to Apollo Indraprastha's contribution to the solid organ transplantation program in the country.

**I**mpressive and sustained double digit growth was recorded across specialties in the hospital in FY15 like liver and kidney transplants, cardiac cath lab procedures and robotic surgeries.

**A**pollo Hospitals Noida also continued its strong performance across all operational parameters and remained one of the leading destinations for Mother and Child Care, Dialysis, and Preventive Master Health Checks.

**T**he future, I believe, is even more exciting as we continue on our focused growth strategy.

Our operations team is working diligently on augmenting our clinical capabilities in our facilities in line with micro market requirements by adding the requisite medical teams to accelerate patient volumes and growth. This should help us further consolidate our leadership position in the healthcare segment.

**W**hen it comes to quality we take great pride in our habit of rigorous re-evaluation and reinvention to ensure patients get the possible care. Infection control in our hospitals has been optimized to the highest levels possible; stringent internal scoring systems have been constructed with the sole objective of ensuring we match up with the very best anywhere in the world. Initiatives like The Apollo Standards of Clinical Care (TASSC) are indicators of our commitment to better global benchmarks in clinical excellence. The large number of healthcare excellence awards conferred on us over the years bear testimony to this focus.

**W**e continue to strive to deliver better results not only clinically but also financially, as we are fully committed to our shareholders apart from our patients. In this regard, I am happy to state that our standalone revenue grew by 5.27% to Rs. 71,436.50 lakhs. The EPS for the year stood at Rs. 3.54 and the Board of Directors of the Company have recommended payment of dividend on equity shares

@ Rs. 1.80 per share (18%) for the fiscal year 2014-15.

**B**efore concluding, I would like to welcome opportunities to collaborate with the Government on initiatives which would further the primary objective of the draft National Health Policy, 2015 — which is ensuring universal health coverage for India's citizens.

**I**would like to thank the Board and the management team for their ongoing commitment to Apollo Hospitals, but most of all to the staff and Doctors who work very hard to ensure that we continue delivering better health outcomes — each passing day at Apollo. I wish you and your families the very best of health and thank each and every stakeholder for their continued support, belief and trust and request each one of you to live healthy and encourage healthy living amongst your loved ones.

With warm personal regards,

**Dr. Prathap C Reddy**  
Founder  
Apollo Hospitals Group

## CORPORATE INFORMATION

**Vice Chairman**

Dr. Prathap C. Reddy

**Managing Director**

Mr. Jaideep Gupta

**Directors**

Dr. B. Venkataraman  
Ms. Suneeta Reddy  
Ms. Shobana Kamineni  
Ms. Renu S. Karnad  
Ms. Vineeta Rai  
Mr. Satnam Arora  
Mr. S. Regunathan  
Mr. S. N. Sahai  
Mr. Deepak Vaidya  
Mr. T. S. Narayanasami  
Dr. Arun Rai  
Prof. V. N. Rajasekharan Pillai  
Prof. Ranjit Roy Chaudhury

**Vice President cum  
Company Secretary**

Mr. Ajay Kumar Singhal

**Chief Financial and  
Operating Officer**

Mr. P Shivakumar

**Registered Office &  
Hospital Complex**

Sarita Vihar, Delhi-Mathura Road  
New Delhi – 110 076

**Hospital at Noida**

Apollo Hospitals  
E-2, Sector-26, Noida – 201 301

**Auditors**

M/s S. C. Vasudeva & Co.  
Chartered Accountants, New Delhi

**Bankers**

Oriental Bank of Commerce  
IndusInd Bank Limited

---

# NOTICE TO THE SHAREHOLDERS

---

Notice is hereby given that the twenty-seventh Annual General Meeting of Indraprastha Medical Corporation Limited will be held on Tuesday, 29<sup>th</sup> September, 2015, at 10.30 A.M. at FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi - 110 001, to transact the following business:

## **ORDINARY BUSINESS:**

### **Item No. 1 - Adoption of financial statements.**

To receive, consider and adopt the audited financial statements of the Company for the year ended 31<sup>st</sup> March 2015, Reports of the Board of Directors and Auditors thereon.

### **Item No. 2 - Declaration of Dividend**

To declare a dividend on equity shares for the financial year ended 31<sup>st</sup> March 2015.

### **Item No. 3 - Appointment of Director**

To appoint a Director in place of Ms. Renu S. Karnad (DIN: 00008064), who retires by rotation and being eligible, offers herself for re-appointment.

### **Item No. 4 - Appointment of Director**

To appoint a Director in place of Ms. Suneeta Reddy (DIN: 00001873), who retires by rotation and being eligible, offers herself for re-appointment.

### **Item No. 5 - Appointment of Auditors**

To re-appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to pass the following resolution as an ordinary resolution.

“RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s. S. C. Vasudeva & Co., Chartered Accountants (Firm Registration No. 000235N), be and are hereby re-appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration of Rs. 16 lakhs plus service tax as applicable and reimbursement of out of pocket expenses.”

## **SPECIAL BUSINESS**

### **Item No. 6**

#### **Appointment of Ms. Vineeta Rai as a Director**

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

“RESOLVED THAT Ms. Vineeta Rai (DIN: 07013113) be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation.”

### **Item No. 7**

#### **Appointment of Mr. S. N. Sahai as a Director**

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

“RESOLVED THAT Mr. S. N. Sahai (DIN: 00860449) be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation.”

### **Item No. 8**

#### **Appointment of Prof. Ranjit Roy Chaudhury as an Independent Director**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force} read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Prof. Ranjit Roy Chaudhury (DIN: 02417722), who was appointed as an Additional Director of the Company by the Board of Directors effective from 29<sup>th</sup> January, 2015, and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Prof. Ranjit Roy Chaudhury as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for two consecutive years effective from 29<sup>th</sup> January, 2015 to 28<sup>th</sup> January, 2017, not liable to retire by rotation.”

### **Item No. 9**

#### **Appointment of Dr. Arun Rai as an Independent Director**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder {including any statutory modification(s) or re-enactment thereof for the time being in force} read with Schedule IV to the Companies Act, 2013 and Clause 49 of the

Listing Agreement, Dr. Arun Rai (DIN: 07159822), who was appointed as an Additional Director of the Company by the Board of Directors effective from 26<sup>th</sup> May, 2015, and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying his intention to propose Dr. Arun Rai as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years effective from 26<sup>th</sup> May, 2015 to 25<sup>th</sup> May, 2020, not liable to retire by rotation."

#### Item No. 10

#### To approve the Remuneration of the Cost Auditors for the year ending 31<sup>st</sup> March, 2016.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and its related and applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 ( including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Devarajan Swaminathan and Co. - Cost Accountants, (Firm Registration No 100669), the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the year ending 31<sup>st</sup> March, 2016, at a remuneration of Rs. 5 lakhs plus service tax as applicable and reimbursement of out of pocket expenses, be and is hereby ratified and confirmed."

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

**Place: New Delhi  
Date: 7<sup>th</sup> August, 2015**

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

#### NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business as set out above is annexed hereto.
2. **A member entitled to attend and vote at the Annual General Meeting may appoint a proxy to attend and vote on his / her behalf. A proxy need not be a member of the Company. The instrument appointing the proxy shall be deposited at the Registered Office of the Company at Sarita Vihar, Delhi-Mathura Road, New Delhi - 110 076, not less than 48 hours before the commencement of the meeting.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying**

**voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or shareholder.**

3. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided not less than three days notice in writing is given to the Company.
4. Members/Proxies should bring the duly filled in attendance slip enclosed herewith to attend the meeting.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 19<sup>th</sup> September, 2015 to Tuesday, 29<sup>th</sup> September, 2015 (both days inclusive) for the purpose of payment of dividend for the financial year ended 31<sup>st</sup> March, 2015 and the Annual General Meeting.
6. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared, at the meeting, will be paid to those members whose names appear:-
  - a) as Members on the Register of Members of the Company as on 29<sup>th</sup> September, 2015, after giving effect to all valid share transfers in physical form lodged with the Company up to the closing hours of business on 18<sup>th</sup> September, 2015, 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 18<sup>th</sup> September, 2015.
7. Members desiring any information as regards the accounts are requested to write to the Company at least seven days before the meeting so as to enable the management to keep the information available.
8. Pursuant to the provisions of the Companies Act, as amended, the Company has transferred all unpaid or unclaimed dividend for the financial years ended 31<sup>st</sup> March, 2001 to 31<sup>st</sup> March, 2007, to the Investor Education and Protection Fund (IEP Fund) of the Central Government. It may also be noted that once the unclaimed dividend is transferred to the IEP Fund, no claim shall lie in respect thereof. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed dividend amount lying with the Company as on 30<sup>th</sup> September, 2014 (date of last Annual General Meeting) on the website of the Company, as also on the website of the Ministry of Corporate Affairs.
9. Pursuant to the provisions of Section 124 of the Companies Act, 2013, as amended, dividend for the

financial year ended 31<sup>st</sup> March 2008 and thereafter, which remains unclaimed for a period of 7 years from the date of transfer of the same to the unclaimed dividend account as referred to in sub-section (5) of section 124 of the Act, will be transferred to the Investor Education and Protection Fund (IEP Fund) of the Central Government. Shareholders who have not encashed the dividend warrant(s) so far for the financial year ended 31<sup>st</sup> March 2008 or subsequent financial years are requested to make their claim to the Secretarial Department, Sarita Vihar, Delhi-Mathura Road, New Delhi – 110 076. It may also be noted that once the unclaimed dividend is transferred to the IEP Fund as above, no claim shall lie in respect thereof.

Information in respect of such unclaimed dividend when due for transfer to the IEP Fund is given below:-

Financial Year Ended	Date of Declaration of Dividend	Due Date for transfer to the IEP Fund
31/03/2008	10/09/2008	14/10/2015
31/03/2009	09/09/2009	15/10/2016
31/03/2010	10/09/2010	14/10/2017
31/03/2011	14/09/2011	18/10/2018
31/03/2012	14/09/2012	18/10/2019
31/03/2013	26/09/2013	30/10/2020
31/03/2014	30/09/2014	03/11/2021

10. Members holding shares in physical form are requested to intimate the following directly to the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd., 44 Community Centre, 2<sup>nd</sup> floor, Naraina Industrial Area Phase I, Near PVR, Naraina, New Delhi – 110 028:-
  - (a) Bank Mandate with full particulars for remittance of dividend directly into their bank accounts, if declared at the meeting.
  - (b) Changes, if any, in their address at an early date.
  - (c) Application for consolidation of folios, if shareholdings are under multiple folios.
  - (d) Despatch of share certificates for consolidation.
  - (e) Request for nomination forms for making nominations as per the provisions of the Companies Act.
11. Members are requested to quote ledger folio numbers in all their correspondence.
12. Members holding shares in dematerialized form (electronic form) are requested to intimate any changes in their respective addresses, bank mandates etc., directly to their respective Depository Participants.
13. 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 the 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/Registrars and Share Transfer Agents, M/s. Link Intime India Pvt. Ltd.

14. National Electronic Clearing Service (NECS) Facility:
 

With respect to payment of dividend, the Company provides the facility of NECS to the shareholders wherever is available.

Shareholders holding shares in physical form who now wish to avail NECS facility, are requested to forward their NECS mandate in the prescribed form to the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Pvt. Ltd.
15. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms an integral part of the notice. The directors have furnished the requisite declarations for their appointment / re-appointment.
16. Electronic copies of the Annual Report for the year ended 31<sup>st</sup> March 2015, and electronic copy of the Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with the Attendance Slip and Proxy Form, are being sent to all the members whose email ids are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report and Notice of the 27<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form are being sent in the permitted mode.
17. Members may also note that the Notice of the 27<sup>th</sup> Annual General Meeting and the Annual Report for 2014–15 will also be available on the Company's website [www.apollohospdelhi.com](http://www.apollohospdelhi.com) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during the normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id: [imclshares@apollohospitals.com](mailto:imclshares@apollohospitals.com).
18. Voting through electronic means
  - i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing

Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26<sup>th</sup> September, 2015 (9:00 am) and ends on 28<sup>th</sup> September, 2015 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "Indraprastha Medical Corporation Limited".

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [bskashtwal@yahoo.co.in](mailto:bskashtwal@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email ids are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) Initial password is provided separately with Notice of AGM.

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22<sup>nd</sup> September, 2015.

X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22<sup>nd</sup> September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [swapann@linkintime.co.in](mailto:swapann@linkintime.co.in).

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on

[www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Baldev Singh Kashtwal, Practicing Company Secretary (Membership No. - FCS 3616 & Certificate of Practice No. - 3169) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of Ballot Paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.apollohospdelhi.com](http://www.apollohospdelhi.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the NSE and BSE Limited, Mumbai.

#### **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 / re-appointed are as given below:

- 1. Name : MS. RENU S. KARNAD**  
**Age :** 63 years  
**Qualifications:** 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:**

Housing Development Finance Corporation Limited  
HDFC Bank Ltd  
HDFC Asset Management Company Ltd.  
HDFC Ergo General Insurance Co. Ltd.  
HDFC Standard Life Insurance Co. Ltd.  
GRUH Finance Ltd.  
Bosch Ltd.  
EIH Ltd.  
AB India Ltd.  
Feedback Infra Private Ltd.  
Lafarge India Private Ltd.  
HT Parekh Foundation

#### **Membership of Committees of the Board of other Companies:**

Audit Committee (BOSCH Ltd.) - Chairperson  
Audit Committee (HDFC ERGO General Insurance Company Ltd.) - Member  
Audit Committee (ABB India Ltd.) - Member  
Audit Committee (H T Parekh Foundation) - Member  
Shareholders'/Investors' Grievance Committee (BOSCH Ltd.) - Member  
Shareholders'/Investors' Grievance Committee (ABB India Ltd.) - Member  
Shareholders'/Investors' Grievance Committee (HDFC Bank Ltd.) - Member

#### **Shareholding in the Company: Nil**

#### **2. Name : MS. SUNEETA REDDY**

**Age :** 56 years

**Qualifications:** Bachelor of Arts in Economics, Public Relations and Marketing, Diploma in Financial Management and completed the Owner / President Management Program at Harvard Business School, Boston (USA).

**Expertise:** A member of the founding family, Ms. Suneeta Reddy joined the Apollo Hospitals Group in 1989. As Executive Director Finance, she was instrumental in taking the organization to the international equity markets through a successful GDR and subsequently bringing the First Foreign Direct Investment into Healthcare in India. It has

been her deep domain knowledge and foresight that has guided Apollo's emergence as a formidable, financially sound hospital enterprise.

Ms. Suneeta Reddy's financial acumen has been the key factor in the group's dramatic growth and profitability. Her insights have played an instrumental role in encouraging medical value travelers to Apollo Hospitals and to India at large. With a guiding principle to align Apollo's growth strategy in keeping with the needs of the nation, she led the Apollo Reach Hospitals model to fruition. Commended by World Bank, it is an innovation redefining both healthcare and healthcare design as it takes quality care to the soul of India- it's villages.

Ms. Suneeta Reddy holds the position of the Managing Director of Apollo Hospitals Enterprise Limited and she also serves on the Board of several Apollo Hospitals' Group companies. Through her close involvement, effort and patience, she has guided these companies on a path of growth and profitability.

A key influencer in the Indian healthcare industry, Ms. Reddy is a widely recognized for her contributions and has held leadership positions including Co-Chairperson of Healthcare Sub Committee - Confederation of Indian Industry (CII) and is a member in National Committee on Healthcare. She is also a member of the Harvard Business School India Advisory Board (IAB).

**Outside Directorship:**

Aircel Limited  
Aircel Cellular Ltd.  
Dishnet Wireless Ltd  
Apollo Hospitals Enterprise Limited  
Apollo Sindoori Hotels Ltd.  
Apollo Gleneagles Hospitals Ltd  
Apollo Munich Health Insurance Company Ltd  
Imperial Hospital & Research Centre Ltd.  
Vasumathi Spinning Mills Ltd.  
Aircel Smart Money Limited  
Indian Hospitals Corporation Ltd.  
Apollo Hospitals (UK) Ltd.  
Universal Quality Services LLC.  
Sindya Resources Pvt. Ltd.  
Kalpatharu Infrastructure Development Co. Pvt. Ltd  
Western Hospitals Corporation Private Ltd  
Deccan Digital Networks Private Ltd.  
Sindya Infrastructure Development Company Pvt.Ltd.  
Sindya Builders Private Limited  
Tharani Energy India Pvt Ltd  
Faber Sindoori Management Services Pvt Ltd  
Health Superhiway Private Ltd  
Helios Holdings Private Ltd.

Garuda Energy Private Ltd.  
Sirkazhi Port Private Ltd  
Garuda Thermal Power Pvt. Ltd.

**Membership of Committees of the Board of other Companies:**

Stakeholders Relationship - Apollo Hospital Enterprises Ltd. - Member  
Audit - Apollo Gleneagles Hospitals Ltd - Member  
Audit - Imperial Hospital & Research Centre Ltd. - Member  
Investor - Apollo Munich Health Insurance Co. Ltd. - Chairperson

**Shareholding in the Company:** 1,38,293 Equity Shares

**3. Name : MS. VINEETA RAI**

**Age :** 70 years

**Qualifications:** B.A. (Hons) Delhi University, B.A. (American theory and Politics), Brandeis University, USA. Visiting Fellow in Public Administration at Queen Elizabeth House, Oxford University.

**Expertise:** Ms. Vineeta Rai is a retired IAS Officer of 1968 Batch (AGMUT cadre).

Ms. Vineeta Rai has extensive experience in Public Administration particularly in the fields of Health Administration and Finance with work experience in the Ministry of Health and Family Welfare, Government of India, as Secretary Banking, Insurance and Revenue in the Ministry of Finance (Government of India). She has served as Director on the boards of several Banks and Insurance Companies as also on Delhi Metro Railway Corporation and PGI (Chandigarh).

**Outside Directorship:** Nil

**Membership of Committees of the Board of other Companies:** Nil

**Shareholding in the Company:** 1 Equity Share

**4. Name : MR. S.N. SAHAI**

**Age :** 54 years

**Qualifications:** P.G. in Public Policy

**Expertise:** Mr. S.N. Sahai is an IAS officer with over twenty seven years of wide ranging experience including advisory position in the PMO where he was involved with formulation of regulatory framework for infrastructure development. He has also worked as Chairman and Managing Director - Delhi Transport Corporation and was also concurrently the Secretary and Commissioner Transport of Delhi Government. He has been the Chairman Chandigarh Housing Board. Mr. Sahai began his career with the Tata Administrative Service. Prior to joining Delhi Integrated Multi-modal Transit System Limited (DIMTS) in the year 2007 as MD and CEO, he was Secretary to the Lieutenant Governor, Delhi. DIMTS is an urban transport and infrastructure development company committed to build and deliver quality infrastructure at par with the best in the world. After completion of his term in DIMTS in August, 2014,

he was posted as Pr. Secretary (Revenue) & Divisional Commissioner, Delhi. Presently, he is posted as Pr. Secretary (Finance), Government of NCT of Delhi.

Mr. Sahai was conferred the Governor's Gold Medal for outstanding service in Arunchal Pradesh. He has also been a Robert McNamara fellow at the Princeton University, USA and a recipient of Joint World Bank Fellowship.

**Outside Directorship:**

Delhi Tourism & Transportation Development Corp. Ltd.

Delhi State Industrial & Infrastructure Development Corporation Ltd.

Delhi Co-operative Housing Finance Corporation

BSES Rajdhani Power Ltd.

BSES Yamuna Power Ltd.

Tata Power Delhi Distribution Ltd.

Delhi Metro Rail Corporation Ltd.

Geospatial Delhi Ltd.

**Membership of Committees of the Board of other Companies:** Nil

**Shareholding in the Company:** Nil

**5. Name : PROF. RANJIT ROY CHAUDHURY**

**Age :** 85 years

**Qualifications:** Graduate in Medicine, D. Phil in Pharmacology

**Expertise:** Professor Ranjit Roy Chaudhury has occupied several positions of responsibility in the country including being the Professor and Head of the Department of Pharmacology at the Postgraduate Institute of Medical Education and Research, Chandigarh and the Dean of that institute. He has served the World Health Organization for more than 2 decades at various positions. He was the Founder President of the Delhi Medical Council and President of the Delhi Society for the Promotion of Rational Use of Drugs.

Professor Roy Chaudhury has written over 250 research papers and twenty five books. He has been honoured by being the recipient of the SS Bhatnagar Award, Dr. B. C. Roy Award, Dr. B. Mukherjee Award and the Honorary D. Sc. From Chulalongkorn University, Bangkok. He has also been bestowed the Delhi Ka Gaurav Award, the Bharat Jyoti Award and the Award of the Padma Shree by the President of India.

**Outside Directorship:** Nil

**Membership of Committees of the Board of other Companies:** Nil

**Shareholding in the Company:** 1,000 Equity Shares

**6. Name : DR. ARUN RAI**

**Age :** 52 years

**Qualifications:** Doctor of Philosophy, Master of Business Administration and Master of Science and Technology

**Expertise:** Dr. Arun Rai is Regents' Professor of the University System of Georgia and J. Mack Robinson Chair at the Robinson College of Business (RCB) at Georgia State University. He co-founded RCB's Center for Process Innovation (CEPRIN), an interdisciplinary research center that leverages industry-university partnerships.

For over 25 years, Dr. Rai's research has examined how organizations can leverage IT in strategies, inter-firm relationships, and processes, and how IT-enabled solutions can be developed implemented, and assimilated in organizations and society. He has collaborated with major corporations across sectors (e.g., China Mobile, Daimler-Chrysler, Emory Healthcare, Gartner, Georgia-Pacific, Grady Hospital, IBM, Intel, Laureate Inc., SAP, SunTrust and United Parcel Service) on projects related to leveraging IT for innovation, governance, and value creation. Dr. Rai was named Fellow of the Association for Information Systems and the INFORMS Information Systems Society for outstanding contributions to the Information Systems discipline.

