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# Indraprastha Medical Corporation Limited

Regd. Office : Sarita Vihar, Delhi-Mathura Road, New Delhi - 110 076. (INDIA)

Corporate Identity Number : L24232DL1988PLC030958

Phone : 26925801, 26925858 Fax : 91-11-26825601

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Indraprastha  
**Apollo**  
HOSPITALS  
TOUCHING LIVES

**A. K. SINGHAL**

Vice President

Cum Company Secretary

Ref.: IMCL/CS/BSE/BM/2016

31<sup>st</sup> August, 2016

The BSE Ltd.,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001

Stock Code 532150

Dear Sir,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit Annual Report of the Company for the financial year 2015-16.

This is for your information and record

Thanking You,

Sincerely Yours,

A.K.SINGHAL

Encl. as above

# VALUING LIFE



Indraprastha Medical Corporation Limited

Annual Report 2015-2016

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**VALUING LIFE** has a very special meaning for us at Apollo. The Value we place on the lives of our patients and their well being underscores the core of our strategy and actions, our attitude and behavior. We believe that the human body is Priceless. And human life, invaluable. This belief makes us extra sensitive and responsive to any patient that walks through our doors. We believe that every such patient has a non-negotiable right to a healthy life. And we believe we have a responsibility towards ensuring that. We strongly believe that prevention is better than cure; but when something cannot be prevented, we will do what it takes to cure it and we will not give up without a fight. This is our promise. We therefore strive every day to provide our patients the highest quality comprehensive healthcare—the most advanced treatments possible. We would not want to give them any less because we know they deserve the best.

Our dedicated Centres of Excellence are unique. They offer several key specialties and super specialties which cater to all health needs. Putting patient wellness at the core of our operations, we use expert unsurpassed diagnostics and robust treatment plans to give them the most appropriate care. Our quality standards are stringent with enhanced infection and safety protocols, comparable to leading hospitals worldwide.

We commit to providing this kind of care simply because we Value Life and because we want to put a smile on our patient's face. To us life is Priceless. And we will do all that we can to protect and sustain it. No short-cuts. No compromises. But the best differentiated care a hospital can possibly give its valued patient. We are Apollo and we are proud that we Value Life.

## MESSAGE



Dear Shareholders,

The mission to nurture health and protect priceless lives was at the core of our genesis in 1983; it is the reason we exist today. I told you earlier that the human body is Priceless; it is exactly for this reason that we at Apollo Hospitals, Value Life. Patients from over 120 countries visit our Hospitals every year and our Group has touched over 45 million lives in the last 33 years. This incredible journey has taught us we should stop at nothing to do what we can to protect our patient's health and well being. We believe that we have a responsibility to help them fight the pain of disease and to give them the most appropriate treatment to put them on the road to recovery.

For over three decades we have been inspired by the dream of a healthy India. We have taken several transformative steps towards this goal. Our drive is powered by our deep respect for the power of good health and the miracle of the human body. Without good health, we know that life stands on a brittle foundation. We therefore seek to educate

people on the importance of Preventive Health to protect them from a potentially uncontrollable disease burden.

Our commitment to health and our philosophy of valuing life—our defining legacy—is epitomized by our every day practices and performance. Our Hospitals have led landmark changes in the Indian Healthcare ecosystem, through differentiated offerings, be it initiatives which benchmark our clinical excellence, our Preventive Health programme, our clinical protocols and pathways with best in class outcomes, or patient centric care giving.

In the early eighties, world-class medical treatment meant access to exorbitantly high priced healthcare in the western world. The wheel has turned a full circle; today, we offer healthcare in India that is as good as any in the world, at a fraction of the price. Patients from western countries regularly come to our hospitals for complex medical procedures.

At Apollo, we have always believed the pursuit of excellence to be a relentless series of short races. To excel continuously means we have to win consistently. Today, Apollo Hospitals is one of the largest and most trusted integrated healthcare providers in Asia. At the core of this achievement is our patient-centric approach and our strong commitment to the highest standards of ethics. Every initiative of the Apollo Group is measured by the value we are adding to patient experience. This focus inspired us to launch The Apollo Standards of Clinical Care (TASCC) which embodies the highest standards of clinical care and patient safety. Apollo Hospitals is a pioneer of Tender Loving Care—a revolution in caregiving, to make our hospitals warm and friendly for the patients and their families.

Globally, the healthcare sector is getting disrupted through emerging digital trends and



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India is no exception to this. We are rolling out a well thought out strategy to leverage technology towards enhancing customer experience and loyalty, analytics, patient outreach and access, tele-medicine and e-consults.

Technology also affords us a new way of thinking—it brings with it the power of collaboration and enhances our efforts to fight the scourge of Non Communicable Diseases (NCDs) in India. One important initiative in this regard, is the concept of Preventive Healthcare. Apollo pioneered the concept of a Preventive Health Check more than 3 decades ago. That experience helped us to launch the Apollo Personalised Health Check—a comprehensive personalized diagnostic solution based on the fact that each person’s health is as distinctive as his DNA.

Our focus on integrated healthcare aims at providing patients a common, easily accessible platform for all their healthcare needs. Our incisive thrust on super-specialization is to enable cutting-edge treatment for our patients. The Apollo Institutes of Robotic Surgery have successfully performed complex robotic surgeries on over 3,000 adults and 80 children so far using the da Vinci Robotic system—the world’s most cutting edge solution in clinical robotics. Apollo Hospitals is now poised to be the first provider of the revolutionary Proton Beam Therapy in India. This milestone is one of the many ‘firsts’ that Apollo Hospitals has brought to the Indian healthcare ecosystem.

I am happy to inform you that Apollo Hospitals, Chennai performed an extraordinary medical feat, when the team harvested 23 valuable organs from five brain dead donors in 2015. Thereafter, five liver transplants, one heart transplant and four kidney transplants were conducted at our hospitals and the rest of the organs were transported to needy recipients in other hospitals. The entire event was managed smoothly and efficiently.

Building a healthy India is a long journey full of challenges at every step. At Apollo Hospitals, our approach to healthcare is shaped by one powerful truth – Life is precious, life is Priceless. The value we have for the miracle of human life inspires us to stretch our boundaries to the maximum possible. It provides us the moral compass to do things as best as we can in the best way possible for the patient. The mission to touch lives deserves nothing less.

Your Company continues 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 the total income of the Company increased 6% from Rs. 71,542.91 lakhs to Rs. 75,964.69 lakhs. The EPS for the year stood at Rs. 3.08 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 2015-16.

Before concluding, I would like to welcome opportunities to collaborate with the Government on initiatives which would further the objectives of ensuring universal health access for India’s citizens.

I wish you and your families all the very best of health and thank each and every stakeholder for their continued support, belief and trust.

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

Mr. Vinayak Chatterjee

**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

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# NOTICE TO THE MEMBERS

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Notice is hereby given that the twenty-eighth Annual General Meeting of Indraprastha Medical Corporation Limited will be held on Tuesday, 30<sup>th</sup> August, 2016, at 10.30 A.M. at Sirifort Auditorium, Siri Fort Cultural Complex, August Kranti Marg, New Delhi - 110 049, 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, 2016, the 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, 2016.

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

To appoint a Director in place of Ms. Shobana Kamineni (DIN: 00003836), 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 consider and if thought fit, to pass with or without modifications, the following 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. 18.50 lakhs plus service tax as applicable and reimbursement of out of pocket expenses.”

## **SPECIAL BUSINESS**

### **Item No. 6**

#### **Re-Appointment of Mr. Jaideep Gupta as Managing Director**

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

“RESOLVED THAT subject to the provisions of Section 196, 197, 203 read with Schedule V and all other

applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment thereof, for the time being in force), the Company hereby accords its approval for the re-appointment of Mr. Jaideep Gupta (DIN: 02647974) as Managing Director of the Company for a period of 1 year from 30<sup>th</sup> April, 2016 to 29<sup>th</sup> April, 2017, on the terms and conditions as set out in the employment agreement including remuneration as given below

#### **A. Salary**

- a) Basic Salary Rs. 6,20,825/- (Rupees Six Lakhs Twenty Thousand Eight Hundred Twenty Five only) per month.
- b) Performance bonus as may be decided by the Board, for each financial year or part thereof, subject to a ceiling of 35% of the annual Basic Salary.

#### **B. Perquisites & Allowances**

- a) Rent free accommodation. In case no residential accommodation is provided by the Company, House Rent Allowance @ 10% of the Basic Salary shall be allowed.
- b) Free use of Company's maintained car with driver for official and personal use.
- c) Fees of one club. Admission and life membership fees shall not be allowed.
- d) Reimbursement of Professional membership fee.
- e) Leave Travel Allowance once in a year for self and family, as per the rules of the Company.
- f) Reimbursement of medical expenses for self and family, as per the rules of the Company.
- g) Health Insurance Premium for self and family, as per the rules of the Company.
- h) Group Personal Accident Insurance premium, as per the rules of the Company.
  - i) Contribution to Provident Fund as per the rules of the Company.
  - j) Free Telephone facility at residence and Mobile Phone.
  - k) Leave as per the rules of the Company. Leave accumulated but not availed of, can be encashed at the end of the tenure.
  - l) Gratuity as per the rules of the Company.

#### **C. Minimum Remuneration**

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



#### Item No. 7

##### **Re-Appointment of Dr. B. Venkataraman as an Independent Director**

To consider and if thought fit, to pass with or without modification, the following as a SPECIAL 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 Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Dr. B. Venkataraman (DIN: 00040114), who was re-appointed as an Independent Director of the Company by the Board of Directors effective from 1<sup>st</sup> April, 2016, be and is hereby re-appointed as an Independent Director of the Company to hold office for two consecutive years effective from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2018, not liable to retire by rotation.”

#### Item No. 8

##### **Re-Appointment of Prof. V. N. Rajasekharan Pillai as an Independent Director**

To consider and if thought fit, to pass with or without modification, the following as a SPECIAL 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 Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Prof. V. N. Rajasekharan Pillai (DIN: 02415889), who was re-appointed as an Independent Director of the Company by the Board of Directors effective from 1<sup>st</sup> April, 2016, be and is hereby re-appointed as an Independent Director of the Company to hold office for two consecutive years effective from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2018, not liable to retire by rotation.”

#### Item No. 9

##### **Appointment of Mr. Vinayak Chatterjee 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 Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Vinayak Chatterjee (DIN: 00008933), who was appointed as an Additional Director of the Company by the Board of Directors effective from 1<sup>st</sup> April, 2016, and who holds office till the of 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 Mr. Vinayak Chatterjee 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 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2021, not liable to retire by rotation.”

#### Item No. 10

##### **To approve the Remuneration of the Cost Auditors for the year ending 31st March, 2017.**

To consider and if thought fit, to pass with or without modification, the following as a 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, 2017, at a remuneration of Rs. 5.50 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: 1<sup>st</sup> July, 2016**

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

#### NOTES:

1. The Statement pursuant to Section 102 of the Companies Act, 2013, (the Act) 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, 20<sup>th</sup> August, 2016 to Tuesday, 30<sup>th</sup> August, 2016 (both days inclusive) for the purpose of annual closing and declaration of dividend for the financial year ended 31<sup>st</sup> March, 2016.
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 30<sup>th</sup> August, 2016, after giving effect to all valid share transfers in physical form lodged with the Company up to the closing hours of business on 19<sup>th</sup> August, 2016, 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 19<sup>th</sup> August, 2016.
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, 2008, 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 29<sup>th</sup> September, 2015 (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 2009 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. Members who have not encashed the dividend warrant(s) so far for the financial year ended 31<sup>st</sup> March 2009 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
31/03/2015	29/09/2015	02/11/2022

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 it is available.  
Members 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 Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) 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 2016, and electronic copy of the Notice of the 28<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 28<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 28<sup>th</sup> Annual General Meeting and the Annual Report for 2016 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 Regulation 44 of Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, 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 27<sup>th</sup> August, 2016 (9.00 am) and ends on 29<sup>th</sup> August, 2016 (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 23<sup>rd</sup> August, 2016, 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 to 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 being provided separately along with the 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 to 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 23<sup>rd</sup> August, 2016.
- 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. 23<sup>rd</sup> August, 2016, 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).
- 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 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, 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 along with the report of the Scrutinizer shall be placed on the website of the Company [www.apollohospitaldelhi.com](http://www.apollohospitaldelhi.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.

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.

### **INFORMATION REQUIRED TO BE FURNISHED IN PURSUANCE OF REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

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

- 1. Name : MS. SHOBANA KAMINENI**  
**Age : 56 years**

**Qualifications:** Bachelor of Arts in Economics, Hospital Administration Diploma from Columbia University, New York (USA)



**Expertise:** Ms. Shobana Kamineni holds the position of Executive Vice-Chairperson of Apollo Hospitals Enterprise Limited - one of the leading healthcare organisation in the world with over 8250 beds across 50 locations. As an Executive Director, she heads special initiatives, including the building of Apollo Hospitals Chennai, Hyderabad & Delhi, early in her career. Currently, she leads high trajectory businesses such as Apollo Pharmacy (India's largest Retail Pharmacy chain), AHERF-Research in Stem cells; clinical trials—include India's most advanced facility for Phase 1 study with Quintiles. Founded Apollo-Munich Health Insurance, one of India's leading specialised Insurance companies, JV with Munich Re. She was the 1<sup>st</sup> woman Chairperson of CII Southern Region. Currently, she is passionate about the Apollo Hospitals Group initiative, "Billion Hearts Beating" a non profit trust dedicated to educating and informing Indians how to prevention of heart disease. Over 3,50,000 individuals have taken the pledge on [www.billionheartsbeating.com](http://www.billionheartsbeating.com) reaffirming their commitment to stay healthy.

**Relationships between directors inter-se:** Ms. Shobana Kamineni is the daughter of Dr. Prathap C Reddy and sister of Ms. Suneeta Reddy.

**Outside Directorship (Listed Entities):**

Apollo Hospitals Enterprise Limited  
Blue Star Limited  
Hero Motocorp Limited

**Membership of Committees of the Board of other Companies:** None

**Shareholding in the Company:** 1,16,918 Equity Shares

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

**Age :** 57 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. Her deep domain knowledge and foresight have 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 the 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 the path of growth and profitability.

A key influencer in the Indian healthcare industry, Ms. Reddy is 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).

**Relationships between directors inter-se:**

Ms. Suneeta Reddy is the daughter of Dr. Prathap C Reddy and sister of Ms. Shobana Kamineni.

**Outside Directorship (Listed Entities):**

Apollo Hospitals Enterprise Ltd.  
Apollo Sindoori Hotels Limited

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

Stakeholders Relationship Committee (Apollo Hospitals Enterprise Ltd.) - Member

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

**3. Name : MR. JAIDEEP GUPTA**

**Age :** 52 years

**Qualifications:** B. Sc., PGDRM

**Expertise:** Mr. Jaideep Gupta has nearly three decades of experience in Hospital Management at senior management positions and a track record of setting up Hospitals and managing both green field and brown field projects, maintaining clinical quality, meeting JCI Accreditation Standards, ensuring efficient operations and reducing costs across numerous healthcare institutions in India as well as overseas.

He has been associated with Apollo Hospitals Group since 1987. Prior to his appointment as Managing Director, he had been working as Chief Executive Officer of Indraprastha Apollo Hospitals, New Delhi and had been responsible for all aspects of Hospital Operations.

**Relationships between directors inter-se:**

Mr. Jaideep Gupta is not related to any Director of the Company.

**Outside Directorship (Listed Entities):** None

**Membership of Committees of the Board of other Companies:** None

**Shareholding in the Company:** Nil

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

**Age :** 90 years

**Qualifications:** IAS (Retd.)

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

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

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

**Relationships between directors inter-se:** Dr. B. Venkataraman is not related to any Director of the Company.

**Outside Directorship (Listed Entities):**

South Asia Enterprises Ltd.

**Membership of Committees of the Board of other Companies:** None

**Shareholding in the Company:** Nil

5. **Name :** PROF. V. N. RAJASEKHARAN PILLAI

**Age :** 67 years

**Qualifications:** M. Sc. (Chemistry)

**Expertise:** Prof. V. N. Rajasekharan Pillai has been at the helm of affairs of many higher education institutions and possesses experience in the field of science and educational administration for over

40 years. He has widely travelled all over the world and has presented papers & given lectures in a large number of National and International conferences, Universities and Institutions.

Prof. Pillai was the Vice-Chancellor of Indira Gandhi National Open University (IGNOU), New Delhi.

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

**Relationships between directors inter-se:** Prof. V. N. Rajasekharan Pillai is not related to any Director of the Company.

**Outside Directorship (Listed Entities):** None

**Membership of Committees of the Board of other Companies:** None

**Shareholding in the Company:** Nil

6. **Name :** MR. VINAYAK CHATTERJEE

**Age :** 57 years

**Qualifications:** B.A. (Hons.), MBA from Indian Institute of Management, Ahmedabad.

**Expertise:** Mr. Vinayak Chatterjee graduated in Economics (Hons.) from St. Stephen's College, Delhi University and did his MBA from the Indian Institute of Management, Ahmedabad. He co-founded Feedback Infra (P) Ltd. in the year 1990.

Feedback Infra is India's leading provider of professional and technical services in the infrastructure sector. These services include Advisory, Planning & Engineering, Project Management and Operations & Maintenance. Feedback Infra has over 7500 professionals, predominantly engineers and MBAs from India's top schools. It is headquartered in Gurgaon, NCT of Delhi, and has Regional Offices in Mumbai, Bhubaneswar, Bangalore, Chandigarh, Hyderabad and Ahmedabad; and overseas offices in Dubai, Jakarta and Kathmandu.

Mr. Chatterjee has often been called upon to play a strategic advisory role to leading domestic and international corporates, the Government of India, various Ministries dealing with infrastructure, as well as multilateral and bilateral institutions in the areas of infrastructure planning and implementation. He is one of the leading proponents of the Public-Private Partnership (PPP) model for developing India's infrastructure.

He is currently the Chairman of the Confederation of Indian Industry's (CII) "National Committee on Infrastructure and PPP"; and he has chaired various CII Infrastructure and related Committees since 2001.

In 1998, the World Economic Forum at Davos named him amongst the 100 Global Leaders of Tomorrow.



In 2011, the Indian Institute of Management, Ahmedabad conferred on him the “Distinguished Alumnus Award”.

He is well-read columnist and writes a monthly column on infrastructure for Business Standard called “INFRATALK”. He also has a weekly column in the Financial Express titled “INFRATWEETS”. He has authored a book titled “Getting it Right - India’s Unfolding Infrastructure Agenda” published in 2011.

**Relationships between directors inter-se:**  
Mr. Vinayak Chatterjee is not related to any Director of the Company.

**Outside Directorship (Listed Entities):**

KEC International Limited  
SRF Limited  
Apollo Hospitals Enterprise Limited

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

Audit Committee (SRF Limited) - Chairman  
Stakeholder Relationship Committee (SRF Limited) - Member

**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**

Mr. Jaideep Gupta was re-appointed as Managing Director of the Company for a period of 2 years w.e.f 30<sup>th</sup> April, 2014, and his re-appointment was approved by the members in Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014. His period of office expired on 29<sup>th</sup> April, 2016.

Upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors in the meeting held on 31<sup>st</sup> March, 2016, have re-appointed Mr. Jaideep Gupta as Managing Director of the Company for a further period of one year effective from 30<sup>th</sup> April, 2016.

The remuneration of Mr. Jaideep Gupta is as per the Remuneration Policy of the Company and has the approval of the Nomination and Remuneration Committee and is within the limit prescribed under Schedule V to the Companies Act, 2013.

Pursuant to the provisions of the Section 190 of the Companies Act, 2013, a copy of the “Employment Agreement” containing the terms and conditions of appointment including remuneration 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 re-appointment of and payment of remuneration to Mr. Jaideep Gupta as Managing Director requires the approval of the members in General Meeting of the Company.

