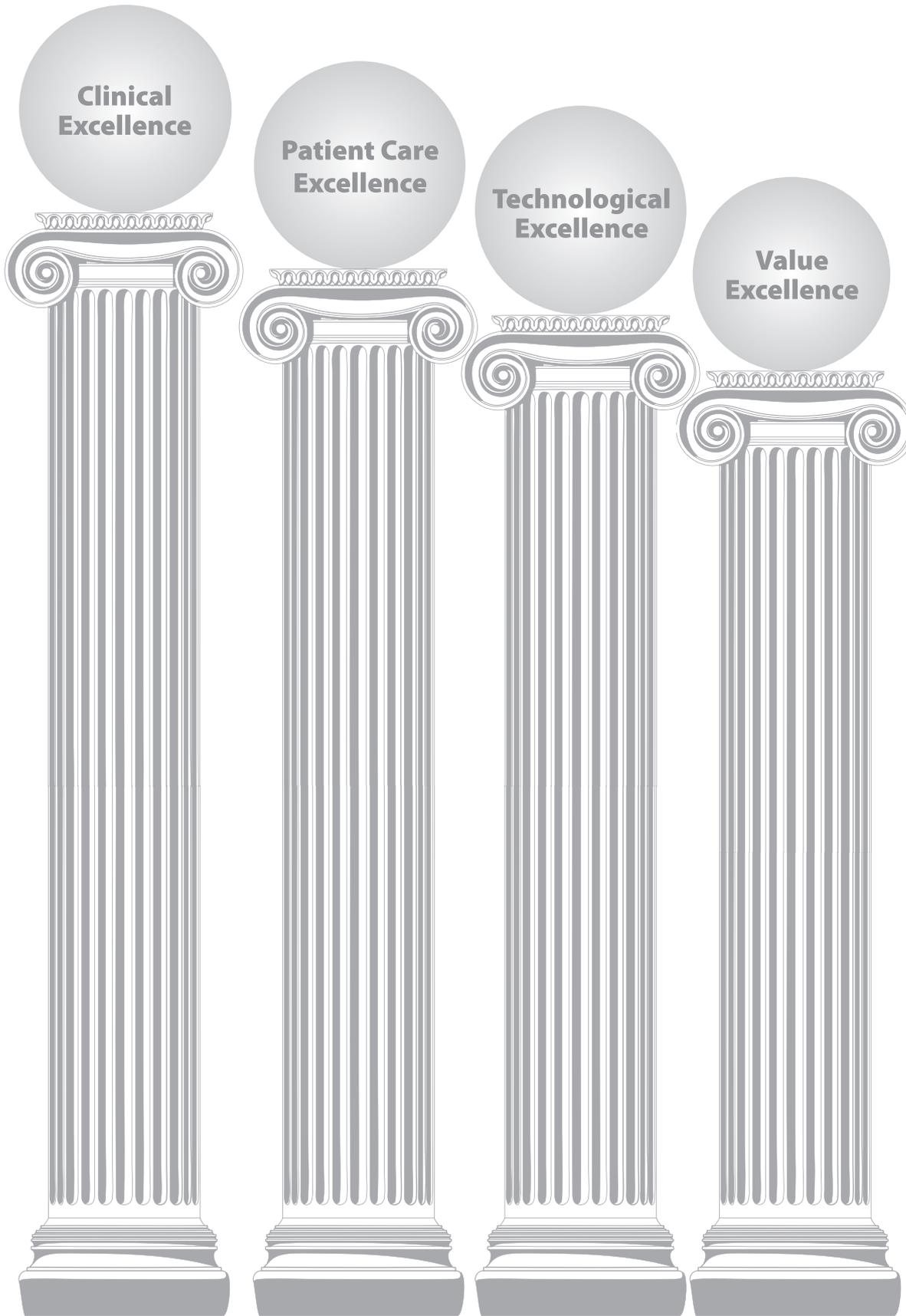


Founded on Principles.
Built on Values.



**Clinical
Excellence**

**Patient Care
Excellence**

**Technological
Excellence**

**Value
Excellence**

Founded on Principles. Built on Values.

This sums up the ethos of Apollo Hospitals. Established at a time when primary healthcare was considered the Government's domain and advanced healthcare was out of reach for most, except for a chosen few who could afford access from the advanced nations of the west, Apollo Hospitals redefined the healthcare modalities in India. And within three decades has emerged as undeniably the most trusted healthcare major not just in India, but also among several countries across the world including technologically developed nations. Among the major factors which made this possible is the passion for excellence that is internalised by every member of the Apollo family and governs every activity of the Group.

Adopting scientific methods to continuously evaluate and monitor performance levels and regular upgrading of standards has helped Apollo Hospitals maintain consistent excellence in clinical, academic and research areas. In turn enabling it to deliver patient care and safety of the highest order matching the standards at the best healthcare institutions across the world.

At the same time, well planned growth strategies, thoughtful investments in technology and infrastructure, continuous strengthening of human resources, progressive improvement of operational efficiency at every stage and several other measures have ensured that Apollo Hospitals remains a successful corporate with uniformly excellent performance across every parameter. Consistently increasing stockholders' wealth year after year and justifying the trust reposed by them.



Board of Directors

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

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NOTICE

Notice is hereby given that the twenty-second Annual General Meeting of Indraprastha Medical Corporation Limited will be held on Friday, 10th September, 2010 at 12.15 p.m. at FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi – 110001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2010 and the Profit & Loss Account for the year ended on that date together with the Report of Directors' and Auditors' thereon.
2. To declare dividend on shares.
3. To elect a Director in place of Ms. Suneeta Reddy who retires by rotation and being eligible, offers herself for re-election.
4. To elect a Director in place of Ms. Renu S. Karnad who retires by rotation and being eligible, offers herself for re-election.
5. To elect a Director in place of Mr. Satnam Arora who retires by rotation and being eligible, offers himself for re-election.
6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Special Resolution:

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

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as Ordinary Resolution:
“RESOLVED THAT Mr. Rajendra Kumar be and is hereby appointed as Director of the Company, who shall be liable to retire by rotation.”
8. To consider and if thought fit, to pass with or without modification, the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, Mr. T. S. Narayanasami be and is hereby appointed as Director of the Company who shall be liable to retire by rotation.”

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

Place: New Delhi
Date: 28th July, 2010

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

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself and the proxy need not be a Member of the Company. The instrument appointing proxy, in order to be effective, must be deposited at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In terms of Article 110 of the Articles of Association of the Company, read with Section 256 of the Companies Act, 1956, Ms. Suneeta Reddy, Ms. Renu S. Karnad, Mr. V. R. Reddy and Mr. Satnam Arora, Directors retire by rotation at the ensuing Annual General Meeting.

Mr. V. R. Reddy has conveyed his unwillingness to offer himself for re-appointment, hence he will cease to be Director of the Company at the ensuing Annual General Meeting. A notice has been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. T. S. Narayanasami as a Director of the Company, liable to retire by rotation.

Indraprastha Medical Corporation Limited

Ms. Suneeta Reddy, Ms. Renu S. Karnad and Mr. Satnam Arora, being eligible, have offered themselves for re-appointment.