**Outside Directorship:**

Apollo Health and Lifestyle Limited

**Membership of Committees of the Board of other Companies:** Nil

**Shareholding in the Company:** Nil

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**ITEM NO. 6**

Ms. Vineeta Rai was appointed as an Additional Director of the Company on 7<sup>th</sup> November, 2014, and she holds office only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 160 of the Companies Act, 2013, along with a deposit of requisite amount signifying his intention to propose the appointment of Ms. Vineeta Rai as a Director of the Company, liable to retire by rotation.

Except Ms. Vineeta Rai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

The Board of Directors of the Company recommends the resolution no. 6 for approval of the members.

**ITEM NO. 7**

Mr. S. N. Sahai was appointed as an Additional Director of the Company on 29<sup>th</sup> January, 2015 and he holds office only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 160 of the Companies Act, 2013, along with a deposit

of requisite amount signifying his intention to propose the appointment of Mr. S. N. Sahai as a Director of the Company, liable to retire by rotation.

Except Mr. S. N. Sahai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 7.

The Board of Directors of the Company recommends the resolution no. 7 for approval of the members.

#### **ITEM NO. 8**

Prof. Ranjit Roy Chaudhury was appointed as an Additional Director of the Company on 29<sup>th</sup> January, 2015, and he holds office only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 160 of the Companies Act, 2013, along with a deposit of requisite amount signifying his intention to propose the appointment of Prof. Ranjit Roy Chaudhury as an Independent Director of the Company, not liable to retire by rotation.

The Company has also received declaration from Prof. Ranjit Roy Chaudhury that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Prof. Ranjit Roy Chaudhury fulfils the criteria specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the letter for appointment of Prof. Ranjit Roy Chaudhury as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that appointment of Prof. Ranjit Roy Chaudhury as an Independent Director will be of immense benefit to the Company.

Except Prof. Ranjit Roy Chaudhury, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 8.

The Board of Directors of the Company recommends the resolution no. 8 for approval of the members.

#### **ITEM NO. 9**

Dr. Arun Rai was appointed as an Additional Director of the Company on 26<sup>th</sup> May, 2015, and he holds office only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 160

of the Companies Act, 2013, along with a deposit of requisite amount signifying his intention to propose the appointment of Dr. Arun Rai as an Independent Director of the Company, not liable to retire by rotation.

The Company has also received declaration from Dr. Arun Rai that he meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Dr. Arun Rai fulfils the criteria specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

Copy of the letter for appointment of Dr. Arun Rai as an Independent Director would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

The Board considers that appointment of Dr. Arun Rai as an Independent Director will be of immense benefit to the Company.

Except Dr. Arun Rai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 9.

The Board of Directors of the Company recommends the resolution no. 9 for approval of the members.

#### **ITEM NO. 10**

The Board has re-appointed M/s Devarajan Swaminathan and Co., Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the year ending 31<sup>st</sup> March, 2016, at a remuneration of Rs. 5 lakhs plus service tax and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 10 of the Notice for ratification of the remuneration payable to the cost auditors for the year ending 31<sup>st</sup> March, 2016.

None of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10.

The Board of Directors of the Company recommends the resolution no. 10 for approval of the members.

# DIRECTORS' REPORT

Dear Shareholders,

The Directors take pleasure in presenting the 27<sup>th</sup> Annual Report of the Company along with the audited accounts for the year ended 31<sup>st</sup> March 2015.

## FINANCIAL RESULTS

(Rs. In Lakhs)

Particulars	Year Ended 31/03/2015	Year Ended 31/03/2014
Total Income	71,436.50	67,858.98
Profit before tax	4,954.73	5,415.40
Provision for taxation	1,705.61	1,871.81
Net Profit (PAT)	3,249.12	3,543.58
Balance brought forward from previous year	5,669.54	4,356.51
Amount available for appropriation	8,918.66	7,900.09
<b>Appropriations</b>		
Depreciation charge	764.52	-
Net Deferred tax liability reversed on Depreciation charge	259.86	-
Transferred to General Reserve	300.00	300.00
Dividend (Proposed)	1,650.11	1,650.11
Corporate Dividend Tax	329.93	280.44
Balance carried to Balance Sheet	6,133.96	5,669.54

## TRANSFER TO RESERVES

The Company proposes to transfer Rs. 300.00 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. 1.80 per share (18 percent) for the financial year ended 31<sup>st</sup> March, 2015 (previous year Rs. 1.80 per share).

## RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS

### Operations

During the financial year under review, the Company registered growth in its working and achieved higher income. The total income of the Company increased 5% from Rs. 67,858.98 lakhs last year to Rs. 71,436.50 lakhs.

The Company's EBIDTA was Rs. 8583.03 lakhs compared to Rs. 9184.83 lakhs in the previous year. The profit after tax

(PAT) decreased from Rs. 3,543.58 lakhs to Rs. 3,249.12.

The number of admissions of patients increased from 43284 last year to 44376 - a steady growth of 3%. Repeat Outpatients (OP) increased from 264351 to 283964 - a growth of 7%. The Average Length of Stay (ALOS) remained stable at 4.8 days.

The overall bed occupancy of the hospital has been consistent at an average of 82% for the year. The current total bed strength is 716.

The Hospital remained the busiest Transplant Centre in the World and carried out 1077 solid organ transplant surgeries including 761 Kidney and 316 Liver Transplants. The Solid Organ Transplant Program registered a growth of 13%.

Therapeutic and diagnostic modalities in the Digital Subtraction Angiography lab increased from 372 to 435 — a growth of 17%. The Endoscopic Bronchial Ultra Sonography (EBUS) system acquired last year has been found to be very beneficial to the patients, registering a growth of more than 75% compared to last year. A growth of 32% was registered in Bone Marrow Transplantation.

The number of Apollo Health Check increased from 25661 to 28345 — a growth of 10%. Growth in outpatients was registered in many specialties and super-specialties such as 20% growth in Nephrology, 7% in Ophthalmology, ENT including Head and Neck Surgery, Orthopaedics, and Urology (excluding transplant surgery), 24% in Oncology, 21% in Thoracic and Vascular surgery, 18% in Plastic and Cosmetic surgery, 11% in General Surgery and Internal Medicine, 10% in Gastroenterology and 8% in Obstetrics and Gynaecology.

There was steady growth of Robotic Surgeries during the year. A Robotic Spine Surgery for Collapsed Vertebra on an 11 year old boy was performed in the Hospital, probably one of the first in the world. The Hospital won the BMJ Award 2014 for the Surgical Team of the Year.

A successful shoulder rotator cuff reconstruction on a 93 year old lady was done. A 45 year old American man, who required a second liver transplant, but surgery for which was found to be too complex at renowned hospitals in USA and Singapore, underwent a successful liver transplant at the hospital. All such extraordinary cases highlight the highest level of quality and expertise in the Hospital, putting it on par with the best in the world.

The hospital registered itself with the National Organ and Tissue Transplant Organization (NOTTO), the apex body for nation-wide activities of coordination and networking for procurement and distribution of Organs and Tissues including maintenance of a registry of Organs and Tissues, Donation and Transplantation in the country.

The number of consultants in the hospital increased to 395 as 43 new consultants joined the hospital this year. On an average more than 76 man hours of training was undertaken per employee over the year to maintain the high standard of services and to adopt new clinical modalities.

Project Priceless, an Apollo wide initiative supported by inputs from Bain & Company, to improve overall patient experience and improve patient and physician advocacy for the Hospital, commenced in June, 2014. After in-depth market surveys of patients, community and referring doctors, a number of initiatives have been undertaken. Results have been very encouraging, and implementation will be continued for maximum positive impact.

Apollo Hospitals Noida continued its strong performance across all operational parameters and remained one of the leading destinations for Mother and Child Care, Dialysis and Preventive Master Health Checks. Growth was evident with increase in the number of deliveries by 10%, Dialysis by 4%, Master health Check by 32%, Non Invasive Cardiology by 35%, and Radiological investigations by 25%. The hospital has established an in-house authorization committee for approval of organ transplant in the Hospital. More than 40 cases of renal transplant have been done successfully in the hospital. Fetal medicine department and Eye Care centre have been setup and they have received overwhelming response from the patients, enhancing patients satisfaction. All lab tests including microbiology, histopathology, cytology are now being done at Apollo Hospitals Noida. The Hospital got re-accredited by NABH.

The Hospital has been providing free treatment (excluding medicines and consumables) to the patients referred by the Government of NCT of Delhi since June, 1998. A Nodal medical officer deputed by the Directorate of Health Services is present in the hospital to support, guide and monitor the treatment of patients referred by the Government. During the year, a total of 10,121 patients (8,217 Out Patients and 1,904 In Patients) were treated under the free category. On an average 75 to 80 in-patients per day are treated in the Hospital under the free category.

### **Excellence in Operations**

The hospital remained committed to providing world-class quality care and services and there was renewed focus on improving operational efficiencies across functions, improving patient services and enhancing safety for patients and staff. The hospital introduced electronic Voice of Customer feedback system, which focuses on improving services by acting on suggestions and concerns on a real-time basis. The new system enables better monitoring of feedback, detailed ward and service wise reporting and mechanics to ensure vertical and horizontal reporting of concerns across services. It has yielded encouraging results and department heads and service staff are now more attuned to patients' needs and concerns.

The hospital introduced anti-microbial blinds and new cleaning techniques to ensure a more hygienic environment for our patients. Renovation activities, which

include the Orange Lounge, an exclusive all-services lounge for patients waiting to seek admission at the hospital, more comfortable and contemporary rooms for patients, and improved green cover by means of a terrace garden, were well received by patients and visitors alike.

The hospital has also improved efficiencies through the introduction of new technologies across services. The F&B department installed new equipment like the Combi-Oven, which has helped enhance manpower utilization, reduced consumption of oil and preparation time for a variety of dishes. The kitchen was also renovated to improve process flows and help in improving services.

Safety and security of the facility formed a key part of the overall strategy for the hospital. The hospital invested in a new X-Ray Baggage Scanner for screening of in-bound material, new Hand-Held Metal Detectors and new-age wireless communication systems. The hospital enhanced the CCTV coverage in the hospital and migrated to a digital monitoring system to improve security. The fire safety cell installed an air-pressurization system to ensure safety of evacuations and introduced the evac-chair for mobilization of patients in case of a fire.

### **Clinical Excellence**

Based on observation and process analysis, an Automated Online Incident Reporting module was designed and implemented to follow consistent procedures for incident capture, tracking, task-management and status reporting. Built on a centralized platform, the incident management solution helped in consolidating all incidents into a single point of reference. This module enables savings with respect to time consumption and manpower, thereby increasing efficiency and accuracy in comparison to the manual recording and reporting used earlier.

### **Infection Control and Environment**

The Hospital Infection Control Program consistently maintained leadership across the region; and maintained benchmark standards for Hospital Acquired Infection indices at levels comparable to world's best healthcare institutions.

Indraprastha Apollo Hospitals, Delhi was the Secretariat for the 15<sup>th</sup> Congress of the International Federation of Infection Control (IFIC) in conjunction with the XIII HISICON, the National Conference of Hospital Infection Society India, and continues to be the Secretariat for the Hospital Infection Society, India. The theme of the Conference was 'Expanding Horizons in Infection Prevention and Control-A tertiary to primary healthcare approach'.

The Hospital hosted the Workshop on Ebola Preparedness under the aegis of IAMM-Delhi and NCR Chapter. A pilot study undertaken on disposable bed-pans with macerators showed encouraging results. Campaigns such as Keep it dry, Hand Hygiene, Rigour and Vigour, and Clean Greens were carried out for enhancing awareness and further enhancement of Infection Prevention and Control.

## **Major Events & Developments**

A commemorative stamp marking the momentous 15<sup>th</sup> anniversary of India's first successful liver transplant performed in the hospital in 1999, was released by Shri Ravi Shankar Prasad, Honourable Minister of Communications and Information Technology, and Minister of Law and Justice, Government of India. The stamp recognizes Apollo Hospitals' leadership in the area of organ transplantation and its contribution to the solid organ transplant program in the country.

## **New Services**

Physiotherapy Home Services have been designed and are being provided to patients on a daily basis or as 10 / 15 day packages.

Plastic and Cosmetic Surgery: New Anti-aging procedures have been introduced such as Mid-face volumization; Skin lifting and tightening "Ulthera procedure" for face, upper neck, lower neck and arms; and Cool Sculpting for non-invasive localized fat reduction for body contouring.

In addition, a multitude of new investigation services have been started including Chromosomal Genetic Study, Contrast Enhanced Ultrasonography, etc. Various new Diagnostic or Surgical processes have also been added in different specialties such as Clot Evacuation in Urology, Tracheal or Bronchial Stent placement in Respiratory medicine, FET PET MRI for better imaging of brain tumours, Molecular Imaging, Nuclear Medicine, etc.

A large number of equipment was either replaced or upgraded over the past year in most of the specialties at the main hospital and in Noida.

## **Awards and Accolades**

The Hospital received awards at both the international and national levels. It received the highly commended Award for Best Quality Initiative at the IMTJ Medical Travel Awards 2015. A few noteworthy ones included: the HMA Awards in the category of Bio Medical Equipment/Facilities Improvement; the Human Resource Development Category, the CIMS Award for the Best Multispecialty Hospital, the FICCI Award for Excellence in Adoption of Quality and Information Standards, and the 5<sup>th</sup> MT India Healthcare Award for the Best Technology Initiative Hospital of the Year.

## **CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

### **(A) Conservation of Energy**

#### **Energy and Natural resource Conservation**

The organization maintained its focus on conservation of natural resources and added new initiatives to the existing ones.

#### **Water**

After successful commissioning of ultrafiltration plant in the previous year, utilization of recycled water has been

extended to cooling towers and horticulture. This has yielded significant reduction in fresh water requirement.

The Company has also taken initiatives to reduce water consumption at dispensing points by installing water saving aerators in water dispensing taps. Cumulative efforts put together have resulted in reduction of fresh water requirement by over 20 percent.

#### **Electricity**

On the Electricity front, continuous upgrade to LED from conventional lighting fixtures, installation of energy efficient (screw technology) air compressors and vacuum pumps have yielded a reduction of over 3 percent in annual electricity consumption over the previous year.

#### **Natural Gas**

Efficient adjustment in firing pattern of natural gas burners and flame optimization has resulted in more than 3 percent reduction in natural gas requirement over the previous year.

#### **Installation of automatic chemical dosing system**

The quality of water feeding into chiller machines not only affects chiller efficiency but also the life of the machines. There was a severe problem in the past with water quality (High total dissolved solids, high conductivity and high carbonates) leading to scaling in the cooling tubes which resulted in reduced cooling efficiency and frequent breakdown of equipment.

The Company has added state-of-the-art automated chemical dosing and monitoring system for the cooling tower and chilled water system. This initiative has resulted in improved cooling efficiency and increased the reliability of HVAC equipment.

### **(B) Technology Absorption**

The Hospital continued with 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 here:

#### **Neuro Navigation system**

Using this technology during procedures like tumour resections, surgeons can navigate more precisely, perform less-invasive procedures, and help improve clinical outcomes.

#### **Rotablator**

This is a procedure which attempts to "bore out" a narrowing in a coronary artery which might not otherwise respond to stenting.

#### **FFR (Fractional Flow Reserver)**

Fractional Flow Reserve (FFR) is a technique used in coronary catheterization to measure pressure differences across a coronary artery stenosis (narrowing, usually due to atherosclerosis) to determine the likelihood that the stenosis impedes oxygen delivery to the heart muscle.

## 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. 9,700.77 lakhs

Outgo : Rs. 1,203.15 lakhs

## BOARD MEETINGS

Four (4) Board meetings were held during the financial year ended 31<sup>st</sup> March, 2015. The dates of the meetings are as follows: 23<sup>rd</sup> May, 2014, 25<sup>th</sup> July, 2014, 7<sup>th</sup> November, 2014 and 29<sup>th</sup> January, 2015.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. S. K. Srivastava, Dr. M. M. Kutty and Mr. S. C. L. Das resigned as Directors of the Company consequent on their transfer from office, they being ex-officio Directors nominated by the Govt. of NCT of Delhi.

Lt. Gen. (R) Vijay Lall resigned from the post of Director of the Company w.e.f. 21<sup>st</sup> August, 2014.

Mr. D. M. Spolia (Chief Secretary, Govt. of NCT of Delhi) was appointed by the Board as Additional Director and Chairman of the Board of Directors of the Company. Mr. D. M. Spolia resigned as Additional Director and Chairman of the Board of Directors of the Company, consequent upon his superannuation from the services of Govt. of NCT of Delhi.

Prof. Ranjit Roy Chaudhury resigned from the post of Director of the Company w.e.f. 11<sup>th</sup> September, 2014, consequent upon his appointment as Adviser to the Minister of Health and Family Welfare, Govt. of India. Subsequently, the portfolio of the Minister was changed and Prof. Ranjit Roy Chaudhury was again available for appointment as a director on the Board of Directors of the Company and has been appointed by the Board as an Additional Director and Independent Director on the Board of Directors of the Company with effect from 29<sup>th</sup> January, 2015.

Ms. Vineeta Rai has been appointed by the Board as Additional Director.

Mr. S. N. Sahai (Principal Secretary - Finance, Govt. of Delhi) has been appointed by the Board as Additional Director in place of Dr. M. M. Kutty.

Dr. Arun Rai has been appointed by the Board as

Additional Director and Independent Director on the Board of Directors of the Company.

Ms. Vineeta Rai, Prof. Ranjit Roy Chaudhury, Mr. S. N. Sahai and Dr. Arun Rai 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 160 of the Companies Act, 2013 signifying their intention to propose the appointment of Ms. Vineeta Rai and Mr. S. N. Sahai as Directors of the Company, liable to retire by rotation. Notices have also been received from members pursuant to Section 160 of the Companies Act, 2013 signifying their intention to propose the appointment of Prof. Ranjit Roy Chaudhury as an Independent Director of the Company to hold office for two consecutive years from 29<sup>th</sup> January, 2015 to 28<sup>th</sup> January, 2017, and the appointment of Dr. Arun Rai as an Independent Director of the Company to hold office for five consecutive years from 26<sup>th</sup> May, 2015 to 25<sup>th</sup> May, 2020, not liable to retire by rotation.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Renu S. Karnad and Ms. Suneeta Reddy, Directors of the Company shall retire by rotation at the ensuing Annual General Meeting. Ms. Renu S. Karnad and Ms. Suneeta Reddy, being eligible, have offered themselves for re-election.

In pursuance to the requirement of Section 203 of the Companies Act, 2013, the Board of Directors of the Company have appointed Mr. Jaideep Gupta - Managing Director, Mr. Ajay Kumar Singhal - Vice President cum Company Secretary and Mr. P. Shivakumar - Chief Financial and Operating Officer, as Key Managerial Personnel of the Company.

## DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

## COMPOSITION OF AUDIT COMMITTEE

The composition of the Audit Committee is given in the Corporate Governance Report.

All the recommendations of the Audit Committee have been accepted by the Board of Directors of the Company.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected, fraud or violation of the company's code of conduct or ethics policy or any other grievances, the details of which are given in the Corporate Governance Report. The Whistle Blower Policy may be accessed on the Company's website at the link <http://www.apollohospsdelhi.com/downloads/Whistle%20Blower%20Policy.pdf>.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state:

- that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- 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 at 31<sup>st</sup> March, 2015 and of the profit of the Company for the year ended 31<sup>st</sup> March, 2015;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual accounts have been prepared on an on-going concern basis;
- that the internal financial controls to be followed by the Company had been laid down and such internal financial controls are adequate and were operating effectively; and
- that proper systems had been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

The Company has no subsidiaries or associate companies. The Company also does not have any joint venture.

## **EXTRACT OF ANNUAL RETURN**

Extract of Annual Return of the Company is annexed herewith as Annexure-1 to this Report.

## **AUDITORS AND 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, that their re-appointment, if made, would be with in the prescribed limits under Section 141(3)(g) of the Companies Act, 2013, and that they are not disqualified for re-appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comment. The Auditors' Report does not contain any qualification, reservation or adverse remark.

## **SECRETARIAL AUDITOR**

The Board has appointed M/s RSM & CO., practicing Company Secretaries, to conduct Secretarial Audit

for the financial year 2014-15. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2015, is annexed herewith marked as Annexure-2, to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark except that half of the Board should comprise of Independent Directors. The Company is in search of suitable candidate for the appointment as Independent Director on the Board.

## **COST AUDITOR**

The Board has appointed M/s Devarajan Swaminathan and Co., Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ended 31<sup>st</sup> March, 2015. The Cost Auditor has given the Cost Audit Report for the financial year ended 31<sup>st</sup> March 2015, and the Cost Audit Report does not contain any qualification, reservation or adverse remark.

## **DEPOSITS**

During the year under review, the Company has not accepted any deposit under Chapter V of the Companies Act, 2013.

## **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## **INTERNAL CONTROL SYSTEMS**

The 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.

## **PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED**

During the year under review, the Company has not given any loan or has made investment or has given guarantees under Section 186 of the Companies Act, 2013.

## RISK MANAGEMENT

The Company has constituted a Risk Management Committee comprising of executives headed by the Managing Director.

The Company has a Risk Management Policy to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

## CORPORATE SOCIAL RESPONSIBILITY — A HEALTHY START

IMCL's Corporate Social Responsibility project 2014-15 — A Healthy Start — aims to reach out to school children from socio-economically under-privileged families, addressing their drinking water, sanitation and hygiene needs. The project has set out to address this critical need in the Municipal Corporation of Delhi (MCD) schools in Badarpur, an area proximate to the hospital.