Except Mr. Jaideep Gupta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial 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**

Dr. B. Venkataraman joined the Board of Directors of the Company in September, 1995. He was appointed as an Independent Director of the Company, under Section 149 of the Companies Act, 2013, for a period of two consecutive years from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2016, at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014.

Upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors in the meeting held on 31<sup>st</sup> March, 2016, have re-appointed Dr. B. Venkataraman as an Independent Director of the Company for another term of two consecutive years from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2018, subject to the approval of the shareholders.

The Company has received declaration from Dr. B. Venkataraman 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. B. Venkataraman 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 draft letter for appointment of Dr. B. Venkataraman 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 of Directors of the Company at their meeting held on 20<sup>th</sup> May, 2016, had evaluated the Performance of the Independent directors for the year 2015-16, and the view expressed was that the performance of the Independent Directors for the financial year 2015-16, had been very much in line with the expectations and of the required standards.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Dr. B. Venkataraman as an Independent Director.

Except Dr. B. Venkataraman, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial 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.

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## ITEM NO. 8

Prof. V. N. Rajasekharan Pillai joined the Board of Directors of the Company in October, 2008. He was appointed as an Independent Director of the Company, under Section 149 of the Companies Act, 2013, for a period of two consecutive years from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2016, at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014.

Upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors in the meeting held on 31<sup>st</sup> March, 2016, have re-appointed Prof. V. N. Rajasekharan Pillai as an Independent Director of the Company for another term of two consecutive years from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2018, subject to the approval of the shareholders.

The Company has received declaration from Prof. V. N. Rajasekharan Pillai 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. V. N. Rajasekharan Pillai 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 draft letter for appointment of Prof. V. N. Rajasekharan Pillai 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 his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Prof. V. N. Rajasekharan Pillai as an Independent Director.

Except Prof. V. N. Rajasekharan Pillai, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial 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

Upon the recommendations of the Nomination and Remuneration Committee, the Board of Directors in the meeting held on 31<sup>st</sup> March, 2016, have appointed Mr. Vinayak Chatterjee as an Additional Director and Independent Director, subject to the approval of the shareholders at the General Meeting of the Company, to hold office for five consecutive years effective from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2021, not liable to retire by rotation.

As an Additional Director, Mr. Vinayak Chatterjee 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. Vinayak Chatterjee as an Independent Director of the Company, not liable to retire by rotation.

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

In the opinion of the Board, Mr. Vinayak Chatterjee 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 Mr. Vinayak Chatterjee 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 Mr. Vinayak Chatterjee as an Independent Director will be of immense benefit to the Company and it is desirable to avail services of Mr. Vinayak Chatterjee as an Independent Director. Mr. Vinayak Chatterjee would bring with him immense experience to the Company in the areas of management, administration and corporate governance.

Except Mr. Vinayak Chatterjee, 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 (Firm Regn. No. 100669), as the Cost Auditors to conduct the audit of the cost records of the Company for the year ending 31<sup>st</sup> March, 2017, at a remuneration of Rs. 5.50 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 members 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, 2017.

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 Members,

Your Directors are pleased to present their report and financial statements for the financial year ended 31<sup>st</sup> March 2016.

## FINANCIAL SUMMARY

(Rs. In Lakhs)

Particulars	Year Ended 31/03/2016	Year Ended 31/03/2015
Total Income	75,964.69	71,542.91
Profit before tax	4,449.05	4,954.73
Provision for taxation	1,625.61	1,705.61
Net Profit (PAT)	2,823.44	3,249.12
Balance brought forward from previous year	6,133.95	5,669.54
Amount available for appropriation	8,957.39	8,918.66
<b>Appropriations</b>		
Depreciation charge	-	764.52
Net Deferred tax liability reversed on Depreciation charge	-	259.86
Transferred to General Reserve	100.00	300.00
Dividend (Proposed)	1,650.11	1,650.11
Corporate Dividend Tax	335.92	329.93
Balance carried to Balance Sheet	6,871.36	6,133.96

## TRANSFER TO RESERVES

The Company proposes to transfer Rs. 100.00 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, 2016 (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 6% from Rs. 71,542.91 lakhs to Rs. 75,964.69 lakhs.

The Company's EBIDTA was Rs. 7837.66 lakhs compared to Rs. 8583.03 lakhs in the previous year. The Profit Before

Tax (PBT) stood at Rs. 4449.05 lakhs against Rs. 4954.73 lakhs in the previous year. The PBT would have been higher than last year but for the additional provisions for bonus of Rs. 932.20 lacs pertaining to financial year 2014-15 and 2015-16. The additional provision for bonus has arisen out of amendment in payment of Bonus Act with retrospective effect applicable from 1<sup>st</sup> April, 2014. The profit after tax (PAT) decreased from Rs. 3249.12 lakhs to Rs. 2823.44 Lakhs.

In the Main Hospital, total patient admissions increased from 44376 to 47229 - a steady growth of 6%, total repeat outpatients (OP) increased from 283964 to 294749 - a growth of 4%. The critical Average Length of Stay (ALOS) decreased to 4.6 days. The overall bed occupancy of the hospital has been consistent at an average of 81% for the year. The current total bed capacity is 718.

Growth was seen in a number of specialties and super-specialties. In Orthopaedics, a steady growth of 14% and 12% was seen in the number of admissions and total surgeries respectively; combined growth of 10% was seen in replacement of major joints such as knee and hip. Admissions increased by 6% in neurology and by 8% in neurosurgery. Neurosurgeries grew by 6%. In Oncology, a growth of 21%, 13% and 12% was seen in admissions, total surgery and total radiotherapy respectively. In Plastic and Cosmetic surgery, growth of 20% and 15% was seen in admissions and total surgeries respectively. Robotic surgery grew by 18% and there was an increase of 7% in the total number of Apollo Health Checks.

The Hospital had the privilege of playing a key role in the launch of the Central Asia e-Network link which was inaugurated by Hon'ble Prime Minister of India, along with Prime Minister of Kyrgyzstan on 12<sup>th</sup> July 2015. The event featured a tele-consultation for a cardiac patient between doctors in Osh city in Southern Kyrgyzstan, in Bishkek and with Apollo Hospital and AIIMS.

Notably, the Hospital completed a successful cadaver split liver transplant wherein both the parts of the liver were given to two adult recipients. This was the first split liver transplant in two adults reported in the city and the second in India. The successful surgery was widely reported in the press.

The National Capital witnessed a severe Dengue outbreak from July 2015. From early July to mid-September the Hospital received and treated a steadily increasing number of dengue patients. The situation turned critical by the 12<sup>th</sup> of September. Additional beds were created and commissioned in 48 hours, and the Hospital was able to take in an influx of patients from the government hospitals. The number of cases gradually decreased in October. Between July and October, 143 patients with Dengue were admitted under the 'free category' and received free treatment. When the inflow of Dengue cases from the government hospitals stopped,

the hospital decommissioned the additional beds that were created to mitigate the outbreak. With the dedicated efforts of the Consultants and all staff, the hospital was able to extend full support to the Government in managing a crisis like situation.

The clinical expertise of the doctors was showcased by publishing the case study of a one year old child from Kenya who underwent a successful liver transplant at the Hospital.

A case study of a mother who fought breast cancer during her pregnancy and delivered healthy twins was covered by all the leading publications.

To help mitigate the high levels of air pollution and rising concern among the public, the Hospital launched a campaign called 'Exhale'. The initiative included Pranayam training sessions in 100 Resident Welfare Associations conducted by the hospital. A total of 25000 Saplings were distributed to more than 1000 Delhi Government and MCD schools, and 10000 filter masks were distributed to 10000 auto-rickshaw drivers.

The Hospital conducted a big campaign highlighting the role of Hand Hygiene in minimizing infections. 1711 staff members participated in a Hand Sanitising Relay which may earn a Guinness World Record.

An eleven-year old child from Pakistan underwent a successful liver transplant surgery at the Hospital. Thereafter, the child's dream of meeting actor Salman Khan in Mumbai was fulfilled, in the presence of two of the hospital's senior consultants.

Apollo Hospitals, Noida continued to perform well across all operational parameters and remained one of the leading destinations for Mother and Child Care, Dialysis and Annual Health Checks. Total admissions increased by 19%. Growth continued in Non-Invasive Cardiology, Health Checks, Dialysis, and Radiological investigations. It continued to be one of the leading renal transplant centers in Noida.

In a Public Interest Litigation (PIL), the Hon'ble High Court of Delhi had held that free treatment provided by the Hospital as per the terms of the lease deed shall be inclusive of medicines and consumables. The Company had 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. The Hon'ble Supreme Court of India had admitted the SLP and passed an interim order on 30.11.2009. The SLP is pending before the Supreme Court of India.

In pursuance of the interim order, the Hospital is providing free treatment to the patients referred by the Govt. of NCT of Delhi exclusive of medicines and medical consumables. 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 19085 patients (15824 Out Patients and 3261 In Patients) were treated under the free category.

The Govt. of NCT of Delhi is in the process of setting-up a Pharmacy in a temporary structure outside the boundary

wall of the Hospital for providing medicines and medical consumables to the EWS patients seeking free treatment at the Hospital.

In order to address and resolve the long drawn litigation between the parties and in order to put a quietus to the issue, the Company, without prejudice to its rights and contentions in pending SLP, is willing to provide free treatment including medicines and consumable up to 10% IPD and 25% OPD as applicable to other hospitals in accordance with the order of the Hon'ble High Court of Delhi.

### **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 improved services cape and ambience for the patients and visitors through a campus wide greening and beautification drive.

Renovation activities included two suites, eight single rooms, four semi private rooms and thirty two general ward beds of an entire wing. The renovated rooms have become more spacious and have significantly improved natural lighting, pleasing interiors and décor. Complete modernization of kitchen services and design was carried out, which helped improve production and service delivery. In addition, Bio-medical waste handling facility, consultants lounge and training room were also renovated to improve functionality.

Safety and security continued to form a key part of the overall strategy for the hospital. Female security staff cover was increased for cohort areas with higher concentration of female patients. New vendor pass system streamlined the vehicular movement and checks in the hospital. A joint fire evacuation exercise was conducted with Delhi Fire Service.

### **Clinical Excellence**

In order to ensure sustainable clinical outcomes the hospital follows an internal quality management process known as the "Apollo Clinical Excellence" program which is referred to as ACE 1 and ACE 2. ACE 1 and ACE 2 are balanced scorecards which focus on clinical excellence using benchmarks from the world's best published outcomes, that address provision of evidence based quality care, a safe environment for the patients and help strengthen the functional efficiency of the hospital.

### **Infection Control and Environment**

The hospital further maintained its trend of decrease in its infection indices, which is steadily moving towards becoming a benchmark in Indian healthcare. Employee safety and infection prevention were addressed through educational and awareness drives, workshops for infection prevention and epidemiological mock drill on facing the challenge of high volume sudden rush of suspected patients of MERS-Corona; measures were taken to augment training on technical precision in



donning and doffing of personal protective equipment to prevent exposure and provision of pre and post exposure prophylaxis to those experiencing exposure-inoculation injuries. Staff were vaccinated for various preventable infections including H1N1 and for other infections such as Hepatitis B and Chicken Pox and it is an ongoing phenomenon. Care was also taken to maintain hygiene within best in class norms, to contain infective exposures.

Infection rates at the Hospital are comparable to the best in the world for Catheter Associated Urinary Tract Infection (CAUTI), Central Line Associated Blood Stream Infections (CLABSI) and Ventilator Associated Pneumonia (VAP).

Antibiotic (Antimicrobial) consumption was also observed to be decreasing with strict restriction and control over prophylactic antimicrobials in surgery and also in minimizing usage of Rifampicin (for other than Mycobacteria), Fosfomycin, Ertapenem, Tigecycline, Daptomycin and Posaconazole and eliminating inpatient usage of certain broad spectrum antimicrobials like Faropenem. This has largely been possible through ongoing meticulous implementation of numerous measures on infection prevention and control, monitoring of implementation and rationalizing usage.

### Medical Tourism

The hospital continued to enjoy good patronage from international patients and received patients from 99 countries in the financial year 2016. The hospital is chosen by the international patients primarily due to the quality of care and success rate with clinical outcome. The value proposition offered by the Hospital and the coveted JCI accreditation status help in attracting international patients.

In addition, accessibility of the city of Delhi to international locations along with improvements in travel infrastructure are also taken into consideration by the international patients.

As a part of the Hospital's efforts to connect and engage with the international community thirty four countries were visited by the Hospital's consultants for various medical educational events, in-person consultations and medical conferences.

### New Services

**Emergency:** Global Positioning System enabled ambulance service has been started to aid patients in need of emergency services.

**Orthopaedics:** A new technology, 'two pod gyroscope based pin-less navigation for knee replacement', has been introduced.

**Genetics:** Through a tie-up with Datar Genetics, the hospital has made accessible genetic mapping and other associated services to the patients. Personalized health check is now available for people.

Besides, other new services such as formula feeding for ICU patients have been started. Many equipment were

either replaced or upgraded over the past year in most of the specialties at the main hospital and in Noida.

**Laboratory services:** Home collection of samples was introduced for enhanced patient care experience. New technique for Direct Identification of isolates from blood culture bottle using MALDI-TOF Vitek MS has been introduced in Microbiology.

**FMT (Faecal Microbiota Transplant),** a new clinical technique was introduced.

**DSA:** Services such as Acute intracranial thrombus extraction in case of acute ischemic stroke, Intra operative balloon occlusion of uterine artery in case of a placenta accreta/ previa/percreta, followed by embolization after successful delivery of the baby, Chemical angioplasty, and Insulin venous sampling, were introduced.

**Dietetics:** Scientific formulas to achieve nutritional targets were introduced.

### Awards and Accolades

In a national critical care ranking survey published by Times of India in January 2016, the hospital secured the first ranking in 6 out of 8 critical care specialties covered in the ranking of private hospitals in the country. Recently the hospital was also ranked as the second best private multispecialty hospital in the country behind Apollo Hospitals Chennai. The hospital was also given the Best Multispecialty Hospital award in the CIMS Healthcare Excellence Award, 2015.

Internationally, the hospital won an award in the category of Improving Patient Safety for 'Raising the Bar- Creating a Culture of Safety' at the Ko-Awatea Excellence in Health Improvement Awards 2015, organized in New Zealand. The Hospital also received multiple awards in Myanmar at the Asian Hospital Management Awards. These awards recognize and honour hospitals in Asia that implement best hospital practices. The hospital was recognized for best practices in areas such as Hospital Associated Burns, Performance Management System (PMS), Quick Response Team- "Seconds Save Lives", etc.

### Quality Initiatives and Accreditation

Based on the complaint and incident analysis, the hospital undertook patient falls as a quality initiative for the current year. To bring down the patient falls rate a patient falls committee is formed to review all the patient falls every month. Interdisciplinary huddle is happening on the floors post every fall to understand what went wrong and what can be done to prevent such falls in future.

The hospital completed 10 years of accreditation by Joint Commission International (JCI).

The 5<sup>th</sup> NABL re-assessment was done on 27<sup>th</sup> and 28<sup>th</sup> June, 2015 by an audit team of 7 auditors. The accreditation has been extended till October 2017 after passing through the re-accreditation process.

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

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

The hospital has been continuously engaged in activities related to conservation of electrical energy and reduction of fresh water.

In order to achieve energy conservation the hospital installed the scroll type compressor and vacuum pump and continued to increase LED lighting on the premises. These new generation vacuum pumps and compressors have a distinct advantage over reciprocating technology as they deliver better efficiency, extend life of components and bring in significant energy savings. The hospital has also been untiringly working on recycling water to protect natural resources and has achieved significant reduction in use of fresh water .

The accumulated saving in electricity is over 3,95,000 KWH as compared to similar period of previous year and reduction in fresh water requirement is close to 20,000 KL.

The hospital was also re accredited for ISO 14001:2004 (Environment management system) from BSI during the year.

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

The Hospital continued its efforts to maintain standards at par with the best hospitals globally. Investment was made in the latest technology in medical care, including new-age technology upgrades.

#### **Fluoroscopy**

The hospital replaced the old fluoroscopy machine with the new 'Luminos Fusion, an innovative 2-in-1 system with a 43 cm square flat panel detector, safe design and outstanding dose saving.

#### **Neurosurgical Operating Microscope**

Using this modular microscope featuring fusion optics technology, advanced Small Angle Illumination and apochromatic optics, surgeons can perform surgeries by standing comfortably upright on both sides of the table. It provides high resolution magnification and a great field depth simultaneously.

#### **Ligasure - Electro surgical Unit**

This technology delivers a unique combination of pressure and energy to create a consistent seal with each application. The seals can withstand three times normal systolic blood pressure.

#### **Advanced Laparoscopy set (SPIES)**

This is the latest solution that gives superior views of challenging anatomical areas during complex surgeries. It automatically identifies and brightens dark areas of an image - without lag time. Adjusting dark areas in real time avoids overexposure and reflections, providing a clear view of both bright and dark regions.

#### **Mediff PACS (Picture Archiving and Communication System)**

The earlier GE PACS system has been replaced with Mediff system which offers faster and more effective Medical Tele-imaging. This solution offers WEB based PACS and interactive Tele-imaging Services that work on Streaming technology and smart compression algorithms, and assures speed and high quality imaging.

#### **RFID (Radio Frequency Identification) tagging of Biomedical equipment**

RFID tagging has been implemented to track and locate medical devices. The use of RFID products on equipment enables hospital staff to rapidly locate critical medical devices. It also enable the biomedical engineering team to quickly and accurately identify medical equipment whenever preventive maintenance is required.

## **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. 10,408.63 lakhs

Outgo : Rs. 1,057.18 lakhs

## **BOARD MEETINGS**

Six (6) Board meetings were held during the financial year ended 31<sup>st</sup> March, 2016. The dates of the meetings are as follows: 26<sup>th</sup> May, 2015, 7<sup>th</sup> August, 2015, 3<sup>rd</sup> November, 2015, 9<sup>th</sup> December, 2015, 9<sup>th</sup> February, 2016 and 31<sup>st</sup> March, 2016.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Mr. Jaideep Gupta has been re-appointed by the Board as Managing Director of the Company for a period of one year effective from 30<sup>th</sup> April, 2016 to 29<sup>th</sup> April, 2017.

Dr. B. Venkataraman and Prof. V. N. Rajasekharan Pillai were appointed as Independent Directors of the Company, under Section 149 of the Companies Act, 2013, for a period of two consecutive years from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2016, at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014. The Board of Directors have re-appointed them as Independent Directors of the Company for another term of two consecutive years from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2018, subject to the approval of the shareholders.



Mr. Vinayak Chatterjee has been appointed by the Board as Additional Director and Independent Director on the Board of Directors of the Company, effective from 1<sup>st</sup> April, 2016.

Mr. Vinayak Chatterjee holds the office of Director only up to the date of the Annual General Meeting of the Company. Notice has been received from a member pursuant to Section 160 of the Companies Act, 2013 signifying his intention to propose the appointment of Mr. Vinayak Chatterjee as an Independent Director of the Company to hold office for five consecutive years from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2021, 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. Shobana Kamineni and Ms. Suneeta Reddy, Directors of the Company shall retire by rotation at the ensuing Annual General Meeting. Ms. Shobana Kamineni 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 Mr. Jaideep Gupta - Managing Director, Mr. Ajay Kumar Singhal - Vice president cum Company Secretary and Mr. P. Shivakumar - Chief Financial and Operating Officer, are the Key Managerial Personnel of the Company.

Your Directors express their profound grief on the sad demise of Prof. Ranjit Roy Chaudhury, Director of the Company, on 27<sup>th</sup> October, 2015, and pay tribute to the valuable contribution made by him for the growth of the Company during his tenure as a Director.