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

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

4. The relevant Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting, is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 1st September, 2010 to Friday, 10th September, 2010 (both days inclusive).
6. Dividend, if declared, will be paid to those members whose names appear :-
 - a) as Members on the Register of Members of the Company as on 10th September, 2010, after giving effect to all valid share transfers in physical form lodged with the Company up to the closing hours of business on 31st August, 2010, 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 31st August, 2010.
5. Securities & Exchange Board of India (SEBI) has made trading in the shares of the Company compulsory in dematerialized form for all investors. Members are requested to open an account with a Depository participant, if not done so far and dematerialize their shareholding to avoid inconvenience in future.
6. To avoid the incidence of fraudulent encashment of the Dividend warrants, Members, holding shares in physical form, are requested to intimate the Company under the signature of the Sole/First Joint holder, the following information, so that the Bank Account

Number and Name and Address of the Bank can be printed on the Dividend Warrant:-

- 1) Name of Sole/ First Joint Holder and Folio No.
- 2) Particulars of Bank Account, viz.
 - i) Name of the Bank
 - ii) Name of Branch
 - iii) Complete address of the Bank with Pin Code Number
 - iv) Account Type, whether savings (SB) or Current Account (CA)
 - v) Bank Account Number allotted by the Bank.
7. Shareholders desirous of availing the facilities of Electronic Credit of Dividend are requested to submit ECS form duly filled in. ECS form can be obtained from the Registered Office of the Company.
8. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars can not act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
9. Non-Resident Indian Members are requested to inform immediately of:-
 - a) Change in their residential status on return to India for permanent settlement and
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
10. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred unpaid or unclaimed dividend for the financial year 2000-01 & 2001-02, to the Investor Education and Protection Fund (IEP Fund) of the Central Government. The unpaid or unclaimed dividend for the financial year 2002-03, shall be due to be transferred to the IEP Fund on 5th October, 2010.



No claim shall lie from a Member against the Company or the said Fund once the transfer is made to the said Fund and no payment shall be made in respect of any such claims. Members who have not encashed their dividend warrant(s) so far for the financial year ended 31st March, 2003 or any subsequent financial year(s), are requested to make their claim to the Company Secretary at the registered office of the Company, before such transfer to the said Fund, in their own interest.

11. In terms of Section 109(A) the Companies Act, 1956, the Shareholder of the Company may nominate a person to whom the shares held by him/her shall vest in the event of his/her death. In case, any member wishes to avail the nomination facility in respect of shares held by him/her, please write to the Company to obtain the nomination form.
12. Members holding shares in physical form are requested to notify immediately the change in their address, if any, to our Registrar & Share Transfer Agent M/s. Link Intime India Pvt. Ltd., A-40, 2nd Floor, Near Batra Banquet Hall, Naraina Ind. Area, Phase – II, New Delhi – 110 028.
13. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
14. Members are requested to bring their copy of Annual Report and Attendance Slip duly filled at the meeting.

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

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

- 1. Name** : **Ms. Suneeta Reddy**
- Age** : 51 years
- Qualification** : 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 : Ms. Suneeta Reddy holds the position of Executive Director-Finance of the Apollo Hospitals Enterprise Limited - one of the leading healthcare organization in the World with over 8000 beds across 44 locations.

During her 26 year tenure, Ms. Reddy spearheaded many initiatives in the healthcare, hospitality and is an active member of industry bodies representing the healthcare sector. She is widely recognized for her contribution to the Indian healthcare industry and has held leadership positions including Co-Chairperson of Healthcare Sub Committee - Confederation of Indian Industry (CII) and a member in National Committee on Healthcare.

Outside Directorship :

Aircel Limited.
Aircel Cellular Limited
Dishnet Wireless Ltd
Apollo Hospitals Enterprise Limited
PCR Investments Ltd.
Apollo Sindoori Hotels Ltd.
Apollo Gleneagles Hospitals Ltd
Apollo Hospitals (UK) Ltd.
Apollo Munich Health Insurance Company Ltd
Indian Hospitals Corporation Ltd.
Imperial Cancer Hospital & Research Centre Ltd.
Universal Quality Services LLC.
Apollo Infrastructure Project Finance Co. Ltd
Vasumathi Spinning Mills Ltd
Apollo Hospitals International Ltd. (Alternate Director)
Kalpatharu Infrastructure Development Co. Pvt. Ltd
PDR Investments Pvt. Ltd.
Sindya Aqua Minerale Pvt. Ltd.
Prescient Consulting India Private Ltd.
FSM Labs Services Private Ltd.
Sindya Securities & Investments Co. Pvt. Ltd
Western Hospitals Corporation Private Ltd
Deccan Digital Networks Private Ltd.
Kalpatharu Enterprises Private Limited.
Sindya Infrastructure Development Company Pvt. Ltd.
Marakkanam Port Company Private Ltd
Sindya Builders Private Limited
Tharani Energy India Pvt Ltd
Sindya Properties Private Ltd.
Faber Sindoori Management Services Pvt Ltd
Health Superhiway Private Ltd
Quintiles Phase One Clinical Trials India Pvt Ltd.

Indraprastha Medical Corporation Limited

Membership of Committees of the Board of other Companies : Investor Grievance Committee (Apollo Hospitals Enterprise Ltd.) - Member

Shareholding in the Company : 1,38,293 Shares

2. Name : Ms. Renu S. Karnad

Age : 58 years

Qualification : Bachelor in Law, Masters in Economics

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

Outside Directorship :

BOSCH Ltd.
Credit Information Bureau (India) Ltd.
GRUH Finance Ltd.
Housing Development Finance Corp. Ltd.
HDFC Asset Management Co. Ltd.
HDFC Bank Ltd.
HDFC ERGO General Insurance Co. Ltd.
HDFC Property Ventures Ltd.
HDFC Venture Capital Ltd.
HDFC Standard Life Insurance Co. Ltd.
ICI India Ltd.
Sparsh BPO Services Ltd.
Feedback Ventures Pvt. Ltd.
G4S Corporate Services (India) Pvt. Ltd.
HDFC Sales Pvt. Ltd.
Value and Budget Housing Corporation (India) Pvt. Ltd.
Transunion LLC – Chicago
HDFC PLC. - Maldives

Membership of Committees of the Board of other Companies :

Audit Committee { Credit Information Bureau (India) Ltd.} - Chairperson

Audit Committee (HDFC ERGO General Insurance Company Ltd.) – Member
Audit Committee (ICI India Ltd.) – Chairperson
Audit Committee (BOSCH Ltd.) – Chairperson
Shareholders'/Investors' Grievance Committee (BOSCH Ltd.) - Member

Shareholding in the Company : Nil

3. Name : Mr. Satnam Arora

Age : 61 years

Qualification : Masters in Economics

Expertise : Mr. Satnam Arora has rich and varied experience in managing business in various industries. He is the Managing Director of M/s. Kohinoor Foods Limited which is a 750 crores turnover food company with world famous "Kohinoor" brand of basmati rice. This brand of basmati rice is available in about 60 countries around the world and also has the dominance in the Indian market. He has extensively traveled around the globe and has been instrumental in setting up various operations of the Company overseas. He has been involved in the family business of rice trading right from the very beginning. With a combination of intelligence and rich experience, he has been influential in creating and systematizing the financial and marketing departments at Kohinoor Foods Limited. In his current capacity, he is involved with providing strategic direction to the exports business of the company and provides marketing inputs to the Company's Subsidiaries and Joint Venture Operations in overseas market. His penchant for taking on challenges in life motivated him to identify and develop several new export markets in various countries.