MCD schools have poor drinking water and sanitation facilities. Water borne diseases are common - leading to malnutrition and poor physical and mental development. The Healthy Start project will improve sanitation and access to clean drinking water and promote awareness about hygiene amongst children and their mothers. This will help ensure healthy growth and development for the little children.

To this end, we are working with two MCD schools located in Badarpur area, an urban village, proximate to Indraprastha Apollo Hospitals. The total number of students in both schools is 3362, of which 1940 are girls. The project activities are as follows: Installation of 2 water RO systems to enable clean and chilled water supply for drinking, up-gradation of 20 separate toilets for girls and boys, additional monetary bonus to the MCD cleaning staff for the upkeep and cleanliness of the toilets, Health Talks and check-up camps, Regular interactions between the students, teachers and doctors on general hygiene, healthcare and preventive medicine, and the provision of hand washing facility for maintaining proper hand hygiene.

A total of 149 Speciality Health screening camps were organized across the city and NCR where more than 20,000 patients were examined by specialist doctors and various investigations tests were conducted under the Community Outreach initiative, ACOP (Apollo Community Outreach Program). Similarly 23 health camps were conducted in Noida where 3000 patients were screened.

Medical support and /or Sponsorship was provided in 12 sports events organized in different parts of Delhi including Talkatora Stadium.

### Disaster Relief

In response to the devastating floods in Jammu & Kashmir, the Hospital sent a 12 member relief team of doctors, nurses and support staff to Srinagar on 18<sup>th</sup> September.

Medical care was provided for two weeks and essential drugs were made available to more than 5000 flood victims within and outside the state capital. The relief activities were organized in collaboration with the State Health Department and CRPF.

Barely a fortnight after our first directly operated Information Center in Kathmandu was inaugurated, a devastating earthquake hit Nepal leading to huge loss of life and property. Within a few days a team of doctors along with medical and paramedical staff flew to Kathmandu taking with them a consignment of about 800 kilograms of relief material including implants, medicines, etc.. The team rendered medical aid and performed a large number of surgeries including spinal fixations, in coordination with Om Hospital, our long standing local partner for a patient base ranging from 6 to 96 years of age. Our support was much appreciated by the local authorities and public.

The Board has approved the Corporate Social Responsibility (CSR) Policy, which the CSR Committee had formulated and submitted to them together with a list of proposed activities that the Company will undertake. The CSR Policy may be accessed on the Company's website at the link <http://www.apollohospdelhi.com/downloads/corporate-social-responsibility-policy.pdf>

Under the CSR Policy, the Company will focus primarily on the following programmes:

- A. Community Development**
- B. Healthcare**
- C. Education and Skills Development**
- D. Promote Research in Healthcare**

In pursuance of the provisions of Section 135 of the Companies Act, 2013, the Company was required to spend 2% of the average net profits of the company during the three immediately preceding financial years, amounting to Rs. 93.10 lacs. The total spending during the year 2014-15 on CSR projects was Rs. 11.69 lacs. This being the first year after the new CSR provisions were notified, certain preparatory work had to be done before starting the CSR projects, hence the CSR obligation amount could not be spent.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The policy on materiality of related party transactions as approved by the Board may be accessed on the Company's website at <http://www.apollohospdelhi.com/downloads/materiality-of-related-party-transactions.pdf>

## FORMAL ANNUAL EVALUATION

The Nomination and Remuneration Committee of the Company approved the Evaluation Criteria for Appointment/Re-appointment of Independent Directors along with Evaluation Criteria for Performance Evaluation of Independent Directors/Directors/Chairperson and Performance Evaluation of the Board of Directors by each director, which was adopted by the Board of Directors.

The Evaluation Criteria for Appointment/Re-appointment of Independent Directors along with Evaluation Criteria for Performance Evaluation of Independent Directors/Directors/Chairperson and Performance Evaluation of the Board of Directors by each director, as laid down by the Nomination and Remuneration Committee, is annexed herewith marked as Annexure-3 to this Report.

During the year, the first Evaluation cycle was completed by the Company internally which included the Evaluation of the Independent Directors by the Board of Directors and Evaluation of Non-Independent Directors and the Board as a whole, by Independent Directors of the Company.

## FAMILIARIZATION PROGRAMMES FOR BOARD MEMBERS

The Board Members of the Company are eminent personalities having wide experience in the field of business, finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

The Board Members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize themselves with the Company's procedures and practices.

During the year under review, a familiarization programme for Independent Directors was conducted. The Independent Directors were apprised on relevant changes in the Company Law and Listing Agreement and were updated regarding their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The familiarization programme for Independent Directors may be accessed on the Company's website at <http://www.apollohospdelhi.com/downloads/Familiarization%20Programme.pdf>

## REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, approved a policy for selection and appointment of Directors and Senior Management and for determining their remuneration. The Remuneration Policy is annexed herewith marked as Annexure-4, to this Report.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of

the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is provided in the Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished free of cost.

## 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(II)(E)(2) 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 31<sup>st</sup> March, 2015, is also attached with this report.

## 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 consultant doctors and employees at all levels.

**For and on behalf of the Board**

**Dr. Prathap C Reddy**  
(DIN: 00003654)  
Vice Chairman

**Jaideep Gupta**  
(DIN : 02647974)  
Managing Director

**Place: New Delhi**  
**Date : 7<sup>th</sup> August, 2015**

## ANNEXURE – I — EXTRACT OF ANNUAL RETURN FORM NO. MGT-9

### EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2015

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]*

#### I. REGISTRATION AND OTHER DETAILS

(I) CIN NO.	L24232DL1988PLC030958
(II) Registration Date	16 <sup>th</sup> March, 1998
(III) Name of the Company	Indraprastha Medical Corporation Limited
(IV) Category/ Sub Category of the Company	Public / Company Limited by Shares
(V) Address of the Registered Office and Contact Details	Sarita Vihar, Delhi-Mathura Road, New Delhi – 110076 Phone: +91 011-26925858, 26925801 Fax: +91 011-26823629 Email: imcl@apollohospitals.com
(VI) Whether Listed Company	YES
Name of the Stock Exchange where equity shares are listed	National Stock Exchange of India, Mumbai Stock Code: INDRAMEDCO  BSE Ltd., Mumbai Stock Code: 532150
(VII) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited 44, Community Centre, Phase-1, Near PVR Naraina Industrial Area, New Delhi – 110028  Phone: +91 011-41410592 Fax: +91 011-41410591 Email id: delhi@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S.No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Healthcare business	86100	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY: NONE

S.No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate Company	% of shares held	Applicable Section
1					
2					
3					
4					

#### IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

##### (I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (1 <sup>st</sup> April, 2014)				No. of Shares held at the end of the year (31 <sup>st</sup> March, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters:-</b>									
<b>1. Indian</b>									
a) Individual/HUF	864336	5	864341	0.94	864336	5	864341	0.94	-
b) Central Govt./State Govt(s)	-	23834196	23834196	26.00	-	23834196	23834196	26.00	-
c) Bodies Corp.	20578163	-	20578163	22.45	20578163	-	20578163	22.45	-
d) Banks /FI	-	-	-	0.00	-	-	-	0.00	-
e) Any Other	-	-	-	0.00	-	-	-	0.00	-
<b>Sub Total (A) (1)</b>	<b>21442499</b>	<b>23834201</b>	<b>45276700</b>	<b>49.39</b>	<b>21442499</b>	<b>23834201</b>	<b>45276700</b>	<b>49.39</b>	<b>-</b>
<b>2. Foreign</b>									
a) NRI's Individual	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	1475000	-	1475000	1.61	1475000	-	1475000	1.61	-
d) Banks /FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub Total (A) (2)</b>	<b>1475000</b>	<b>-</b>	<b>1475000</b>	<b>1.61</b>	<b>1475000</b>	<b>-</b>	<b>1475000</b>	<b>1.61</b>	<b>-</b>
<b>Total Shareholding of Promoter (A) = (A) (1) + (A) (2)</b>	<b>22917499</b>	<b>23834201</b>	<b>46751700</b>	<b>51.00</b>	<b>22917499</b>	<b>23834201</b>	<b>46751700</b>	<b>51.00</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	372797	-	372797	0.41	962585	-	962585	1.05	0.64
b) Banks /FI	443967	14600	458567	0.50	485390	14600	499990	0.55	0.05
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	460120	-	460120	0.5	1318916	-	1318916	1.44	0.94
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
l) Funds others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (B) (1)</b>	<b>1276884</b>	<b>14600</b>	<b>1291484</b>	<b>1.41</b>	<b>2766891</b>	<b>14600</b>	<b>2781491</b>	<b>3.03</b>	<b>1.62</b>
<b>2. Non Institutions</b>									
<b>a) Bodies Corporate</b>									
1. Indian	15194735	23600	15218335	16.60	14339687	22900	14362587	15.67	(0.93)
<b>b) Individuals</b>									
1. Individual shareholders holding nominal share capital upto Rs.1 Lakh	11256281	2294732	13551013	14.78	11423157	2208210	13631367	14.87	0.09
2. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	10144432	573063	10717495	11.69	9604098	573063	10177161	11.10	(0.59)
<b>c) Others (specify)</b>									
(c-i) Trusts	33850	-	33850	0.04	13850	-	13850	0.02	(0.02)
(c-ii) Directors and their Relatives	-	16800	16800	0.02	-	16800	16800	0.02	-
(c-iii) Non Resident Indians	1573530	1261860	2835390	3.09	1373814	1181923	2555737	2.79	(0.31)
(c-iv) Overseas corporate bodies	-	114700	114700	0.13	-	114700	114700	0.13	-
(c-v) Clearing members	135122	-	135122	0.15	42362	-	42362	0.05	(0.10)
(c-vi) Hindu Undivided Families	1007111	-	1007111	1.10	1040245	-	1040245	1.13	0.04
(c-vii) Foreign Corporate Bodies	-	-	-	-	185000	-	185000	0.20	0.20
<b>Sub Total (B) (2)</b>	<b>39345061</b>	<b>4284755</b>	<b>43629816</b>	<b>47.59</b>	<b>38022213</b>	<b>4117596</b>	<b>42139809</b>	<b>45.97</b>	<b>(1.62)</b>
<b>Total Public Shareholding (B) = (B) 1 + (B) 2</b>	<b>40621945</b>	<b>4299355</b>	<b>44921300</b>	<b>49.00</b>	<b>40789104</b>	<b>4132196</b>	<b>44921300</b>	<b>49.00</b>	<b>-</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total A+B+C</b>	<b>63539444</b>	<b>28133556</b>	<b>91673000</b>	<b>100.00</b>	<b>63706603</b>	<b>27966397</b>	<b>91673000</b>	<b>100.00</b>	<b>(0.00)</b>

## (II) Shareholding of Promoters

S.No.	Shareholders Name	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2014)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2015)			% of change in shareholding during the year
		No. of Shares	% of Total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of Total shares of the company	% of shares pledged/encumbered to total shares	
1	SUCHARITHA P REDDY	160689	0.18	0.00	160689	0.18	0.00	0.00
2	SANGITA REDDY	8600	0.01	0.00	8600	0.01	0.00	0.00
3	SUNEETA REDDY	138293	0.15	0.00	138293	0.15	0.00	0.00
4	PREETHA REDDY	202650	0.22	0.00	202650	0.22	0.00	0.00
5	SHOBANA KAMINENI	116918	0.13	0.00	116918	0.13	0.00	0.00
6	K S BAIDWAN	1	0.00	0.00	1	0.00	0.00	0.00
7	PRATHAP C REDDY	237187	0.26	0.00	237187	0.26	0.00	0.00
8	P V JAYAKRISHNAN	1	0.00	0.00	1	0.00	0.00	0.00
9	RAMESH CHANDER	1	0.00	0.00	1	0.00	0.00	0.00
10	VINEETA RAI	1	0.00	0.00	1	0.00	0.00	0.00
11	PRESIDENT OF INDIA	23834196	26.00	0.00	23834196	26.00	0.00	0.00
12	APOLLO HOSPITALS ENTERPRISE LIMITED	20190740	22.02	0.00	20190740	22.02	0.00	0.00
13	PCR INVESTMENTS LIMITED	387423	0.42	0.00	387423	0.42	0.00	0.00
14	WEDGEWOOD HOLDINGS LIMITED	1475000	1.61	0.00	1475000	1.61	0.00	0.00
	<b>Total</b>	<b>46751700</b>	<b>51.00</b>	<b>0.00</b>	<b>46751700</b>	<b>51.00</b>	<b>0.00</b>	<b>0.00</b>

## (III) Change in Promoters' Shareholding (please specify, if there is no change)

S.No.		Shareholding at the beginning of the year (1 <sup>st</sup> April, 2014)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	46751700	51	46751700	51
##	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	0	0	46751700	51
	At the end of the year			46751700	51

## There is no change in promoters shareholding from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2015

## (IV) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2014)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015)		S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2014)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED										
	At the beginning of the year	9000000	9.82	9000000	9.82		29-08-2014	(8920)	(0.01)	553145	0.60
	At the end of the year			9000000	9.82		05-09-2014	(34343)	(0.04)	518802	0.57
							12-09-2014	(161732)	(0.18)	357070	0.39
2	TATA INVESTMENT CORPORATION LIMITED						12-12-2014	(84315)	(0.09)	272755	0.30
	At the beginning of the year	1040713	1.14	1040713	1.14		19-12-2014	(50000)	(0.05)	222755	0.24
	At the end of the year			1040713	1.14		31-12-2014	(65970)	(0.07)	156785	0.17
3	Meenakshi Narayan Investments (P) Ltd.						02-01-2015	(10750)	(0.01)	146035	0.16
	At the beginning of the year	900000	0.98	900000	0.98		09-01-2015	(135945)	(0.15)	10090	0.01
	At the end of the year			900000	0.98		At the end of the year			10090	0.01
4	Arora farms Private Limited					5	CITADEL RESEARCH AND SOLUTIONS LIMITED				
	At the beginning of the year	852065	0.93	852065	0.93		At the beginning of the year	690050	0.75	690050	0.75
	22-08-2014	(290000)	(0.32)	562065	0.61		04-04-2014	140	0.00	690190	0.75

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2014)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	09-05-2014	7940	0.01	698130	0.76
	13-06-2014	(6780)	(0.01)	691350	0.75
	18-07-2014	522	0.00	691872	0.75
	25-07-2014	6518	0.01	698390	0.76
	08-08-2014	3901	0.00	702291	0.77
	15-08-2014	903	0.00	703194	0.77
	22-08-2014	2236	0.00	705430	0.77
	12-09-2014	(11260)	(0.01)	694170	0.76
	19-09-2014	5780	0.01	699950	0.76
	30-09-2014	13828	0.02	713778	0.78
	10-10-2014	640	0.00	714418	0.78
	24-10-2014	6736	0.01	721154	0.79
	31-10-2014	1516	0.00	722670	0.79
	14-11-2014	(5550)	(0.01)	717120	0.78
	28-11-2014	717	0.00	717837	0.78
	31-12-2014	(5180)	(0.01)	712657	0.78
	09-01-2015	(71234)	(0.08)	641423	0.70
	16-01-2015	1975	0.00	643398	0.70
	23-01-2015	17072	0.02	660470	0.72
	30-01-2015	3011	0.00	663481	0.72
	06-02-2015	12056	0.01	675537	0.74
	20-02-2015	20937	0.02	696474	0.76
	27-02-2015	(2233)	(0.00)	694241	0.76
	06-03-2015	(1265)	(0.00)	692976	0.76
	13-03-2015	10212	0.01	703188	0.77
	20-03-2015	29960	0.03	733148	0.80
	<i>At the end of the year</i>			733148	0.80
<b>6</b>	<b>GAGAN OMPRAKASH NAVANI</b>				
	<i>At the beginning of the year</i>	640518	0.70	640518	0.70
	05-09-2014	500	0.00	641018	0.70
	<i>At the end of the year</i>			641018	0.70
<b>7</b>	<b>EMEDLIFE INSURANCE BROKING SERVICES LIMITED</b>				
	<i>At the beginning of the year</i>	608831	0.66	608831	0.66
	09-05-2014	7940	0.01	616771	0.67
	13-06-2014	(2400)	(0.00)	614371	0.67
	25-07-2014	7070	0.01	621441	0.68
	15-08-2014	847	0.00	622288	0.68
	22-08-2014	6163	0.01	628451	0.69
	12-09-2014	(11260)	(0.01)	617191	0.67
	19-09-2015	5780	0.01	622971	0.68
	30-09-2014	6969	0.01	629940	0.69
	10-10-2014	6750	0.01	636690	0.69
	24-10-2014	8153	0.01	644843	0.70
	14-11-2014	(5560)	(0.01)	639283	0.70
	28-11-2014	620	0.00	639903	0.70
	31-12-2014	(5180)	(0.01)	634723	0.69
	09-01-2015	(69996)	(0.08)	564727	0.62
	16-01-2015	12780	0.01	577507	0.63
	23-01-2015	(1942)	(0.00)	575565	0.63

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2014)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	30-01-2015	9780	0.01	585345	0.64
	06-02-2015	21591	0.02	606936	0.66
	13-02-2015	17089	0.02	624025	0.68
	27-02-2015	(7343)	(0.01)	616682	0.67
	06-03-2015	(940)	(0.00)	615742	0.67
	13-03-2015	21554	0.02	637296	0.70
	20-03-2015	16417	0.02	653713	0.71
	27-03-2015	17427	0.02	671140	0.73
	<i>At the end of the year</i>			671140	0.73
<b>8</b>	<b>SANGEETA ARORA</b>				
	<i>At the beginning of the year</i>	569152	0.62	569152	0.62
	<i>At the end of the year</i>			569152	0.62
<b>9</b>	<b>ANIRUDHA KUMAR</b>				
	<i>At the beginning of the year</i>	480000	0.52	480000	0.52
	04-04-2014	(24500)	(0.03)	455500	0.50
	25-04-2014	(34500)	(0.04)	421000	0.46
	16-05-2014	500	0.00	421500	0.46
	30-05-2014	(18121)	(0.02)	403379	0.44
	13-06-2014	(8648)	(0.01)	394731	0.43
	20-06-2014	269	0.00	395000	0.43
	30-06-2014	5000	0.01	400000	0.44
	<i>At the end of the year</i>			400000	0.44
<b>10</b>	<b>PREMIER INVESTMENT FUND LIMITED</b>				
	<i>At the beginning of the year</i>	450120	0.49	450120	0.49
	04-04-2014	4153	0.00	454273	0.50
	09-01-2015	(150000)	(0.16)	304273	0.33
	<i>At the end of the year</i>			304273	0.33
<b>11</b>	<b>RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND - SR A</b>				
	<i>At the beginning of the year</i>	0	0.00	0	0.00
	22-08-2014	515953	0.56	515953	0.56
	29-08-2014	123763	0.14	639716	0.70
	10-10-2014	35000	0.04	674716	0.74
	24-10-2014	61134	0.07	735850	0.80
	<i>At the end of the year</i>			735850	0.80
<b>12</b>	<b>BHADRA JAYANTILAL SHAH</b>				
	<i>At the beginning of the year</i>	0	0.00	0	0.00
	12-09-2014	100000	0.11	100000	0.11
	19-09-2014	500000	0.55	600000	0.65
	21-11-2014	70000	0.08	670000	0.73
	12-12-2014	30000	0.03	700000	0.76
	31-12-2014	150000	0.16	850000	0.93
	09-01-2015	50000	0.05	900000	0.98
	<i>At the end of the year</i>			900000	0.98
<b>13</b>	<b>SWISS FINANCE CORPORATION (MAURITIUS) LIMITED</b>				
	<i>At the beginning of the year</i>	0	0.00	0	0.00
	09-01-2015	625000	0.68	625000	0.68
	30-01-2015	21343	0.02	646343	0.71
	<i>At the end of the year</i>			646343	0.71

## (V) Shareholding of Directors and Key Managerial Personnel

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2014)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>A</b>	<b>DIRECTORS</b>				
<b>1</b>	<b>Dr. Prathap Chandra Reddy</b>				
	At the beginning of the year	237187	0.26	237187	0.26
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	237187	0.26	237187	0.26
<b>2</b>	<b>Ms. Suneeta Reddy</b>				
	At the beginning of the year	138293	0.15	138293	0.15
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	138293	0.15	138293	0.15
<b>3</b>	<b>Ms. Shobana Kamineni</b>				
	At the beginning of the year	116918	0.13	116918	0.13
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	116918	0.13	116918	0.13
<b>4</b>	<b>Mr. S.N Sahai</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>5</b>	<b>Mr. S.K Srivastava</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>6</b>	<b>Dr. M.M Kutty</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>7</b>	<b>Mr. S.C.L Das</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>8</b>	<b>Mr. Deepak Mohan Spolia</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>9</b>	<b>Lt. Gen. (R) Vijay Lall</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>10</b>	<b>Dr. B. Venkataraman</b>				
	At the beginning of the year	15800	0.02	15800	0.02
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	15800	0.02	15800	0.02
<b>11</b>	<b>Prof. V. N Rajasekharan Pillai</b>				
	At the beginning of the year	-	-	-	-

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2014)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>12</b>	<b>Prof. Ranjit Roy Chaudhury</b>				
	At the beginning of the year	1000	0.00	1000	0.00
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	1000	0.00	1000	0.00
<b>13</b>	<b>Mr. Deepak Vaidya</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>14</b>	<b>Mr. T. S Narayanasami</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>15</b>	<b>Mr. S. Regunathan</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>16</b>	<b>Mr. Satnam Arora</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>17</b>	<b>Mr. Renu Sud Karnad</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>18</b>	<b>Ms. Vineeta Rai</b>				
	At the beginning of the year	1	0.00	1	0.00
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	1	0.00	1	0.00
<b>B</b>	<b>Key Managerial Personnel</b>				
<b>1</b>	<b>Mr. Jaideep Gupta – Managing Director</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
<b>2</b>	<b>Mr. Ajay Kumar Singhal – Vice President cum Company Secretary</b>				
	At the beginning of the year	200	0.00	200	0.00
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	200	-	200	0.00
<b>3</b>	<b>Mr. P. Shivakumar – Chief Financial and Operating Officer</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment (Amount in Rs.)