## **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 on the link <http://www.apollohospdelhi.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 and no material departures have been made from the same;
- the 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, 2016 and of the profit of the Company for the year ended 31<sup>st</sup> March, 2016.
- the 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;
- the annual accounts have been prepared on an on-going concern basis.
- 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
- the 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 2015-16. The Secretarial Audit

Report for the financial year ended 31<sup>st</sup> March, 2016, is annexed herewith marked as Annexure - 2, to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **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, 2016. The Cost Auditor has given the Cost Audit Report for the financial year ended 31<sup>st</sup> March 2016, 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 FINANCIAL CONTROL SYSTEMS**

The Company has an established system of Internal Financial 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.

The Audit Committee evaluates the internal financial control system periodically.

## **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 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**

The Company is committed to conduct its business in a socially responsible, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its operational areas.

The Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company. As on 31 March, 2016, the Committee comprised three Directors viz. Ms. Vineeta Rai, Mr. S. Regunathan and Ms. Suneeta Reddy. Ms. Vineeta Rai is the Chairperson of the CSR Committee.

### **CSR Policy**

The Company has in place a CSR policy which lays down its philosophy and approach towards CSR commitment. The CSR Policy may be accessed on the Company's website on the link <http://www.apollohospdelhi.com/downloads/corporate-social-responsibility-policy.pdf>

Under the CSR Policy, the Company focuses primarily on the following programmes:

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

The annual report on CSR containing particulars specified in Companies (CSR Policy) Rules, 2014 including an update on the CSR initiatives taken by the Company during the year is given in Annexure - 3 and forms integral part of this Report.

## **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. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC 2 is not applicable to your Company. 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 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 as a whole, 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 -4 to this Report.

During the year, the 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.

### REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, approved a policy for selection and appointment of Directors, Senior management and for determining their remuneration. The Remuneration Policy is annexed herewith marked as Annexure - 5, 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 are set out in the annexure to this 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 set out in the annexure to this report.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the Board's Report is being sent to the members without above mentioned annexures. The said annexures are available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such annexures may write to the Company Secretary and the same will be furnished free of cost.

### CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), 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 in Regulations Part C of Schedule V of the Listing Regulations is also attached with this report.

A declaration by the Managing Director pursuant to Regulations Part C of Schedule V of the Listing Regulations 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, 2016, is also attached with this report.

### SEXUAL HARASSMENT

The Company has zero tolerance towards sexual harassment at the workplace and has framed rules on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. During the year under review, the Company had received two complaints which were duly investigated and redressed.

### INDUSTRIAL RELATIONS

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

### MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material change and commitment affecting the financial position of the Company, have occurred between the financial year ended on 31<sup>st</sup> March, 2016, and the date of the report.

### 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: 1<sup>st</sup> July, 2016**

**ANNEXURE – 1 TO THE DIRECTORS’ REPORT  
FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN  
as on the financial year ended on 31.03.2016**

*[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, 1988
(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: imclshares@apollohospitals.com
(VI) Whether Listed Company	YES
Name of the Stock Exchange where equity shares are listed	National Stock Exchange of India Ltd (NSE), Mumbai Stock Code: INDRAMEDCO  BSE Ltd (BSE), 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, 2015)				No. of Shares held at the end of the year (31 <sup>st</sup> March, 2016)				% 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	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<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	962585	-	962585	1.05	1849514	-	1849514	2.02	0.97
b) Banks /FI	485390	14600	499990	0.55	537744	14600	552344	0.60	0.06
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Foreign Institutional Investors	1318916	-	1318916	1.44	357127	-	357127	0.39	(1.05)
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Funds others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total (B) (1)</b>	<b>2766891</b>	<b>14600</b>	<b>2781491</b>	<b>3.03</b>	<b>2744385</b>	<b>14600</b>	<b>2758985</b>	<b>3.01</b>	<b>(0.02)</b>
<b>2. Non Institutions</b>									
<b>a) Bodies Corporate</b>									
1. Indian	14339687	22900	14362587	15.67	12886152	137600	13023752	14.21	(1.46)
<b>b) Individuals</b>									
1. Individual shareholders holding nominal share capital upto Rs.1 Lakh	11423157	2208210	13631367	14.87	15631002	2209540	17840542	19.46	4.59
2. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	9604098	573063	10177161	11.10	6774723	458288	7233011	7.89	(3.21)
<b>c) Others (specify)</b>									
(c-i) Trusts	13850	-	13850	0.02	13850	-	13850	0.02	0.00
(c-ii) Directors and their Relatives	-	16800	16800	0.02	-	-	-	-	(0.02)
(c-iii) Non Resident Indians	1373814	1181923	2555737	2.79	1148751	1166327	2315078	2.53	(0.26)
(c-iv) Overseas corporate bodies	-	114700	114700	0.13	-	-	-	-	(0.13)
(c-v) Clearing members	42362	-	42362	0.05	438560	-	438560	0.48	0.43
(c-vi) Hindu Undivided Families	1040245	-	1040245	1.13	1266282	-	1266282	1.38	0.25
(c-vii) Foreign Corporate Bodies	185000	-	185000	0.20	-	-	-	-	(0.20)
(c-viii) Foreign Nationals	-	-	-	-	31240	-	31240	0.03	0.03
<b>Sub Total (B) (2)</b>	<b>38022213</b>	<b>4117596</b>	<b>42139809</b>	<b>45.97</b>	<b>38190560</b>	<b>3971755</b>	<b>42162315</b>	<b>45.99</b>	<b>0.02</b>
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>40789104</b>	<b>4132196</b>	<b>44921300</b>	<b>49.00</b>	<b>40934945</b>	<b>3986355</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>63706603</b>	<b>27966397</b>	<b>91673000</b>	<b>100.00</b>	<b>63852444</b>	<b>27820556</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, 2015)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2016)			% 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, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)		
	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
	At the end of the year			46751700	51

Note: There is no change in promoters shareholding from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016

## (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, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)		S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		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										
	<i>At the beginning of the year</i>	9000000	9.82	9000000	9.82		10/4/2015	14589	0.02	747737	0.82
	11/12/2015	(192745)	(0.21)	8807255	9.61		17/4/2015	(4700)	(0.01)	743037	0.81
	18/12/2015	(966293)	(1.05)	7840962	8.55		01/5/2015	49545	0.05	792582	0.86
	25/12/2015	(402114)	(0.44)	7438848	8.11		08/5/2015	3960	0.00	796542	0.87
	31/12/2015	(1085005)	(1.18)	6353843	6.93		15/5/2015	39312	0.04	835854	0.91
	18/3/2016	(171850)	(0.19)	6181993	6.74		22/5/2015	(4211)	(0.00)	831643	0.91
	25/3/2016	(35096)	(0.04)	6146897	6.71		29/5/2015	(607)	(0.00)	831036	0.91
	<i>At the end of the year</i>			6146897	6.71		12/6/2015	18388	0.02	849424	0.93
2	TATA INVESTMENT CORPORATION LIMITED						26/6/2015	6812	0.01	856236	0.93
	<i>At the beginning of the year</i>	1040713	1.14	1040713	1.14		03/7/2015	(8720)	(0.01)	847516	0.92
	<i>At the end of the year</i>			1040713	1.14		10/7/2015	(14216)	(0.02)	833300	0.91
3	MEENAKSHI NARAYAN INVESTMENTS (P) LTD.						17/7/2015	(17890)	(0.02)	815410	0.89
	<i>At the beginning of the year</i>	900000	0.98	900000	0.98		24/7/2015	(8470)	(0.01)	806940	0.88
	<i>At the end of the year</i>			900000	0.98		31/7/2015	(6859)	(0.01)	800081	0.87
4	CITADEL RESEARCH AND SOLUTIONS LIMITED						14/8/2015	22946	0.03	823027	0.90
	<i>At the beginning of the year</i>	733148	0.80	733148	0.80		21/8/2015	3070	0.00	826097	0.90
							04/9/2015	27334	0.03	853431	0.93



S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	11/9/2015	4554	0.00	857985	0.94
	18/9/2015	7266	0.01	865251	0.94
	30/9/2015	5090	0.01	870341	0.95
	09/10/2015	(15672)	(0.02)	854669	0.93
	16/10/2015	(9027)	(0.01)	845642	0.92
	23/10/2015	(5217)	(0.01)	840425	0.92
	06/11/2015	11701	0.01	852126	0.93
	13/11/2015	23436	0.03	875562	0.96
	20/11/2015	31672	0.03	907234	0.99
	04/12/2015	(20855)	(0.02)	886379	0.97
	11/12/2015	(5306)	(0.01)	881073	0.96
	18/12/2015	8740	0.01	889813	0.97
	25/12/2015	10494	0.01	900307	0.98
	31/12/2015	7736	0.01	908043	0.99
	08/1/2016	11805	0.01	919848	1.00
	22/1/2016	9868	0.01	929716	1.01
	29/1/2016	45524	0.05	975240	1.06
	05/2/2016	(5245)	(0.01)	969995	1.06
	19/2/2016	49955	0.05	1019950	1.11
	26/2/2016	(15481)	(0.02)	1004469	1.10
	04/3/2016	(5873)	(0.01)	998596	1.09
	11/3/2016	(5770)	(0.01)	992826	1.08
	25/3/2016	(11490)	(0.01)	981336	1.07
	31/3/2016	(1585)	(0.00)	979751	1.07
	<i>At the end of the year</i>			979751	1.07
<b>5</b>	<b>GAGAN OMPRAKASH NAVANI</b>				
	<i>At the beginning of the year</i>	641018	0.70	641018	0.70
	<i>At the end of the year</i>			641018	0.70
<b>6</b>	<b>EMEDLIFE INSURANCE BROKING SERVICES LIMITED</b>				
	<i>At the beginning of the year</i>	671140	0.73	671140	0.73
	10/4/2015	(9800)	(0.01)	661340	0.72
	17/4/2015	(4700)	(0.01)	656640	0.72
	01/5/2015	47805	0.05	704445	0.77
	08/5/2015	24559	0.03	729004	0.80
	15/5/2015	5079	0.01	734083	0.80
	22/5/2015	(197)	(0.00)	733886	0.80
	19/6/2015	27073	0.03	760959	0.83
	26/6/2015	(5865)	(0.01)	755094	0.82
	03/7/2015	(8365)	(0.01)	746729	0.81
	10/7/2015	(15120)	(0.02)	731609	0.80
	17/7/2015	(18389)	(0.02)	713220	0.78
	24/7/2015	(8470)	(0.01)	704750	0.77
	31/7/2015	(7464)	(0.01)	697286	0.76
	21/8/2015	7074	0.01	704360	0.77
	28/8/2015	37057	0.04	741417	0.81
	04/9/2015	35	0.00	741452	0.81
	18/9/2015	14220	0.02	755672	0.82
	09/10/2015	(9463)	(0.01)	746209	0.81
	16/10/2015	(8923)	(0.01)	737286	0.80
	23/10/2015	(4999)	(0.01)	732287	0.80
	06/11/2015	17124	0.02	749411	0.82
	13/11/2015	24253	0.03	773664	0.84
	20/11/2015	17345	0.02	791009	0.86
	04/12/2015	(20783)	(0.02)	770226	0.84
	11/12/2015	(2293)	(0.00)	767933	0.84

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	18/12/2015	8740	0.01	776673	0.85
	25/12/2015	8910	0.01	785583	0.86
	31/12/2015	6847	0.01	792430	0.86
	01/1/2016	1615	0.00	794045	0.87
	08/1/2016	6194	0.01	800239	0.87
	22/1/2016	48551	0.05	848790	0.93
	29/1/2016	2450	0.00	851240	0.93
	05/2/2016	2794	0.00	854034	0.93
	19/2/2016	38955	0.04	892989	0.97
	26/2/2016	2870	0.00	895859	0.98
	11/3/2016	1540	0.00	897399	0.98
	18/3/2016	2651	0.00	900050	0.98
	25/3/2016	16387	0.02	916437	1.00
	<i>At the end of the year</i>			916437	1.00
<b>7</b>	<b>SANGEETA ARORA</b>				
	<i>At the beginning of the year</i>	569152	0.62	569152	0.62
	07/8/2015	(120000)	(0.13)	449152	0.49
	14/8/2015	(21739)	(0.02)	427413	0.47
	27/11/2015	(125)	(0.00)	427288	0.47
	04/12/2015	(200460)	(0.22)	226828	0.25
	11/12/2015	(151828)	(0.17)	75000	0.08
	<i>At the end of the year</i>			75000	0.08
<b>8</b>	<b>ANIRUDHA KUMAR</b>				
	<i>At the beginning of the year</i>	400000	0.44	400000	0.44
	24/7/2015	(17461)	(0.02)	382539	0.42
	14/8/2015	17461	0.02	400000	0.44
	<i>At the end of the year</i>			400000	0.44
<b>9</b>	<b>PREMIER INVESTMENT FUND LIMITED</b>				
	<i>At the beginning of the year</i>	304273	0.33	304273	0.33
	31/7/2015	(108585)	(0.12)	195688	0.21
	07/8/2015	(195688)	(0.21)	0	0.00
	<i>At the end of the year</i>			0	0.00
<b>10</b>	<b>RELIANCE CAPITAL TRUSTEE CO. LTD-A/C RELIANCE CAPITAL BUILDER FUND - SR A</b>				
	<i>At the beginning of the year</i>	735850	0.80	735850	0.80
	<i>At the end of the year</i>			735850	0.80
<b>11</b>	<b>BHADRA JAYANTILAL SHAH</b>				
	<i>At the beginning of the year</i>	900000	0.98	900000	0.98
	<i>At the end of the year</i>			900000	0.98
<b>12</b>	<b>SWISS FINANCE CORPORATION (MAURITIUS) LIMITED</b>				
	<i>At the beginning of the year</i>	646343	0.71	646343	0.71
	17/4/2015	(97933)	(0.11)	548410	0.60
	24/4/2015	(253306)	(0.28)	295104	0.32
	01/5/2015	(130513)	(0.14)	164591	0.18
	08/5/2015	(143248)	(0.16)	21343	0.02
	<i>At the end of the year</i>			21343	0.02
<b>13</b>	<b>INDIA PHARMA FUND UNIT SCHEME OPTION A</b>				
	<i>At the beginning of the year</i>	203666	0.22	203666	0.22
	18/9/2015	25000	0.03	228666	0.25
	15/1/2016	50000	0.05	278666	0.30
	22/1/2016	100000	0.11	378666	0.41
	05/2/2016	50000	0.05	428666	0.47
	31/3/2016	35077	0.04	463743	0.51
	<i>At the end of the year</i>			463743	0.51

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
14	<b>KALYANI P JAIN</b>				
	<i>At the beginning of the year</i>	84011	0.09	84011	0.09
	24/4/2015	1322	0.00	85333	0.09
	08/5/2015	2578	0.00	87911	0.10
	10/7/2015	11000	0.01	98911	0.11
	31/7/2015	7000	0.01	105911	0.12
	21/8/2015	40000	0.04	145911	0.16
	11/9/2015	59999	0.07	205910	0.22
	18/9/2015	9016	0.01	214926	0.23
	30/9/2015	11797	0.01	226723	0.25
	<i>At the end of the year</i>			226723	0.25

S.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
15	<b>THE NEW INDIA ASSURANCE COMPANY LIMITED</b>				
	<i>At the beginning of the year</i>	293967	0.32	293967	0.32
	<i>At the end of the year</i>			293967	0.32
16	<b>UTI - PHARMA AND HEALTHCARE FUND</b>				
	<i>At the beginning of the year</i>	0	0.00	0	0.00
	28/8/2015	476635	0.52	476635	0.52
	06/11/2015	81024	0.09	557659	0.61
	20/11/2015	69193	0.08	626852	0.68
	<i>At the end of the year</i>			626852	0.68

Note: The above information is based on the weekly beneficiary position received from depositories

### (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, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
A	<b>DIRECTORS</b>				
1	<b>Dr Prathap Chandra Reddy</b>				
	<i>At the beginning of the year</i>	237187	0.26	237187	0.26
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>			237187	0.26
2	<b>Ms Suneeta Reddy</b>				
	<i>At the beginning of the year</i>	138293	0.15	138293	0.15
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>			138293	0.15
3	<b>Ms. Shobana Kamineni</b>				
	<i>At the beginning of the year</i>	116918	0.13	116918	0.13
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>			116918	0.13
4	<b>Mr. S.N Sahai</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
5	<b>Mr Jaideep Gupta</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
6	<b>Mr S.C.L Das *</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
7	<b>Dr. B. Venkataraman</b>				
	<i>At the beginning of the year</i>	15800	0.02	15800	0.02
	27/11/2015	-15800	-0.02	0	-
	<i>At the end of the year</i>			0	0.00

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8	<b>Prof. V. N Rajasekharan Pillai</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
9	<b>Prof. Ranjit Roy Chaudhury **</b>				
	<i>At the beginning of the year</i>	1000	0.00	1000	0.00
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>			-	-
10	<b>Mr. Deepak Vaidya</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
11	<b>Mr. T. S Narayanasami</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
12	<b>Mr. S. Regunathan</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
13	<b>Mr. Satnam Arora</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-
14	<b>Mr. Renu Sud Karnad</b>				
	<i>At the beginning of the year</i>	-	-	-	-
	<i>Increase/Decrease during the year</i>	-	-	-	-
	<i>At the end of the year</i>	-	-	-	-

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
15	<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
16	<b>Dr Arun Rai</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year			-	-
	<b>B Key Managerial Personnel</b>				
1	<b>Mr. Jaideep Gupta – Managing Director</b>				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-

S.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (1 <sup>st</sup> April, 2015)		Cumulative Shareholding during the year (1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2016)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the end of the year	-	-	-	-
2	<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
3	<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	-	-	-	-

\* Mr. S.C.L Das has resigned w.e.f 1<sup>st</sup> May, 2015

\*\* Due to sad demise of Prof. Ranjit Roy Chaudhury, he ceased to be director w.e.f 27<sup>th</sup> October, 2015

## 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	258,333,328	100,000,000		358,333,328
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii +iii)</b>	<b>258,333,328</b>	<b>100,000,000</b>	<b>-</b>	<b>358,333,328</b>
Change in Indebtedness during the financial year				
Addition		900,000,000		900,000,000
Reduction	183,333,331	800,000,000		983,333,331
<b>Net Change</b>	<b>(183,333,331)</b>	<b>100,000,000</b>	<b>-</b>	<b>(83,333,331)</b>
Indebtedness at the end of the financial year				
i) Principal Amount	74,999,997	200,000,000		274,999,997
ii) Interest due but not paid	-	-		-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii +iii)</b>	<b>74,999,997</b>	<b>200,000,000</b>	<b>-</b>	<b>274,999,997</b>

## 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	8,745,055	8,745,055
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	447,600	447,600
	(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		
	<b>Total A</b>	<b>9,192,655</b>	<b>9,192,655</b>
	<b>Ceiling as per the Act</b>	<b>Rs. 24,416,739 ( being 5% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)</b>	

## B. Remuneration to other directors

(Amount in Rs.)