Outside Directorship :

Kohinoor Foods Limited
Satnam International Pvt. Ltd.
Satnam Haegens Limited
Sachdeva Brothers Pvt. Ltd.
Sara Textiles Limited
Kohinoor Foods Inc., USA

Membership of Committees of the Board of other Companies : Share Transfer Committee (Kohinoor Foods Ltd.) - Member

Shareholding in the Company : Nil



4. Name : Mr. Rajendra Kumar

Age : 43 years

Qualification : Bachelor of Technology from Indian Institute of Technology, Kanpur
Master in Development Management, Asian Institute of Management Manila, Philippines
Indian Administrative Services (IAS)

Expertise : Mr. Rajendra Kumar has joined Indian Administrative Services in the year 1989 and was involved in execution of various important projects in various departments. During his more than 20 years of service, he has extensive experience in public administration, having held several senior posts in the State of Delhi, Union Territory of Andaman and Nicobar Island and Govt. of Mizoram. He has won the Prime Minister's Award for Excellence in Public Administration on 21st April, 2008, Civil Services Day. Presently, he is posted as Secretary, Health and Family Welfare, Govt. of Delhi.

Outside Directorship : Indraprastha Energy & Waste Management Company Private Limited.

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : NIL

5. Name : Mr. T.S. Narayanasami

Age : 61 years

Qualification : B. Sc.

Expertise : Mr. T.S. Narayanasami has over four decades of experience in the banking / financial sector. Presently, he is the Managing Director & CEO of United Stock Exchange of India Limited. He retired from his services as the Chairman & Managing Director, Bank of India in May, 2009. He also served as the Chairman of the Indian Bank's Association. Prior to leaving the services of Bank of India, he held the position of Chairman & Managing Director, Indian Overseas Bank, Chairman & Managing Director, Andhra Bank and Executive Director, Punjab National Bank. Earlier, he started his career in Union Bank of India in 1969 and held top management positions. During his tenure in Bank of India, the Bank had been rated as the "Best performing Bank" among all Public, Private and Foreign banks for 2007-08 by Business Today – KPMG Survey, 2008, the "Best Bank (PSB) Award" at NDTV Leadership Award, 2008 and "Dun & Brad Street – Rolta Corporate Awards, 2008 (Top Indian

Company)". He is also the recipient of prestigious "T.A. Pai Memorial Best Banker Award" by Delhi Kannadiga, Kannada Monthly Magazine. He has widely traveled abroad.

Outside Directorship :

United Stock Exchange of India Ltd.

Axis Asset Management Co. Ltd.

ITI Ltd.

Mahanagar Telephone Nigam Ltd. [MTNL]

Central Depository Services (India) Ltd. [CDSL]

Experion Credit Information Company of India Pvt. Ltd.

Membership of Committees of the Board of other Companies : None

Shareholding in the Company : Nil

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

ITEM NO. 7

Mr. Rajendra Kumar was appointed as an Additional Director of the Company on 28th July, 2010. Pursuant to Section 260 of the Companies Act, 1956, Mr. Rajendra Kumar holds office only up to the Annual General Meeting. A notice has been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. Rajendra Kumar as a Director of the Company, liable to retire by rotation.

Except Mr. Rajendra Kumar, no other Director is interested in the aforesaid resolution.

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

ITEM NO. 8

Mr. V. R. Reddy, Directors retires by rotation at the ensuing Annual General Meeting. Mr. V. R. Reddy has conveyed his unwillingness to offer himself for re-appointment, hence he will cease to be Director of the Company at the ensuing Annual General Meeting.

To fill up the vacancy caused by the retirement of Mr. V.R. Reddy, the Company proposes to appoint Mr. T.S. Narayanasami as the Non-Executive Independent Director of the Company. A notice has been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. T.S. Narayanasami as a Director of the Company, liable to retire by rotation.

None of the Directors is concerned or interested in this resolution.

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

Indraprastha Medical Corporation Limited

DIRECTORS' REPORT

Dear Shareholders

The Directors take pleasure in presenting the 22nd Annual Report of the Company along with the audited accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

(Rs. in Lakhs)

Particulars	Year ended 31-03-2010	Year ended 31-03-2009
Total Income	43,647.98	40,588.34
Profit before tax	4,655.27	3,725.32
Provision for taxation	1,549.26	1,336.62
Net Profit (PAT)	3,106.01	2,388.70
Balance brought forward from previous year	2,687.76	2,032.86
Amount available for appropriation	5,793.77	4,421.56
Appropriations		
Transferred to General Reserve	250.00	125.00
Dividend (Proposed)	1,466.77	1,375.10
Corporate Dividend Tax	249.28	233.70
Balance carried to Balance Sheet	3,827.72	2,687.76

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 250.00 lakhs to the General Reserve out of the amount available for appropriations and an amount of Rs. 1,139.96 lakhs is proposed to be retained in the Profit and Loss Account.

DIVIDEND

The Directors are pleased to recommend payment of dividend on equity shares @ Rs. 1.60 per share (16%) for the financial year ended 31st March, 2010 (previous year Rs. 1.50 per share).

OPERATIONS

During the year under review, the total income of the Company increased to Rs 436.47 crores from Rs 405.88 crores in the previous year – an increase of 7.5%. The profit after tax stood at Rs. 31.06 crores against Rs. 23.89 crores in the previous year – a growth of about 30%.

The operational performance details of Indraprastha Apollo Hospitals, New Delhi are as under:-

	2009-10	2008-09	Growth
No. of In-patient Admissions	36,583	34,496	6.05%
Average Daily Bed Occupancy	494	476	3.78%
OPD - New Registrations	89,859	85,316	5.33%
Health Checks	25,685	25,038	2.58%
Cardiac Surgeries	2,007	2,343	(14.34%)
Transplant Surgeries	268	216	24.07%
Other Surgeries	13,915	12,809	8.64%
Dialysis	22,883	20,754	10.26%
No. of International Patients	5,030	3,780	33.07%

HIGHLIGHTS OF THE YEAR 2009-10

It was a year of quiet consolidation through operational efficiencies. The net profit rose by an impressive 30% over the previous year, due to better expense management and streamlining of processes and systems.

The robust growth in profits was also due to change in case mix. High end surgeries such as Liver transplants, joint replacement surgeries and gastro-intestinal surgeries registered impressive growth.

The Multi Organ Transplant unit of the Hospital performed 268 organ transplants in the financial year 2009-10 (117 liver and 151 kidney transplants), an increase of 34% in liver transplants and 17% in kidney transplants compared to the previous year. With 90% success rate, the outcomes in the liver transplant program are commendable and comparable to the best centres in the world.

Indraprastha Apollo Hospitals introduced Endoscopic Ultra Sonology (EUS), a major advancement in diagnosing and treating gastro-intestinal and pancreato-biliary diseases. This will further strengthen the Liver- Gastro and Oncology unit at the Hospital, clearly ensuring leadership position. Going forward, the Hospital will continue to focus on Cardiology, Oncology, Orthopaedics, Transplants and Preventive Care.



The Bone Marrow Transplant program got initiated by recruitment of a highly qualified specialist; the vascular surgery program got a big boost with joining of another highly qualified doctor; similarly the EUS super specialist also brings rich experience from USA; likewise a dedicated cardiac electro physiologist has bolstered the cardiology program.