Description	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	47,83,33,335			47,83,33,335
ii) Interest due but not paid				
iii) Interest accrued but not due	1,34,037			1,34,037
Total (i + ii + iii)	47,84,67,372			47,84,67,372
Change in Indebtedness during the financial year				
Addition		30,00,00,000		30,00,00,000
Reduction	22,01,34,044	20,00,00,000		42,01,34,044
Net Change	(22,01,34,044)	10,00,00,000		(12,01,34,044)
Indebtedness at the end of the financial year				
i) Principal Amount	25,83,33,328	10,00,00,000		35,83,33,328
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
Total (i + ii + iii)	25,83,33,328	10,00,00,000		35,83,33,328

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager (Amount in Rs.)

S.No.	Particulars of Remuneration	Name of Managing Director Mr. Jaideep Gupta	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	84,66,940	84,66,940
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10,88,857	10,88,857
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock option	-	-
3	Sweat Equity	-	-
4	Commission - as% of profit - others, specify	-	-
	Total (A)	95,55,797	95,55,797
	Ceiling as per the Act	Rs. 25,994,336 (being 5% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)	

### B. Remuneration to other directors (Amount in Rs.)

S.No.	Particulars of Remuneration	Name										Total Amount
1	Independent Directors	Dr. B. Venkataraman	Lt Gen (R) Vijay Lal <sup>#</sup>	Mr. Deepak Vaidya	Prof. V.N. Rajasekharan Pillai	Mr. T.S. Naryanasami	Mr. Satnam Arora	Prof. Ranjit Roy Chaudhury	Mr. S. Regunathan			
	(a) Fee for attending Board committee meetings	280000	-	40000	80000	240000	160000	60000	140000			1000000
	(b) Commission	275000	106986	275000	275000	275000	275000	169521	275000			1926507
	(c) Others	-	-	-	-	-	-	-	-			-
	Total (1)	555000	106986	315000	355000	515000	435000	229521	415000			2926507
2	Other Non Executive Directors	Dr Prathap C. Reddy	Ms. Suneeta Reddy	Ms. Shobana Kamineni	Mr. S.N. Sahai	Ms. Renu Sud Karnad	Ms. Vineeta Rai	Mr. S.K. Srivastava <sup>##</sup>	Dr. M.M. Kutty <sup>##</sup>	Mr S.C.L. Das <sup>##</sup>	Mr D.M Spolia <sup>##</sup>	
	(a) Fee for attending Board committee meetings	80000	160000	80000	40000	40000	40000	40000	100000	140000	20000	740000
	(b) Commission	275000	275000	275000	46712	275000	109247	125822	210205	275000	99452	1966438
	(c) Others	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	355000	435000	355000	86712	315000	149247	165822	310205	415000	119452	2706438
	Total (B) = (1 + 2)											5632945
	Total Managerial Remuneration (A + B)											1,51,88,742
	Overall Ceiling as per the Act	Rs 57,187,538 (being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)										

<sup>#</sup> Directorship held for part of the year

<sup>##</sup> As per the instructions received from the Govt. of Delhi, the amount of commission has been deposited in the Government account

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD** (Amount in Rs.)

S.No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ajay Kumar Singhal – Vice President cum Company Secretary	Mr P. Shivakumar – Chief Financial and Operating Officer	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	73,78,071	76,07,765	1,49,85,836
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,04,934	3,86,115	6,91,049
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission – as% of profit – others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>76,83,005</b>	<b>79,93,880</b>	<b>1,56,76,885</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE**

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding Fees imposed	Authority (RD/NCLT/COURT)	Appeal made if any (give details)
<b>A</b>	<b>COMPANY</b>				
Penalty					
Punishment					
Compounding					
<b>B</b>	<b>DIRECTORS</b>				
Penalty					
Punishment					
Compounding					
<b>C</b>	<b>OTHER OFFICERS IN DEFAULT</b>				
Penalty					
Punishment					
Compounding					

**ANNEXURE – 2 — SECRETARIAL AUDIT REPORT  
FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015**

*[Pursuant to section 204(1) of the Companies Act, 2013 read with Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014*

The Members

**Indraprastha Medical Corporation Limited**

Sarita Vihar  
Delhi–Mathura Road  
New Delhi – 110 076

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Indraprastha Medical Corporation Limited (hereinafter called “the Company”). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Indraprastha Medical Corporation Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2015 complied with the statutory provisions listed hereunder and also that the company has proper Board - Processes and Compliance - Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:-

We have examined the books, papers, minute books, forms and returns filed and other records

maintained by Indraprastha Medical Corporation Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of :-

- (i) The Companies Act, 2013 ("the Act") and rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye - laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and other applicable laws. The list of major acts/laws applicable to the company is as under:
    1. Food Safety and Standards Act, 2006;
    2. Prevention of Food Adulteration Act, 1954;
    3. Employees Provident Fund and Miscellaneous Act, 1952;
    4. Employees State Insurance Act, 1948;
    5. Industrial Dispute Act, 1947;
    6. Minimum Wages Act, 1948;
    7. Payment of Bonus Act, 1965;
    8. Payment of Gratuity Act, 1972;
    9. Payment of Wages Act, 1936;
    10. Apprentices Act, 1961;
    11. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
    12. Maternity Benefit Act, 1961;
    13. Employees Compensation Act, 1923;
    14. Contract Labour (Regulation & Abolition) Act, 1970;
    15. Delhi Shops and Establishments Act, 1954;
    16. Environment Protection Act, 1986 and other Environmental Laws;
    17. Air (Prevention and Control of Pollution) Act, 1981 and Rules;
    18. Water (Prevention and Control of Pollution) Act, 1974 and Rules;
    19. Noise Pollution (Regulation and Control) Rules, 2000;
    20. Income Tax Act, 1961 and indirect tax laws;
    21. Central Excise Act and Service Tax Laws;
    22. Central & State Sales Tax / Value Added Tax Laws;
    23. Delhi Nursing Council Act, 1997;
    24. Indian Nursing Council Act, 1947;
    25. Delhi Nursing Home Registration Act, 1953;
    26. Indian Medical Council Act, 1956;
    27. Delhi Medical Council Act, 1997;
    28. Medical Termination of Pregnancy Act, 1971 and Rules;
    29. Narcotics Drugs & Psychotropic Substances Act, 1985;
    30. Drugs and Cosmetics Act, 1940;
    31. Blood Bank Regulation under Drugs and Cosmetics Rules, 1999;
    32. Pre-natal Diagnostic Techniques Act, 1994 and Rules;
    33. Transplantation of Human Organ Act, 1994 and Rules;
    34. Drugs & Magic Remedies (Objectionable Advertisement) Act, 1954;
    35. Guidelines issued by Bhabha Atomic Research Centre (BARC);
    36. Guidelines issued by Directorate General of Health Services (DGHS);
    37. Guidelines issued by Drugs Controller General of India (DCGI);
    38. Guidelines issued by Indian Council of Medical Research (ICMR);
    39. Bio-Medical Waste management Handling Rules, 1998;
    40. Indian Boilers' Act, 1923 and Rules;
    41. Petroleum Act, 1934 and Rules;
    42. Battery Management and Handling Rules, 2010;
    43. Hazardous Waste (Management & Handling) Rules, 1989;
    44. Delhi Fire Prevention and Fire Safety Act, 1986;
    45. Delhi Fire services Act, 2007;
    46. Delhi Lift Rules, 1942;
    47. Prohibition of Smoking in Public Places Rules, 2008;
    48. Delhi Registration of Birth and Death Act, 1969.

We have also examined the compliance with the applicable clauses of the Listing Agreement entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE")

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above subject to the following observations:-

***The composition of the Board of Directors of the Company is not in compliance with the provisions of clause 49(IIA) of the Listing Agreement with stock exchanges. The number of Independent Directors is less than the required numbers. As per the explanation given by the Management, the company is in the process of appointing independent Directors to comply with the said requirement.***

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. However the appointment of required number of Independent Directors has not been made by the Company. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further

information and clarification on the agenda items before the meeting and for meaningful participation at the meeting; and

- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no instances of :-

- (i) Public / Rights / Preferential Issue of Shares / Debenture / Sweat Equity;
- (ii) Redemption / Buy-back of Securities;
- (iii) Major decisions taken by the members in pursuant to section 180 of the Companies Act, 2013;
- (iv) Merger / Amalgamation / Reconstruction etc.;
- (v) Foreign Technical Collaborations.

**CS BALDEV SINGH KASHTWAL  
PARTNER  
RSM & CO.  
COMPANY SECRETARIES  
FCS NO. 3616, C. P. NO. 3169**

Place : Delhi  
Dated : 21<sup>st</sup> May, 2015

### ANNEXURE – 3: CRITERIA'S FOR EVALUATION OF INDEPENDENT DIRECTORS / DIRECTORS / CHAIRPERSON

The candidate or the nominee, who complying with all the eligibility requirements as stated under Companies Act, 2013 read with relevant Schedule and rules thereto as issued by the Ministry of Corporate Affairs, SEBI equity listing Agreement and all other applicable laws including any statutory modification, amendment and notification as may be issued from time to time, for appointment including re appointment as Independent Director of the Company shall be screened/evaluated on the following key criteria's as determined by the Company:

- a) Professional qualification and academic achievements.
- b) Personal attributes i.e.,
  - i. Integrity
  - ii. Honesty
  - iii. Expertise in the field of specialization
  - iv. Ability to share vision
  - v. Leadership
  - vi. Financial literacy
  - vii. Values
  - viii. Ethical behaviour
  - ix. Wisdom

- x. Trustworthy
- xi. Professional conduct
- xii. Affiliation to political parties
- c) Public standing and reputation in industry and financial markets.
- d) Conflict of interest vs interest of the company.
- e) Expectations and balancing of people of diverse fields in the Board.
- f) His directorship in other companies.

The above mentioned parameters or the criteria's has been evolved, in order to facilitate the Board in taking the decision of appointment or re appointment of any nominee or the candidate on the Board as an Independent Director.

The Board may modify the criteria as and when feel necessary and may incorporate or delete any of the criteria as determined by the Nomination and Remuneration Committee. The above mentioned criteria's are solely and exclusively evolved by the Nomination and Remuneration Committee under relevant policies of the Company.

## ANNEXURE-4: REMUNERATION POLICY

### BACKGROUND

In terms of the requirement stated under Companies Act, 2013 read with related rules issued thereon as amended from time to time and revised clause 49 of the equity Listing Agreement, Indraprastha Medical Corporation Limited ("the Company") has formulated a policy document namely "Remuneration Policy" which will deal with the remuneration of the Directors, Key Managerial Personnel's ("KMP's"), Senior Management Personnel's ("SMP's") and other employees of the Company.

### OBJECTIVE

The objective of the Company's Remuneration Policy is to ensure that the Directors, KMP's, SMP's and other employees of the Company are governed by comprehensive compensation criteria that foster meritocracy and right behaviours. Remuneration packages are designed to attract and retain high calibre personnel required to run the Company successfully. The remuneration shall be competitive and based on the individual responsibilities and performance.

The Remuneration Policy is guided by a common reward, retention framework and set of principles and objectives as more fully and particularly envisaged under section 178 of the Companies Act, 2013 read with related rules issued thereon, inter-alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

The policy is divided into separate sections for Directors, KMP's, SMP's and other employees of the Company. The basic guiding principle is that the remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.

### 1. REMUNERATION TO DIRECTORS

#### Section - A

##### Remuneration to Executive Directors

The remuneration policy for the executive directors has been formulated, considering the following key principles including but not limited to the basic principle to have long term relationship with the Company:

##### Key Principles:

- **Linked to strategy:** A substantial portion of the executive director's remuneration is linked to success in developing and implementing the Company's strategy.
- **Performance related:** A part of the total remuneration varies with performance, aligning with the shareholder's interest.
- **Long term:** The structure of remuneration is designed to reflect the long term nature of the Company

and significance of the protection of interest of the shareholders.

- **Fair treatment:** Total overall remuneration takes account of both the external market and company conditions to achieve a balanced "fair outcome".

##### Elements of the Remuneration structure of Executive Directors:

##### • **Fixed salary**

Company shall provide the base level fixed remuneration to reflect the scale and dynamics of the business and to be competitive with the external market.

##### • **Perquisites and Allowances**

Company shall provide such perquisites and allowances to the executive directors as may consider necessary, keeping in view the market trend, industry analysis etc.

##### • **Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance**

- Certain portion of the variable part of remuneration shall be dependent on short term performance against the annual plans of the Company.
- Substantial portion of the variable part of the remuneration shall tie with the long term performance. The level varies according to the performance relative to the measures linked to strategic priorities.

##### • **Special awards for breakthrough business performance**

Company shall provide the special awards in terms of deferred bonus for breakthrough business performance.

##### • **Premium for Health Insurance**

The company may pay the premium for Health Insurance for executive directors and their spouse as may be decided by the Board.

##### • **Premium for Indemnity Insurance**

The company may pay premium for indemnity Insurance to cover the liability of executive directors of the Company towards any claims that may be filed against any of the executive directors of the Company.

Pursuant to the provisions of Section 197 of the Companies Act, 2013, where any insurance is taken by a company on behalf of its Managing Director, Whole-time Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may

be guilty in relation to the company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- Other benefits in accordance with the market practice and industry analysis.

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

The remuneration to any one Managing Director or Whole Time Director or Manager shall not exceed five percent of the net profits of the Company and if there is more than one such director remuneration shall not exceed ten percent of the net profits to all such directors and Manager together.

## Section – B

### Remuneration to Non-Executive Directors & Independent Directors (“Collectively referred to as NED’s”)

This Section deals with the requirements pertains to the remuneration structure of NED’s.

#### Key Principles

- Remuneration should be sufficient to attract, retain and motivate best non executive talent suits to the requirement of the Company.
- Remuneration practice should be consistent with the recognized best standard practices for NED’s.
- Independent Directors are not entitled to have any stock options.

#### Elements of the Remuneration structure of NED’s

- **Fee for attending Board, Committee and other meetings**
  - NED’s may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board.
  - The amount of fees shall not exceed the amount as may be prescribed under Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any amendment thereto.
  - The amount of fee to Independent directors and women directors shall not be less than the fee payable to other directors.
  - The Board shall review the quantum of fee of NED’s as may considered necessary keeping in view the industry trends, corporate practices, Company’s performance, shareholder’s interest and the relevant statutory guidelines issued from time to time.
- **Commission on profits**
  - In addition to the fee paid by the Company

for attending Board and Committee meetings, NED’s may receive commission on profits of the Company as may be decided by the Board within the limits as specified in the Companies Act, 2013 read with related rules issued thereon and all other applicable laws.

- While determining the amount of fee and commission on profits, the Board shall take into account the market practice, the performance of the Company, the travel and time commitment required for attending Board and Committee meetings and extent of responsibilities cast on directors under the various laws and other relevant factors.
- Any director who is in receipt of any commission from the company and who is a managing or whole-time director of the company shall not be disqualified from receiving any remuneration or commission from any holding company or subsidiary company of the Company subject to its disclosure by the company in the Board’s report.

- **Reimbursement of expenses**

NED’s shall be entitled to reimbursement of expenses on travelling, lodging, boarding and other expenses incurred for participation in the Board and Committee meetings or for any other purpose as may be decided by the Board.

- **Premium for Health Insurance**

The Company may pay the premium for Health Insurance for NED’s and their spouse as may be decided by the Board.

- **Premium for Indemnity Insurance**

The Company may pay premium for indemnity Insurance to cover the liability of NED’s of the Company towards any claims that may be filed against any of the Non-executive directors of the Company.

- **Ceiling of one percent of Net profit**

The amount of commission to NED’s, premium for health insurance for non-executive directors including independent directors and their spouses shall not exceed 1% of the Net profits of the Company. The ceiling of one percent of net profits shall be exclusive of the fees payable to directors.

## 2. REMUNERATION TO KEY MANAGERIAL PERSONNEL

The remuneration to Key Managerial Personnel’s of the Company i.e. Managing Director/Chief Executive Officer/ Whole Time Director, Company Secretary and Chief Financial Officer as defined under Companies Act, 2013 read with related rules issued thereon, will be fixed after taking into account educational and professional qualification, experience & expertise of the personnel and the competitive market practices.

#### Key Principles

- Remuneration should be sufficient to attract, retain

and motivate best non-executive talent suits to the requirement of the Company.

- Remuneration practice should be consistent with the recognized best standard practices for Key Managerial Personnel's.

**Elements of the Remuneration structure of KMP's:**

- The remuneration to key managerial personnel shall include:
  - Fixed salary
  - Perquisites and Allowances
  - Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance.
- Over and above, the key managerial personnel may be offered -
  - Special awards for breakthrough business performance
  - Commission on annual profits
  - Other benefits in accordance with the market practice
- Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

**3. REMUNERATION OF SENIOR MANAGEMENT PERSONNEL AND OTHER EXECUTIVES**

- The remuneration to Senior Management personnel shall be fixed considering internal, external and individual equity; and also procedural equity.
- Remuneration to Senior Management Personnel shall include -
  - Fixed Salary
  - Perquisites and Allowances
  - Performance-linked bonus which shall be a cumulative outcome of both the individual target achievement level as well as the Company's Performance.

- Over & above the Senior Management Personnel may be offered -
  - Retention Bonus, where deemed fit, to ensure continuity of service depending upon:
    - Criticality of the role
    - Difficulty of replacement
    - Risk of Resignation
- Other benefits in accordance with the market practice

Annual remuneration reviews shall be based on individual performance, Company Performance, market environment and future plans.

**4. REMUNERATION TO OTHER EMPLOYEES**

- The grades / job families shall primarily determine the distinction in the pay fixation for different levels of employees.
- Wage and salary structure shall be kept simple and avoid unnecessary complexity so as to provide effective compensation and reward to employees.
- Retention bonuses may be given and the formula / criteria wherever devised shall be subject to decision of the management.
- The discipline of normal Bell Curve distribution shall however form an integral part of determining the pattern of pay-raise among the entire spectrum of employees.
- Annual Pay increases shall be based on a combination of competency and performance rating.

**Administration, Review and Amendment of the Policy**

The Board shall be responsible for the administration, interpretation, application and review of this policy. The Board shall be empowered to bring about necessary changes to this policy, if required at any stage in compliance with the prevailing laws.

The Company reserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding unless the same is notified in writing.

# MANAGEMENT DISCUSSION & ANALYSIS

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### Overview of Healthcare Services in India

Despite significant progress in the socio-economic fronts, India has been unable to adequately meet the demands of its population in the healthcare segment. It compares poorly with countries in the West and in Asia on even basic healthcare indicators. Notable achievements through programmes introduced by the Government include improving trends for life expectancy at birth, maternal and infant mortality rates, polio eradication and reduction in HIV / AIDS. These wins remain largely insignificant when viewed against the backdrop of the country's healthcare needs. Historically, inadequate spending has characterized India's healthcare sector. The public healthcare system remains deficient both with regard to infrastructure as well as quality providers of healthcare services. Last mile reach of public healthcare services continues to be a challenge. Government expenditure on healthcare in India is a mere 31% as compared to the global average of 58%.

Private sector spends in India is among the highest in healthcare spending amongst nations across the globe and not surprisingly, accounts for most of the total healthcare expenditure in India. The lack of a strong public healthcare delivery system and poor penetration of health insurance in the country, has led to considerable Out of Pocket (OOP) expenditure on healthcare. It is estimated that the out-of-pocket spend as a proportion of total healthcare spending continues to remain elevated at about 61% in 2015 as compared to the global average of 22%.

There is urgent need for India to rapidly improve and widen access of its public healthcare delivery model so as to improve the country's Basic Healthcare Indicators. The challenges of chronic non-communicable and lifestyle diseases (physical and mental) continue to persist while new ones like those posed by the emergence of drug resistant forms of diseases, have emerged and need to be dealt with effectively.

Higher healthcare spend by government; narrowing infrastructure gaps, workforce utilization and addressing the paucity of qualified doctors are critical. The Government and the private sector will need to collaborate in a close and transparent manner to deliver the health care system that India deserves. It must be

recognized that healthcare initiatives have moved in the right direction and a reasonable foundation has been created from which the country should accelerate and progress towards the goal of universal healthcare for all.

### The Healthcare Services Delivery Landscape in India

Persistent low public expenditure on healthcare is an important reason India ranks in the lowest quartile in global rankings for health outcomes. It is important to note that much of this public spending was for curative tertiary care with only a negligible amount being spent on preventive, primary and secondary care. There has been an increase of communicable and water borne diseases in India, largely due to the lack of access to clean drinking water and sanitation facilities, and the poor nutritional status of a large part of its population.

The Government has undertaken initiatives to address the lacuna in Healthcare Accessibility and Human Development Measure but the results have been slow in coming. Private healthcare infrastructure has therefore tried to fill the gap and has proved to be more responsive to the needs of the people. Consequently, there was a substantial increase in scale and widening of private healthcare offerings and the continuous evolution allowed it to firmly entrench itself in the landscape. Attempts are being made by the government to leverage private sector efficiencies and capacities through Public Private Partnerships (PPPs). Despite all these measures, significant Infrastructural gaps persist in the industry. The bed availability in India stood at 9 per 10,000 in 2012, which was significantly lower than the WHO guideline of 30 beds per 10,000 population.