S.No.	Particulars of Remuneration	Name								Total Amount
1	Independent Directors	Dr. B. Venkataraman	Mr. Deepak Vaidya	Prof. V. N. Rajasekharan Pillai	Mr T. S Naryanasami	Mr Satnam Arora	Prof. Ranjit Roy Chaudhury <sup>#</sup>	Mr. S. Regunathan	Dr. Arun Rai	
	(a) Fee for attending Board committee meetings	260,000	200,000	140,000	240,000	140,000	40,000	200,000	80,000	1,300,000
	(b) Commission	275,000	275,000	275,000	275,000	275,000	157,306	275,000	233,675	2,040,981
	(c) Others	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	<b>535,000</b>	<b>475,000</b>	<b>415,000</b>	<b>515,000</b>	<b>415,000</b>	<b>197,306</b>	<b>475,000</b>	<b>313,675</b>	<b>3,340,981</b>
2	Other Non Executive Directors	Dr. Prathap C. Reddy	Ms. Suneeta Reddy	Ms. Shobana Kamineni	Mr. S. N Sahai <sup>(A)</sup>	Ms. Renu Sud Karnad	Ms. Vineeta Rai	Mr S.C.L Das <sup>(A),#</sup>		
	(a) Fee for attending Board committee meetings	120,000	180,000	60,000	200,000	100,000	180,000	-	-	840,000
	(b) Commission	275,000	275,000	275,000	46,712	275,000	109,247	22,541	-	1,278,500
	(c) Others	-	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	<b>395,000</b>	<b>455,000</b>	<b>335,000</b>	<b>246,712</b>	<b>375,000</b>	<b>289,247</b>	<b>22,541</b>	<b>-</b>	<b>2,118,500</b>
	<b>Total(B)=(1+2)</b>									<b>5,459,481</b>
	<b>Total Managerial Remuneration (A+B)</b>									<b>14,652,136</b>
	<b>Overall Ceiling as per the Act</b>									Rs 53,716,826 (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>(A)</sup> The Directors represents Govt. of NCT of Delhi and as per the instructions received from the Govt. of NCT of Delhi, the amount of commission has been paid to DDO, Health & Family Welfare Dept., Govt. of NCT of Delhi.

## 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	8,505,701	8,876,772	17,382,473
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,316,444	1,506,963	2,823,407
	(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>9,822,145</b>	<b>10,383,735</b>	<b>20,205,880</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: FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

*[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, 2016 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, 2016 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) Securities And Exchange Board Of India (Prohibition Of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014
- (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.
- (vi) Food Safety and Standards Act, 2006;
- (vii) Prevention of Food Adulteration Act, 1954.
- (viii) Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (ix) Employees State Insurance Act, 1948;
- (x) Industrial Dispute Act, 1947;
- (xi) Minimum Wages Act, 1948;
- (xii) Payment of Bonus Act, 1965;
- (xiii) Payment of Gratuity Act, 1972;
- (xiv) Payment of Wages Act, 1936;
- (xv) Apprentices Act, 1961;
- (xvi) Employment Exchange (Compulsory Notification of Vacancies) Act, 1959;
- (xvii) Maternity Benefit Act, 1961;
- (xviii) Employees Compensation Act, 1923;
- (xix) Contract Labour (Regulation & Abolition) Act, 1970;
- (xx) Delhi Shops and Establishments Act, 1954;
- (xxi) Environment Protection Act, 1986 and other Environmental Laws;
- (xxii) Air (Prevention and Control of Pollution) Act, 1981 and Rules;
- (xxiii) Water (Prevention and Control of Pollution) Act, 1974 and Rules;
- (xxiv) Noise Pollution (Regulation and Control) Rules, 2000;



- (xxv) Delhi Nursing Council Act, 1997;
- (xxvi) Indian Nursing Council Act, 1947;
- (xxvii) Delhi Nursing Home Registration Act, 1953;
- (xxviii) Indian Medical Council Act, 1956;
- (xxix) Delhi Medical Council Act, 1997;
- (xxx) Medical Termination of Pregnancy Act, 1971 and Rules;
- (xxxi) Narcotics Drugs & Psychotropic Substances Act, 1985;
- (xxxii) Drugs and Cosmetics Act, 1940;
- (xxxiii) Blood Bank Regulation under Drugs and Cosmetics Rules, 1999;
- (xxxiv) Pre-natal Diagnostic Techniques Act, 1994 and Rules;
- (xxxv) Transplantation of Human Organ Act, 1994 and Rules;
- (xxxvi) Drugs & Magic Remedies (Objectionable Advertisement) Act, 1954;
- (xxxvii) Bio-Medical Waste Management Handling Rules, 1998;
- (xxxviii) Indian Boilers' Act, 1923 and Rules;
- (xxxix) Petroleum Act, 1934 and Rules;
- (xl) Hazardous Waste (Management & Handling) Rules, 1989;
- (xli) Delhi Fire Prevention and Fire Safety Act, 1986;
- (xlii) Delhi Fire services Act, 2007;
- (xliii) Delhi Lift Rules, 1942;
- (xliv) Prohibition of Smoking in Public Places Rules, 2008;
- (xlv) Delhi Registration of Birth and Deaths Act, 1969;

We have also examined the compliance with the applicable clauses of the following:-

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Listing Agreement entered into by the Company with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"); and
- (iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that the compliance by the Company of applicable financial laws, such as direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the statutory auditors.

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. 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: 12<sup>th</sup> May, 2016

Note: This report is to be read with our letter of even date which is annexed as an "Annexure-A" and forms an integral part of this report.

#### **"ANNEXURE-A"**

The Members  
**Indraprastha Medical Corporation Limited**  
Sarita Vihar,  
Delhi-Mathura Road,  
New Delhi-110 076

We report that:-

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the

secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) We have obtained the management representation about the compliance of laws, rules and regulations, wherever required.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management.

Our examination was limited to the verification of procedures on a random test basis.

- f) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Place: Delhi

Dated: 12<sup>th</sup> May, 2016

### ANNEXURE – 3:

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	Brief outline of the Company's CSR objectives and its focus on projects/programs are mentioned in the CSR section of the Board's report.
2. Composition of the CSR Committee	Ms. Vineeta Rai (Chairperson) - Non-Executive Director Ms. Suneeta Reddy - Non-Executive Director Mr. S. Regunathan - Independent Director
3. Average net Profit for last 3 financial years	Rs. 5187.33 lakhs
4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs. 103.75 lakhs
5. Details of CSR spent during the financial year	
a. Total amount to be spent for the financial year	Rs. 103.75 lakhs
b. Amount unspent, if any	Rs. 54.05 lakhs
c. Manner in which the amount spent during the financial year is given in CSR spent table attached.	
6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report	The Company has identified viable CSR projects and programmes for Rs 104 lakhs to be implemented during the financial year 2015-2016. However, there has been a shortfall in the expenditure incurred primarily for the following reasons 1) The envisaged projects and programmes involved substantial preliminary work to ensure maximum positive impact and the desired outcomes before actual implementation. This interalia required assessing the ground realities, extensive consultations with the community, identification of suitable local NGOs to partner some of the projects etc. which took time. 2) The decision to extend the CSR activities to Senior Secondary Schools run by the Government of NCT Delhi, in addition to the MCD run schools, was taken in the latter half of the financial year. Securing permission from the government for renovation and construction work in the 4 Senior Secondary Schools took time. As soon as these permissions were received in March 2016, work orders for the construction and renovation of the toilet blocks in the 4 schools were released in March itself. The work has since been completed.

## DETAILS OF CSR SPENT

S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs	Amount Outlay (budget) project or programs wise	Amount Spent on the projects or programs Subheads:		Cumulative Expenditure up the reporting period	Amount Spent Direct or through implementing agency *	
					Direct	Overheads			
1	Construction of toilet blocks	Sanitation [Schedule VII (i)]	Gautam Puri, New Delhi	6,300,000	1,243,986	-	1,243,986	Direct	
<p><i>Project Synopsis:</i> Under the company's CSR project A Healthy Start, aimed at enhancing sanitation and drinking water facilities in schools for the underprivileged in communities proximate to the hospital, a new toilet block with toilets, urinals and wash basins was constructed in Gautampuri MCD School Number 1 as the existing toilets were insufficient for the primary school children. A consultative approach was followed with extensive consultations with the school principals, higher authorities and community stakeholders to ascertain their requirements. Improved access to sanitation is a key factor in preventing water-borne diseases and ensuring good health.</p>									
2	Provision of Cleaning Material and Staff	Sanitation [Schedule VII (i)]	Gautam Puri, New Delhi	100,000	14,365	-	14,365	Direct	
<p><i>Project Synopsis:</i> Going beyond construction, the CSR project also addresses the critical issue of cleanliness by providing cleaning staff to clean toilets in Molarband and Gautampuri MCD schools.</p>									
3	Providing Clean Water	Sanitation [Schedule VII (i)]	Gautam Puri, New Delhi	550,000	356,675	-	356,675	Direct	
			Molar Band, New Delhi		164,450		-	164,450	Direct
<p><i>Project Synopsis:</i> Under A Healthy Start, Reverse Osmosis Purification systems and water coolers have been provided in Gautampuri and Molarband MCD Schools to prevent water borne diseases by ensuring clean drinking water for the students.</p>									
4	Hygiene Talks and Health Camps	Promoting Healthcare including preventive healthcare [Schedule VII (i)]	Gautam Puri, New Delhi	320,000	107,090	-	107,090	Direct	
			Molar Band, New Delhi		146,988		-	146,988	Direct
<p><i>Project Synopsis:</i> The project also aimed at prioritising the issue of sanitation and hygiene among school children by holding hygiene awareness talks and creative events to re-inforce the importance of good hygiene in ensuring their health as well as to carry forward the message to their families. A Healthy Start covers nearly 3000 children in both MCD schools, most of whom are first-generation learners with mostly illiterate or semi-literate parents.</p>									
5	Medical treatment of underprivileged Children	Promoting Healthcare including preventive healthcare [Schedule VII (i)]	Aligarh	290,000	265,000	-	265,000	Direct	
			Telangana		265,000		-	265,000	Direct
			Agra		300,970		-	300,970	Direct
<p><i>Project Synopsis:</i> Extending specialised cardiac care to underprivileged children with congenital heart diseases and with poor access to such care in order to prevent their premature mortality.</p>									
6	Supporting NGOs that work with underprivileged children to develop artistic skills and the rehabilitation of neurological conditions.	Promoting Education [Schedule VII (ii)]		1,300,000	1,300,000	-	1,300,000	Implementing agency: Nalanda Way NeuroAid Foundation	
<p><i>Project Synopsis:</i> Nalandaway Foundation is a non-profit that works with children from the poorest districts in India, helping them raise their voices and issues through theatre, visual arts, music, dance, radio and films. Creative expression is recognised as critical in preventing children from deprived backgrounds progressing on to violence and substance abuse in adulthood. Over 17,000 children in Tamil Nadu, Andhra Pradesh, Delhi, Bihar and Jammu &amp; Kashmir have benefited from its programmes. The company has supported extending Nalandaway's foray into New Delhi with its unique programmes in a school for underprivileged children.</p> <p>NeuroAid Foundation is a non-profit that works on the rehabilitation of the underprivileged afflicted with neurological conditions at birth or through trauma, which requires specialised equipment and care. The Foundation has been supported to fund the purchase of specialised equipment that will enable efficient physiotherapy management and training in neurodevelopmental techniques for persons in need.</p>									
7	Salary of the person looking for CSR activities		Delhi	1,000,000	749,595	-	749,595	Direct	
8	Miscellaneous Expenses	Measure to remove inequality faced by economically backward groups [Schedule VII (iii)]	Delhi	540,000	55,460	-	55,460	N/A	
				10,400,000	4,969,579	-	4,969,579		

## ANNEXURE – 4: 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 – 5: 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 deals 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, positives 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 ties 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

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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.

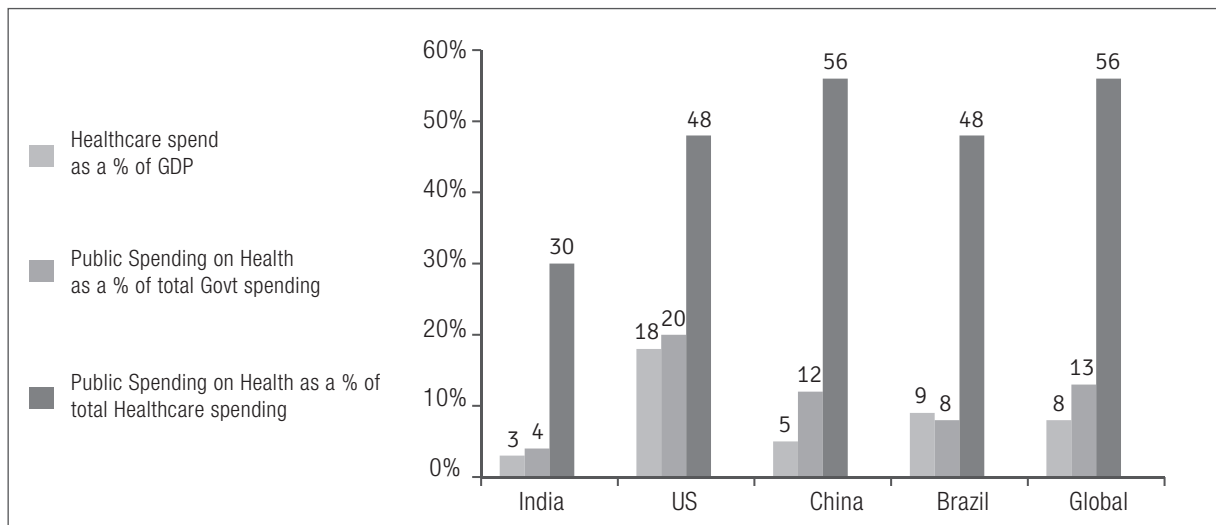
# MANAGEMENT DISCUSSION & ANALYSIS

## INDUSTRY STRUCTURE AND DEVELOPMENTS

### General Overview - The Healthcare Ecosystem in India

India has progressed on several parameters since economic liberalisation started in 1991. However, even as the country has made giant strides in manufacturing, services, research & development and in developing a vibrant economic landscape, it continues to progress slowly on several social indicators.

In India, the under-development of healthcare infrastructure is largely attributed to under investment by the public sector. India lags far behind as far as healthcare spending is concerned in comparison to the global average. In India, healthcare spend as a percent of total GDP stands at 3.8% as compared to the global average of 8.6%. The per capita healthcare expenditure in India stands at \$58 as compared to \$1,025 which is the global average.



Source: WHO 2015

Bed availability in India stood at 7 per 10,000 in 2015 which was significantly lower than the global average of 27 beds for a population of 10,000. In terms of availability of medical staff, the number of doctors and nurses available for every 10,000 population was at 7

and 17.1 in India compared to the global average of 13.9 doctors and 28.6 nurses per 10,000 population. The relatively lower penetration of Medical Insurance has resulted in high out-of-pocket health expenditure at 86% as compared to 52% which is the norm globally.

Major Infrastructure Indicators	India	US	China	Brazil	Global
Beds per 10,000 population	7	38	23	29	27
Doctors per 10,000 population	7	14.9	18.9	24.5	13.9
Nurses per 10,000 population	17.1	16.6	76	NA	28.6
Dentists per 10,000 population	1	NA	12.2	-	2.8

Source: WHO 2015

Due to the large deficit in investment in healthcare in India and the lack of emphasis by the public healthcare sector on elevating socio economic indicators, there has been a significant gap in the supply of healthcare services of an acceptable standard leading to a significant emergence of private healthcare service providers in the country.

Today, the private healthcare sector in India has evolved into a vibrant industry accounting for around 70% of the country's total healthcare expenditure. Large investments by the private sector players are likely to contribute significantly to the development of the sector which is poised to reach \$280 billion by 2020, witnessing a

compounded annual growth rate (CAGR) of 22.9 per cent during 2015-20. This is mainly due to the prevalence of favourable dynamics which are expected to sustain the demand for healthcare.

Having seen the private sector deliver outstanding results with limited resources, the bar has been raised for standards of healthcare for citizens of the country. The public sector has recalibrated its focus and accelerated its effort and outlay towards the sector. The Government of India in the 12<sup>th</sup> five year plan (2012-17) has focused on providing universal healthcare, strengthening healthcare infrastructure, promoting R&D and enacting strong regulations for the healthcare sector. The NITI (National Institution for Transforming India) Aayog has allocated \$55 billion under the 12<sup>th</sup> Five-Year Plan to the Ministry of Health and Family Welfare, which is about three times the actual expenditure under the 11<sup>th</sup> Five-Year Plan.

Additionally, the Government of India has also been actively integrating other landmark legislation to support the evolution of the healthcare ecosystem in the country. The initiative to leverage the Aadhar Card to provide Healthcare under the Primary Health Centre (PHC) plan is an encouraging move. Under the PHC Plan, the Government plans to have 1 PHC for a population of 5,000 people in the rural centres and 1 PHC for every 10,000 people in the urban areas.

An increased healthcare spend as a percentage of GDP, enhancing legislation to encourage growth of the sector, rapid adoption of technology, easing the flow of capital into the sector and incentivizing the development of required skills to address the shortage of medical personnel while simultaneously enhancing workforce utilization are key areas of focus which will fuel the next stage of growth in the sector. The Government and the private sector will need to collaborate in order to address the large and dynamic challenges that the country is facing today in the healthcare sector.

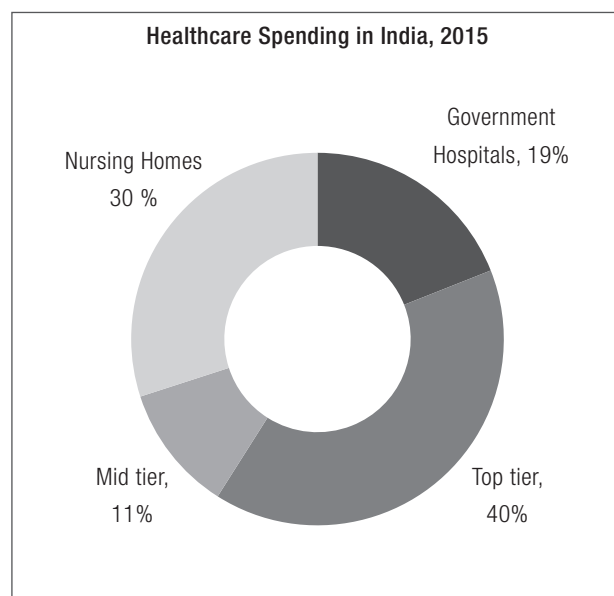
### The Healthcare Services delivery landscape in India

The Healthcare sector in India is categorized under Hospitals, Pharmaceutical companies, Standalone Pharmacies, Medical Insurance, Retail Healthcare, Medical Tourism and Telemedicine.

While the retail healthcare formats like of primary healthcare centers, day care and short stay surgery centers and home healthcare are gaining significance in recent years, Hospitals stills remain the predominant outpost for the delivery of healthcare services in India.

Within hospitals, the private sector accounts for a majority of the total healthcare expenditure in India. In India, the public health expenditure as a percent of total health expenditure has been increasing over the last few years. This expenditure increased from 27 percent in 2011 to 30 percent by 2014.

There have been some important initiatives undertaken by the Government of India to improve the availability and accessibility to Healthcare while ensuring



Source: 'Indian Hospital Services Market Outlook' by consultancy RNCOS, Grant Thornton, LSI Financial Services, OECD

improvement in Human Development Measures. The eradication of polio, notable reduction in HIV / AIDs incidence, encouragement of traditional healthcare systems and practices and initiatives to reduce pre-natal mortality rates have been significant initiatives showing up as green shoots across the healthcare landscape. There have been endeavours to leverage private sector efficiencies and capacities through the Public Private Partnerships (PPPs) model.

The inconsistency in the distribution of healthcare services across the country is a major concern which needs to be addressed. Existing infrastructure in the rural areas does not make it conducive for quality healthcare to sustain, causing inadequacies in meeting the ever growing needs of a major portion of the Indian population. The urban areas on the other hand, which account for a smaller proportion of the population, has been enjoying better availability of healthcare infrastructure.

None-the-less, the private healthcare sector in India, is gearing up to match global healthcare delivery models. The growth of the private sector is expected to continue going forward. They possess technical and managerial skills, and are innovative and flexible in the deployment of resources. They are perceived to provide personalised quality services with greater efficiency than public hospitals. The private healthcare sector is expected to grow consistently with support of macro-economic policies that recognize the healthcare sector as an industry and provides for stimulus to private sector investment through tax concessions. Additionally, the willingness of the people to pay for health services, along with support from the government aimed at de-bottlenecking the sector will add impetus to the growth of the private sector.