Indraprastha Apollo Hospitals has been adjudged as the joint winner of the FICCI Healthcare Excellence Awards in September 2009 in the categories of “Best Hospital” and “Best Patient Care”. The Hospital has been consistently ranked amongst the best 10 hospitals in India by The Week IMRB survey for the past few years.

The performance of the Noida Hospital also improved. However, despite a rise in revenue, the Hospital could not achieve profits mainly due to steep rise in staffing costs.

FREE PATIENT FACILITY

In the year 1986, The Govt. of NCT of Delhi under the direction of the then Prime Minister, had decided to set up a multi speciality hospital in the incomplete building next to Indira Gandhi Indoor Stadium, New Delhi which was lying unutilised for a long time. The Medical Department of the Govt. of NCT of Delhi bought the incomplete building from DDA in March 1987 for setting up the Hospital and invited proposals through an open advertisement from the medical services industry to establish and run this hospital. After examining all the proposals, the then Lt Governor discussed with the then Chief Secretary and Health Secretary, Govt. of NCT of Delhi and with the approval of the Ministry of Health & Family Welfare, Govt. of India, it was decided to establish the multi speciality hospital as a joint venture Company with the Apollo Hospitals Group which had the experience of setting up a Super Speciality Tertiary Care hospital.

On this understanding, Indraprastha Medical Corporation Limited (IMCL) was promoted in the joint sector by the Govt. of NCT of Delhi and Apollo Hospitals Group and was incorporated as Public Limited Company on 16th March, 1988 to set up a multi super speciality hospital in Delhi namely “Indraprastha Apollo Hospitals”. The incomplete building as aforesaid was handed over to the Company at a nominal lease rental of Rs. 1/- per month. A Management Agreement was also entered on the same date between Indian Hospital Corporation Ltd. (an Apollo Hospitals Group

Company) and Indraprastha Medical Corporation Ltd. for providing technical and management services to the Company at a nominal management fee of Rs. 1/- per annum.

This was the first joint venture Company and a first of its kind in Healthcare under the public-private partnership model.

Indraprastha Apollo Hospitals was to be commissioned as part of the Nehru Centenary Celebrations in November, 1989. Apollo Hospitals Group had committed to meet the deadline within the stipulated 12 – months and the work was in progress at full pace. However, in April 1989, the construction work had to be stopped as the Govt. of India decided to allot the building to Sports Authority of India (SAI) in lieu of the land and building acquired, the SAI undertook to pay Rs. 15.478 crores to the company. This sum, together with the interest accrued, was then to be used for constructing the hospital at a new site. Subsequently, 15 acres of land at Delhi Mathura Road, Sarita Vihar, New Delhi, together with building constructed out of the money (including interest) received from Sport Authority of India was leased to the company for a period of thirty years upto July 31, 2023 renewable for a further period of thirty years on the same terms and conditions as agreed before.

The Hospital was inaugurated in July 1996 and commenced various services in a phased manner.

Indraprastha Apollo Hospitals today offers a very distinct ‘case mix’, comprising many complex procedures, not usually available in many tertiary care centres in the country. The level of advanced technology and specialist skills that are available today were not even thought of 20 years ago when the joint venture Agreement with Govt. of NCT of Delhi was signed by Apollo Hospitals Group. The hospital today has several firsts and is recognised as a major referral tertiary care hospital in the country.

As per the terms of the lease deed, the Company shall admit free of charge such patients as may be recommended by the Lt. Governor of the National Capital Territory of Delhi or any Officer duly authorised by him in writing in this behalf upto 1/3rd (one third) of the bed strength consisting of 600 beds or such number of beds as near thereto as may be commissioned for the time being, earmarked for such purpose by the Company. The Company shall provide free diet, medical diagnostic

and such other facilities to the patients aforesaid as are required by the patients for indoor treatment. The Company shall also provide free medical, diagnostic and other facilities for not less than 40% of its out-door patients.

There was also an implied obligation on account of custom duty exemption for import of medical equipment prevailing at the time when the Hospital project was conceived. However, the hospital could not avail the benefits due to relocation of the project and consequent time delay during which period the custom duty exemption on import of medical equipment was withdrawn by the Govt. of India vide notification no. 99/94 dated 01.03.1994.

A Public Interest Litigation (PIL) was filed in the year 1997 in the High Court of Delhi for seeking direction that the Company should also provide free medicines and medical consumables to the patients referred by the Govt. of NCT of Delhi for free treatment in the Hospital. The Petition was contested by the Company.

An interim order dated 29.5.1998 was issued by the Hon'ble High Court of Delhi and accordingly the Hospital has been providing free treatment exclusive of medicines & medical consumables to patients referred by the Govt. of NCT of Delhi.

The Delhi High Court decided the PIL vide its order dated 22nd September, 2009, and has held that free treatment provided by the Hospital as per the terms of the lease deed shall be inclusive of medicines and consumables.

The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the impugned judgment and order of the Hon'ble High Court of Delhi. The Hon'ble Supreme Court of India has admitted the SLP and passed an interim order on 30.11.2009. 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 & medical consumables. The matter is pending before the Supreme Court of India.

FOCUS ON QUALITY

Indraprastha Apollo Hospitals is distinguished by its focus on Clinical Excellence. It has participated in one of the most important programs of the Apollo Hospitals Group known

as ACE@25 - a unique clinical balanced scorecard focusing on evidence based quality care and a safe environment for patients. The scorecard measures 25 clinical parameters every month, benchmarking them against the best institutions in the world and scores them on a 4 point scale, colour coded as green, orange or red. Each of the participating hospitals is thus measured on a 100 point score and reported online for monitoring and sharing of best practices. A score of 75 and above is considered good performance and in the green zone. The average ACE @ 25 score for the Indraprastha Apollo Hospitals this year has been 76.66.

With sustained efforts, the Average Length of Stay (ALOS) of patients in the Hospital was brought down from 5.09 days to 4.8 days. A number of other initiatives were also undertaken in critical areas of hospital operations directly impacting patient care. The Voice of the Customer program was further strengthened to ensure and monitor prompt action on customer feedback. The average turn around per dialysis chair per day has also got increased.

Being the first hospital in the country to get Joint Commission International(JCI) accreditation, Indraprastha Apollo Hospitals has always strived to ensure all quality norms are being met. To re-orient all the staff on JCI Standards, refresher sessions were conducted. The Hospital conducted quality audits twice during the year with a team of external auditors to make sure that all standards were complied with.

The Hospital successfully obtained re-accreditation under ISO 14001:2004 Environment Management System in September 2009.

This year Indraprastha Apollo Hospitals continued to build on the strategy of focusing on the Apollo Centers of Excellence, with Orthopedics being identified as a key area. Anticipating joint replacement surgeries (particularly knee replacements) as a high growth area, the Hospital did a number of activities to increase the numbers of knee replacement surgeries. The Apollo Knee Clinics was set up in November 2009, followed by a focused marketing campaign through hoardings, posters and hand outs. Following these initiatives, significant growth in the number of surgeries were recorded.



INFORMATION TECHNOLOGY INITIATIVES

During the year, your hospital invested in a number of IT solutions that not only resulted in better management but also resulted in substantial savings.