### Beds per 10,000 population – India lags behind other developed and emerging economies in healthcare infrastructure.

According to CRISIL Research, in order to meet the Global median of 30 beds per 10,000 population, India will need to invest over Rs. 4 trillion. In terms of availability of medical staff, the number of doctors and nurses available for every 10,000 population was at 6.5 and 10.0 in India compared to the global average of 13.9 doctors and 29.0 nurses per 10,000 population. (Source: WHO World Health Statistics, 2013). India's share in global disease burden is 20%, while its share of healthcare infrastructure is much lower with only 6% of global beds and 8% share of doctors and nursing staff.

## Comparison of India Vs other countries in healthcare infrastructure parameters

Per 10,000 population	China	India	Indonesia	Malaysia	Singapore	Thailand	Australia	USA
<b>Health Workforce Density</b>								
Physicians	14.6	6.5	2.0	12.0	19.2	3.0	38.5	24.2
Nurses and midwives	15.1	10.0	13.8	32.8	63.9	15.2	95.9	98.2
Dental	0.4	0.8	0.4	1.4	3.3	0.7	6.9	16.3
<b>Infrastructure</b>								
Hospital beds	39	9	6	18	27	21	39	30

Source: WHO – World Health Statistics 2013

While the public sector is vast, it is underfunded and not large enough to meet the growing needs of the country. The growth of the private sector is expected to continue. Private healthcare service providers are geographically pervasive and offer easier access. They possess technical and managerial skills often not found in public hospitals and adopt an innovative and flexible approach towards healthcare delivery, which marked by higher efficiency and enhanced quality of care giving. The macro-economic policies of the government recognizes the healthcare sector as an industry and provides stimuli like tax concessions. The private sector is therefore dominant in the field of medical education as well as manufacturing of medical equipment, pharmaceuticals and provision of diagnostic services.

CRISIL Research expects the healthcare delivery market to grow at a CAGR of 12 per cent and reach Rs. 6.8 trillion by 2019-20 with marked increase in in-patient volumes as a result of changing age demographics, rising incomes, improvement in health awareness, increase in life-related ailments, rising penetration of health insurance and increasing opportunities from medical tourism. Alongside, the average cost for in-patient treatment is expected to increase at nearly 8 per cent CAGR.

Demand for life style diseases-related healthcare services is expected to grow over the next 5 years in India. CRISIL Research believes that these illnesses exhibit a tendency to increase in tandem with rising income levels. With the share of households earning above Rs. 5 lakh per annum expected to go up to 20 per cent in 2017-18 from 13 per cent in 2013-14, the share of NCDs as a major cause of deaths in India is also simultaneously expected to rise. Consequently, demand for healthcare services associated with life-related diseases such as cardiac ailments, oncology, diabetes, etc. is also forecast to increase.

### Key Points

The healthcare industry is expected to continue to expand rapidly in the near future due to changing growth drivers of the industry characterized by the following.

#### Inadequate Public Infrastructure

In several countries, especially those in the developed

world, Healthcare delivery is a primary responsibility of the State and public healthcare systems are the primary choice for most people. However, in India, the public healthcare infrastructure is woefully inadequate. Most of the facilities that exist are poorly equipped, and understaffed, while those that are of a reasonable standard are overcrowded. This has facilitated the rise of the private sector, which for most citizens is the only realistic choice.

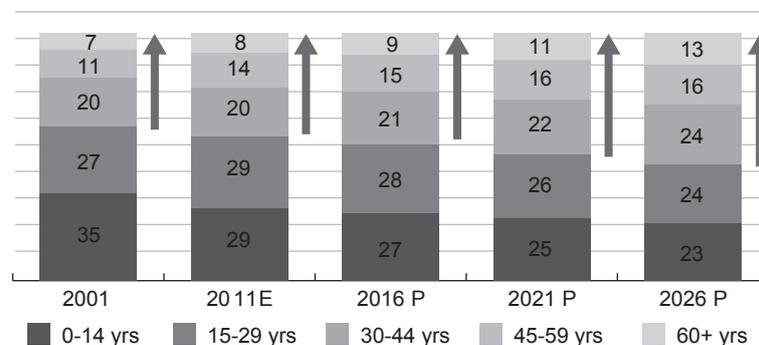
#### Dual Burden of Disease

India faces a dual burden of disease. While it has a reasonable track record in infectious diseases, many communicable diseases such as dengue, tuberculosis, malaria, and pneumonia, which were considered to be under control are recurring in drug-resistant forms. This is attributed to inferior quality housing, poor water supply, bad sewage and waste management, poor public infrastructure and weak public health systems. Alongside this, the burden of non-communicable diseases, which are caused by poor dietary patterns and a sedentary lifestyle, is reaching alarming proportions in India.

#### Population growth, demographics & rising per capita income

India is the second most populated country in the world and is expected to become the most populated by 2025. India has to not only correct present deficiencies in healthcare infrastructure, it has to plan for future demand. While it has the highest numbers of people below the age of 30, its middle age and geriatric population is also growing. This will lead to new demands in healthcare delivery - care for the elderly who studies show are troubled by chronic ailments like arthritis, hypertension, diabetes, asthma and heart diseases. About 8 per cent of the Indian population was above the age of 60 years in 2011; this proportion is expected to climb to 12.5 per cent by 2026. In terms of gender-based tendencies, while men are more likely to suffer from heart, renal and skin diseases, women showed higher tendencies for contracting arthritis, hypertension and osteoporosis. CRISIL Research, therefore, believes that with more and more people being added to this age group, the demand for healthcare infrastructure in India will only surge in the future.

**India: Demographic shift (% of population by age group) — population between ages 45 and 60 from 22% in 2011 to a projected 29% in 2026**



Source: CRISIL Research

Rising per capita income has improved affordability of healthcare and significantly expanded the addressable market for private healthcare providers. The consumer is now more aware and more demanding; they are willing to pay for better infrastructure, improved diagnostic facilities, latest technology and best-in-class medical care. However for an estimated 59 per cent of households in India that had an annual income of less than Rs. 2 lakh in 2013-14, affordability of quality healthcare facilities, a non-discretionary expense, still remains a major constraint. Disposable income, is, therefore, critical to the overall growth in demand for healthcare delivery services. CRISIL Research believes there is immense opportunity because the share of households in the Rs. 2-5 lakh per annum income bracket is expected to go up to 38 per cent in 2017-18 from 28 per cent in 2013-14.

**Emergence of Medical Value Travel & Accreditation of facilities**

Increased globalization and faster flow of information has broken geographical borders and transformed the world into a one single marketplace. From the comfort of their own homes patients can now evaluate healthcare institutions across the globe by assessing clinical outcomes, evaluate physician success rates and compare healthcare costs. This has led to a sharp growth in the number of people traveling to undergo medical procedures. Healthcare service providers have alongside sought to adopt global accreditation standards, which helps to mark quality of care giving and improves the care provider's standing and profile in the global marketplace.

**Disparity in Health Infrastructure between urban and rural areas**

Much of the progress made by private healthcare service providers in the last few years has been in urban areas which are now home to a wide variety of facilities offering single specialty, multi-specialty, primary care, quaternary care as well as value added services and personalized offerings. These urban markets cater to local residents as well as international medical value travelers. But a

disparity exists in offerings between the urban and the semi-urban and rural areas in the country.

**Health Insurance**

Low health insurance penetration is one of the major impediments to the growth of the healthcare delivery industry in India as affordability of quality healthcare facilities by the lower income groups continues to remain an issue. As per the Insurance Regulatory and Development Authority (IRDA), nearly 216 million people have health insurance coverage in India (as of 2013-14), accounting for only 17 per cent of the total population. Over 80% of health financing continues to be from private financing, much of which is out of pocket payments and employer funding.

But despite the country's slowdown, the annual growth in premiums of the non-life insurance sector was a healthy 9% for 2014-15. Health insurance's annual premium collections were over Rs. 200 billion. (Source: data published by GI Council). While low penetration is still a key concern, it also presents a huge opportunity for the growth of the healthcare delivery industry in India. Between 2011-12 and 2013-14, the total number of commercial health insurance policies in India increased at a CAGR of nearly 10 per cent while the premiums increased at nearly 16 per cent. The industry has shown signs of maturity. Customers are more conscious of the benefits of insurance and its importance for a secure future. The introduction of health insurance portability has offered more convenience to customers while enhancing competition in the industry. With the health insurance coverage in India set to increase, hospitalization rates are likely to go up. In addition, health check-ups, which form a mandatory part of health insurance coverage, are also expected to increase, boosting the demand for a robust healthcare delivery platform. (Source: IRDA annual reports).

**Evolving Healthcare Ecosystem**

The Indian healthcare ecosystem is undergoing significant transformation, in line with global trends. While the traditional hospitalization model remains the dominant healthcare services delivery model in the ecosystem, there has been a proliferation of daycare and short stay centres, maternity centres and home healthcare

offerings. New technology and improved processes are driving large volumes of basic treatments, corrective procedures and surgeries of low complexity outside the confines of the traditional hospital environment.

The specialized and newer formats of healthcare delivery are also driven by demographical and lifestyle changes coupled with altering disease profiles. Patients prefer treatments that allow shorter hospital stays - larger volumes of elective or voluntary surgeries are being carried out; nuclear families have fewer support systems and are stressed personalized healthcare; new technologies such as Minimally Invasive Surgeries and Robotics have transformed the physical impact and tissue trauma of several procedures and shortened recovery times and hospital stays.

These trends bode well for the healthcare ecosystem in India as it will widen and deepen offerings while enabling greater access to healthcare. A key challenge for these formats that essentially provide primary care will be the integration with the traditional formats of healthcare delivery to ensure that high complexity cases are addressed both in a timely and appropriate manner.

## SWOT ANALYSIS

### Strengths

**Brand Value:** The “Apollo” Brand is recognized as a strong brand in the healthcare sector in India. The benefits of this recognition translate into making us the preferred choice of patients and medical professionals alike, giving us the ability to appropriately price healthcare services, sustain marketing benefits and increase footfalls.

**Integrated Healthcare Delivery Model:** Through our presence in various initiatives across the healthcare services delivery chain, we believe that we have a competitive advantage and are able to benefit from economies of scale and cost efficiencies.

**Focus on Clinical Excellence:** Clinical excellence is of paramount importance to us. We have systems and procedures that frequently and routinely monitor key metrics and we enjoy high success rates and clinical outcomes especially for complex and high-end medical procedures. We are JCI accredited, an evidence of the strength and maturity of our business.

**TASCC** – The Apollo Standards of Clinical Care – We benchmark our practices with the best hospitals in the world to ensure the highest quality clinical standards.

**Arrangements with Doctors/ Medical Personnel:** We are able to attract senior medical professionals as we offer them a ‘fee for service’ arrangement, which provides them the professional comfort and freedom to deliver optimal performance. Many of our doctors are prominent within their chosen specializations. Our training establishments provide us with an abundant number of newly qualified medical personnel, which can otherwise be a serious constraint to growth and efficiency.

**Professional Management team with rich industry experience:** Our management team comprises senior professionals with rich industry experience and a proven track record. The appropriate blend of doctors as well as qualified professionals for key functions has enabled the company to balance excellence with growth.

**Pioneer in leveraging Technology:** We have been a pioneer in adopting cutting edge technology to elevate treatment quality and clinical standards in India. The PET suite in our premises is one of a kind in India and we have systematically taken the lead in technology-based treatment in India in areas like Robotics and Minimally Invasive Surgery. This has been a key enabler for maintaining high clinical standards, helping to attract renowned doctors from India and abroad and in improving overall efficiency.

### Weaknesses

**Scarcity of Human Resources:** The hospitals business is labour intensive and the quality of doctors and supporting healthcare professionals critical for the quality and efficiency of the 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 of medical professionals.

**Obsolescence of medical equipment:** We use the latest treatment technologies in our hospitals to provide top quality healthcare services. Due to the extent of global research and development into healthcare and frequent product improvements and evolving technology, the rate of obsolescence of medical equipment is high.

### Opportunities

**Growing Population and changing demographics:** India is expected to see continued growth in its population, which will increase absolute demand for healthcare. It will also be home to an increasing number of middle-aged and elderly people where the need for healthcare services is acute.

**Change in disease profile:** India is on path to becoming the cancer, diabetes and heart disease capital in the world. The increasing incidence of NCDs is an outcome of changing dietary patterns and alterations in lifestyle caused by rising per capita income. This rising burden of non-communicable disease is a humongous challenge that Indian healthcare service providers will need to address.

**Increase in demand for elective surgeries:** Given steady increases in disposable incomes and growing health awareness, there has been a manifold expansion in demand for elective or planned surgeries. Patients are now willing to undergo discretionary treatments and healthcare procedures where the goal is to enhance health and quality of life. These procedures are known as electives as patient can ‘elect’ to undergo these treatments.

**Medical Value Travel:** Due to the escalating costs of healthcare services in developed countries and the emergence of high quality healthcare services in emerging regions there has been an increasing prevalence of medical value travel. In addition to regional peers like Singapore, Malaysia and Thailand, India is fast emerging as a preferred destination due to high clinical success rates, top quality medical professionals; rapid adoption of technology and increasing number of globally accredited facilities. However, the opportunity is large and the country will need to improve procedural efficiency and enhance marketing of services to garner a sizeable share.

### Threats

**Intense competition:** The increasing propensity for entrepreneurs and business houses to enter into the healthcare business has led to a situation where a number of greenfield facilities have been set up apart from Joint Ventures and acquisitions in the healthcare space. There are even pockets of over-capacity in some cities. In order to make these ventures succeed, there is a possibility that some of these ventures may resort to unsustainable pricing to gain market share.

**Increasing cost of resources:** The emergence of several domestic hospital chains combined with the entry of international players has led to an increasing number of competitors chasing finite resources. A failure to attract medical professionals at reasonable costs will impact the ability to suitably grow and expand our operations. Further, increases in operating costs can result in an undesirable impact on the Company's results of operations and financial condition.

### Industry Outlook / Prospects

Looking ahead, the healthcare sector is expected to be at the core of the Indian economy with a meaningful contribution to GDP growth. The structural theme supporting the growth of healthcare remains intact with rising income levels, ageing population, growing health awareness and changing attitudes towards preventive healthcare.

However, a number of challenges remain ahead. In addition to the shortage and the inequitable distribution of health infrastructure across the country, the sector will need to tackle the shortage of doctors as well as the growing burden of lifestyle diseases. Ensuring investments for introducing the latest medical technologies and a strong and supportive regulatory framework are other critical hurdles to be crossed.

To improve the overall healthcare map of India, huge investments will be required. Mobilizing a capital spending of this order for capacity building is neither possible for the Government nor for the private sector if they work in isolation. Uniquely tailored solutions will be needed as current level of investments from the Government, Private sector or PPP model while helping the sector to progress will not serve the long-term requirements.

## COMPANY OVERVIEW

### Clinical Excellence

Clinical Excellence is the edifice around which our healthcare operations are structured. We have set the highest standards of clinical outcomes in various specialties and we strive to meet or surpass these standards. In the process we have 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" which assesses performance based on 25 clinical parameters which are critical to delivering the very best clinical outcomes. In order to further enhance standards, the Company has introduced the Rocket ACE program, which covers an additional 25 parameters leading to an advanced clinical performance assessment model for key focus areas. These parameters are frequently monitored and even minor deviations are addressed immediately.

Due to this steadfast focus on Clinical Excellence, we have an impeccable track record and high success rates even in surgeries of high complexity such as transplants, cardiac care and oncology. This unwavering focus on clinical excellence enables us to continuously assess the quality of care we provide to patients and to objectively measure the consistency and success of our healthcare delivery.

### Accreditations

Technology has removed traditional barriers to global trade and transformed the mindsets of consumers. Today, patients can evaluate healthcare facilities across the globe when selecting a service provider. These are evaluated on the basis of cost and value, patient centric approach and clinical success rates. Due to an increase in global evaluation and benchmarking, Healthcare Service Providers are increasingly opting for global accreditation to showcase the quality of care and to reassure patients that healthcare processes and protocols are in line with global best practices.

We have received renewed accreditation from the Joint Commission International, USA ("JCI") for meeting international healthcare quality standards for patient care and management. JCI is the world's premier accreditation body for evaluation of healthcare facilities.

### Strategy

The Company remains focused on growth with the objective of simultaneously improving operating efficiencies and clinical outcomes. The Indian healthcare services market is of significant size and variety presenting opportunities as well as challenges. Our focus remains on our "Centers of Excellence", like Cardiology, Oncology and Transplant Centre, where we believe we can optimize efforts and value to our patient. We aim to gain significant market share in each of the key specialties by setting benchmark standards in clinical outcomes,

technology and practices in these centres. We have also invested significant resources to develop robotic surgery capabilities. We believe that it is crucial to treat higher volumes of high acuity cases at our facilities to maximize our productivity in the healthcare services market.

**Strong Doctor engagement and use of technology:**

Our Doctor engagement model and clinical focus has been our core. We continue to introduce cutting-edge technology in all our operations, we have been able to enhance clinical outcomes, reduce ALOS and optimize value while improving the patient care experience. In line with our innovation agenda we will continue to focus on initiatives such as Minimally Invasive Surgeries, Robotics and Proton Cancer Therapy amongst others.

**Medical Tourism**

We enjoy good patronage from international patients and have a track record of steadily increasing volumes of patients from international locations. These international patients select us from among many facilities in the country primarily due to the quality of care we provide and our success rates.

We believe Indian doctors are highly regarded overseas and as a destination for medical tourism, India is being preferred for complex surgeries in the fields of cardiology, orthopedics, Oncology and neurology. A large numbers of patients come from neighbouring countries as well as from the Middle East and Africa. In addition, there are several patients from developed countries such as UK, USA for whom the cost value proposition is attractive.

**Financial Performance**

During the year under review, the total income of the Company increased to Rs. 714.36 Crores from Rs. 678.59 Crores in the previous year.

The profit before tax was Rs. 49.55 Crores as compared to Rs. 54.15 Crores in the previous year.

The profit after tax was Rs. 32.49 Crores as compared to Rs. 35.44 Crores in the previous financial year.

The operating expenses increased to Rs. 483.51 Crores from Rs. 435.69 Crores in the previous year.

Depreciation and amortization expenses increased to Rs. 28.18 Crores from Rs. 28.14 Crores from the previous year.

The provision for taxes during the year under review is Rs. 17.06 Crores as compared to Rs. 18.72 Crores in the previous year.

**Risk Management & Internal Controls**

We follow several stringent risk mitigation measures and are working in close co-ordination with global consultants to elevate our practices and procedures into a comprehensive risk management system in line with international best practices.

Risks can be segregated into various categories such as strategic, operational, financial, legal, etc. Strategic risks

are overseen by the Senior Management team which reports to the Board of Directors periodically on the assessment and minimization of such risks. Operational risks are managed through close monitoring of various units on the basis of specific metrics such as patient volumes, patient occupancy levels, ARPOB or average Revenue per Occupied Bed, ALOS or Average Length of Stay, key consultant attrition levels and asset utilisation levels.

The financial risks are managed through stringent internal financial controls and documentation of all processes. In addition, the accreditation by JCI has helped to broaden the scope of the risk management practices. The JCI procedures envisage implementation and documentation of 320 standards. Compliance with JCI standards is a highly intensive procedure and most risks are elaborately covered.

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

- Competitive intensity and new entrants to the market
- Pace of obsolescence of technology and treatment methods utilized by us
- Inflationary pressures and other factors affecting demand for our products
- Increasing costs of materials, transport and storage
- Labour shortages and attrition of key staff including medical professionals
- Increased compliance and regulatory pressures including changes to tax laws
- Complaints for medical negligence have been filed in the Consumer Courts against the hospital and the Consultant Doctors by patients or their relatives sometimes even when 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 medicine 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 30<sup>th</sup> November 2009 by the Hon'ble Supreme Court, the company has been charging for medicines and consumables from patients referred by the Government of Delhi for free treatment.
- 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.

### **Internal Control Systems and their Adequacy**

We have established a wide-ranging system of Internal Controls to ensure that all assets are safeguarded and protected. We have processes in place to ensure that all transactions are evaluated, authorized, recorded and reported accurately. This is augmented by an extensive programme of internal and external audits apart from periodic review by the management.

Your Company has put in place a review mechanism whereby the management regularly reviews actual performance in comparisons to forecasts. Any significant deviation from forecasts is reviewed and assessed rapidly to identify any market trends or shortcomings in service offerings.

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

### **Human Resources**

Human Capital is an integral element of our success story. People are the industry's most important asset as human interaction and connect are integral functions of the Healthcare Services business. There are multiple touch points for patients in the entire process from preventive to diagnostic to curative services. Thus, it goes without saying that the quality, sincerity and dedication of our personnel has a significant impact on the quality of our services.

As your Company is increasingly treating patients from all over India, providing more services to international patients and veering towards medical tourism, we have been subscribing to global best practices in HRM. Your Company understands the value and effectiveness of diversity in culture, gender, language, religious beliefs, age and experience and has been a key advocate of

the same. To enhance diversity at Apollo Hospital your Company recruits people from across the country with a special focus to encourage and empower female candidates.

A structured and transparent compensation programme is followed across the organization. Comprehensive evaluations are conducted and employees are made aware of their performance ratings on Key Result Areas and Competencies. Your Company also tracks levels of satisfaction among employees as it believes that satisfied individuals contribute more. Your Company has also put in place procedures to identify and reward achievers to increase the efficiency and drive within the organization. These robust processes ensure that both existing and incremental manpower can appropriately develop to support the organization's patient care delivery process and fuel its growth objectives.