The hospital and diagnostic centers space attracted foreign direct investment (FDI) worth \$3,074.01 million or Rs. 163.14 billion between April 2000 and March 2015, according to data released by the Department of Industrial Policy and Promotion (DIPP). This industry is growing at a tremendous pace owing to its extended coverage, range of services and increasing expenditure by public as well private players.

Large investments by private sector players are likely to contribute significantly to the development of India's hospital industry, as they already represent around three-fourths of the healthcare services market.

Some of the key characteristics of the healthcare sector in India are as follows -

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

Nearly 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. Given this, India is faced with the dual challenge of making good the current deficiency in healthcare infrastructure as well as in planning for future requirements. While it is considered as a country with a large proportion of population below the age of 30, the country will have a significant population of middle-aged persons leading to a corresponding increase in demand for healthcare delivery systems and services. The per capita income in India has grown by 60% from \$797 in 2006 to \$1,262 in 2014 and with a growing younger population this growth in per capita is expected to rise further leading to a rise in the demand for healthcare delivery and better infrastructure in the future.

#### Gap in Health Infrastructure between urban and rural areas

The per capita income is higher in the urban cities as compared to the rural areas and supported with a better

infrastructure, the concentration of private healthcare service providers has been largely towards urban areas. These areas are now home to a wide variety of healthcare facilities offering single specialty, multi-specialty, primary care, quaternary care alongwith personalised value added services. On the other hand a historically low public spend, lack of infrastructure and the focus of private players on urban areas has left rural India far behind in the healthcare space. Thus there is a vast disparity in offerings between the metros and urban centers vis-a-vis the semi-urban and rural areas in the country.

#### Business Models Innovated for better outcomes

The last two decades have seen the emergence and growth of private hospital chains, single specialty chains and boutique healthcare centers in India. Unlike the traditional standalone hospital offerings, today private players are adapting their health care service delivery models to cater to the growing needs of young India. The idea is to create an awareness of the importance of healthcare and make it more conducive to the needs of the people. These business models have proven effective in increasing efficiencies through higher volumes resulting in reduced costs and at the same time delivering comparable quality standards and success rates. The services of most hospitals at a single location are being replaced by multiple touch points such as Standalone clinics, diagnostic centers and pharmacies.

#### Rapid emergence of Medical Tourism

India is highly cost competitive compared to the developed countries and certain Asian countries and hence constitutes a very attractive destination for foreign patients which has given rise to the medical tourism industry. According to an MTA (Medical Tourism Arrivals) patient survey report, nearly 80% of the demand for medical tourism is driven by cost savings and the table below gives a very good representation of the same.

Sample Treatments	India	Thailand	Singapore	Malaysia	Mexico	Costa Rica	South Korea
Hip Replacement	84%	73%	73%	78%	69%	74%	77%
Knee Replacement	79%	76%	69%	80%	64%	74%	71%
Spiral Fusion	77%	61%	32%	56%	45%	58%	56%
Heart Valve Replacement	94%	93%	91%	94%	80%	80%	72%
Gastric Bypass	62%	33%	25%	56%	39%	39%	31%
Face-lift	72%	57%	30%	57%	58%	64%	52%
Rhinoplasty	53%	31%	23%	44%	55%	44%	23%
Heart Bypass	95%	92%	86%	93%	80%	82%	77%

% savings in other countries vs United States

Source: Grant Thornton

Superior quality healthcare, coupled with low treatment costs in comparison to other countries, is benefiting Indian medical tourism which has, in turn, enhanced the prospects of the Indian healthcare market. Treatment costs for major surgeries in India are approximately 20

per cent of that in developed countries. As per a recent KPMG Report, the size of the medical tourism market was estimated to be around \$3.6 billion in 2015 which is expected to reach \$10.6 billion by 2019 representing a CAGR of 30%.



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India has developed a strong presence in providing advanced healthcare services, for example, organ transplants and cardiovascular procedures with success rates comparable to that developed countries. Moreover, reduced waiting time in hospitals for admissions and treatment makes the country an attractive destination for medical tourism.

The role of the government towards supporting the medical tourism industry has also been increasing. The government has introduced a separate category of medical visa: M-visa which can be extended for an additional 12 months beyond the one year issue period. A faster clearance process has been initiated for medical tourists at the airports. Moreover, ease of connectivity combined with well-developed infrastructure (medical and non- medical) in several regions has enabled growth in medical tourism. Good connectivity to several GCC countries and a possible extension to other countries in Africa and South East Asia regions would help in tapping a large volume of medical patients in these regions who seek better medical facilities.

### **Increasing influence of Technology in healthcare delivery**

The market for medical technology in India is small at present, but rapidly expanding. It is important for healthcare players to understand the importance of the medical technology landscape and keep upgrading their technological know how to keep pace with their global peers. The Government of India, in its endeavour to contribute towards this space, has rightly taken certain initiatives to bring about improvement in the healthcare sector. One such initiative is the launch of ‘Sehat’ in 2015, - a telemedicine initiative. Telemedicine can provide access for basic, specialty and super-specialty requirements to the rural population. Telemedicine has enormous potential in meeting the challenges of healthcare delivery to rural areas. Technology is advancing rapidly and the ability of the physician to take decisions regarding their patients condition is much greater now. The government also offers income tax incentives for domestically manufactured medical technology products.

Increasingly robotic technologies are being utilized in functions such as medication distribution, surgery and even diagnosing patients. Robotic Surgery has been developed to overcome both the limitations of Minimally Invasive Surgery (MIS) and enhance the capabilities of surgeons performing open surgeries. Greater adoption of Robotic surgeries would provide an impetus to the growth of medical tourism in India.

A shortage in the number of doctors and medical practitioners poses constraints on the quality of treatment provided by hospitals and nursing homes. This situation is compounded manifold in rural regions which don't have access to tertiary healthcare facilities. The initiative that has been introduced to combat the shortage of doctors in distant areas is to link up these centres with a central command center of a well-equipped hospital -usually in urban areas, through a facility called as an

eICU. Simply put, an eICU facilitates the real time monitoring of a patient's vital parameters and condition - from a remote location, through doctors located in a different place known as the command center. Such initiatives have proven to be a blessing for patients who need immediate assistance and do not have access to specialists, surgeons etc.

Digital Health Knowledge Resources, Electronic Medical Record, Mobile Healthcare, Electronic Health Record, Hospital Information System are some of the technologies gaining wide acceptance in the sector.

## **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.

**Deep expertise:** One of the most respected hospitals in the world, Apollo specializes in cutting-edge medical procedures. Apart from being the preferred service provider in India, there are an increasing number of international patients selecting Apollo on the basis of quality of care and healthcare outcomes thereby validating the standard of operations not just in India but even globally.

**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 specialist within their chosen domains. 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

**Regulatory intensity:** With the number of licenses and approvals required to set up a hospital it causes a huge barrier for private players in India to think of expansion. There are multiple rules and regulations for importing medical equipment to setting up parking facilities at hospitals. The lack of co-ordination between various regulatory departments and absence of proactive and forward looking regulation has resulted in loss of some potential opportunity for the healthcare sector.

**Shortage of Healthcare Human Capital poses a challenge:** India is a country with manpower in abundance, given the sheer size of its population. However, the country lacks sufficient skilled manpower. The healthcare services industry is highly manpower intensive. Skilled manpower includes doctors, nurses and para-medical staff comprising lab-technicians, radiographers and therapists all of whom are in short supply in India. The overall requirement for resources makes it challenging to set up and profitably run a hospital in India.

**Technology obsolescence:** 'Technology' is at the helm of any growing industry today and it has to keep getting upgraded due to the high risk of obsolescence. One of the biggest problems faced by Indian Companies is the availability of good technology and at reasonable costs. We however, use the latest treatment technologies in our hospitals to provide top quality healthcare services.

**Heterogenous Markets:** With the growing population, the demand for healthcare has grown in India. There are different requirements even in markets which are reasonably proximate. Every market has a unique set of characteristics with variance in demographics, disease profiles, customer attitudes, seasonal variations, price sensitivity and so on. Even hospitals in two different cities in the same state will not be subject to identical operating circumstances. This requires a higher degree of customization and increases the level of monitoring required. Merely having all the necessary resources is not a guarantee to success. Due to the complexities involved, significant management overview is required in sustaining clinical standards, balancing case mix, ensuring adequate volumes and regularly upgrading technology.

### Opportunities

**Deeper Value of Offerings:** There is significant scope to enhance the value offering for patients by leveraging

on technology. This need not necessarily be cost led but can include faster recovery, lower trauma, more comprehensive offerings from service providers and higher quality of care with better outcomes. The providers who are able to elevate their offerings on multiple parameters will draw in more patients.

**NCDs on the rise:** The rising number of Non-communicable diseases (NCDs) patients suffering from diabetes, cardiovascular diseases and cancer in India is directly proportionate to the changing lifestyle patterns of the working population. This is a huge challenge for the Indian healthcare service providers who will need to address the rising incidence of NCDs.

**Underserved and poorly served markets:** There is a world of difference between the quality of healthcare services available in metro cities and large urban areas compared to some of the semi-urban areas in the country. Patients in such semi-urban areas have the ability and the willingness to pay for good quality healthcare services, but due to lack of options, end up travelling to the cities in search of appropriate treatment. Healthcare service providers who are able to offer services of the desired quality in these areas will benefit from a ready marketplace for their services.

**Changing Lifestyles:** Given the steady increase in disposable incomes and growing health awareness, there has been a manifold expansion in demand for elective or planned surgeries as well as cosmetic surgeries. Patients are now willing to undergo discretionary treatments to elevate their standard of living and pursue a lifestyle of their choice. This is steadily developing into a deep and lucrative segment of the healthcare services market.

**Population on the rise:** As India crosses the 100 million mark of its ageing population and is expected to be the home for around 143 million elderly by 2020, this will also contribute to the increasing demand for healthcare services.

**India is an ideal Medical Value Travel destination:** The Indian Healthcare Industry is suitably poised to address the billion dollar medical tourism opportunity, with several accredited facilities and is witnessing a large development boom of private medical healthcare facilities. Additionally, the inherent cost advantage with prevalence of quality healthcare services makes India a preferred destination among emerging markets. The opportunity is large and the country will need to improve procedural efficiency and enhance marketing of services to garner a sizeable share.

### Threats

**Heightened competitive intensity:** The increasing trend of entrepreneurs and business houses to enter into the healthcare sector has resulted in a spike in setting up of greenfield facilities, JVs and acquisitions. There are even pockets of overcapacity in certain metros. In order to make these ventures viable after invested significant funds, there is a possibility that some of these players could resort to unsustainable pricing in order to gain market share.

**Increasing cost of resources:** The emergence of several domestic hospital chains combined with the entry of international players is leading to an increased number of competitors chasing finite resources such as land, quality medical professionals and potential acquisition targets. Demand growth is expected to outpace improved supply of these resources. A failure to acquire resources at fair and reasonable rates will impact the ability to suitably grow and expand our operations. Further, increases in operating costs can impact the Company's operations and financial condition.

**Potential loss on the Medical Tourism Opportunity:** Several countries in the Asia-Pacific region have realized the opportunity of attracting medical value travelers. These countries provide a number of incentives to domestic service providers in the form of subsidized capital, ease in permissions and tax benefits. This, coupled with their enhanced infrastructure and simplified visa norms, makes them well positioned to gain a larger share of the opportunity.

### Industry outlook

The healthcare market in India has witnessed a substantial transformation in the last few years. The industry is now growing at a tremendous pace owing to its strengthening coverage, services and increasing expenditure by public as well private players.

The country today is faced with two kinds of disease burden communicable and non-communicable, diseases, giving rise to a new pool of patients who demand different types of medical services. As India crosses the 100 million mark of its ageing population and is expected to be the home for around 143 million elderly people by 2020, giving rise to the increasing demand for healthcare facilities, there is a huge potential for healthcare players to service these rising numbers.

Moreover, increasing government focus, rising awareness and insurance penetration among the populace are expected to drive this growth in future. Additionally, factors such as attractive investment opportunities, growing innovation and entrepreneurship are expected to increase the market size, thereby increasing the contribution of healthcare to the country's GDP.

Large investments by private sector players are likely to contribute significantly to the development of the sector. In India, private healthcare accounts for almost 70 per cent of the country's total healthcare expenditure. Private sector's share in hospitals and hospital beds is estimated at 74 per cent and 40 percent respectively. The main factor contributing to rising medical tourism in India is presence of a well-educated, English-speaking medical staff in state-of-the art private hospitals and diagnostic facilities.

Going forward, apart from M&A deals, Private Equity and Venture Capital funding will be a strong investment driver for the Indian healthcare sector. The sector is expected to be one of the most attractive investment targets with attractive valuations. The sector has attracted close to

\$1billion into hospital assets from both domestic and foreign financing companies. PE investments have nearly quadrupled from 2011 to 2013 for investments into hospitals and diagnostic chains. Further, the sector has seen close to 100 domestic and inbound M&A deals, with an average deal size of \$30 million, totaling to \$3 billion since 2010.

At present there still exists an increasing gap between the expectations of patients and the offerings of traditional models of healthcare delivery. In the wake of these growing concerns and with an urgent need to accommodate the rising healthcare requirements and expectations, an emerging and organized healthcare sector is in play. Moreover, with increasing demand for affordable and quality healthcare, penetration of health insurance is poised to grow exponentially in the coming years.

## 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 with even minor deviations addressed immediately.

These are supplemented by the Mortality Review and Incident Reporting systems. We also implement the AQP or Apollo Quality programme which is a 20 parameter reporting dashboard for standardization of processes.

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 assure 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. We aim to achieve this through:

#### Focus on a portfolio of high value clinical specialties

We believe that a combination of factors, including changing demographics, increasing affluence of the Indian population, greater health awareness, an increase in lifestyle-related diseases such as heart disease and diabetes, increasing health insurance coverage and a growing medical tourism market, will lead to an increase in demand for quality healthcare services, particularly tertiary healthcare services. We have therefore identified cardiology, oncology, neurology, orthopedics, critical care and transplants as our key focus areas of our tertiary care hospital. We internally designate these focus areas as “Centers of Excellence”.

To maximise our market share of the tertiary care procedures performed in each Center of Excellence, we plan to undertake a number of initiatives to ensure that we provide high quality healthcare services and improve our clinical outcomes, including:

- Strengthening each Center of Excellence through the addition of experienced and skilled surgeons and physicians.
- Expanding each Center of Excellence practice area to provide comprehensive sub-specialties and treatment services.
- Establishing well-defined clinical guidelines and protocols with a strong focus on clinical outcomes.

#### Focus on life enhancing procedures and elective surgeries

We believe that with increasing disposable incomes and health awareness, there is a growing demand for elective or planned surgeries. Apart from our focus on Centers of Excellence, we also plan to focus on elective procedures to capture this growing market and build a strong presence in the elective and life enhancing procedures market. Our hospital is well-equipped to offer various elective procedures like knee replacements, hip replacements, cosmetic surgeries, dental services and other similar procedures. We intend to increase the volume of such procedures performed in our hospital

by creating specialised centers for such procedures, recruiting more surgeons specialising in such procedures and investing in the latest medical technology to improve our clinical outcomes in these areas.

### Improve operating efficiencies and profitability

We believe that maximising operating efficiencies and profitability is a key component of our growth strategy. We intend to focus on the following key areas to improve our operating efficiencies and profitability:

- Improve average revenue per occupied bed per day  
We seek to improve the average revenue per occupied bed per day through a combination of initiatives, including:
  - Increase focus on high growth tertiary care areas. We continually focus on investing in the latest medical technology, attracting skilled physicians and surgeons and developing our expertise in high growth tertiary care areas to serve the increasing demand for sophisticated clinical care and procedures. By implementing our strategy to focus on high growth Centers of Excellence and other technology and specialist skill-driven clinical areas, we intend to improve our case mix and increase revenues per occupied bed per day.
  - Reduction in Average Length of Stay (“ALOS”). As a significant portion of in-patient revenues are derived from medical services provided in the initial two to three days of a patient’s stay in the hospital, we plan to reduce the ALOS at our hospitals, thereby increasing patient turnover rate and the revenue per occupied bed per day, by capitalising on improvements in medical technology and focusing on minimally invasive surgeries, which reduces surgical trauma to patients and patient recovery time.
- Maximise efficiencies through greater integration, better supply chain management and human resource development

To improve the productivity of our employees, we plan to place greater emphasis on training our employees in best practices and implement programs to provide incentives for performance. We have also introduced an initiative to encourage our doctors to be more involved in administrative matters such as scheduling surgeries and in the management of the hospitals as we believe that this will help to improve clinical outcomes and service standards.

### Optimisation of asset utilisation in mature facilities and compressing time-to-maturity of new facilities

We have specific plans in our mature facilities to further deepen our presence in Cardiology, Neurosciences and Oncology. We have created value differentiators and set service standards for enhancing patient satisfaction in terms of time-to-serve. We will also leverage on our personalised health checks and tertiary care OP services



to target superior topline contribution from out patients. This will ensure higher market share in select acute care services.

### **Focus on medical value travelers**

According to CRISIL, India is fast emerging as a major medical tourist destination. We believe that India is highly competitive in terms of healthcare costs compared to other developed and developing countries, such as the United States, the United Kingdom and Singapore. A number of our facilities have been accredited by various Indian and international accreditation agencies such as the JCI, the NABH and the NABL, which we believe helps us to attract medical value travelers. We intend to focus on attracting more medical value travelers from select markets including those in the Middle East, Africa and Southeast Asia by increasing our marketing efforts in these regions. We believe that medical value travelers will help to contribute to higher revenues per bed day and increase our profitability.

### **Financial Performance**

During the year under review, the total income of the Company increased to Rs. 759.65 Crores from Rs. 715.43 Crores in the previous year.

The profit before tax was Rs. 44.49 Crores as compared to Rs. 49.55 Crores in the previous year. The profit after tax was Rs. 28.23 Crores as compared to Rs. 32.49 Crores in the previous financial year.

The operating expenses increased to Rs. 529.02 Crores from Rs. 483.71 Crores in the previous year.

Depreciation and amortization expenses decreased to Rs. 26.57 Crores from Rs. 28.18 Crores from the previous year.

The provision for taxes during the year under review is Rs. 16.26 Crores as compared to Rs. 17.06 Crores in the previous year.

### **Risk Management & Internal Controls**

The increase in scale and reach of operations increases the overall complexity and results in an intensified risk profile. Business Risk Evaluation and management of such risks is an ongoing process within the organization. To mitigate such risks, your Company has devised and implemented a comprehensive risk management system that has been implemented to ensure that risks are contained within manageable levels.

Since it is the primary responsibility of the Board of Directors to ensure that Internal Financial Controls are in place it has constituted a Risk Management Committee, headed by the Managing Director, which will identify, assess, prioritize, manage, monitor and communicate suitable measures to manage such risks. The status of major risks faced by the Company and majors taken to address and minimize such risk are being reported to the Board of Directors.

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.
- 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 before the Consumer Courts have been filed by patients or their relatives against the hospital and the Consultant Doctors for medical negligence even when some times the negligence is not actual but only perceived. Although, the Hospital has insured itself with professional indemnity policy to cover the financial risk, media coverage of such matters 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 judgement 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. If the impugned judgement of the Hon'ble High Court of Delhi to provide free treatment including medicines and consumables upto 33% IPD and not less than 40% OPD is to be implemented, it may impact the financial performance of the Company.
- 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, the entire amount as awarded by the Learned Presiding Officer of around Rs. 1 Crore has been deposited with the Registrar General of the Hon'ble High Court of Delhi. A group of employees has also challenged the said award before the Hon'ble Court of Delhi seeking re-instatement and full back wages.