PACS: The X-Rays and CT scans went filmless leading to easier access to the images and reducing consumption of films in the process leading to substantial savings.

Interfacing Medical equipments: A number of equipments in the Laboratories were interfaced with the Hospital Information System. Final calibration and validation is now in progress.

On the Web: In keeping with changing times, the Hospital has now got connected with its patrons over social networking website Twitter and keeps them updated with latest developments.

Web Applications: A Visitor Management system using touch screen kiosks, an online Key Management system to improve the security and handling of hospital keys and a web based application for Wage & Salary administration were introduced. An e-based Leave Management Module was also implemented, thus saving considerable man-hours and stationery costs.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Indraprastha Apollo Hospitals remained committed to social welfare and conducted numerous initiatives to improve the well-being of the community. A few of these are highlighted below:

- **Billion Hearts Beating:** Indraprastha Apollo Hospitals participated in a social welfare campaign launched by the Apollo Hospitals Group in collaboration with Times of India to increase awareness of Heart Disease. The program received an overwhelming response.
- **Wellness Workshops:** During the year, the Hospital conducted a number of health and wellness camps on various topics, sensitizing the community as well as providing free check ups.
- **On-site medical back-ups:** For a number of exhibitions, expos, sports meets, including the Auto Expo, IPL-3 and World Cup Hockey, your hospital took on the responsibility of providing emergency and medical coverage.

- **Pandemic Preparedness:** an eight bed H1N1 isolation unit and a screening centre were set up in the Hospital to help in tackling the H1N1 pandemic. The unit conforming to all international infection control standards, was amongst the first private hospitals to be granted permission to treat such patients. More than 300 patients has been screened and 125 patients has been admitted in the isolation unit. The Hospital conducted a number of awareness programs and talks as well.

As part of the hospital's ongoing commitment to creating health awareness and providing preventive care to the general public, Indraprastha Apollo Hospitals hosted 11 workshops on key health issues including tuberculosis, stress management, organ donation and transplantation, asthma, stroke, respiratory disorders wellness and knee pain. Further, Indraprastha Apollo Hospitals, through the mobile health scheme service, which is done in collaboration with the Delhi Government in five economically depressed areas in the city, screened and treated almost 20,000 patients in 2009-2010. The hospital conducted 111 free camps in Delhi and the neighboring states, providing free check ups and basic treatment to an additional 15,681 people in 2009-2010. This year the Hospital will extensively conduct heart and cancer screening programs across the country.

INSTITUTIONAL IMPLANTS

To boost the concept of medical care in the area of professional workforce and educational institutions, the concept of Apollo Occupational Health Centers located within a corporate or educational facility has been operational in Delhi & NCR. This year saw a surge in such Centers, also known as Implants, with new centers being set up in Computer Sciences Corporation, French School, Lotus Valley School and Genpact.

FACILITY UPGRADATION & EXPANSION

Significant renovation and upgradation work was completed during the year, which should add to patient comfort and help achieve more operational efficiencies. Among others, a new orthopaedics operation theatre, a 5-bed ICU for critical cardiac care patients, a 12 bed Multi Organ Transplant Unit for Renal Transplant patients, a Mezzanine in the atrium for ICU patient attendants and international patient lounge were commissioned.

Fifty eight patient rooms and three OPDs were also renovated during the year.

Indraprastha Apollo Hospital's ambitious expansion plans indicate an impressive upward trajectory. Honouring its commitment to cater to the forthcoming Commonwealth Games, the hospital will commission an additional 136 beds in October, 2010.

INFECTION CONTROL AND ENVIRONMENT

Infection Control is a significant constituent of clinical care in health care setups. The improvement exhibited in the infection control indices continued this year as well. The infection rates are well within acceptable standard level and favourably compares with well established similar setups in the western countries. The Hospital also partnered with the WHO on World Hand Hygiene Day, spreading awareness on this crucial issue and augmenting its implementation throughout health care workers and general public and other staff members.

CONSERVATION OF ENERGY

The Company on a continuous basis undertakes programs for conserving energy. Plant maintenance on a regular basis, review of energy generation and its consumption are among the measures adopted towards this end. Despite higher levels of occupancy, the expenditure on power and fuel has decreased over the previous year by around Rs. 41 lakhs.

The following are some of the measures undertaken during the period under review towards energy conservation:-

- All external lighting of the Hospital premises has been converted to LED type fixtures which is very low energy consuming.
- LED fixtures have been incorporated throughout the Hospital, wherever possible, to reduce electric consumption.
- Variable frequency drivers have been installed in the air conditioning system to reduce the energy consumption.
- Push type water taps have been installed in Public Toilets in the Hospital to reduce water wastage.

Training programmes for creating awareness about conservation of energy and natural resources are also being done on a regular basis for employees.

TECHNOLOGY ABSORPTION

The Company continued to invest in cutting-edge technology to offer the latest in medical care and maintain international standards. Among the new devices and tests incorporated are:

Endoscopic Ultrasound(EUS):

Endoscopic ultrasonology is used to visualize image, take biopsy and also to treat diseases of thorax and abdomen using an endoscopically directed ultrasound. A highly useful modality in the super specialty of gastroenterology and also catering to oncology, respiratory diseases and others, the unit is being operated by a highly skilled consultant, who has been trained in the US and has more than a decade's experience.

Endo- vascular Laser:

Endovenous laser therapy (EVLT) is a non-surgical method of resolving the unsightly, painful and potentially dangerous effects of varicose veins (swollen veins) on legs. This minimally invasive procedure offers the latest advance in the treatment of varicose veins. Some of the benefits include short procedure time, local anesthesia, a day care procedure, lower risk of complications, minimal scarring and faster recovery. A senior consultant who has recently joined in vascular surgery, has special training and brings expertise in endovascular surgery from the western centers.

DSA Lab:

The new DSA lab brings high resolution 3D functionality, X-per CT function, providing access to any blood vessel including those located in difficult areas, under image guidance thus providing relief to many patients with aneurysms and AV malformations. This facility is not available at most centers in India.

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. 40.07 crores

Outgo : Rs. 14.05 crores

PARTICULARS OF EMPLOYEES

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2010 and of the profit of the Company for the year ended 31st March, 2010.
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE

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

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

A declaration by the Managing Director pursuant to clause 49(I)(D)(ii) of the Listing Agreement stating

that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, during the financial year ended 31st March, 2010, is also attached with this report.

AUDITORS / AUDITORS' REPORT

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

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

DIRECTORS

Mr. V. V. Bhat ceased to be a Director of the Company, consequent upon his transfer from the office of Principal Secretary - Finance, Govt. of Delhi.

Mr. Rajendra Kumar, Secretary, Health & Family Welfare, Govt. of Delhi was appointed by the Board as an Additional Director of the Company. Pursuant to Section 260 of the Companies Act, 1956, Mr. Rajendra Kumar holds the office of Director only up to the date of the Annual General Meeting of the Company. A notice has been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. Rajendra Kumar as a Director of the Company, liable to retire by rotation.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Ms. Suneeta Reddy, Ms. Renu S. Karnad, Mr. V. R. Reddy and Mr. Satnam Arora, Directors of the Company shall retire by rotation at the ensuing Annual General Meeting.