The total number of employees in the Company as on 31<sup>st</sup> March, 2015, was 3221 as against 3105 employees in previous year. The Company has also engaged contractors for various support services in the Hospital and they have deployed 1005 workers as against 971 workers in the previous year. Besides the 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**

**Dr. Prathap C Reddy**  
(DIN: 00003654)  
Vice Chairman

**Jaideep Gupta**  
(DIN: 02647974)  
Managing Director

**Place: New Delhi**  
**Date : 7<sup>th</sup> August, 2015**

# 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 meeting statutory requirements but to go beyond 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 stakeholders. Good corporate behaviour helps to enhance and maintain public trust in companies and the stock markets.

Your Company reviews its corporate governance practices periodically against a backdrop of the latest developments in the corporate arena, thereby endeavoring to conform to the highest standards of corporate governance practices. Your Company is committed to the pursuit of excellence in all its activities and to maximizing shareholder confidence and wealth.

The Company's corporate governance policies and practices are founded 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 the optimum level of disclosure
3. To ensure and maintain high ethical standards in all areas of the Company's functioning

4. To render high importance to investor relations
5. To ensure a robust risk management system 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 31<sup>st</sup> March 2015, the Board of Directors consists of 15 (fifteen) members comprising of 1 (one) Executive Director and 14 (fourteen) Non-Executive Directors including 7 (seven) Independent Directors and 4 (four) women Directors.

The Chairman of the Board is Non-Executive. The Chairman, Vice-Chairman, Managing Director and Independent Directors 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 31<sup>st</sup> March, 2015 and at the last Annual General Meeting held on 30<sup>th</sup> September, 2014, are as under:-

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

- (1) Ceased to be an Additional Director and Chairman of the Board w.e.f. 15.09.2014.
- (2) Appointed by the Board as an Additional Director and Chairman of the Board w.e.f. 07.11.2014 and ceased to be an Additional Director and Chairman of the Board w.e.f. 19.03.2015.
- (3) Ceased to be a Director w.e.f. 21-08-2014.
- (4) Appointed by the Board as an Additional Director on 28.01.2014 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 30.09.2014. Ceased to be a Director w.e.f. 05-01-2015.
- (5) Ceased to be a Director w.e.f. 11-09-2014. Again appointed by the Board as an Additional Director w.e.f. 29-01-2015.
- (6) Appointed by the Board as an Additional Director on 07.11.2014.
- (7) Appointed by the Board as an Additional Director on 29.01.2015.

**(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 twenty 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 31<sup>st</sup> March, 2015, 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 8 companies and companies incorporated outside India. Chairmanships / Memberships of Board Committees include only Audit Committee and Stakeholders' Relationship Committees.

Name of the Director	Number of Directorships in other public companies		Number of Committee positions held in other public companies	
	Chairperson	Member	Chairperson	Member
Dr. Prathap C Reddy (Vice-Chairman)	9	Nil	Nil	Nil
Mr. Jaideep Gupta (Managing Director)	Nil	Nil	Nil	Nil
Mr. S. C. L. Das	Nil	Nil	Nil	Nil
Mr. S. N. Sahai	Nil	7	Nil	Nil
Dr. B.Venkataraman	1	5	Nil	1
Ms. Suneeta Reddy	Nil	9	1	1
Ms. Renu S. Karnad	Nil	10	1	2
Mr. Satnam Arora	Nil	3	Nil	2
Ms. Shobana Kamineni	1	8	Nil	1
Mr. S. Regunathan	Nil	1	Nil	Nil
Prof. V. N. Rajasekharan Pillai	Nil	Nil	Nil	Nil
Prof. Ranjit Roy Chaudhury	Nil	Nil	Nil	Nil
Mr. T. S. Narayanasami	Nil	6	1	4
Mr. Deepak Vaidya	Nil	2	3	1
Ms. Vineeta Rai	Nil	Nil	Nil	Nil

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

Four (4) Board meetings were held during the financial year ended 31<sup>st</sup> March, 2015. The dates of the meetings are as follows : 23<sup>rd</sup> May, 2014, 25<sup>th</sup> July, 2014, 7<sup>th</sup> November, 2014 and 29<sup>th</sup> January, 2015. The time gap between two consecutive Board meetings was not more than one hundred and twenty days.

**(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
- Any material default in financial obligations to and by the company or substantial non payment for goods sold by the company.
- Any issue, which involves possible public or product liability, claims of substantial nature including any judgement or order which, may have passed strictures on the conduct of the company or taken an adverse view regarding another enterprise that can have negative implications on the company.

- Details of joint ventures or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- 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
- Sale of material nature such as investments, subsidiaries, assets which is not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risk of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non payment of dividend, delay in share transfers etc.
  - Certificate by the Managing Director / CEO and Chief Financial and Operating Officer regarding financial statements in compliance with Clause 49-IX 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 31<sup>st</sup> March, 2015.

### **3. AUDIT COMMITTEE**

#### **(a) Terms of Reference**

The terms of reference of the Audit Committee covers the areas as defined in Section 177 of the Companies Act, 2013, and Clause 49 of the Listing Agreement with the Stock Exchanges, which shall inter-alia include:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence, performance, and the effectiveness of the audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature; and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as may be referred by the Board.

The Audit Committee shall mandatorily review the following information.

- (i) Management discussion and analysis of financial condition and results of operations;
- (ii) Statement of significant related party transactions (as defined by the audit committee and submitted by management);
- (iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
- (iv) Internal audit reports relating to internal control weaknesses; and
- (v) The appointment/removal and terms of remuneration of the Internal Auditors shall be subject to review by the Audit Committee.

#### **(b) Composition, Names of Members and Chairman**

As on 31<sup>st</sup> March, 2015, the Audit Committee consists of six Non-Executive Directors (including four Independent Directors) viz. Mr. T. S. Narayanasami, Dr. B Venkataraman, Ms. Suneeta Reddy, Mr. S. N. Sahai, Mr. Satnam Arora and Mr. Deepak Vaidya. Mr. T. S. Narayanasami (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 five 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
Mr. T. S. Narayanasami (Chairman)	Independent - Non-Executive	5	5
Dr. B Venkataraman	Independent - Non-Executive	5	5
Ms. Suneeta Reddy	Non-Executive	5	2
Dr. M. M. Kutty	(1) Non-Executive	3	2
Mr. S. N. Sahai	(2) Non-Executive	1	1
Mr. Satnam Arora	(3) Independent - Non-Executive	3	3
Mr. Deepak Vaidya	(4) Independent - Non-Executive	3	1

- (1) Ceased to be a member of the Audit Committee on 18-12-2014. 3 meetings were held during his tenure.
- (2) Appointed as a member of the Audit Committee on 29-01-2015. 1 meeting was held during his tenure.
- (3) Appointed as a members of the Audit Committee on 25-07-2014. 3 meetings were held during his tenure.
- (4) Appointed as a members of the Audit Committee on 25-07-2014. 3 meetings were held during his tenure.

The Managing Director, Vice President cum Company Secretary, Chief Financial and Operating Officer, and representatives of Statutory Auditors & Internal Auditors, were also present at the Audit Committee meetings.

Mr. T. S. Narayansami was appointed as Chairman of the Audit Committee, in place of Dr. B. Venkataraman, on 29-01-2015. Dr. B. Venkataraman, the then Chairman of the Audit Committee, was present at the last Annual General Meeting of the Company.

#### **(d) Powers of Audit Committee**

The powers of the Audit Committee include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary

### **4. NOMINATION AND REMUNERATION COMMITTEE**

#### **(a) Terms of Reference**

The terms of reference to the Nomination and Remuneration Committee covers the areas as defined in Section 178 of the Companies Act 2013 and Clause 49 of the Listing Agreement with the Stock Exchanges, which inter alia includes the following:-

- (i) identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down; recommend to the Board their appointment and removal and carry out evaluation of every director's performance.
- (ii) formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees.
- (iii) while formulating the policy, ensure that-
  - (a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
  - (b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) remuneration to directors, key managerial personnel and senior management involves

a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

- (iv) Formulate the criteria for evaluation of Independent Directors and the Board. Devise a policy on Board diversity.

### (b) Composition, name of members and Chairman

As on 31<sup>st</sup> March, 2015, the Nomination and Remuneration Committee consists of five Non-Executive Directors (including three Independent Directors) viz. Dr. B. Venkataraman, Ms. Suneeta Reddy, Mr. S. Regunathan, Mr. T. S. Narayanasami and Mr. S. N. Sahai. Dr. B. Venkataraman (Independent Director) is the Chairman of the Nomination and Remuneration Committee.

### (c) Attendance during the year

The Nomination and Remuneration Committee met twice during the year. The dates on which the meetings were held are as follows:-

25<sup>th</sup> July, 2014 and 29<sup>th</sup> January, 2015.

The name of Members, Chairman and their attendance at the Nomination and Remuneration Committee Meetings are as under:

Members	Category	Meetings Held	Meetings Attended
Dr. B. Venkataraman (Chairman)	Independent Non-Executive	2	2
Ms. Suneeta Reddy	Non-Executive	2	2
Mr. S. Regunathan	Independent Non-Executive	2	2
Mr. T. S. Narayanasami	Independent Non-Executive	2	2
Dr. M. M. Kutty (1)	Non-Executive	1	1

(1) Ceased to be a member of the Nomination and Remuneration Committee on 18-12-2014. One meeting was held during his tenure

Mr. S. N. Sahai was appointed as a member of the Nomination and Remuneration Committee on 29-01-2015. No meeting of the Nomination and Remuneration Committee has been held during his tenure.

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

### (d) Remuneration Policy

The Company's Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees is annexed as per Annexure-4 to the Director' Report.

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

### (e) Details of Directors Remuneration

The details of Remuneration paid to Directors for the year ended 31<sup>st</sup> March, 2015, 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. 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 had approved the payment of commission of Rs. 2,75,000/- to each of the Non-Executive Directors including Independent Directors for the year ended 31<sup>st</sup> March, 2015, 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, 2013.

The details of sitting fees paid and commission payable to Non-Executive Directors are as under:-

Name of the Director	Relationship with other Directors	Amount (Rs.)		
		Remuneration paid / payable for the year ended 31 <sup>st</sup> March, 2015		
		Sitting Fee	Commission Payable	Total
Mr. S. K. Srivastava	-	40,000	1,25,822 **	1,65,822
Mr. D. M. Spolia	-	20,000	99,452 **	1,19,452
Dr. Prathap C Reddy	Father of Ms. Suneeta Reddy and Ms. Shobana Kamineni	80,000	2,75,000	3,55,000
Mr. S.C.L. Das	-	1,40,000	2,75,000 **	4,15,000
Dr. M. M. Kutty	-	1,00,000	2,10,205 **	3,10,205
Dr. B Venkataraman	-	2,80,000	2,75,000	5,55,000
Lt. Gen. (R) Vijay Lall	-	-	1,06,986	1,06,986
Ms. Suneeta Reddy	Daughter of Dr. Prathap C Reddy and sister of Ms. Shobana Kamineni	1,60,000	2,75,000	4,35,000

Name of the Director	Relationship with other Directors	Remuneration paid / payable for the year ended 31 <sup>st</sup> March, 2015		
		Remuneration		
		Sitting Fee	Commission Payable	Total
Ms. Shobana Kamineni	Daughter of Dr. Prathap C Reddy and sister of Ms. Suneeta Reddy.	80,000	2,75,000	3,55,000
Ms. Renu S Karnad	-	40,000	2,75,000	3,15,000
Mr. Satnam Arora	-	1,60,000	2,75,000	4,35,000
Mr. Deepak Vaidya	-	40,000	2,75,000	3,15,000
Mr. S. Regunathan	-	1,40,000	2,75,000	4,15,000
Prof. V N Rajasekharan Pillai	-	80,000	2,75,000	3,55,000
Prof. R R Chaudhury	-	60,000	1,69,521	2,29,521
Mr. T S Narayanasami	-	2,40,000	2,75,000	5,15,000
Ms. Vineeta Rai	-	40,000	1,09,247	1,49,247
Mr. S. N. Sahai	-	40,000	46,712 **	86,712

\*\* As per the instructions received from the Govt. of Delhi, the amount of commission has been deposited in the Government account.

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 31<sup>st</sup> March, 2015.

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

Name of the Director	Relationship with other Directors	Amount (Rs.)		
		Remuneration paid for the year ended 31 <sup>st</sup> March, 2015		
		Remuneration		
		Salary	Perquisite	Total
Mr. Jaideep Gupta	-	92,55,389	17,03,400	1,09,58,789

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has a Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the Company. As on 31<sup>st</sup> March, 2015, the Stakeholders Relationship Committee consists of four Directors (including two Independent Directors) viz. Mr. S. C. L. Das, Mr. Jaideep Gupta, Dr. B Venkataraman and Mr. Satnam Arora. Mr. S. C. L. Das is the Chairman of the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee met twice during the year. The dates on which the meetings were held are as follows:-

10<sup>th</sup> December, 2014 and 20<sup>th</sup> March, 2015.

- Name of the Non-Executive Director heading the Committee:** Mr. S. C. L. Das
- Name and Designation of the Compliance Officer:** Mr. Ajay Kumar Singhal – Vice President cum Company Secretary
- Number of Shareholders Complaints:** The Company has received one hundred ninety four complaints

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

- Numbers not resolved to the satisfaction of shareholders:** All the complaints have been resolved to the satisfaction of the complainants during the year.
- Number of pending complaints as on 31<sup>st</sup> March, 2015:** None

## 6. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2013-14	FICCI K. K. Birla Auditorium 1, Tansen Marg New Delhi – 110 001	30 <sup>th</sup> September, 2014	10.30 a.m.
2012-13	FICCI Golden Jubilee Auditorium Federation House Tansen Marg New Delhi – 110 001	26 <sup>th</sup> September, 2013	10.30 a.m.
2011-12	FICCI Golden Jubilee Auditorium Federation House Tansen Marg New Delhi – 110 001	14 <sup>th</sup> September, 2012	10.15 a.m.

### Special Resolutions passed in the previous 3 AGMs:-

- Special Resolution was passed at AGM on 30<sup>th</sup> September, 2014, for altering the Articles of Association of Association of the Company to increase the maximum number of Directors on the Board of the Company to eighteen.
- Special Resolution was passed at AGM on 30<sup>th</sup> September, 2014, for revision in the borrowing limits of the Company up to a sum of Rs. 225 crores.
- Special Resolution was passed at AGM on 30<sup>th</sup> September, 2014, for approval of the shareholders

for mortgaging the assets of the Company in favour of financial institutions, banks and other lenders for securing loans up to a sum of Rs. 225 crores.

- 4) Special Resolution was passed at AGM on 30<sup>th</sup> September, 2014, for approval of the shareholders for payment of remuneration to the Non-Executive Directors including Independent Directors of the Company.
- 5) Special Resolution was passed at AGM on 30<sup>th</sup> September, 2014, for post facto approval of the shareholders for entering into contract for availing Biomedical Engineering Services from M/s. Faber Sindoori Management Services Private Limited.
- 6) Special Resolution was passed at AGMs on 26<sup>th</sup> September, 2013 and 14<sup>th</sup> September, 2012, under the erstwhile provisions of the Companies Act, 1956, for the appointment of Auditors, as more than 25% of the share capital of the Company is held by the Govt. of NCT of Delhi.
- 7) Special Resolution was passed at AGM on 26<sup>th</sup> September, 2013, for post approval of the shareholders for entering into contract for appointing M/s Apollo Telehealth Services Private Limited as a Health Care Facilitator of the Company.
- 8) Special Resolution was passed at AGM on 26<sup>th</sup> September, 2013, for post approval of the shareholders for entering into contract for availing Housekeeping services from M/s Faber Sindoori Management Services Private Limited.
- 9) Special Resolution was passed at AGM on 14<sup>th</sup> 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.

Special resolution passed last year through postal ballot: No Resolution was required to be put through postal ballot last year.

Special resolution proposed to be conducted through postal ballot: No Special Resolution is proposed to be conducted through postal ballot.

## 7. DISCLOSURES

### **i. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the company at large**

During the year ended 31<sup>st</sup> March, 2015, the Company had not entered into any material transaction with any of its related parties.

None of the transactions with any of related parties were in conflict with the interests of the Company. Attention of the members is drawn to the disclosure of transactions with related parties set out in Note No. 25G of Financial Statements, forming part of the Annual Report.

The Company's related party transactions are with the enterprises over which Directors are able to exercise significant influence.

All related party transactions are entered on arms-length basis and have prior approval of the Audit Committee.

### **ii. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years**

During the last three years, neither there was any incidence of non-compliance by the Company nor any penalty, stricture has been imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets.

### **iii. Whistle Blower Policy**

The Company requires that all director and employees are adhered to high ethical standards in business conduct and comply with laws and regulations, company's code of conduct and ethics policies and practices and procedures. Ethical behavior in the areas of business conduct is of utmost priority to the Company.

The Company is committed to developing a culture to provide adequate safeguards against victimization of employees and directors. The Company has established a vigil mechanism namely 'Whistle Blower Policy' for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The purpose of the Whistle Blower Policy of the Company is to provide adequate safeguards against victimization of directors and employees who avail of the vigil mechanism provision and to provide direct access to the chairperson of the Audit Committee.

During the year ended 31<sup>st</sup> March, 2015, no personnel has been denied access to the Chairman of the Audit Committee of the Company.

### **iv. Compliance with mandatory requirements of Clause 49 of the Listing Agreement**

The Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement with the Stock Exchanges except that at least half of the total directors must be independent directors. The Company is in search of suitable candidate for appointment as Independent Director.

## 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](http://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.

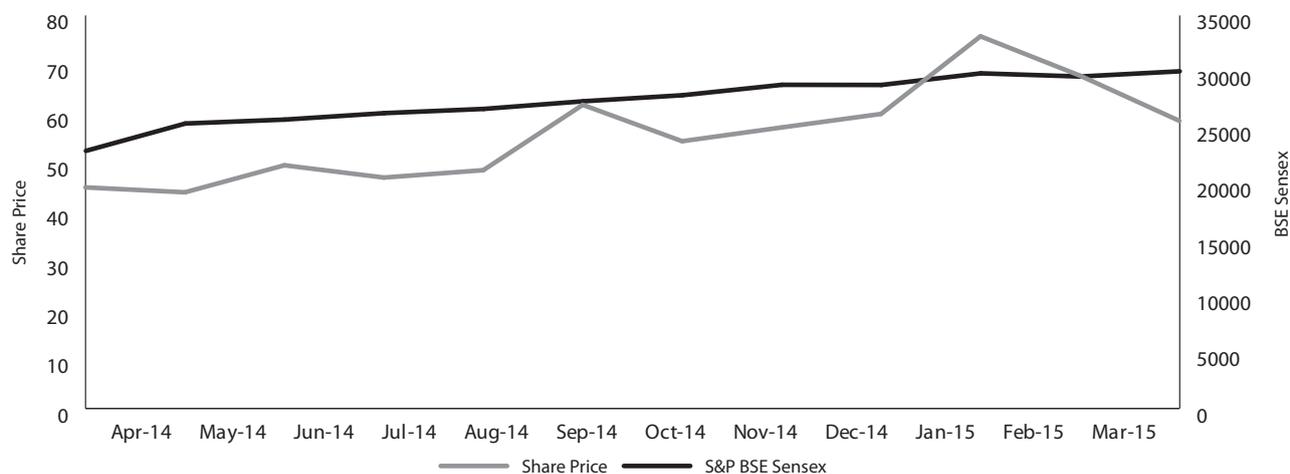
## 9. GENERAL SHAREHOLDER INFORMATION

- i. Annual General Meeting: Tuesday, 29<sup>th</sup> September, 2015, at 10.30 a.m. at FICCI K. K. Birla Auditorium, 1, Tansen Marg, New Delhi - 110 001.

- ii. Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March
- iii. Date of Book Closure: From Saturday, 19<sup>th</sup> September, 2015 to Tuesday, 29<sup>th</sup> September, 2015 (both days inclusive) for payment of dividend for the year 2014-15.
- iv. Dividend Payment Date: On or after 3<sup>rd</sup> October, 2015.
- v. Listing on Stock Exchanges: BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).
- Annual Listing Fee for the year 2015-16 has been paid by the Company to BSE & NSE.
- vi. Stock Code: BSE - 532150, NSE - INDRAMEDCO, Demat ISIN - INE681B01017
- vii. Market Price Data: Monthly High & Low during each month of the financial year 2014-15 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, 2014	44.70	37.50	2976893	45.00	37.55	1169890
May, 2014	43.75	36.65	2028541	44.00	36.80	677207
June, 2014	49.40	40.00	3805435	49.50	40.05	1042800
July, 2014	47.20	42.25	1332663	47.00	42.00	383948
Aug., 2014	48.45	42.00	2311735	48.50	41.80	579253
Sep., 2014	61.80	43.65	8774164	61.80	44.80	2806012
Oct., 2014	54.35	48.55	966124	54.40	47.15	346472
Nov., 2014	57.00	48.30	2693666	57.20	48.50	877187
Dec., 2014	60.00	49.85	4154573	59.95	49.80	1462995
Jan., 2015	75.75	56.85	17842908	75.75	57.25	6484938
Feb., 2015	67.85	57.80	2554239	67.75	58.85	1151033
March, 2015	64.00	51.00	1485993	64.00	51.25	563359

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



- ix. **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 Centre 2<sup>nd</sup> floor  
Naraina Industrial Area Phase I  
Near PVR, Naraina , New Delhi – 110 028
- x. **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.

xi. **Distribution of shareholding as on March 31, 2015:**

Shares holding of nominal value of		Shareholders		Share Amount	
Rs.	Rs.	Number	% to total	Rs.	% to total
Upto	- 2,500	27650	70.279	21230450	2.316
2,501	- 5,000	5658	14.381	24146210	2.634
5,001	- 10,000	2983	7.582	26332530	2.872
10,001	- 20,000	1291	3.281	20613010	2.249
20,001	- 30,000	449	1.141	11810620	1.288
30,001	- 40,000	287	0.729	10471190	1.142
40,001	- 50,000	263	0.668	12639290	1.379
50,001	- 1,00,000	374	0.951	28642440	3.124
1,00,001	& above	388	0.986	760844260	82.995
<b>Total</b>		<b>39343</b>	<b>100.000</b>	<b>916730000</b>	<b>100.000</b>

**Shareholding Category as on 31<sup>st</sup> March, 2015**

Category	No. of Shares held	% to total
Indian Promoters	45276700	49.389
Foreign Promoters	1475000	1.609
Mutual Funds & UTI	962585	1.050
Financial Institutions / Banks	499990	0.545
Foreign Institutional Investors	1318916	1.439
Bodies Corporate	14362587	15.667
NRI's/OCB's	2670437	2.913
Indian public	25106785	27.388
<b>Grand Total</b>	<b>91673000</b>	<b>100.000</b>

**Shares held by Non-Executive Directors**

The number of shares held by Non-Executive Directors as on 31<sup>st</sup> March, 2015, is as under:-

Name of the Non-Executive Director	Number of shares held
Dr. Prathap C Reddy	237187
Dr. B Venkataraman	15800
Ms. Suneeta Reddy	138293
Ms. Shobana Kamineni	116918
Prof. Ranjit Roy Chaudhury	1000
Ms. Vineeta Rai	1

xii. **Dematerialisation of shares:** About 70% of the Company's paid-up equity share capital has been dematerialised up to 31<sup>st</sup> March, 2015.