## Internal Control Systems and their Adequacy

The Company has an established system of Internal Financial 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 comparison 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, Your Company recruits people from across the country with a special focus on encouraging and empower its 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, 2016, was 3150 as against 3221 employees in previous year. The Company has also engaged contractors for various support services in the Hospital and they have deployed 1018 workers as against 1005 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: 1<sup>st</sup> July, 2016**

# 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 goes 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 the 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 maximize shareholders' 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 adequate 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 2016, the Board of Directors consists of 14 (Fourteen) members comprising of 1 (one) Executive Director and 13 (Thirteen) Non-Executive Directors including 7 (seven) Independent Directors and 4 (four) women Directors. The composition of the Board of Directors of the Company is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

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 the Directors at the Board Meetings and the last Annual General Meeting, Outside Directorships and other Membership or Chairmanship of Board Committees

Above information as on 31<sup>st</sup> March, 2016, is as under:-

Name of the Director and Category	DIN	No. of Board Meetings Attended	Attendance at the last AGM	Number of Directorships in other public companies (A)		Number of Committee positions held in other public companies (B)	
				Chairperson	Member	Chairperson	Member
Dr. Prathap C Reddy (Vice-Chairman/Non - Executive)	00003654	6	Yes	7	1	Nil	Nil
Mr. Jaideep Gupta (Managing Director/Executive)	02647974	6	Yes	Nil	Nil	Nil	Nil
Mr. S.C.L. Das (Non-Executive) <sup>(1)</sup>	02141779	-	NA	Nil	Nil	Nil	Nil
Mr. S.N. Sahai (Non-Executive)	00860449	5	No	Nil	7	4	1
Ms. Suneeta Reddy (Non-Executive)	00001873	6	Yes	Nil	9	Nil	1
Ms. Shobana Kamineni (Non-Executive)	00003836	3	Yes	Nil	9	Nil	Nil
Ms. Vineeta Rai (Non-Executive)	07013113	5	No	Nil	Nil	Nil	Nil
Ms. Renu S. Karnad (Non-Executive)	00008064	5	Yes	Nil	10	1	6
Dr. B. Venkataraman (Independent/Non-Executive)	00040114	5	Yes	1	5	Nil	1
Mr. T.S. Narayanasami (Independent/Non-Executive)	01786981	5	No	Nil	3	1	2
Mr. S. Regunathan (Independent/Non-Executive)	00286505	5	Yes	Nil	1	Nil	Nil
Prof. V.N. Rajasekharan Pillai (Independent/Non-Executive)	02415889	6	Yes	Nil	Nil	Nil	Nil
Mr. Satnam Arora (Independent/Non-Executive)	00010667	4	No	Nil	3	Nil	2

Name of the Director and Category	DIN	No. of Board Meetings Attended	Attendance at the last AGM	Number of Directorships in other public companies (A)		Number of Committee positions held in other public companies (B)	
				Chairperson	Member	Chairperson	Member
Prof. Ranjit Roy Chaudhury (Independent/Non-Executive) <sup>(2)</sup>	02417722	2	Yes	Nil	Nil	Nil	Nil
Mr. Deepak Vaidya (Independent/Non-Executive)	00337276	5	Yes	1	2	3	1
Dr. Arun Rai (Independent/Non-Executive) <sup>(3)</sup>	07159822	4	No	Nil	1	Nil	Nil

Notes:

- (1) Ceased to be a Director w.e.f. 01.05.2015.
  - (2) Ceased to be a Director w.e.f. 27.10.2015
  - (3) Appointed by the Board as an Additional Director on 26.05.2015 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 29.09.2015.
- (A) Directorship in companies registered under the Companies Act, 2013 (earlier Companies Act, 1956), excluding companies under Section 8 of the Companies Act, 2013 (earlier Section 25 of the Companies Act, 1956).
- (B) Only covers Membership / Chairmanship of Audit Committee and Stakeholders Relationship Committee of public limited companies.

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, 2016, have been made by the Directors.

None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies as prescribed under Regulation 25(1) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015.

### (c) Number of Board Meetings held and the dates of the Board Meeting

Six (6) Board meetings were held during the financial year ended 31<sup>st</sup> March, 2016. The dates of the meetings are as follows: 26<sup>th</sup> May, 2015, 7<sup>th</sup> August, 2015, 3<sup>rd</sup> November, 2015, 9<sup>th</sup> December, 2015, 9<sup>th</sup> February, 2016 and 31<sup>st</sup> March, 2016. The time gap between two consecutive Board meetings was not more than one hundred and twenty days.

All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of Sub- Regulation 7 of Regulation 17 of the Listing Regulations. During the year, separate meeting of the Independent Directors was held on 25<sup>th</sup> May, 2015 without the attendance of non-independent directors and members of the management.

### (d) Relationships between Directors

Name of the Director	Relationship with other Directors
Dr. Prathap C Reddy	Father of Ms. Suneeta Reddy and Ms. Shobana Kamineni
Ms. Suneeta Reddy	Daughter of Dr. Prathap C Reddy and sister of Ms. Shobana Kamineni

Name of the Director	Relationship with other Directors
Ms. Shobana Kamineni	Daughter of Dr. Prathap C Reddy and sister of Ms. Suneeta Reddy

Note: None of the Directors had relationships inter-se, except above named Directors.

### (e) Shares held by Non-Executive Directors

The number of shares held by Non-Executive Directors, in the share capital of the Company as on 31<sup>st</sup> March, 2016, is as under:-

Name of the Non-Executive Director	Number of shares held
Dr. Prathap C Reddy	237187
Ms. Suneeta Reddy	138293
Ms. Shobana Kamineni	116918
Ms. Vineeta Rai	1

Note: None of the Directors was holding shares as on 31<sup>st</sup> March, 2016, in the share capital of the Company, except above named Directors.

### (f) Familiarisation Programmes

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 the entire Board including Independent Directors was conducted to apprise the Directors on relevant changes in Companies Act, 2013 and provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The familiarisation programme along with details of the same imparted to the Independent Directors

during the year are available on the website of the Company <http://www.apollohospdelhi.com/downloads/Familiarization%20Programme.pdf>

### **(g) 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, for the financial year ended 31<sup>st</sup> March, 2016. A declaration to this effect signed by the Managing Director is annexed herewith.

## **3. AUDIT COMMITTEE**

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

The terms of reference of the Audit Committee covers the areas as contemplated in Section 177 of the Companies Act, 2013, and Regulation 18 of the Listing Regulations, which inter-alia shall 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.
- (1) Management discussion and analysis of financial condition and results of operations.
  - (2) Statement of significant related party transactions (as defined by the audit committee), submitted by management).
  - (3) Management letters / letters of internal control

weaknesses issued by the statutory auditors.

- (4) Internal audit reports relating to internal control weaknesses; and
- (5) The appointment, removal and terms of remuneration of the chief Internal Auditors.
- (6) Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### 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 it necessary

### (b) Composition, Name of Members and Chairperson

As on 31<sup>st</sup> March, 2016, 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 four (4) times during the year on 25<sup>th</sup> May, 2015, 6<sup>th</sup> August, 2015, 2<sup>nd</sup> November, 2015 and 9<sup>th</sup> February, 2016, and the time gap between two consecutive meetings was not more than one hundred and twenty days. 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	4	4
Dr. B. Venkataraman	Independent - Non-Executive	4	4
Ms. Suneeta Reddy	Non-Executive	4	3
Mr. S.N. Sahai	Non-Executive	4	3
Mr. Satnam Arora	Independent - Non-Executive	4	2
Mr. Deepak Vaidya	Independent - Non-Executive	4	4

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.

Due to some unavoidable circumstances, Mr. T.S. Narayanasami - Chairman of the Audit Committee could not attend the last AGM of the Company. He had authorized Dr. B. Venkataraman - Member Audit Committee to address the queries of the shareholders relating to the Audit Committee if any, on his behalf at the AGM.

## 4. NOMINATION AND REMUNERATION COMMITTEE

### (a) Terms of Reference

The terms of reference to the Nomination and Remuneration Committee covers the areas as contemplated in Section 178 of the Companies Act 2013 and Regulation 19 of the Listing Regulations, 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.
- (v) Devise a policy on Board diversity.

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

As on 31<sup>st</sup> March, 2016, 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) Meetings and Attendance during the year



The Nomination and Remuneration Committee met twice during the year on 25<sup>th</sup> May, 2015 and 31<sup>st</sup> March, 2016.

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	1
Ms. Suneeta Reddy	Non-Executive	2	-
Mr. S. Regunathan	Independent Non-Executive	2	2
Mr. T.S. Narayanasami	Independent Non-Executive	2	2
Mr. S.N. Sahai	Non-Executive	2	2

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

#### (d) Performance Evaluation Criteria for Independent Directors

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation, the Directors who were subject to evaluation had not participated.

## 5. REMUNERATION OF DIRECTORS

### (a) 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 Directors' 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 for their contribution.

### Details of Directors Remuneration

The details of Remuneration paid to Directors for the year ended 31<sup>st</sup> March, 2016, 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 has approved the payment of commission of Rs. 2,75,000/- to each of the Non-Executive Director including Independent Directors for the year ended 31<sup>st</sup> March, 2016, 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, 2016		
		Sitting Fee	Commission Payable	Total
Dr. Prathap C Reddy	Father of Ms. Suneeta Reddy and Ms. Shobana Kamineni	1,20,000	2,75,000	3,95,000
Mr. S.C.L. Das	-	-	22,541 **	22,541
Mr. S.N. Sahai	-	2,00,000	2,75,000 **	4,75,000
Ms. Suneeta Reddy	Daughter of Dr. Prathap C Reddy and sister of Ms. Shobana Kamineni	1,80,000	2,75,000	4,55,000
Ms. Shobana Kamineni	Daughter of Dr. Prathap C Reddy and sister of Ms. Suneeta Reddy	60,000	2,75,000	3,35,000
Ms. Vineeta Rai	-	1,80,000	2,75,000	4,55,000
Ms. Renu S Karnad	-	1,00,000	2,75,000	3,75,000
Dr. B Venkataraman	-	2,60,000	2,75,000	5,35,000
Mr. T.S. Narayanasami	-	2,40,000	2,75,000	5,15,000
Mr. S. Regunathan	-	2,00,000	2,75,000	4,75,000
Prof. V.N. Rajasekharan Pillai	-	1,40,000	2,75,000	4,15,000
Mr. Satnam Arora	-	1,40,000	2,75,000	4,15,000
Prof. R.R. Chaudhury	-	60,000	1,57,036	2,17,036
Mr. Deepak Vaidya	-	2,00,000	2,75,000	4,75,000
Dr. Arun Rai	-	80,000	2,33,675	3,13,675

\*\* As per the instructions received from the Govt. of NCT of Delhi, the amount of commission has been paid to DDO, Health & Family Welfare Dept., Govt. of NCT of Delhi.

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, 2016.

(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, 2016		
		Salary	Perquisite	Total
Mr. Jaideep Gupta	-	87,45,055	4,47,600	91,92,655

## 6. 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, 2016, the Stakeholders Relationship Committee consists of four Directors (including two Independent Directors) viz. Ms. Vineeta Rai, Mr. Jaideep Gupta, Dr. B Venkataraman and Mr. Satnam Arora. Ms. Vineeta Rai is the Chairperson of the Stakeholders Relationship Committee.

The Stakeholders Relationship Committee met twice during the year on 22<sup>nd</sup> December, 2015 and 21<sup>st</sup> March, 2016.

- Name of the Non-Executive Director heading the Committee:** Ms. Vineeta Rai
- 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 fifty five 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, 2016:** None

## 7. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2014-15	FICCI K. K. Birla Auditorium 1, Tansen Marg New Delhi – 110 001	29 <sup>th</sup> September, 2015	10.30 a.m.

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.

## b) 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 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.
- 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.
- 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.
- Special Resolution was passed at AGM on 26<sup>th</sup> September, 2013, 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.
- 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.
- Special Resolution was passed at AGM on 26<sup>th</sup> September, 2013, for post-facto approval of the shareholders for entering into contract for availing Housekeeping services from M/s Faber Sindoori Management Services Private Limited.

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

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

## 8. MEANS OF COMMUNICATION

- 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.
- Official News Releases : The Company's website also displays official news releases.
- Presentations made to Institutional Investors or to the Analysts : No presentation was made to institutional investors or to the analysts by the Company.

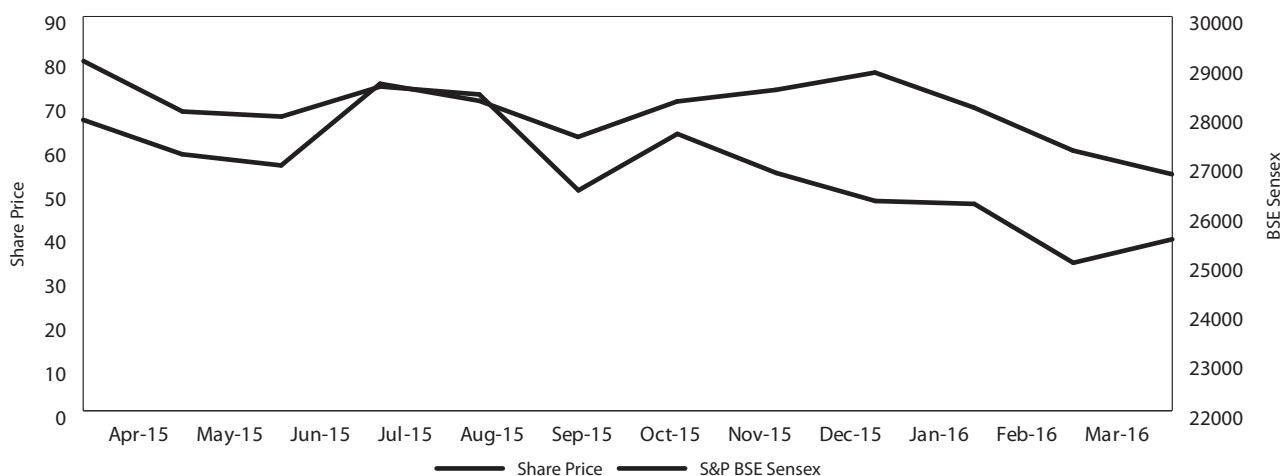
## 9. GENERAL SHAREHOLDER INFORMATION

- Annual General Meeting: Tuesday, 30<sup>th</sup> August, 2016, at 10.30 a.m. at Sirifort Auditorium, Siri Fort Cultural Complex, August Kranti Marg, New Delhi - 110 049.
- Financial Year: 1<sup>st</sup> April to 31<sup>st</sup> March

- Date of Book Closure: From Saturday, 20<sup>th</sup> August, 2016 to Tuesday, 30<sup>th</sup> August, 2016 (both days inclusive) for declaration of dividend for the year 2015-16.
- Dividend Payment Date : On or after 3<sup>rd</sup> September, 2016
- Listing on Stock Exchanges: BSE Limited (BSE), Mumbai and National Stock Exchange of India Limited (NSE), Mumbai. Annual Listing Fee for the year 2016-17 has been paid by the Company to BSE & NSE.
- Stock Code: BSE - 532150, NSE - INDRAMEDCO, Demat ISIN - INE681B01017
- Market Price Data: Monthly High & Low during each month of the financial year 2015-16 at National Stock Exchange (NSE) and BSE Ltd. (BSE) are as under:-

Month	National Stock Exchange			Bombay Stock Exchange		
	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)
April, 2015	66.40	51.00	2383767	66.40	51.00	710592
May, 2015	58.45	51.25	2253971	58.55	52.00	635199
June, 2015	56.00	50.00	1101702	56.00	48.10	465319
July, 2015	74.55	53.15	11853203	74.65	53.65	4593456
Aug., 2015	70.70	55.05	5809795	70.75	55.55	2147897
Sep., 2015	62.30	55.55	1280128	62.50	55.50	562846
Oct., 2015	70.60	59.10	2752355	70.60	59.40	930965
Nov., 2015	73.00	62.40	3047159	73.25	62.50	983886
Dec., 2015	77.20	64.80	13986970	77.20	64.80	4244960
Jan., 2016	69.25	53.80	4667169	69.20	50.00	1403875
Feb., 2016	58.70	46.50	2074254	59.40	46.00	553359
March, 2016	53.70	47.10	2342688	54.00	47.40	566748

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



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

M/s. Link Intime India Pvt. Ltd.  
44 Community Centre 2<sup>nd</sup> floor  
Naraina Industrial Area Phase I  
Near PVR, Naraina, New Delhi – 110 028  
E-mail: delhi@linkintime.co.in  
Phone: 011-41410592-94

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

k. **Distribution of shareholding as on March 31, 2016:**

Shareholding of shares	Shareholders		Numbers	
	Number	% to total	Numbers	% to total
1 - 500	38403	84.3892	5147476	5.6150
501 - 1000	3488	7.6648	3065916	3.3444
1001 - 2000	1547	3.3995	2475302	2.7001
2001 - 3000	567	1.2460	1487481	1.6226
3001 - 4000	322	0.7076	1174758	1.2815
4001 - 5000	315	0.6922	1512069	1.6494
5001 - 10000	425	0.9339	3221793	3.5144
10001 & above	440	0.9669	73588205	80.2725
<b>Total</b>	<b>45507</b>	<b>100.0000</b>	<b>91673000</b>	<b>100.0000</b>

**Shareholding Category as on 31<sup>st</sup> March, 2016**

Category	No. of Shares held	% to total
Indian Promoters	45276700	49.3894
Foreign Promoters	1475000	1.6090
Mutual Funds	1849514	2.0175
Foreign Portfolio Investor	357127	0.3896
Financial Institutions / Banks	552344	0.6025
Bodies Corporate	13023752	14.2067
NRI's/OCB's	2346318	2.5594
Indian public	26792245	29.2259
<b>Grand Total</b>	<b>91673000</b>	<b>100.0000</b>

l. **Dematerialisation of shares:** About 70% of the Company's paid-up equity share capital has been dematerialised up to 31<sup>st</sup> March, 2016.

The details of demat of shares as on 31<sup>st</sup> March, 2016, are as under:-

	No. of Shareholders	No. of Shares	% of capital
NSDL	20212	56284616	61.3972
CDSL	9544	7567828	8.2552

Requests for dematerialisation of shares are processed and confirmation is given to the respective depositories i.e.

National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within 15 days.

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

m. **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:** The Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments.

n. **Foreign Exchange Risk and hedging activities:** The Company has no foreign exchange exposure except to the extent of Letter of Credit established with overseas supplier in the routine course of business.

o. **Hospitals Location:**

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

&

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

p. **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

## 10. OTHER DISCLOSURES

a. **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, 2016, 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.

b. **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.

### **c. Whistle Blower Policy**

The Company requires that all director and employees adhere 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 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, 2016, no personnel has been denied access to the Chairman of the Audit Committee of the Company.

### **d. Compliance with mandatory requirements of Clause 49 of the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The Corporate Governance Report of the Company for the year 2015-16, is in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

### **CEO/CFO CERTIFICATION**

The Managing Director and the Chief Financial & Operating Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of

the Listing Regulations for the year ended 31<sup>st</sup> March, 2016. A certificate to this effect signed by the Managing Director and the Chief Financial & Operating Officer is annexed herewith.

## **NON-MANDATORY REQUIREMENTS**

### **A. The Board**

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

### **B. Shareholders Rights**

As the Company's quarterly results are published in English newspaper having a circulation all over India and in a Hindi newspaper having a circulation in Delhi region, uploaded on Company's website [www.apollohospdelhi.com](http://www.apollohospdelhi.com), the half-yearly declaration of financial performance is not sent separately to each household of the shareholders of the Company.

### **C. Modified Opinion in audit report**

The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements.

### **D. Separate posts of Chairman and CEO**

The Company has separate Chairman and Managing Director.