Mr. V. R. Reddy has conveyed his unwillingness to offer himself for re-appointment; hence he will cease to be Director of the Company at the ensuing Annual General Meeting. A notice has been received from a member pursuant to Section 257 of the Companies Act, 1956, proposing the appointment of Mr. T.S. Narayanasami as a Director of the Company, liable to retire by rotation.

Indraprastha Medical Corporation Limited

Ms. Suneeta Reddy, Ms. Renu S. Karnad and Mr. Satnam Arora, being eligible, have offered themselves for re-appointment.

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

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

Your Directors wish to place on record their appreciation of the valuable services rendered by Mr. V. V. Bhat and Mr. V. R. Reddy during their tenure as a Director of the Company.

FIXED DEPOSITS

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

INSURANCE

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

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

RESEARCH & DEVELOPMENT

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

INDUSTRIAL RELATIONS

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

However, the proceedings of the labour and other court cases, which took place after the strike by a section of employees in the Hospital in September, 1998 continued during the year.

ACKNOWLEDGEMENT

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

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

For and on behalf of the Board

Place : New Delhi
Date : 28th July, 2010

Rakesh Mehta
Chairman

ANNEXURE TO DIRECTOR'S REPORT

Information as per Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Director's Report for the year ended 31st March, 2010.

Name of the Employee/ Age	Designation/Nature of Duties	Qualification & Experience	Date of Commencement of Employment	Remuneration Received (Rs.)	Last Employment held
(A) Employed throughout the year and in receipt of remuneration not less than Rs. 2,400,000/- for the year :-					
Mrs. Rajalakshmi Chandru 59 years	General Manager- Patient Services	B.Sc.(Zoology) (27 Yrs)	16/8/1995	2,493,004	Executive Secretary to Chairman, Apollo Hospitals, Chennai
Dr. Raman Sardana 48 years	Addl. DMS cum Senior Consultant	MBBS, MD (Microbiology) (22 Years)	13/11/1995	3,243,981	Consultant-Microbiology, Chopra Hospital & National Paediatric Centre, Gulmohar Enclave, New Delhi
Mr. Ajay Kumar Singhal 52 years	Vice President cum Company Secretary	B. Com, LLB, FCS (28 Years)	1/5/1996	5,071,826	Practicing Company Secretary, New Delhi
Mr. P Shivakumar 45 years	Vice President - Finance	B Com, ACA, Graduate of ICWAI (22 Years)	28/4/1997	5,119,047	Manager - Finance - Premier Auto Electrical Limited, Chennai
Dr. Anupam Sibal 42 years	Director Medical Services	MBBS, MD (13 Years)	11/8/2002	7,841,111	Senior Consultant - Paediatric, Gastroenterology & Hepatology, Indraprastha Apollo Hospitals, New Delhi
Mr. Anil Maini 58 years	President - Corporate Development	BA (Hos.), Diploma in Marketing Management, Management course in Senior Executive resident (31 Years)	4/4/2005	6,923,103	Marketing Head - Escort Heart Institute and Research Centre, New Delhi
Mr. Jaideep Gupta 46 years	Managing Director	B.Sc, PG Diploma in Rural Management (24 Years)	29/4/2005	6,628,613	Vice President - Operations, Apollo Hospitals Enterprise Limited, Kuala Lumpur (Malaysia)
Ms. Usha Banerjee 43 years	Director - Nursing	B.Sc (Nursing), MBA (-HR & Industrial Relations), Diploma in Hospital Administration. Diploma in Training and Development (18 Years)	12/12/2005	5,050,251	Director Nursing - Max Health Care Limited, New Delhi
Mr. Ashoke Chakrabarti 47 years	Deputy General Manager - Bio Medical	M.Sc. (Electronics) (22 Years)	2/7/2007	2,498,810	Chief Biomedical Engineer- Max Healthcare Institute Ltd, New Delhi
(B) Employed for part of the year and in receipt of remuneration aggregating not less than Rs. 200,000/- per month:- NONE					

Notes :

1. Remuneration includes salary, allowances, Company's contribution to Provident Fund and monetary value of perquisites and other benefits as valued under Income Tax Act, 1961.
2. None of the employees as mentioned above is related to any Director of the Company and holds (by himself or along with his spouse and dependant children) more than 2% of equity shares of the Company.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

Section I:

The Economic Climate

Riding on the back of rapidly implemented stimulus packages, the global economy began bouncing back from the severe financial crisis from the spring of 2009. A large number of countries began showing positive quarterly growth of gross domestic product (GDP). The Indian economy too, which saw its GDP growth fall from the 9% levels of earlier years to 7.1 %, saw a swing back to the pre-crisis growth figures. In fact, the International Monetary Fund raised India's economic growth forecast for 2010 to 9.4% in early July.

However, global forecasts are that the recovery has reached its peak and with the fading impact of stimulus packages, and return to normal monetary policies, the pace of growth will now slow down. According to a risk assessment report by Euler Hermes, the world's leading credit insurer, although Asian countries have withstood the crisis better and led the recovery, they will be unable to maintain the impressive growth levels recorded in the first quarter of 2010 out to 2011 and that businesses will remain under pressure.

Section 2:

The Healthcare Scenario

The global healthcare economy has always been fairly resilient to recessions. This time round too, even as the weak economy was ravaging various sectors, the healthcare industry remained largely insulated though not wholly untouched by some of the recessionary pressures.

In India, the healthcare industry is expected to continue its healthy rate of growth. According to a report released by ASSOCHAM-Yes Bank in the last week of November 2009, the Indian healthcare sector is expected to grow at 23% annually to become a \$77 billion industry by 2010. Among all, the hospital industry is estimated to generate over \$54.5 billion, thus contributing more than 70% of the total healthcare sector.

Overall, the Indian healthcare sector registered a growth of 9.3% between 2000 and 2009, comparable to the sectoral growth rate of other emerging economies such as China, Brazil and

Mexico. According to the Assocham-Yes Bank report, the growth in the sector would be driven by healthcare facilities -- both private and public, medical diagnostic and pathlabs as well as the medical insurance sector. It is estimated that insurance will touch the lives of 350 million Indians by 2012 resulting in additional healthcare expenditure of Rs 39,000 crores.

Rising population, increased income levels, the desire for a better quality of life, which includes superior healthcare facilities, shifts in disease profile and rise in corporate healthcare plans due to more insurance penetration are some of the other growth drivers for the sector.

Other industry reports too corroborate the growth projections. According to a CII survey of services industries in India, in which responses of more than 350 service related industry associations, organizations and companies in both the private and public sectors from 51 sectors were taken, healthcare industry performed better during April-March 2009-10 over April-March 2008-09. The CII survey found that healthcare was in the 10-20% high growth category. Already, revenues from the healthcare sector account for 5.2% of the GDP, making it the third largest growing sector in India.

Section 3:

Changing face of healthcare delivery

Over the years, the industry dynamics in the healthcare sector have been fundamentally changing. The application of newer technologies and marketing strategies are transforming healthcare delivery systems worldwide.

Technology is giving rise to new clinical therapies which in turn are addressing more and more medical ailments and aiding in earlier diagnosis and prevention of diseases.

Another emerging trend is the paperless hospital or digitized patient information that can be accessed from numerous locations. Thus reports do not have to be processed and printed and can be made available instantly and at multiple locations.

Increasing digitization also helps in cost reduction. By streamlining operations and relying more on technology, the focus of corporate hospitals is to attempt to bring in cost efficiencies so that the rising



cost of healthcare delivery need not always be passed on to patients.