The details of demat of shares as on 31<sup>st</sup> March, 2015, are as under:-

	No. of Shareholders	No. of Shares	% of capital
NSDL	17504	57901114	63.16
CDSL	7348	5805489	6.34

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.

xiii. **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.

xiv. **Hospitals Location:**

Indraprastha Apollo Hospitals,  
Sarita Vihar, Delhi-Mathura Road,  
New Delhi – 110 076

&

Apollo Hospitals,  
E-2, Sector-26,  
Noida – 201 301

xv. **Address for Correspondence:**

M/s. Indraprastha Medical Corporation Limited  
Sarita Vihar, Delhi-Mathura Road  
New Delhi – 110 076

E-mail Address for Investors:-  
imclshares@apollohospitals.com  
Phone: 011-29872126

**NON-MANDATORY REQUIREMENTS**

**1. The Board**

No office for the Chairman is maintained at the Company's expense. There was no reimbursement of expenses to the Chairman.

**2. Shareholders Rights**

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.

**3. Audit qualifications**

There are no audit qualifications in the Auditors report.

**4. Separate posts of Chairman and CEO**

The Company has separate Chairman and Managing Director.

**5. Reporting of Internal Auditors**

The Report of the Internal Auditors has been placed before the Audit Committee on quarterly basis.

**For and on behalf of the Board**

**Dr. Prathap C Reddy**  
(DIN: 00003654)  
Vice Chairman

**Jaideep Gupta**  
(DIN: 02647974)

Managing Director

**Place: New Delhi**  
**Date : 7<sup>th</sup> August, 2015**

## CERTIFICATE

To,

**The Members of Indraprastha Medical Corporation Ltd.**

We have examined the compliance of conditions of corporate governance by M/s Indraprastha Medical Corporation Ltd. (the company), for the year ended on 31.03.2015, 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, subject to the following:

1. The composition of the Board of the Company with respect to Independent Directors is not in compliance with clause 49 (II A) of the Listing Agreement with the stock exchanges.

We certify that the company has complied with the conditions of Corporate Governance as stipulated in the abovementioned 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  
Dated: 10<sup>th</sup> August, 2015

**Abhinav Khosla**  
Partner  
Membership No.: 87010

## DECLARATION UNDER CLAUSE 49 II (E) 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 31<sup>st</sup> March, 2015.

**Name** : Jaideep Gupta  
**Designation** : Managing Director  
**Date** : 29<sup>th</sup> July, 2015

---

# INDEPENDENT AUDITOR'S 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 ("the Company"), which comprise the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 judgment, 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 of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness on the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the 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, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and 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 and returns;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the Directors and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a Director in terms of under sub-section (2) of Section 164 of the Companies Act, 2013.
3. As required by Rule 11 of the Companies (Audit and Auditors) Rules, 2014 issued by the Central Government of India in terms of clause (j) of sub-section (3) of section 143 of the Act, we report that:
- (a) The company has disclosed the impact, if any, of pending litigations on its financial position in its financial statements.
- (b) As informed to us the Company has not entered into any long term contracts including derivative contracts and thereby there is no requirement for any provision to be made for material foreseeable losses under any law or accounting standards in this regard.
- (c) In our opinion, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

**Place: New Delhi**  
**Dated: 26<sup>th</sup> May, 2015**

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (1) under 'Report on Other Legal and Regulatory Requirements' section of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) According to the information and explanations given to us, the fixed assets of the Company have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification as compared to the book records.
2. (a) Physical verification has been carried out by the Management in respect of inventory at reasonable intervals including as on March 31, 2015. In our opinion the frequency of verification is reasonable.
- (b) Based on information and explanations given to us and the records produced to us, in our view, the procedures of physical verification of inventory followed by the Management during the year are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. As per the information furnished by the Management, no material discrepancy was observed on such verification, and the same has been properly dealt with in the books of account.
3. According to the information and explanations given to us and based on such tests which we considered necessary, we report that the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act. Therefore the provisions of paragraph (iii) (a) and (b) of the above order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us during the course of audit, and based on such tests which we considered necessary, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and with regard to 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 systems.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year under audit. Therefore, directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company.

6. We have broadly reviewed the cost records maintained by the Company pursuant to the sub-section (1) of section 148 of the Companies Act, specified by the Central Government and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the information and explanations given to us and records of the Company examined by us, in our opinion, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth tax, Service tax, Custom Duty, Value Added Tax, cess and any other statutory dues with the appropriate authorities. We are informed that the provisions of Excise Duty are not applicable to the company. According to the information and explanations given to us, no undisputed amounts payable were outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, custom duty, value added tax or cess, which have not been deposited on account of any dispute except as given under:

Name of the Statute	Nature of Dues	Disputed Amount (Rs. in lacs)	Period to which it relates	Forum where Dispute is pending
Service Tax under Finance Act, 1994	Service Tax.	276.14	Financial years 2006-07 to 2010-11	Customs, Excise & Service Tax Appellate Tribunal, New Delhi

- (c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rules made there under has been transferred to such fund within time.
8. 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.
9. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank. The Company does not have any debenture holders.
10. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
11. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they were obtained.
12. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

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

**Place: New Delhi**  
**Dated: 26<sup>th</sup> May, 2015**

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2015

Particulars	Note No.	As at 31 <sup>st</sup> March, 2015 Rs.	As at 31 <sup>st</sup> March, 2014 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	91,67,30,000	91,67,30,000
(b) Reserves and Surplus	2	1,03,08,95,397	95,44,53,949
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	3	10,83,33,326	25,83,33,329
(b) Deferred Tax Liabilities (Net)	4	32,60,36,495	35,50,14,116
(c) Other Long term liabilities	5	2,45,99,758	2,17,72,540
(d) Long-term provisions	6	6,91,00,222	6,18,73,525
<b>3. Current liabilities</b>			
(a) Short-term borrowings	7	24,57,57,359	14,97,21,107
(b) Trade payables	8	86,47,93,890	64,34,44,850
(c) Other current liabilities	9	62,36,60,074	76,12,18,082
(d) Short-term provisions	10	37,93,61,437	36,54,33,959
<b>Total</b>		<b>4,58,92,67,958</b>	<b>4,48,79,95,457</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		2,84,22,36,450	2,90,76,02,456
(ii) Intangible Assets		1,97,47,271	2,28,06,538
(iii) Capital Work in Progress		2,54,10,528	1,65,45,217
(b) Long-term loans and advances	12	3,76,84,633	6,69,67,627
(c) Other non current assets	13	17,27,550	14,57,500
<b>2. Current Assets</b>			
(a) Inventories	14	12,47,30,364	12,37,29,408
(b) Trade receivables	15	77,74,89,648	64,36,21,339
(c) Cash and Cash equivalents	16	5,98,79,518	5,49,43,590
(d) Short-term loans and advances	17	32,34,24,377	30,06,63,942
(e) Other Current Assets	18	37,69,37,619	34,96,57,840
<b>Total</b>		<b>4,58,92,67,958</b>	<b>4,48,79,95,457</b>
<b>III. Summary of significant accounting policies</b>	24		
<b>The accompanying notes are integral part of the financial statements</b>			

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

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

**Dr. Prathap C. Reddy**

**Jaideep Gupta**

**P. Shivakumar**

**Ajay Kumar Singhal**

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

*Vice Chairman*

*Managing Director*

*Chief Financial and Operating Officer*

*Vice President Cum Company Secretary*

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2015 Rs.	For the Year ended 31 <sup>st</sup> March, 2014 Rs.
<b>I. REVENUE</b>			
(a) Revenue from Operations	19	7,13,39,10,416	6,77,57,94,295
(b) Other Income	20	97,40,029	1,01,03,226
<b>Total Revenue</b>		<b>7,14,36,50,445</b>	<b>6,78,58,97,521</b>
<b>II. EXPENSES</b>			
(a) Stores and Spares consumed		1,45,02,14,533	1,50,83,67,371
(b) Employee benefits expense	21	1,54,73,10,090	1,39,81,29,432
(c) Finance costs	22	8,10,70,938	9,55,08,877
(d) Depreciation and amortization expense		28,17,58,663	28,14,34,194
(e) Other expenses	23	3,28,78,23,531	2,96,09,17,948
<b>Total Expenses</b>		<b>6,64,81,77,755</b>	<b>6,24,43,57,822</b>
<b>III. Profit before exceptional and extraordinary items and tax</b>		49,54,72,690	54,15,39,699
<b>IV. Extraordinary items / Exceptional items</b>		-	-
<b>V. Profit before tax</b>		49,54,72,690	54,15,39,699
<b>VI. Tax Expense</b>			
(a) Current Tax		17,37,11,864	16,73,54,600
(b) Deferred Tax		(29,91,476)	1,75,25,153
(c) Tax paid/excess provision for tax written back in respect of earlier years		(1,59,303)	23,01,580
<b>VII. Profit for the year from continuing operations</b>		32,49,11,605	35,43,58,366
<b>VIII. Profit / (Loss) from discontinuing operations</b>		-	-
<b>IX. Tax expense of discontinuing operations</b>		-	-
<b>X. Profit / (Loss) from discontinuing operations (after tax)</b>		-	-
<b>XI. Profit / (Loss) for year</b>		32,49,11,605	35,43,58,366
<b>XII. Earnings per equity share</b>			
(Nominal value of equity share Rs. 10/-)			
Basic & Diluted		3.54	3.87
<b>XIII. Summary of significant accounting policies</b>	24		
<b>The accompanying notes are integral part of the financial statements</b>			

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

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

**Dr. Prathap C. Reddy**

**Jaideep Gupta**

**P. Shivakumar**

**Ajay Kumar Singhal**

*Vice Chairman*

*Managing Director*

*Chief Financial and Operating Officer*

*Vice President Cum Company Secretary*

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2015

Particulars	Year ended 31 <sup>st</sup> March, 2015 Rs.	Year ended 31 <sup>st</sup> March, 2014 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & Extraordinary items	49,54,72,690	54,15,39,699
<b>Add:</b>		
Depreciation and amortization expense	28,17,58,663	28,14,34,194
Interest expense	5,30,09,074	7,36,42,983
Wealth Tax	1,52,675	94,870
Loss on discarded assets	2,81,579	18,13,121
<b>Deduct:</b>		
Interest received	25,59,195	34,20,608
Profit on Sale of Assets	-	99,596
Operating Profit before Working Capital changes	82,81,15,486	89,50,04,663
<b>Adjustments for</b>		
Trade & Other Receivables	(17,34,06,415)	(12,31,73,843)
Trade payables	19,05,97,220	15,80,111
Inventories	(10,00,956)	(69,13,466)
Cash Generated from Operations	84,43,05,335	76,64,97,465
<b>Deduct:</b>		
Interest paid	(1,36,51,932)	(1,77,06,163)
Income tax paid	(18,76,43,765)	(16,77,46,457)
Net Cash from Operating Activities	64,30,09,638	58,10,44,845
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Assets (Net of sale)	(29,53,25,103)	(22,00,66,640)
Interest received	38,97,913	18,45,844
Net Cash from Investing Activities	(29,14,27,190)	(21,82,20,796)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from - long term loans	-	35,00,00,000
Proceeds from - short term loans	30,00,00,000	20,00,00,000
Repayment of - long term loans	(22,00,00,008)	(38,37,50,000)
Repayment of - short term loans	(20,00,00,000)	(30,00,00,000)
Interest paid	(3,94,91,179)	(5,61,53,009)
Dividend paid (including Corporate Dividend Tax)	(19,27,05,782)	(17,07,73,902)
Net Cash from Financing Activities	(35,21,96,969)	(36,06,76,911)
<b>Net increase in cash and Cash equivalents</b>	(6,14,521)	21,47,138
<b>Opening Cash and cash equivalents</b>	1,99,38,877	1,77,91,739
<b>Closing Cash and cash equivalents</b>	1,93,24,356	1,99,38,877
<b>Components Cash and cash equivalents</b>		
<b>Cash balance on hand</b>	95,48,078	1,68,53,375
<b>Balance with Banks</b>	97,76,278	30,85,502

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

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

**Dr. Prathap C. Reddy**

**Jaideep Gupta**

**P. Shivakumar**

**Ajay Kumar Singhal**

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

*Vice Chairman*

*Managing Director*

*Chief Financial and Operating Officer*

*Vice President Cum Company Secretary*

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2015 Rs.	As at 31 <sup>st</sup> March, 2014 Rs.
--	--	--

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

### 1. SHARE CAPITAL

<b>Authorised</b>		
100,000,000 Equity Shares of Rs.10/- each	1,00,00,00,000	1,00,00,00,000
	1,00,00,00,000	1,00,00,00,000
<b>Issued, Subscribed and Paid up</b>	91,67,30,000	91,67,30,000
(91,673,000 equity shares of Rs. 10/- each fully paid up)	91,67,30,000	91,67,30,000

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

Equity Shares	As at 31 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	9,16,73,000	91,67,30,000	9,16,73,000	91,67,30,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	9,16,73,000	91,67,30,000	9,16,73,000	91,67,30,000

#### 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 31<sup>st</sup> March , 2015 the amount of per share dividend recognised as distribution to equity shareholders was Rs. 1.80 (Previous year Rs. 1.80).

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 <sup>st</sup> March, 2015		As at 31 <sup>st</sup> March, 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Government of National Capital Territory of Delhi (Including nominees)	2,38,34,200	26.00%	2,38,34,200	26.00%
Apollo Hospitals Enterprise Limited	2,01,90,740	22.02%	2,01,90,740	22.02%
Housing Development Finance Corporation Limited	90,00,000	9.82%	90,00,000	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.

f. There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestment.

### 2. RESERVES AND SURPLUS

<b>a. General Reserve</b>		
Opening balance	38,75,00,000	35,75,00,000
Add : Transferred from surplus in Statement of Profit and Loss	3,00,00,000	3,00,00,000
	<b>41,75,00,000</b>	<b>38,75,00,000</b>

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2015 Rs.	As at 31 <sup>st</sup> March, 2014 Rs.
--	--	--

### 2. RESERVES AND SURPLUS (continued)

<b>b. Surplus in Statement of Profit and Loss</b>		
Opening balance	56,69,53,949	43,56,50,670
Add : Surplus for the year	32,49,11,605	35,43,58,366
Less: Depreciation charge	7,64,52,325	-
Add : Net Deferred tax liability reversed on Depreciation charge	2,59,86,145	-
Less: Transferred to General Reserve	3,00,00,000	3,00,00,000
Less: Proposed Dividend	16,50,11,400	16,50,11,400
Less: Tax on Proposed Dividend	3,29,92,577	2,80,43,687
	<b>61,33,95,397</b>	<b>56,69,53,949</b>
<b>Total</b>	<b>1,03,08,95,397</b>	<b>95,44,53,949</b>

### 3. LONG-TERM BORROWINGS

<b>a. Term Loans</b>		
Secured Loans		
Loans from Banks	7,49,99,997	15,83,33,332
Loan from others	3,33,33,329	9,99,99,997
<b>Total</b>	<b>10,83,33,326</b>	<b>25,83,33,329</b>

b. Term loans of Rs. 15 Crore and 20 Crore from Hongkong and Shanghai Banking Corporation Limited were taken during the financial year 2013-14 and carry interest @ 9.75% p.a and 10.25% p.a respectively. Loan of Rs. 15 Crore is repayable in 9 quarterly instalments of Rs. 16,666,667/- each and loan of Rs 20 Crore is repayable in 16 quarterly instalments of Rs. 12,500,000/-, starting from the end of three months from the date of first disbursement. These loans are secured by way of exclusive charge on the plant and machinery and other moveable assets except those financed by other lenders.

c. Term loan from GE Capital Services India was taken during the financial year 2010-11 and carried interest @ 9.40% p.a. The loan was repayable in 15 quarterly instalments of Rs. 18,333,333/- each from the date of the loan. The loan was 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. The last instalment of this loan has been paid in the month of September 2014.

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 instalments 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 <sup>st</sup> march, 2015 is as follows:		
Timing difference on account of depreciation	35,27,55,081	37,24,89,312
Less: Deferred tax assets arising on account of		
Provision for doubtful debts	60,14,472	55,18,240
Provision for Employee benefits and others	2,07,04,114	1,19,56,956
Net deferred tax liability	32,60,36,495	35,50,14,116

### 5. OTHER-LONG TERM LIABILITIES

Security Deposits	2,03,58,903	1,92,03,383
Others	42,40,855	25,69,157
<b>Total</b>	<b>2,45,99,758</b>	<b>2,17,72,540</b>

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2015 Rs.	As at 31 <sup>st</sup> March, 2014 Rs.
--	--	--

### 6. LONG-TERM PROVISIONS

Provision for employee benefits		
Provision for Leave Benefits	6,91,00,222	6,18,73,525
<b>Total</b>	<b>6,91,00,222</b>	<b>6,18,73,525</b>

### 7. SHORT-TERM BORROWINGS

<b>Loans repayable on demand</b>		
Secured Loans		
From banks:	14,57,57,359	14,97,21,107
Commercial paper (Unsecured)	10,00,00,000	-
<b>Total</b>	<b>24,57,57,359</b>	<b>14,97,21,107</b>

- 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 had issued commercial paper during the financial year 2014-15, which was subscribed by Religare Invesco Trustee Company (P) Ltd. at interest rate of 9.50% p.a. The commercial paper was for 90 days with maturity date of 11<sup>th</sup> June, 2015.