### **E. 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: 1<sup>st</sup> July, 2016**



## CERTIFICATE

To,

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

We have examined the compliance of regulations of corporate governance by Indraprastha Medical Corporation Ltd. (the Company), for the purpose of certifying compliance of regulations of corporate governance under Clause 49 of the Listing Agreement(s) with stock exchange(s) (effective up to November 30, 2015) and as stipulated in Chapter IV read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended on 31<sup>st</sup> March 2016 .

The compliance of regulations 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 regulations of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the regulations of corporate governance as stipulated in Clause 49 of the Listing Agreement and Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**Abhinav Khosla**  
Partner

Membership No.: 87010

Place: New Delhi  
Dated: 1<sup>st</sup> July, 2016

## CODE OF CONDUCT DECLARATION

To,

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

I hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the provisions of the Company's Code of Conduct, for the financial year ended 31<sup>st</sup> March, 2016.

**Name** : Jaideep Gupta  
**Designation** : Managing Director  
**Date** : 27<sup>th</sup> June, 2016

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## CEO-CFO CERTIFICATE

To,

Date: 07<sup>th</sup> May, 2016

The Board of Directors  
Indraprastha Medical Corporation Limited  
Delhi-Mathura Road  
Sarita Vihar  
New Delhi-110016

**Sub: Compliance certificate under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31<sup>st</sup> March, 2016**

Dear Sir(s),

- A. We have reviewed financial statements and the cash flow statement for the year 2015-16 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that there are no deficiencies in the design or operation of such internal controls.
- D. There are no:
- (1) significant changes in internal control over financial reporting during the year;
  - (2) significant changes in accounting policies during the year and
  - (3) instances of significant fraud.

**Jaideep Gupta**  
Managing Director

**P. Shivakumar**  
Chief Financial and Operating Officer

# 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, 2016, 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. 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016 and its profits and its 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, 2016 ("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, 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, 2016 from being appointed as a Director in terms of under sub-section (2) of Section 164 of the Companies Act, 2013.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure- B".
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) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- (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: 20<sup>th</sup> May, 2016**

## **ANNEXURE–A 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.
- (c) According to information and explanations given to us and on the basis of our examination of the records of the company the title deeds of immovable properties are held in the name of the company
2. (a) Physical verification has been carried out by the Management in respect of inventory at reasonable intervals including as on March 31, 2016. In our opinion the frequency of verification is reasonable.
- (b) The Company is maintaining proper records of inventory. As per the information and explanations provided to us by the Management, the discrepancies observed on physical verification of inventory were not material 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 , limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act,2013 . Therefore the provisions of paragraph (iii) (a) , (b) and (c) of the above order are not applicable to the Company.
4. According to the information and explanations given to us, the Company has not made any loans, investments , or given any guarantees or provided any security pursuant to the provisions of section 185 and 186 of the Companies Act,2013 . Therefore the provisions of paragraph (iv) of the above order are not applicable to the Company.
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, Service tax, Duty of Customs, 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, 2016 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, service tax, duty of customs or value added tax 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

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowing to any financial institution, bank or Government. The Company does not have any debenture holders.
9. In our opinion and according to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
10. According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers or employees has been

noticed or reported during the year under review.

11. According to the information and explanations given to us and based on our examination of records of company, the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. According to the information and explanation given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the Order are not applicable.
13. According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013. Further the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore the provisions of paragraph 3(xiv) of the Order are not applicable.
15. According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.
16. According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

**Place: New Delhi**  
**Dated: 20<sup>th</sup> May, 2016**

**Partner**  
**M. No. 87010**

## ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

#### REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the internal financial controls over financial reporting of Indraprastha Medical Corporation Limited ("the Company") as of 31<sup>st</sup> March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of



Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### AUDITORS' RESPONSIBILITY

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance

with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### OPINION

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Place: New Delhi**  
**Dated: 20<sup>th</sup> May, 2016**

## BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2016

Particulars	Note No.	As at 31 <sup>st</sup> March, 2016 Rs.	As at 31 <sup>st</sup> March, 2015 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	111,46,35,706	103,08,95,397
<b>2. Non-current liabilities</b>			
(a) Long-term borrowings	3	2,49,99,997	10,83,33,326
(b) Deferred Tax Liabilities (Net)	4	33,86,18,280	32,60,36,495
(c) Other Long term liabilities	5	3,07,50,009	2,45,99,758
(d) Long-term provisions	6	6,96,63,517	6,91,00,222
<b>3. Current liabilities</b>			
(a) Short-term borrowings	7	44,66,57,969	24,57,57,359
(b) Trade payables	8	102,18,53,632	86,47,93,890
(c) Other current liabilities	9	49,43,12,618	62,36,60,074
(d) Short-term provisions	10	20,57,98,974	20,56,49,573
<b>Total</b>		<b>466,40,20,702</b>	<b>441,55,56,094</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	11		
(i) Tangible Assets		287,50,73,873	284,22,36,450
(ii) Intangible Assets		1,86,04,953	1,97,47,271
(iii) Capital Work in Progress		2,59,92,981	2,54,10,528
(b) Long-term loans and advances	12	4,08,27,593	3,76,84,633
(c) Other non current assets	13	-	26,69,319
<b>2. Current Assets</b>			
(a) Inventories	14	12,78,77,425	12,47,30,364
(b) Trade receivables	15	92,06,05,085	77,74,89,648
(c) Cash and Cash equivalents	16	6,31,72,003	6,19,22,586
(d) Short-term loans and advances	17	23,12,84,396	14,97,12,513
(e) Other Current Assets	18	36,05,82,393	37,39,52,782
<b>Total</b>		<b>466,40,20,702</b>	<b>441,55,56,094</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

**Dr. Prathap C. Reddy**

*Vice Chairman*

**Jaideep Gupta**

*Managing Director*

**Abhinav Khosla**  
Partner  
M. No. 87010

**P. Shivakumar**

*Chief Financial and Operating Officer*

**Ajay Kumar Singhal**

*Vice President Cum Company Secretary*

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

Particulars	Note No.	For the Year ended 31 <sup>st</sup> March, 2016 Rs.	For the Year ended 31 <sup>st</sup> March, 2015 Rs.
<b>I. REVENUE</b>			
(a) Revenue from Operations	19	757,52,91,593	714,45,51,470
(b) Other Income	20	2,11,77,283	97,40,029
<b>Total Revenue</b>		<b>759,64,68,876</b>	<b>715,42,91,499</b>
<b>II. EXPENSES</b>			
(a) Stores and Spares consumed		152,25,16,698	145,88,93,849
(b) Employee benefits expense	21	180,32,60,641	155,79,51,144
(c) Finance costs	22	7,31,25,628	8,10,70,938
(d) Depreciation and amortization expense		26,57,35,371	28,17,58,663
(e) Other expenses	23	348,69,25,403	327,91,44,215
<b>Total Expenses</b>		<b>715,15,63,741</b>	<b>665,88,18,809</b>
<b>III. Profit before exceptional and extraordinary items and tax</b>		44,49,05,135	49,54,72,690
<b>IV. Extraordinary items / Exceptional items</b>		-	-
<b>V. Profit before tax</b>		44,49,05,135	49,54,72,690
<b>VI. Tax Expense</b>			
(a) Current Tax		14,91,62,251	17,37,11,864
(b) Deferred Tax		1,25,81,785	(29,91,476)
(c) Tax paid/excess provision for tax written back in respect of earlier years		8,16,952	(1,59,303)
<b>VII. Profit for the year from continuing operations</b>		28,23,44,147	32,49,11,605
<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>		28,23,44,147	32,49,11,605
<b>XII. Earnings per equity share</b>			
(Nominal value of equity share Rs. 10/-)			
Basic & Diluted		3.08	3.54
<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

**Dr. Prathap C. Reddy**

*Vice Chairman*

**Jaideep Gupta**

*Managing Director*

**Abhinav Khosla**  
Partner  
M. No. 87010

**P. Shivakumar**

*Chief Financial and Operating Officer*

**Ajay Kumar Singhal**

*Vice President Cum Company Secretary*

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016

Particulars	Year ended 31 <sup>st</sup> March, 2016 Rs.	Year ended 31 <sup>st</sup> March, 2015 Rs.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax & Extraordinary items	44,49,05,135	49,54,72,690
<b>Add:</b>		
Depreciation and amortization expense	26,57,35,371	28,17,58,663
Interest expense	4,29,92,956	5,30,09,074
Wealth Tax	-	1,52,675
Loss on discarded assets	1,85,50,703	2,81,579
<b>Deduct:</b>		
Interest received	29,33,858	25,59,195
Profit on Sale of Assets	1,42,410	-
Operating Profit before Working Capital changes	76,91,07,897	82,81,15,486
<b>Adjustments for</b>		
Trade & Other Receivables	(15,37,77,988)	(17,34,06,415)
Trade payables	24,53,92,902	19,05,97,220
Inventories	(31,47,061)	(10,00,956)
Cash Generated from Operations	85,75,75,750	84,43,05,335
<b>Deduct:</b>		
Interest paid	(2,38,94,086)	(1,36,51,932)
Income tax paid	(21,39,47,336)	(18,76,43,765)
Net Cash from Operating Activities	61,97,34,328	64,30,09,638
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Assets (Net of sale)	(32,76,20,423)	(29,53,25,103)
Interest received	24,90,493	38,97,913
Net Cash from Investing Activities	(32,51,29,930)	(29,14,27,190)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from - short term loans	90,00,00,000	30,00,00,000
Repayment of - long term loans	(18,33,33,331)	(22,00,00,008)
Repayment of - short term loans	(80,00,00,000)	(20,00,00,000)
Interest paid	(1,90,98,870)	(3,94,91,179)
Dividend paid (including Corporate Dividend Tax)	(19,78,85,115)	(19,27,05,782)
Net Cash from Financing Activities	(30,03,17,316)	(35,21,96,969)
<b>Net increase in cash and Cash equivalents</b>	(57,12,918)	(6,14,521)
<b>Opening Cash and cash equivalents</b>	1,93,24,356	1,99,38,877
<b>Closing Cash and cash equivalents</b>	1,36,11,438	1,93,24,356
<b>Components Cash and cash equivalents</b>		
Cash balance on hand	81,86,989	95,48,078
Balance with Banks	54,24,449	97,76,278

As per our separate report of even date attached

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

**Dr. Prathap C. Reddy**

*Vice Chairman*

**Jaideep Gupta**

*Managing Director*

**Abhinav Khosla**  
Partner  
M. No. 87010

**P. Shivakumar**

*Chief Financial and Operating Officer*

**Ajay Kumar Singhal**

*Vice President Cum Company Secretary*

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2016 Rs.	As at 31 <sup>st</sup> March, 2015 Rs.
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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>		
(91,673,000 equity shares of Rs. 10/- each fully paid up)	91,67,30,000	91,67,30,000
	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, 2016		As at 31 <sup>st</sup> March, 2015	
	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, 2016 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, 2016		As at 31 <sup>st</sup> March, 2015	
	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	61,46,897	6.71%	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 year 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	41,75,00,000	38,75,00,000
Add: Transferred from surplus in Statement of Profit and Loss	1,00,00,000	3,00,00,000
	<b>42,75,00,000</b>	<b>41,75,00,000</b>



## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2016 Rs.	As at 31 <sup>st</sup> March, 2015 Rs.
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### 2. RESERVES AND SURPLUS (continued)

<b>b. Surplus in Statement of Profit and Loss</b>		
Opening balance	61,33,95,397	56,69,53,949
Add: Surplus for the year	28,23,44,147	32,49,11,605
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	1,00,00,000	3,00,00,000
Less: Proposed Dividend	16,50,11,400	16,50,11,400
Less: Tax on Proposed Dividend	3,35,92,438	3,29,92,577
	<b>68,71,35,706</b>	<b>61,33,95,397</b>
<b>Total</b>	<b>111,46,35,706</b>	<b>103,08,95,397</b>

### 3. LONG-TERM BORROWINGS

<b>a. Term Loans</b>		
Secured Loans		
Loans from Banks	2,49,99,997	7,49,99,997
Loan from others	-	3,33,33,329
<b>Total</b>	<b>2,49,99,997</b>	<b>10,83,33,326</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. 1,66,66,667/- each and loan of Rs 20 Crore is repayable in 16 quarterly instalments of Rs. 1,25,00,000/-, 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. The last instalment of Rs. 15 Crore loan has been paid in the month of September 2015.
- c.** 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. 1,66,66,667/- each from the date of the loan. The loan is secured by first and exclusive charge on the medical equipment financed. This loan has been fully repaid during the year.

### 4. DEFERRED TAX LIABILITIES (NET)

Deferred tax liability (net) as on 31 <sup>st</sup> March, 2016 is as follows:		
Timing difference on account of depreciation	36,78,66,917	35,27,55,081
Less: Deferred tax assets arising on account of		
Provision for doubtful debts	76,16,666	60,14,472
Provision for Employee benefits and others	2,16,31,971	2,07,04,114
Net deferred tax liability	33,86,18,280	32,60,36,495

### 5. OTHER-LONG TERM LIABILITIES

Security Deposits	2,49,48,969	2,03,58,903
Others	58,01,040	42,40,855
<b>Total</b>	<b>3,07,50,009</b>	<b>2,45,99,758</b>

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2016 Rs.	As at 31 <sup>st</sup> March, 2015 Rs.
<b>6. LONG-TERM PROVISIONS</b>		
Provision for employee benefits		
Provision for Leave Benefits	6,96,63,517	6,91,00,222
<b>Total</b>	<b>6,96,63,517</b>	<b>6,91,00,222</b>
<b>7. SHORT-TERM BORROWINGS</b>		
<b>Loans repayable on demand</b>		
Secured Loans		
From banks:	24,66,57,969	14,57,57,359
Commercial paper (Unsecured)	20,00,00,000	10,00,00,000
<b>Total</b>	<b>44,66,57,969</b>	<b>24,57,57,359</b>
a.	The company has availed cash credit limit of Rs. 15,00,00,000/- from Indusind Bank to meet the working capital requirements at an interest rate of 10.75% p.a. The limit is secured by first pari-passu charge on the entire current assets of the company. Company also have an overdraft limit of Rs. 25,00,00,000/- from ICICI bank at an interest rate of 10.50%, which is secured by first pari passu charge on the current assets of the company. Total utilization of the cash credit /overdraft limits from all the banks at any point cannot exceed Rs. 25,00,00,000/-.	
b.	The company had issued commercial papers during the financial year 2015-16, which were subscribed by Religare Invesco Trustee Company (P) Ltd. at interest rate of 9.40% p.a. The commercial papers were for 60 and 61 days with maturity date of 23 <sup>rd</sup> May, 2016, and 27 <sup>th</sup> May, 2016.	
<b>8. TRADE PAYABLES</b>		
Due to Micro and Small Enterprises	-	-
Due to Others		
– for Expenses	78,71,33,649	70,86,26,057
– for others	23,47,19,983	15,61,67,833
<b>Total</b>	<b>102,18,53,632</b>	<b>86,47,93,890</b>
<b>9. OTHER CURRENT LIABILITIES</b>		
Current maturities of long-term debt	5,00,00,000	15,00,00,002
Advance from patients	21,03,66,247	21,35,22,327
Unclaimed Dividend	1,46,08,751	1,38,90,027
Sundry creditors for capital items	7,58,09,149	8,70,44,791
Sundry creditors for expenses	3,49,63,911	3,42,74,630
TDS and other statutory liabilities	5,29,44,928	4,08,78,579
Other payables		
Provision for Gratuity	1,93,17,467	1,82,68,671
Staff benefits payable	25,68,354	42,07,901
Others	3,37,33,811	6,15,73,146
<b>Total</b>	<b>49,43,12,618</b>	<b>62,36,60,074</b>
<b>10. SHORT-TERM PROVISIONS</b>		
Proposed Dividend	16,50,11,400	16,50,11,400
Tax on Proposed Dividend	3,35,92,438	3,29,92,577
Provision for Employee Benefits		
Provision for Leave Benefits	71,95,136	76,45,596
<b>Total</b>	<b>20,57,98,974</b>	<b>20,56,49,573</b>

## NOTES TO FINANCIAL STATEMENTS

Annual Report  
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### 11. FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				IMPAIRMENT		NET BLOCK	
	Cost As at 01.04.2015 (Rs.)	Additions (Rs.)	Deletions/ Adjusted (Rs.)	Cost As at 31.03.2016 (Rs.)	Up to 31.03.2015 (Rs.)	For the Year (Rs.)	Written Back/ Adjusted (Rs.)	Up to 31.03.2016 (Rs.)	Up to 31.03.2016 (Rs.)	As At 31.03.2016 (Rs.)	As At 31.03.2015 (Rs.)
<b>A. TANGIBLE ASSETS</b>											
LEASEHOLD LAND (LEASED FROM DELHI ADMINISTRATION)	NIL			NIL						NIL	NIL
BUILDINGS	175,57,36,450	4,42,16,016	-	179,99,52,466	32,97,53,984	3,56,20,967	-	36,53,74,951	-	143,45,77,515	142,59,82,466
FURNITURE & FITTINGS	24,83,83,326	2,29,04,258	21,422	27,12,66,162	13,47,08,669	2,02,71,860	21,422	15,49,59,107	-	11,63,07,055	11,36,74,657
PLANT & MACHINERY	51,74,48,458	1,87,63,092	92,126	53,61,19,424	28,98,08,214	2,67,17,350	92,126	31,64,33,438	-	21,96,85,986	22,76,40,244
OFFICE EQUIPMENT	47,46,54,964	5,72,88,813	7,23,365	53,12,20,412	34,61,28,006	5,67,37,852	1,83,608	40,26,82,250	-	12,85,38,162	12,85,26,958
MEDICAL EQUIPMENT	244,36,65,925	16,34,27,225	6,75,64,747	259,95,28,403	146,36,22,596	11,15,32,244	4,69,49,355	152,82,05,485	5,19,41,469	95,93,81,449	92,81,01,860
VEHICLES	2,81,10,878	18,38,472	12,69,270	2,86,80,080	98,00,613	35,02,108	12,06,347	1,20,96,374	-	1,65,83,706	1,83,10,265
<b>TOTAL - A</b>	<b>546,80,00,001</b>	<b>30,84,37,876</b>	<b>6,96,70,930</b>	<b>570,67,66,947</b>	<b>257,38,22,082</b>	<b>25,43,82,381</b>	<b>4,84,52,858</b>	<b>277,97,51,605</b>	<b>5,19,41,469</b>	<b>287,50,73,873</b>	<b>284,22,36,450</b>
<b>B. INTANGIBLE ASSETS</b>											
SOFTWARE	6,40,45,318	1,02,10,672	21,49,360	7,21,06,630	4,42,98,047	*1,13,52,990	21,49,360	5,35,01,677	-	1,86,04,953	1,97,47,271
<b>TOTAL - B</b>	<b>6,40,45,318</b>	<b>1,02,10,672</b>	<b>21,49,360</b>	<b>7,21,06,630</b>	<b>4,42,98,047</b>	<b>1,13,52,990</b>	<b>21,49,360</b>	<b>5,35,01,677</b>	<b>-</b>	<b>1,86,04,953</b>	<b>1,97,47,271</b>
<b>GRAND TOTAL (A+B)</b>	<b>553,20,45,319</b>	<b>31,86,48,548</b>	<b>7,18,20,290</b>	<b>577,88,73,577</b>	<b>261,81,20,129</b>	<b>26,57,35,371</b>	<b>5,06,02,218</b>	<b>283,32,53,282</b>	<b>5,19,41,469</b>	<b>289,36,78,826</b>	<b>286,19,83,721</b>
Previous Year	525,22,23,882	29,15,94,550	1,17,73,113	553,20,45,319	234,63,25,744	28,17,58,663	99,64,278	261,81,20,129	5,19,41,469	286,19,83,721	
Capital Work In Progress										2,59,92,981	2,54,10,528

\* Includes Rs. 1,13,52,990/- (Previous Year Rs. 97,41,737/-) on account of amortisation of intangible assets.