Section 4:

OPPORTUNITIES AND THREATS

OPPORTUNITIES

The changing socio economic mix in the country, with more people entering the middle class is going to impact healthcare delivery in the country.

New paradigm of diseases

It is anticipated that the change in mix of diseases – a 50% rise in prevalence of lifestyle diseases is projected – will lead to 12% increase in treatment rate and 7% increase in price. This would lead to a change in the share of healthcare in GDP from 5.2 % to 6.2%.

Cardiovascular Disease (CVD) has already emerged as the number one cause of death globally. By 2030, almost 23.6 million people will die from CVDs, mainly from heart disease and stroke. The largest increase in number of deaths, it is estimated, will occur in the South-East Asia Region.

India will bear one of the heaviest burdens of heart disease. What's more worrying, the graph of heart disease here shows that it is afflicting the young. Over 70 percent of heart attacks occur after 70 in developed countries, while two thirds of heart attacks in India occur below 60. Heart disease, strokes and diabetes cost India an estimated \$9 billion in lost productivity in 2005. The losses could grow to a staggering \$200 billion by 2015 if corrective action is not taken quickly, says a study by the New Delhi-based Indian Council for Research on International Economic Relations. In April 2010, preliminary results from a landmark ongoing study has proved beyond doubt the changing profile of diseases in India. The Million Death Study, done by Centre for Global Health Research at the University of Toronto in collaboration with the Registrar General of India (RGI) and the Indian Council of Medical Research (ICMR), which is following the lives and deaths of 1.1 million households throughout India until 2014 has shown that heart attack is the number one killer disease in India. The preliminary findings of the study have shown a reversal in disease patterns in the country from communicable diseases to non-communicable or lifestyle diseases.

Medical Tourism

India continues to be a preferred destination for medical tourism. A McKinsey survey forecasts the arrival of foreign patients to expand at over 40% annually and this segment alone is expected to record revenues of US\$ 2 billion by 2012.

The outlook is buoyant for medical tourism due to healthcare reforms in the US. As the US introduced landmark changes in their healthcare system, with emphasis on increasing coverage, offshoring of healthcare revenue cycle management and services is set to gain traction. The healthcare reforms in the US are expected to force suppliers and providers across the health insurance space to identify avenues for cost savings and India's private hospitals are well placed to capitalize on these opportunities. Not only do Indian hospitals have the ability to provide quality medical care at a fraction of the cost, but they can provide quality care.

Rising investments in Indian Healthcare

In recent years, there have been significant investments from domestic players, financial investors as well as private equity firms in the corporate healthcare sector in India.

Several factors have contributed to the investor interest in this sector. Historically, there has been underinvestment in healthcare infrastructure, which means that India has been lagging behind in terms of availability of hospital beds – just 0.7 beds per 1,000 population against a world average of 4 beds per 1,000 population. Regulatory hurdles and unfavorable climate had kept investors away from the sector. But now, with India's changing economic position, rising incomes and consumer demand for better healthcare facilities as well as easier access to capital, there's been an about turn. The government impetus to the sector has helped too. There has been a four fold increase in the allocation to the ministry of health and family welfare – from Rs 36,079 crore in the 10th Plan to Rs. 140,135 crore in the 11th Plan. Besides, schemes such as the National Rural Health Mission and the proposed Urban Health Mission as well as expected reforms in the healthcare infrastructure development process through use of public private partnerships (PPPs) bode well for the sector.

According to an India Today cover story on the healthcare boom (April 1, 2010), PE firms invested Rs 4,500 crore in Indian healthcare between 2006 and 2010. According to a Venture Intelligence study, 12 per cent of the US\$ 77 million venture capital investments in the July-September 2009 quarter were in the healthcare sector. As part of its 'Healthymagination' initiative, GE will spend US\$ 3 billion over the next six years on research and development, provide US \$2 billion of financing over the next six years to drive healthcare information technology and health in rural and under served areas, and invest US\$ 1 billion in partnerships, content and services.

Feedback Ventures expects PE funds to invest at least US\$ 1 billion in the healthcare sector in the next five years.

THREATS

Inflationary trends, expected to escalate in a big way after the oil price decontrol, can make an impact on the business. Increased competition in the corporate healthcare sector where several new players have entered can also exacerbate staffing shortage.

Inflation: Spiralling prices have led to the increase in operating costs for the Company ranging from salaries, medical supplies, to general and administrative costs. Costs of renovation and equipping hospitals with the latest technologies have also risen adding to the cost burden.

Intensifying Competition: While there is room for growth in the healthcare sector in India, there are certain pockets such as metro cities where there is now the threat of oversupply. The Indraprastha Apollo Hospitals, however, has a strong brand image and leadership position and is well equipped to face the growing competition.

Staffing shortage: Rising competition as well as large scale overseas migration of nursing staff has led to an acute shortage of medical professionals. The Indraprastha Apollo Hospitals has however taken proactive measures by focusing on talent retention and attraction measures for doctors as well as setting up training centres for nursing professionals to address the shortage. It has managed to establish itself as an attractive destination for returning NRI doctors.

Section 5: *Indraprastha Medical Corporation Limited*

The first internationally accredited hospital in India, Indraprastha Apollo Hospitals has always been a trendsetter when it comes to responsible healthcare delivery. Not surprisingly, it has consistently been ranking among the Best Hospitals in the country in survey after survey. The 2009 Week-IMRB annual survey of the best Hospitals in the country (November 2009) listed Indraprastha Apollo Hospitals, Delhi in the top 10 list of hospitals.

Dr. Prathap C Reddy, Founder – Apollo Hospitals Group was conferred the **PADMA VIBHUSHAN AWARD** by the Government of India in recognition of his contribution towards the healthcare industry in the country.

KEY STRENGTHS

The Indraprastha Apollo Hospitals is one of the strongest healthcare brands in India today, signifying quality, innovation, international standards and care. The hospital has some of the most experienced medical practitioners and talented administrators in the country. Several of its doctors have won top awards in their field this year.

Focus on operational efficiency and timely delivery of quality care have ensured that the hospital maintains its leadership position.

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

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

Monitoring Clinical outcomes is a continuous and regular process at Indraprastha Apollo Hospitals. Efforts are constantly on to improve clinical outcomes and enhance the service delivery to patients.

OVERVIEW OF SEGMENT-WISE BUSINESS PERFORMANCE

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



Financial year 2009-10 represented a year of consistent performance by the Hospital and the Company built on the strong foundation of growth laid earlier.

FINANCIAL PERFORMANCE/OPERATIONAL PERFORMANCE

During the year under review, the Company has registered all round growth in its working and achieved higher incomes and profit.

The total income of the Company for the year ended 31st March 2010 stood at Rs 436.47 crores registering a growth of 7.5% from the previous year figures of Rs. 405.88 crores.

The profit before tax was Rs. 46.55 crores as compared to Rs. 37.25 crores in the previous year, registering a 24.9% growth.

The profit after tax was Rs. 31.06 crores as compared to Rs. 23.89 crores in the previous financial year, a growth of 30%.

The Noida Hospital, in its fourth year of operation, registered a marginal growth in income from Rs. 10.20 crores in the previous year to Rs. 12.40 crores this year. Although an aggressive growth rate was contemplated for the Noida Hospital during the financial year 2009-10, this could not be achieved due to staffing costs going up by unanticipated levels.