### 8. TRADE PAYABLES

Due to Micro and Small Enterprises	-	-
Due to Others		
– for Expenses	70,86,26,057	52,51,95,830
– for others	15,61,67,833	11,82,49,020
<b>Total</b>	<b>86,47,93,890</b>	<b>64,34,44,850</b>

### 9. OTHER CURRENT LIABILITIES

Current maturities of long-term debt	15,00,00,002	22,00,00,007
Interest Accrued but not due	-	1,34,037
Advance from patients	21,35,22,327	27,88,47,250
Unclaimed Dividend	1,38,90,027	1,35,40,722
Sundry creditors for capital items	8,70,44,791	11,53,54,751
Sundry creditors for expenses	3,42,74,630	2,18,69,706
TDS and other statutory liabilities	4,08,78,579	5,78,54,199
Other payables		
Provision for Gratuity	1,82,68,671	-
Staff benefits payable	42,07,901	32,98,521
Others	6,15,73,146	5,03,18,889
<b>Total</b>	<b>62,36,60,074</b>	<b>76,12,18,082</b>

### 10. SHORT-TERM PROVISIONS

Provision for Income tax	17,37,11,864	16,73,54,600
Proposed Dividend	16,50,11,400	16,50,11,400
Tax on Proposed Dividend	3,29,92,577	2,80,43,687
Provision for Employee Benefits		
Provision for Leave Benefits	76,45,596	50,24,272
<b>Total</b>	<b>37,93,61,437</b>	<b>36,54,33,959</b>

## NOTES TO FINANCIAL STATEMENTS

### II. FIXED ASSETS

PARTICULARS	GROSS BLOCK		DEPRECIATION/AMORTISATION				IMPAIRMENT		NET BLOCK			
	Cost As at 01.04.2014 (Rs.)	Additions (Rs.)	Deletions/ Adjusted (Rs.)	Cost As at 31.03.2015 (Rs.)	Up to 31.03.2014 (Rs.)	Depreciation upto 01/04/2014 as per Schedule II	For the Year (Rs.)	Written Back/ Adjusted (Rs.)	Up to 31.03.2015 (Rs.)	Up to 31.03.2015 (Rs.)	As At 31.03.2015 (Rs.)	As At 31.03.2014 (Rs.)
<b>A. TANGIBLE ASSETS</b>												
LEASEHOLD LAND (LEASED FROM DELHI ADMINISTRATION)	NIL			NIL							NIL	NIL
BUILDINGS	1,72,62,44,313	2,94,92,137	-	1,75,57,36,450	28,57,39,197	87,76,914	3,52,37,873	-	32,97,53,984	-	1,42,59,82,466	1,44,05,05,116
FURNITURE & FITTINGS	22,97,17,206	1,86,66,120	-	24,83,83,326	10,78,24,129	19,27,389	2,49,57,151	-	13,47,08,669	-	11,36,74,657	12,18,93,077
PLANT & MACHINERY	48,96,60,147	2,77,88,311	-	51,74,48,458	23,87,04,236	2,42,86,390	2,68,17,588	-	28,98,08,214	-	22,76,40,244	25,09,55,911
OFFICE EQUIPMENT	43,58,74,009	3,87,80,955	-	47,46,54,964	23,68,75,698	3,31,89,384	7,60,62,924	-	34,61,28,006	-	12,85,26,958	19,89,98,311
MEDICAL EQUIPMENT	2,29,12,30,193	16,01,01,339	76,65,607	2,44,36,65,925	1,35,65,83,316	81,82,896	10,59,64,627	71,08,243	1,46,36,22,596	5,19,41,469	92,81,01,860	88,27,05,408
VEHICLES	2,21,35,166	1,00,83,218	41,07,506	2,81,10,878	95,90,533	89,352	29,76,763	28,56,035	98,00,613	-	1,83,10,265	1,25,44,633
<b>TOTAL - A</b>	<b>5,19,48,61,034</b>	<b>28,49,12,080</b>	<b>1,17,73,113</b>	<b>5,46,80,00,001</b>	<b>2,23,53,17,109</b>	<b>7,64,52,325</b>	<b>27,20,16,926</b>	<b>99,64,278</b>	<b>2,57,38,22,082</b>	<b>5,19,41,469</b>	<b>2,84,22,36,450</b>	<b>2,90,76,02,456</b>
<b>B. INTANGIBLE ASSETS</b>												
SOFTWARE	5,73,62,848	66,82,470	-	6,40,45,318	3,45,56,310	-	* 97,41,737	-	4,42,98,047	-	1,97,47,271	2,28,06,538
<b>TOTAL - B</b>	<b>5,73,62,848</b>	<b>66,82,470</b>	<b>-</b>	<b>6,40,45,318</b>	<b>3,45,56,310</b>	<b>-</b>	<b>97,41,737</b>	<b>-</b>	<b>4,42,98,047</b>	<b>-</b>	<b>1,97,47,271</b>	<b>2,28,06,538</b>
<b>GRAND TOTAL (A+B)</b>	<b>5,25,22,23,882</b>	<b>29,15,94,550</b>	<b>1,17,73,113</b>	<b>5,53,20,45,319</b>	<b>2,26,98,73,419</b>	<b>7,64,52,325</b>	<b>28,17,58,663</b>	<b>99,64,278</b>	<b>2,61,81,20,129</b>	<b>5,19,41,469</b>	<b>2,86,19,83,721</b>	<b>2,93,04,08,994</b>
Previous Year	5,06,77,03,570	21,71,90,433	3,26,70,121	** 5,25,22,23,882	1,85,17,27,816	-	28,14,34,194	2,88,70,438	2,26,98,73,419	5,19,41,469	2,93,04,08,994	2,99,84,52,438
Capital Work In Progress											2,54,10,527	1,65,45,217

\* Includes Rs.9,741,737/- (Previous year Rs.4,159,321/-) on account of amortisation of intangible assets.

\*\* 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.

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2015 Rs.	As at 31 <sup>st</sup> March, 2014 Rs.
--	--	--

### 12. LONG-TERM LOANS AND ADVANCES

<b>(Unsecured, considered good)</b>		
Capital Advances	36,92,179	3,56,09,641
Security Deposits	3,00,59,043	2,74,24,572
Others	39,33,411	39,33,414
<b>Total</b>	<b>3,76,84,633</b>	<b>6,69,67,627</b>

### 13. OTHER NON CURRENT ASSETS

Others		
Margin money with banks	17,27,550	14,57,500
	<b>17,27,550</b>	<b>14,57,500</b>

### 14. INVENTORIES

Stores & Spares	7,14,62,497	6,73,58,188
Crockery & Utensils	10,26,219	5,39,835
Linen	1,81,59,395	1,80,08,956
Medical & Surgical Instruments	3,40,82,253	3,78,22,429
<b>Total</b>	<b>12,47,30,364</b>	<b>12,37,29,408</b>

### 15. TRADE RECEIVABLES

<b>Unsecured</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
– Considered Good	22,22,23,277	21,33,63,172
– Considered Doubtful	1,76,94,829	1,62,34,894
Less : Allowance for doubtful receivables	1,76,94,829	1,62,34,894
	<b>22,22,23,277</b>	<b>21,33,63,172</b>
Other trade receivables		
– Considered Good	55,52,66,371	43,02,58,167
<b>Total</b>	<b>77,74,89,648</b>	<b>64,36,21,339</b>

### 16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents		
Cash balance on hand	95,48,078	1,68,53,375
Balances with banks	97,76,278	30,85,502
Other Bank balances		
Margin money with banks	2,23,59,223	1,71,59,711
Fixed deposits	43,05,912	43,04,280
Earmarked Balances - unpaid dividend accounts	1,38,90,027	1,35,40,722
<b>Total</b>	<b>5,98,79,518</b>	<b>5,49,43,590</b>

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2015 Rs.	As at 31 <sup>st</sup> March, 2014 Rs.
<b>17. SHORT-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
Advances recoverable in cash or in kind or for value to be received	3,35,71,237	3,40,77,513
Prepaid Taxes	20,65,02,810	18,62,07,017
Deposits	42,23,000	49,41,100
Prepaid Expenses	7,91,27,330	7,54,38,312
<b>Total</b>	<b>32,34,24,377</b>	<b>30,06,63,942</b>
<b>18. OTHER CURRENT ASSETS</b>		
<b>(Unsecured, considered good)</b>		
Patient treatment in progress	18,09,76,862	16,40,31,523
Interest accrued not due on fixed deposits	29,84,837	43,23,555
Custom duty credit recoverable	98,09,690	39,33,421
Other Receivables	16,87,13,828	15,87,77,409
Others		
Rent receivable	75,00,769	1,16,71,871
Other	69,51,633	69,20,061
<b>Total</b>	<b>37,69,37,619</b>	<b>34,96,57,840</b>
<b>19. REVENUE FROM OPERATIONS</b>		
	For the year ended 31 <sup>st</sup> March, 2015	For the year ended 31 <sup>st</sup> March, 2014
Sale of services	6,93,45,73,185	6,60,02,89,215
Other operating revenue		
License fee & commission from licensees	11,81,61,329	10,61,50,667
Service charges received from doctors	2,42,94,927	2,29,86,743
Miscellaneous income	5,68,80,975	4,63,67,670
<b>Total</b>	<b>7,13,39,10,416</b>	<b>6,77,57,94,295</b>
<b>20. OTHER INCOME</b>		
Interest Income	25,59,195	34,20,608
Other non operating income	71,80,834	66,82,618
<b>Total</b>	<b>97,40,029</b>	<b>1,01,03,226</b>
<b>21. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	1,39,31,77,327	1,29,26,60,681
Contribution to Provident & Other Funds	9,12,59,727	5,22,80,880
Staff welfare	6,28,73,036	5,31,87,871
<b>Total</b>	<b>1,54,73,10,090</b>	<b>1,39,81,29,432</b>
<b>22. FINANCE COSTS</b>		
Interest expense	5,30,09,074	7,36,42,983
Other borrowing cost	2,80,61,864	2,18,65,894
<b>Total</b>	<b>8,10,70,938</b>	<b>9,55,08,877</b>

## NOTES TO FINANCIAL STATEMENTS

	For the year ended 31 <sup>st</sup> March, 2015	For the year ended 31 <sup>st</sup> March, 2014
<b>23. OTHER EXPENSES</b>		
Consultation fees paid to doctors	1,89,19,91,966	1,74,03,57,479
Outside lab investigations	1,02,45,103	84,59,216
Leasehold ground rent	12	12
Power & Fuel	25,09,26,514	23,74,56,602
Rent	4,16,70,177	4,20,80,358
Travelling and Conveyance	11,90,59,740	11,91,73,668
Insurance	51,84,166	95,14,775
Directors' sitting fees	19,55,064	12,80,904
Communication	1,79,52,143	1,55,51,453
Printing and stationery	5,01,53,980	3,98,99,347
Advertisement	36,31,96,061	31,06,11,665
Legal and professional charges	4,90,66,173	5,32,71,095
Security charges	2,86,86,507	2,54,45,220
Payment to auditors	17,25,000	16,30,618
Auditors out of pocket expenses	1,38,208	1,44,672
Rates, taxes and licenses	3,32,31,897	2,83,02,528
Loss on Discarded Assets	2,81,579	18,13,121
Service Charges	23,25,79,144	16,45,98,989
Repairs and maintenance		
– Building	4,34,24,529	2,50,23,945
– Plant & Machinery	11,00,20,325	10,93,78,489
– Others	1,30,91,720	61,37,657
Miscellaneous expenses	74,21,920	70,22,279
Bad debts written off	71,80,834	65,83,022
Provision for doubtful debts	86,40,769	71,80,834
<b>Total</b>	<b>3,28,78,23,531</b>	<b>2,96,09,17,948</b>

## 24. SIGNIFICANT ACCOUNTING POLICIES

### A. Accounting Convention

The accounts are prepared on accrual basis under the historical cost convention and in accordance with the accounting principles generally accepted in India including the accounting standards referred to in Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the said Act.

### B. Use of Estimates

The preparation of financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results materialize.

### C. Revenue Recognition

- 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.
- 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.

## NOTES TO FINANCIAL STATEMENTS

### D. Fixed Assets

Fixed Assets are stated at historical cost less accumulated depreciation.

### E. Depreciation

- i) Depreciation is charged on straight line method based on the useful life prescribed under Schedule II to the Companies Act, 2013. Where the life of asset is different from the useful life specified in the schedule, the depreciation is charged as per useful life of the asset determined by the company.
- 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.

### F. Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation.

### G. 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.

### H. 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.

### I. Inventories

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

### J. 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.

### K. 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.

The Employer's contribution to Employees State Insurance is made on the basis of actual liability accrued and paid to authority

##### 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

## NOTES TO FINANCIAL STATEMENTS

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.

### L. 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.

### M. 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.

### N. 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.

### O. 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. 29,425,075 ( Previous Year Rs. 31,017,729/-).

### B. Contingent Liability

- i) Claims against the company not acknowledged as debt Rs. 375,460,000 (Previous Year Rs. 357,510,000/-) and interest thereon. This represents suits filed against the company and the consultant doctor. 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. 47,732,588/- (Previous Year Rs. 7,179,275/-).

iii)		31.03.2015	31.03.2014
	In respect of :		
	a) Service Tax	2,76,13,630	2,76,13,630
	b) Others	1,18,86,033	1,00,49,162

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

## NOTES TO FINANCIAL STATEMENTS

designated buildings while the balance amount of the cost of the building will be borne by the Company. As at 31<sup>st</sup> March, 2015, 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 22<sup>nd</sup> 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. As the matter is sub judice, the financial impact in the matter can be quantified only upon a decision by the Hon'ble Supreme Court of India.

### 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:

	2014-15		2013-14	
	Gratuity Funded	Leave Unfunded	Gratuity Funded	Leave Unfunded
<b>(a) Expense recognised in Statement of Profit and Loss</b>				
Current Service Cost	1,05,10,269	1,30,46,596	1,19,36,068	1,16,83,207
Interest Cost	84,38,756	56,86,313	73,43,826	49,11,541
Expected return on Plan Assets	(79,78,219)	-	(60,18,701)	-
Net Actuarial (Gain)/ Loss recognised in the year	83,59,687	38,09,052	(1,43,23,015)	(3,79,768)
Total expenses recognised in the Statement of Profit and Loss	1,93,30,493	2,25,41,961	(10,61,822)	1,62,14,980
<b>(b) Amount recognised in the Balance Sheet</b>				
Present value of obligation as at the end of the year	12,02,16,675	7,67,45,818	9,06,41,848	6,68,97,797
Fair value of plan assets as at the end of the year	10,19,48,004	-	9,17,03,670	-
Unfunded net liability recognised in the Balance Sheet	1,82,68,671	7,67,45,818	(10,61,822)	6,68,97,797
<b>(c) Change in the present value of obligations</b>				
Present value of obligations at beginning of the year	9,06,41,848	6,68,97,797	9,17,97,822	6,13,94,262
Interest cost	84,38,756	56,86,313	73,43,826	49,11,541
Current service cost	1,05,10,269	1,30,46,596	1,19,36,068	1,16,83,207
Benefits paid	(70,58,793)	(1,26,93,940)	(64,54,363)	(1,07,11,445)
Actuarial loss / (gain) on obligations	1,76,84,595	38,09,052	(1,39,81,505)	(3,79,768)
Present Value of obligations at year end	12,02,16,675	7,67,45,818	9,06,41,848	6,68,97,797
<b>(d) Changes in fair value of plan assets</b>				
Fair value of plan assets at the beginning of the year	9,17,03,670	-	6,91,80,477	-
Expected return on plan assets	79,78,219	-	60,18,701	-
Employer contribution	-	-	2,26,17,345	-
Benefits paid	(70,58,793)	-	(64,54,363)	-
Actuarial gain / (loss) on Plan Assets	93,24,908	-	3,41,510	-
Fair value of plan assets at the end of the year	10,19,48,004	-	9,17,03,670	-
<b>(e) Principal actuarial assumptions at the Balance Sheet Date (Expressed as weighted average)</b>				
Discount Rate	8.03%	8.00%	9.31%	8.50%
Expected rate of return on plan assets (In case of Gratuity Fund)	8.03%	-	8.70%	-
Expected rate of salary increase	5.00%	5.50%	5.00%	6.00%
Method used	Projected unit credit method		Projected unit credit method	

## NOTES TO FINANCIAL STATEMENTS

### (f) Defined benefit obligation (DBO), Plan Assets, Deficit / (Surplus), for previous years

Particulars	2012-2013		2011-2012		2010-2011	
	Gratuity Scheme	Leave Encashment	Gratuity Scheme	Leave Encashment	Gratuity Scheme	Leave Encashment
	Funded Plan	Unfunded	Funded Plan	Unfunded	Funded Plan	Unfunded
Present value of defined benefit obligation	9,17,97,822	6,13,94,262	6,89,15,438	5,35,99,872	6,13,67,377	5,14,82,661
Value of Plan Assets	6,91,80,477	-	5,90,56,915	-	5,47,41,653	-
Deficit / (Surplus)	2,26,17,345	6,13,94,262	98,58,523	5,35,99,872	66,25,724	5,14,82,661

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

	Amount (Rs.)	Amount (Rs.)
- Contribution to Provident fund	3,86,39,139	3,28,50,960
- Contribution to Pension fund	3,04,69,400	1,72,03,280
- Contribution to ESI	18,14,713	27,63,462

F. Travelling and conveyance expenses include Rs. 2,387,204/- (Previous year Rs. 1,235,167/-) on account of Directors' travelling.

### G. Related party disclosures

Name	Relationship	Nature of Transactions	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Apollo Hospitals Enterprise Limited	Enterprise in respect of which the company is an associate	Pharmacy Consumables	14,86,55,455	12,78,98,906
		License Fees	1,08,51,846	1,03,38,000
		Commission on Pharmacy Sales	6,17,04,656	5,57,72,272
		Reimbursement of Expenses	1,04,78,674	1,01,11,462
		Assignment of Lease Deed	-	-
		Expenditure on Software License	-	2,00,00,000
Apollo Gleneagles Hospital Limited	Enterprises over which Directors are able to exercise significant influence	Account Payable	67,31,847	63,66,774
		Purchase of services	-	-
Akshya Apollo Hospital Limited	Enterprises over which Directors are able to exercise significant influence	Account Receivable	9,47,152	9,47,152
Dishnet Wireless Limited		Purchase of services	7,43,360	6,74,160
Faber Sindoori Management Services (P) Limited	Enterprises over which Directors are able to exercise significant influence	Account Payable	-	-
		Purchase of services	5,42,28,927	2,91,97,486
Family Health Plan Limited	Enterprises over which Directors are able to exercise significant influence	Account Payable	42,37,264	9,96,618
		Sale of Services	6,47,15,326	7,45,42,530
Apollo Sugar Clinics Limited	Enterprises over which Directors are able to exercise significant influence	Account Receivable	1,39,50,717	1,69,53,646
		Purchase of services	9,21,240	-
Sapien Biosciences Private Limited	Enterprises over which Directors are able to exercise significant influence	Account Payable	59,834	-
		Purchase of services	1,18,500	-
Alliance Dental Care Limited	Enterprises over which Directors are able to exercise significant influence	Account Payable	-	-
		Share of revenue	1,00,61,043	96,00,000
Apollo Munich Health Insurance Company Limited	Enterprises over which Directors are able to exercise significant influence	Account Payable	61,135	26,56,576
		Medical Health Insurance premium	3,30,88,102	2,71,77,742
		Sale of Services	6,68,13,489	2,28,01,193
Managing Director	Key Management Personnel	Account Receivable	91,30,946	48,29,752
		Remuneration Paid	1,09,58,789	87,41,842
Chief Financial & Operating Officer	Key Management Personnel	Remuneration Paid	86,44,000	80,21,575
Vice President cum Company Secretary		Remuneration Paid	83,20,914	69,91,819
Non Executive Directors	Directors	Sitting fees	19,55,064	12,80,904
		Commission	45,32,880	40,01,747

## NOTES TO FINANCIAL STATEMENTS

- H.** 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 31<sup>st</sup> March, 2015 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. 324,911,605- (Previous Year Rs. 354,358,366/-) and the weighted average number of equity share is 91,673,000 (Previous Year 91,673,000) for this purpose.
- I.** 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 31<sup>st</sup> March, 2015 (Previous Year Rs. Nil).
- J.** Fixed Assets includes expenditure amounting to Rs. 67,587,227/- (Previous Year Rs. 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 by SABCO Medicare (P) Limited from Noida Authority. The rights of the lease deed has been acquired through an assignment deed in favour of the company from Apollo Hospital Enterprises Limited who are the Sub-lessee. The Sub-let agreement between SABCO and Apollo Hospital Enterprises Limited is due for renewal. Depreciation on such building has been charged over the period of lease.
- K.** Depreciation for the year has been provided on Straight Line Method on the basis of useful lives specified in Schedule-II of the Companies Act, 2013 as against the amount of depreciation calculated on the basis of rates of depreciation in respect of various assets contained in Schedule XIV to the Companies Act, 1956.  
In view of this change, carrying amounts of various tangible fixed assets as at 1<sup>st</sup> April, 2014 after retaining the residual value, an amount of Rs. 76,452,325/- has been recognised in the opening balance of retained earning net of deferred tax of Rs. 25,986,145/- where the useful life of an asset is nil. In other cases, the carrying amounts as at 1<sup>st</sup> April, 2014 have been depreciated over the revised remaining useful life of asset as per Schedule II or the remaining useful life determined by the company. The depreciation for the year is lower to the extent of Rs. 16,059,059/- on account of this change and accordingly the profit for the year is higher by Rs. 16,059,059/-.
- L.** Stores and Spares consumed includes Rs. NIL (Previous Year Rs. 39,819,250/-) on account of write off in respect of unutilised export benefit due to significant uncertainty as to their ultimate collection as on 31<sup>st</sup> March, 2015.
- M.** 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.
- N.** A Sum of Rs. NIL (Previous year Rs. 4,693,544) is included under other expenses representing Net Prior Period Items.
- O.** Pursuant to sub section (5) of section 135 of the Companies Act, 2013, the Company was required to spend Rs. 93,10,407/- in respect of its "Corporate Social Responsibility Policy (CSR Policy)" on eligible activities. During the financial year, the company has spent Rs. 11,69,000/- on such eligible activities.

	2014-15 Amount in Rs.	2013-14 Amount in Rs.
<b>P. Earnings in Foreign Currency</b>		
On account of Hospital Revenue	97,00,76,820	1,11,57,47,562
<b>Q. Expenditure incurred in Foreign Currency</b>		
On account of travel	3,02,00,811	2,87,90,884
On account of other matters	8,62,21,326	7,26,31,934
Outflow of Foreign Currency :		
On account of remittance of dividend	38,92,988	11,56,136
For financial year	2013-14	2012-13
Number of non-resident shareholders	23	23
Number of shares held by them	21,62,771	7,22,585
<b>R. Value of Imports on CIF basis</b>		
Capital Goods	10,88,06,719	8,98,86,759
Stores & Spares	3,88,43,855	2,66,03,052

## NOTES TO FINANCIAL STATEMENTS

### S. Payment to Auditors

As Statutory Auditor	16,00,000	15,00,000
For Taxation matters	1,25,000	1,25,000
Other services	-	5,618
Reimbursement of Expenses	1,38,208	1,44,672
<b>Total</b>	<b>18,63,208</b>	<b>17,75,290</b>

### T. Stores & Spares Consumed

Particulars	2014-15		2013-14	
	Rs.	%	Rs.	%
Imported	4,33,08,756	2.99%	2,98,38,291	1.98%
Indigenous	1,40,69,05,777	97.01%	1,47,85,29,080	98.02%
<b>Total</b>	<b>1,45,02,14,533</b>	<b>100.00%</b>	<b>1,50,83,67,371</b>	<b>100.00%</b>

U. 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.

V. 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

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

**Dr. Prathap C. Reddy**

*Vice Chairman*

**Jaideep Gupta**

*Managing Director*

**P. Shivakumar**

*Chief Financial and Operating Officer*

**Ajay Kumar Singhal**

*Vice President Cum Company Secretary*

Place : New Delhi  
Date : 26<sup>th</sup> May, 2015

## Route Map

**Indraprastha Medical Corporation Ltd.**

**27<sup>th</sup> Annual General Meeting**

Date : 29<sup>th</sup> September, 2015

Day : Tuesday

Time : 10:30 a.m.

Venue : FICCI K.K. Birla Auditorium,  
1, Tansen Marg, New Delhi- 110001