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2016 Rs.	As at 31 <sup>st</sup> March, 2015 Rs.
<b>12. LONG-TERM LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
Capital Advances	36,55,680	36,92,179
Security Deposits	3,32,38,499	3,00,59,043
Others	39,33,414	39,33,411
<b>Total</b>	<b>4,08,27,593</b>	<b>3,76,84,633</b>
<b>13. OTHER NON CURRENT ASSETS</b>		
Others		
Margin money with banks	-	26,69,319
	-	<b>26,69,319</b>
<b>14. INVENTORIES</b>		
Stores & Spares	7,28,41,114	7,14,62,497
Crockery & Utensils	17,36,175	10,26,219
Linen	2,09,54,949	1,81,59,395
Medical & Surgical Instruments	3,23,45,187	3,40,82,253
<b>Total</b>	<b>12,78,77,425</b>	<b>12,47,30,364</b>
<b>15. TRADE RECEIVABLES</b>		
<b>Unsecured</b>		
Outstanding for a period exceeding six months from the date they are due for payment		
– Considered Good	36,84,61,398	22,22,23,277
– Considered Doubtful	2,20,08,397	1,76,94,829
Less: Allowance for doubtful receivables	2,20,08,397	1,76,94,829
	<b>36,84,61,398</b>	<b>22,22,23,277</b>
Other trade receivables		
– Considered Good	55,21,43,687	55,52,66,371
<b>Total</b>	<b>92,06,05,085</b>	<b>77,74,89,648</b>
<b>16. CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents		
Cash balance on hand	81,86,989	95,48,078
Balances with banks	54,24,449	97,76,278
Other Bank balances		
Margin money with banks	2,99,64,934	2,33,38,635
Fixed deposits	49,86,880	53,69,568
Earmarked Balances - unpaid dividend accounts	1,46,08,751	1,38,90,027
<b>Total</b>	<b>6,31,72,003</b>	<b>6,19,22,586</b>

## NOTES TO FINANCIAL STATEMENTS

	As at 31 <sup>st</sup> March, 2016 Rs.	As at 31 <sup>st</sup> March, 2015 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	2,43,44,686	3,35,71,237
Prepaid Taxes	9,73,58,998	3,27,90,946
Deposits	59,75,260	42,23,000
Prepaid Expenses	10,36,05,452	7,91,27,330
<b>Total</b>	<b>23,12,84,396</b>	<b>14,97,12,513</b>
<b>18. OTHER CURRENT ASSETS</b>		
<b>(Unsecured, considered good)</b>		
Patient treatment in progress	15,70,14,266	18,09,76,862
Custom duty credit recoverable	-	98,09,690
Other Receivables	19,45,79,427	16,87,13,828
Others		
Rent receivable	42,79,407	75,00,769
Other	47,09,293	69,51,633
<b>Total</b>	<b>36,05,82,393</b>	<b>37,39,52,782</b>
<b>19. REVENUE FROM OPERATIONS</b>		
	For the Year ended 31 <sup>st</sup> March, 2016 Rs.	For the Year ended 31 <sup>st</sup> March, 2015 Rs.
Sale of services	732,50,11,516	693,45,73,185
Other operating revenue		
License fee & commission from licensees	15,97,16,051	11,81,61,329
Service charges received from doctors	2,44,41,049	2,42,94,927
Miscellaneous income	6,61,22,977	6,75,22,029
<b>Total</b>	<b>757,52,91,593</b>	<b>714,45,51,470</b>
<b>20. OTHER INCOME</b>		
Interest Income	29,33,858	25,59,195
Other non operating income	1,82,43,425	71,80,834
<b>Total</b>	<b>2,11,77,283</b>	<b>97,40,029</b>
<b>21. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries and wages	163,58,66,083	140,38,18,381
Contribution to Provident & Other Funds	10,38,73,737	9,12,59,727
Staff welfare	6,35,20,821	6,28,73,036
<b>Total</b>	<b>180,32,60,641</b>	<b>155,79,51,144</b>
<b>22. FINANCE COSTS</b>		
Interest expense	4,29,92,956	5,30,09,074
Other borrowing cost	3,01,32,672	2,80,61,864
<b>Total</b>	<b>7,31,25,628</b>	<b>8,10,70,938</b>



## NOTES TO FINANCIAL STATEMENTS

	For the Year ended 31 <sup>st</sup> March, 2016 Rs.	For the Year ended 31 <sup>st</sup> March, 2015 Rs.
<b>23. OTHER EXPENSES</b>		
Consultation fees paid to doctors	192,69,30,947	189,19,91,966
Outside lab investigations	98,85,816	1,02,45,103
Leasehold ground rent	12	12
Power & Fuel	25,15,82,157	25,09,26,514
Rent	4,79,67,408	4,16,70,177
Travelling and Conveyance	12,05,53,410	11,90,59,740
Insurance	85,07,214	51,84,166
Directors' sitting fees	24,60,584	19,55,064
Communication	1,79,87,589	1,79,52,143
Printing and stationery	4,76,19,368	4,14,74,664
Advertisement	38,16,44,376	36,31,96,061
Legal and professional charges	6,09,14,231	4,90,66,173
Security charges	3,31,96,811	2,86,86,507
Payment to auditors	17,25,000	17,25,000
Auditors out of pocket expenses	1,49,826	1,38,208
Rates, taxes and licenses	5,16,96,697	3,32,31,897
Loss on Discarded Assets	1,85,50,703	2,81,579
Service Charges	29,57,68,799	23,25,79,144
Repairs and maintenance		
– Building	4,77,84,424	4,34,24,529
– Plant & Machinery	8,21,81,133	7,50,95,279
– Others	4,67,41,086	4,80,16,766
Miscellaneous expenses	1,47,02,276	74,21,920
Bad debts written off	70,21,199	71,80,834
Provision for doubtful debts	1,13,54,337	86,40,769
<b>Total</b>	<b>348,69,25,403</b>	<b>327,91,44,215</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 "Service Export 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. 3,84,58,448/- ( Previous Year Rs. 2,94,25,075/-).

### B. Contingent Liability

- i) Claims against the company not acknowledged as debt Rs. 35,74,60,000/- ( Previous Year Rs. 37,54,60,000/-) 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. 1,10,52,525/- (Previous Year Rs. 4,77,32,588/-).

iii)		31.03.2016	31.03.2015
	In respect of:		
	a) Service Tax	2,76,13,630	2,76,13,630
	b) Others	1,18,86,033	1,18,86,033

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. 15,47,80,000/- 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, 2016, the aforesaid fund, together with interest thereon amounting to Rs. 19,23,57,946/- 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:

	2015-16		2014-15	
	Gratuity Funded	Leave Unfunded	Gratuity Funded	Leave Unfunded
<b>(a) Expense recognised in Statement of Profit and Loss</b>				
Current Service Cost	1,34,72,107	1,29,13,219	1,05,10,269	1,30,46,596
Interest Cost	96,53,399	61,39,665	84,38,756	56,86,313
Expected return on Plan Assets	(81,86,425)	-	(79,78,219)	-
Net Actuarial (Gain)/ Loss recognised in the year	43,78,386	(51,50,248)	83,59,687	38,09,052
Total expenses recognised in the Statement of Profit and Loss	1,93,17,467	1,39,02,636	1,93,30,493	2,25,41,961
<b>(b) Amount recognised in the Balance Sheet</b>				
Present value of obligation as at the end of the year	13,58,43,495	7,68,58,654	12,02,16,675	7,67,45,818
Fair value of plan assets as at the end of the year	11,65,26,028	-	10,19,48,004	-
Unfunded net liability recognised in the Balance Sheet	1,93,17,467	7,68,58,654	1,82,68,671	7,67,45,818
<b>(c) Change in the present value of obligations</b>				
Present value of obligations at beginning of the year	12,02,16,675	7,67,45,818	9,06,41,848	6,68,97,797
Interest cost	96,53,399	61,39,665	84,38,756	56,86,313
Current service cost	1,34,72,107	1,29,13,219	1,05,10,269	1,30,46,596
Benefits paid	(92,28,943)	(1,37,89,800)	(70,58,793)	(1,26,93,940)
Actuarial loss / (gain) on obligations	17,30,257	(51,50,248)	1,76,84,595	38,09,052
Present Value of obligations at year end	13,58,43,495	7,68,58,654	12,02,16,675	7,67,45,818
<b>(d) Changes in fair value of plan assets</b>				
Fair value of plan assets at the beginning of the year	10,19,48,004	-	9,17,03,670	-
Expected return on plan assets	81,86,425	-	79,78,219	-
Employer contribution	1,82,68,671	-	-	-
Benefits paid	(92,28,943)	-	(70,58,793)	-
Actuarial gain / (loss) on Plan Assets	(26,48,129)	-	93,24,908	-
Fair value of plan assets at the end of the year	11,65,26,028	-	10,19,48,004	-
<b>(e) Principal actuarial assumptions at the Balance Sheet Date (Expressed as weighted average)</b>				
Discount Rate	7.96%	8.00%	8.03%	8.00%
Expected rate of return on plan assets (In case of Gratuity Fund)	7.96%	-	8.03%	-
Expected rate of salary increase	5.00%	5.50%	5.00%	5.50%
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	2013-2014		2012-2013		2011-2012	
	Gratuity Scheme Funded Plan	Leave Unfunded	Gratuity Scheme Funded Plan	Leave Unfunded	Gratuity Scheme Funded Plan	Leave Unfunded
Present value of defined benefit obligation	9,06,41,848	6,68,97,797	9,17,97,822	6,13,94,262	6,89,15,438	5,35,99,872
Value of Plan Assets	9,17,03,670	-	6,91,80,477	-	5,90,56,915	-
Deficit / (Surplus)	(1061822)	6,68,97,797	2,26,17,345	6,13,94,262	98,58,523	5,35,99,872

(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	4,55,09,701	3,86,39,139
- Contribution to Pension fund	3,51,75,100	3,04,69,400
- Contribution to ESI	14,85,320	18,14,713

F. Travelling and conveyance expenses include Rs. 34,43,766/- ( Previous year Rs. 23,87,204/- ) on account of Directors' travelling.

### G. Related party disclosures

Name	Relationship	Nature of Transactions	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
Apollo Hospitals Enterprise Limited	Enterprise in respect of which the company is an associate	Pharmacy Consumables	16,46,43,798	14,86,55,455
		License Fees	1,16,72,820	1,08,51,846
		Commission on Pharmacy Sales	10,01,85,585	6,17,04,656
		Reimbursement of Expenses	95,76,070	1,04,78,674
		Account Payable	3,20,27,729	5,96,72,537
Dishnet Wireless Limited	Enterprises over which Directors are able to exercise significant influence	Purchase of services	6,25,111	7,43,360
		Account Payable	-	-
Faber Sindoori Management Services (P) Limited		Purchase of services	5,78,13,258	5,42,28,927
		Account Payable	88,12,270	42,37,264
Family Health Plan Limited		Sale of Services	5,10,64,269	6,47,15,326
		Account Receivable	1,04,99,897	1,39,50,717
Apollo Sugar Clinics Limited		Purchase of services	27,34,440	9,21,240
		Account Payable	10,45,000	59,834
Sapien Biosciences Private Limited		Purchase of services	2,46,750	1,18,500
		Account Payable	-	-
Alliance Dental Care Limited		Share of revenue	1,20,51,393	1,00,61,043
		Account Payable	28,00,116	61,135
Apollo Munich Health Insurance Company Limited		Medical Health Insurance premium	3,57,11,653	3,30,88,102
		Sale of Services	11,64,87,702	6,68,13,489
		Account Receivable	95,52,153	91,30,946
Managing Director	Key Management Personnel	Remuneration Paid	91,92,655	1,09,58,789
Chief Financial & Operating Officer		Remuneration Paid	1,03,83,735	86,44,000
Vice President cum Company Secretary		Remuneration Paid	98,22,145	83,20,914
Non Executive Directors	Directors	Sitting fees	24,60,584	19,55,064
		Commission	43,31,952	45,32,880

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, 2016 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. 28,23,44,147/- (Previous Year Rs. 32,49,11,605/-) and the weighted average number of equity share is 9,16,73,000 (Previous Year 9,16,73,000) for this purpose.



## NOTES TO FINANCIAL STATEMENTS

- 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, 2016 (Previous Year Rs. Nil).
- J. Employee benefit expenses and Other expenses includes Rs. 3,72,15,858/- & Rs. 24,56,500/- respectively, on account of provision of bonus for the financial year 2014-15 in accordance with notification dated 1<sup>st</sup> January '16 issued under the Payment of Bonus Act, 1965 by Government of India with retrospective effect from 1<sup>st</sup> April, 2014.
- K. Fixed Assets includes expenditure amounting to Rs. 6,79,57,142/- (Previous Year Rs. 6,79,57,142/-) 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. Depreciation on such building has been charged over the period of lease.
- L. In accordance with the Accounting Standard, AS-28 on Impairment of Assets, the company has assessed whether any indications with regard to impairment of any assets exists as on the Balance Sheet date. Based on such assessment, it has been ascertained that there are no such indications and thereby no formal estimate of the recoverable amount has been made.
- M. Pursuant to sub section (5) of section 135 of the Companies Act, 2013, the Company was required to spend Rs. 99,53,284/- (Previous Year 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. 49,69,579/- (Previous Year Rs. 11,69,000/-) on such eligible activities.

	2015-16 Amount in Rs.	2014-15 Amount in Rs.		
<b>N. Earnings in Foreign Currency</b>				
On account of Hospital Revenue	104,08,63,155	97,00,76,820		
<b>O. Expenditure incurred in Foreign Currency</b>				
On account of travel	2,39,13,524	3,02,00,811		
On account of other matters	7,79,11,376	8,62,21,326		
Outflow of Foreign Currency:				
On account of remittance of dividend	38,92,988	38,92,988		
For financial year	2014-15	2013-14		
Number of non-resident shareholders	23	23		
Number of shares held by them	21,62,771	21,62,771		
<b>P. Value of Imports on CIF basis</b>				
Capital Goods	13,89,65,387	10,88,06,719		
Stores & Spares	2,12,59,712	3,88,43,855		
<b>Q. Payment to Auditors</b>				
As Statutory Auditor	16,00,000	16,00,000		
For Taxation matters	1,25,000	1,25,000		
Other services	-	-		
Reimbursement of Expenses	1,49,826	1,38,208		
<b>Total</b>	<b>18,74,826</b>	<b>18,63,208</b>		
<b>R. Stores &amp; Spares Consumed</b>				
Particulars	2015-16		2014-15	
	Rs.	%	Rs.	%
Imported	2,46,96,982	1.62%	4,33,08,756	2.99%
Indigenous	149,78,19,716	98.38%	141,55,85,093	97.01%
<b>Total</b>	<b>152,25,16,698</b>	<b>100.00%</b>	<b>145,88,93,849</b>	<b>100.00%</b>

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## NOTES TO FINANCIAL STATEMENTS

- S.** The company is engaged in the healthcare business, which in context of Accounting Standard 17 issued by the Institute of Chartered Accountants of India is considered the only business segment.
- T.** All figures have been rounded off to the nearest rupee.

As per our separate report of even date attached

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

**Abhinav Khosla**  
*Partner*  
M. No. 87010

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

**Dr. Prathap C. Reddy**

**Jaideep Gupta**

**P. Shivakumar**

**Ajay Kumar Singhal**

Place: New Delhi  
Date: 20<sup>th</sup> May, 2016

*Vice Chairman*

*Managing Director*

*Chief Financial and Operating Officer*

*Vice President Cum Company Secretary*

## ROUTE MAP

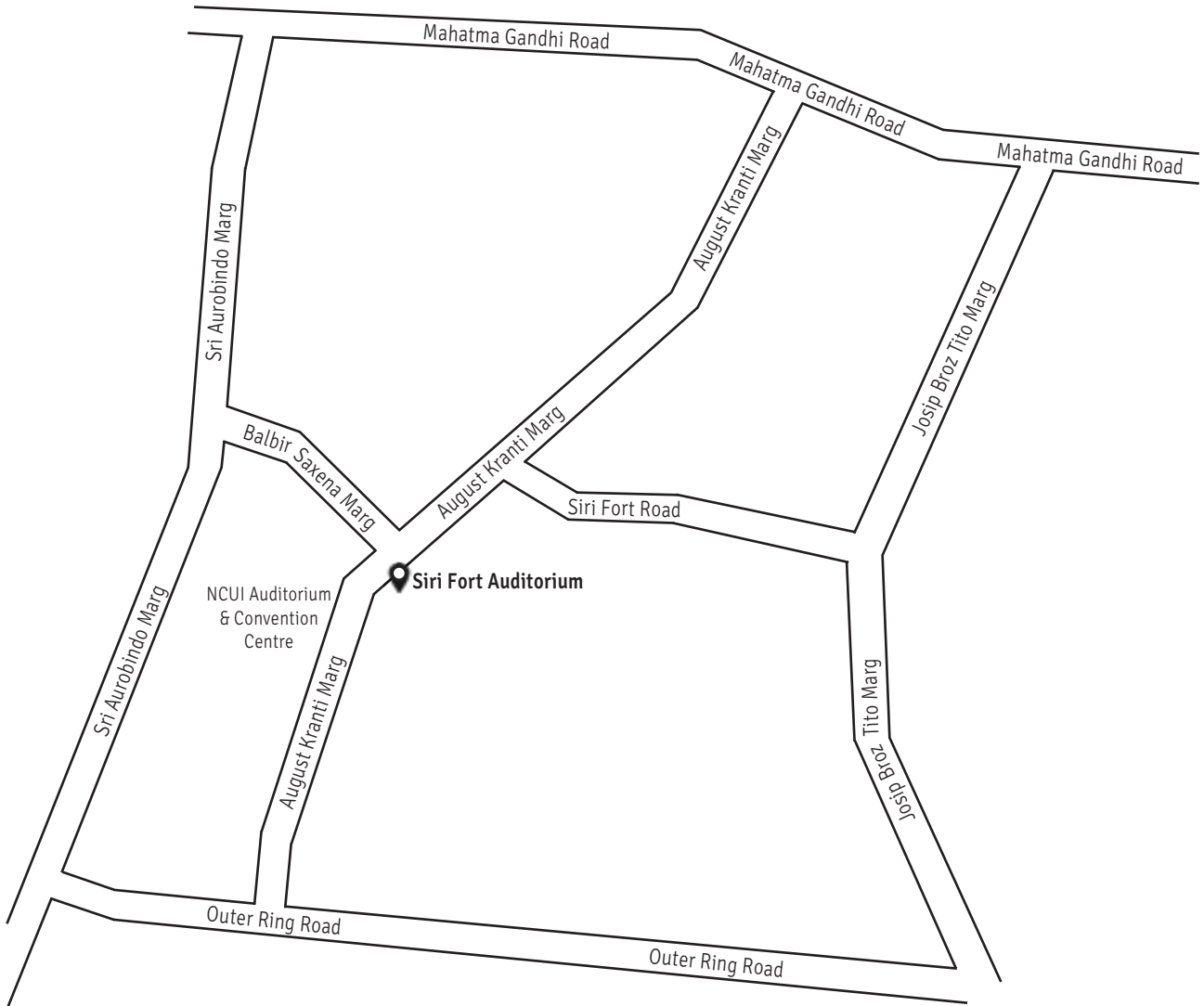
### Indraprastha Medical Corporation Limited 28<sup>th</sup> Annual General Meeting

Date : 30<sup>th</sup> August, 2016

Day : Tuesday

Time : 10.30 A.M.

Venue : Sirifort Auditorium  
Siri Fort Cultural Complex  
August Kranti Marg  
New Delhi - 110 049







## **Indraprastha Medical Corporation Limited**

[CIN: L24232DL1988PLC030958]

Regd. Office: Sarita Vihar, Delhi-Mathura Road, New Delhi – 110 076

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