Increase in high end cases, number of surgeries and procedures, health checks, and international patients combined with a good case mix and higher yield per patient were the key drivers for the remarkable growth in revenues and profits.

HUMAN RESOURCE DEVELOPMENT

For healthcare service delivery in India, finding talent and retaining it is the biggest challenge as there is a huge shortfall of doctors, nurses and paramedical staff in the country.

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

The total number of employees in the Company as on 31st March, 2010, was 2939. Besides this, there are 347 Consultant Doctors who work on a 'Fee for Service' basis. The Company has engaged contractors for various support services in the Hospital and they have deployed 900 workers.

OUTLOOK

The management depth and agility to constantly reinvent itself has made Indraprastha Apollo Hospitals become a preferred healthcare delivery service provider in the National Capital Region and its surrounding areas.

Domain expertise, focus on quality by seeking out international accreditation so as to be at par with international institutions, as well as engaging in various risk related initiatives and activities to mitigate and treat reported risks are other factors that have led to the hospital maintaining its leadership position.

The launch of the campaign Billion Hearts Beating by Indraprastha Apollo Hospitals has touched a chord with citizens and elicited tremendous response, contributing to the brand recall. By getting onto the social networking site, Twitter, Indraprastha Apollo Hospitals has established an instant connect with its patrons, building trust and updating them rapidly about developments.

There continues to be robust demand from domestic as well as international segments. With Indraprastha Apollo Hospitals actively providing medical back up facilities for major expositions and big sporting events, it has enhanced the visibility of the Company. The Commonwealth Games also represent another such opportunity to deliver quality care.

The outlook for your Company certainly appears bright since demand is robust and the industry is gaining momentum.

RISK AND CONCERNS

Staffing is a major concern for the healthcare industry and corporate hospitals segment as such. With increased competition, talent retention has become a challenge and resulted in increased expenditure. Thus, rising wage bills could potentially erode margins.

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

In a Public Interest Litigation (PIL) on free patient facility in the Hospital, the Hon'ble High Court of Delhi has held that free treatment provided by the Hospital as per the terms of the lease deed shall be inclusive of medicines and consumables.

The Company has filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court of India against the impugned judgment and order of the Hon'ble High Court of Delhi. In pursuance of an interim order dated 30th November 2009 by the Hon'ble Supreme Court, the Company has been charging for medicines and consumables from the patients referred by Government of Delhi for free treatment. Similar issue is also being contested in the Supreme Court of India by some other hospitals in Delhi who have been given land at concessional rates.

The National Board of Examination (NBE) has issued guidelines that the minimum stipend / salary payable to a DNB trainee will be equal to the stipend / salary paid by the Govt. of India / Govt. of NCT of Delhi to their DNB Trainees in their respective year of studies. The guidelines has been challenged by the several hospitals in the city before the Hon'ble High Court of Delhi. If the Hon'ble Court eventually equates stipend / salary / allowances payable to DNB trainees in Government Hospitals with Private institutions, it will have wide ramifications across a large section of Hospital employees and may result in a significant financial outflow.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

CAUTIONARY STATEMENT

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

For and on behalf of the Board

Place : New Delhi
Date : 28th July, 2010

Rakesh Mehta
Chairman



REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

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

by maintaining a high degree of disclosure levels.

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

2. BOARD OF DIRECTORS

(a) Composition of Board

As on 31st March, 2010, the Board of Directors consists of 14 (fourteen) members comprising of 1 (one) Executive Director and 13 (thirteen) Non-Executive Directors including 7 (seven) Independent Directors. The Chairman of the Board is Non-Executive.

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

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

The Names and Category of Directors on the Board, their attendance at the Board Meetings held during the financial year ended 31st March, 2010 and at the last Annual General Meeting held on 9th September, 2009, are as under:-

Name of the Director	Category	Number of Board Meetings attended	Attendance at the Last AGM
Mr. Rakesh Mehta (Chairman)	Non-Executive	5	Yes
Dr. Prathap C Reddy (Vice-Chairman)	Non-Executive	4	Yes
Mr. Jaideep Gupta (Managing Director) (1)	Executive	5	Yes
Mr. V. V. Bhat (2)	Non-Executive	2	Yes
Mr. J. P. Singh (3)	Non-Executive	2	Yes
Dr. B.Venkataraman	Non-Executive - Independent	3	Yes
Lt. Gen. (R) Vijay Lall	Non-Executive - Independent	5	Yes
Ms. Suneeta Reddy	Non-Executive	2	Yes
Ms. Renu S. Karnad	Non-Executive	2	No
Mr. V. R. Reddy	Non-Executive - Independent	1	No
Mr. Satnam Arora	Non-Executive - Independent	3	No
Mr. Anil Kamineni (4)	Non-Executive	4	Yes
Mr. S. Regunathan (5)	Non-Executive - Independent	5	No
Prof. Ranjit Roy Chaudhury (6)	Non-Executive - Independent	4	Yes
Prof. V. N. Rajasekharan Pillai (7)	Non-Executive - Independent	4	No

Indraprastha Medical Corporation Limited

- (1) Appointed by the Board as an Additional Director on 30.04.2009 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 09.09.2009.
- (2) Ceased to be a Director w.e.f. 11.11.2009.
- (3) Appointed by the Board as an Additional Director on 30.04.2009 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 09.09.2009.
- (4) Appointed by the Board as an Additional Director on 22.10.2008 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 09.09.2009.
- (5) Appointed by the Board as an Additional Director on 22.10.2008 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 09.09.2009.
- (6) Appointed by the Board as an Additional Director on 22.10.2008 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 09.09.2009.
- (7) Appointed by the Board as an Additional Director on 22.10.2008 and thereafter appointed by the shareholders as a Director at the last Annual General Meeting held on 09.09.2009.

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

None of the Directors on the Board is a Member of more than ten Committees or Chairman of more than five Committees across all the companies in which he / she is a Director. Necessary disclosures regarding Committee positions in other companies as on 31st March, 2010, have been made by the Directors.

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

Name of the Director	Number of Directorships in other public companies		Number of Committee positions held in other public companies	
	Chairman	Member	Chairman	Member
Mr. Rakesh Mehta (Chairman)	2	1	Nil	Nil
Dr. Prathap C Reddy (Vice-Chairman)	12	1	Nil	Nil
Mr. Jaideep Gupta (Managing Director)	Nil	Nil	Nil	Nil
Mr. J. P. Singh	Nil	10	Nil	Nil
Lt. Gen. (R) Vijay Lall	Nil	Nil	Nil	Nil
Dr. B.Venkataraman	Nil	2	Nil	1
Ms. Suneeta Reddy	3	10	1	2
Ms. Renu S. Karnad	1	11	2	3
Mr. V.R. Reddy	Nil	Nil	Nil	Nil
Mr. Satnam Arora	Nil	3	Nil	Nil
Mr. Anil Kamineni	Nil	1	Nil	Nil
Mr. S. Regunathan	Nil	Nil	Nil	Nil
Prof. V. N. Rajasekharan Pillai	Nil	Nil	Nil	Nil
Prof. Ranjit Roy Chaudhury	Nil	Nil	Nil	Nil

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

Five (5) Board meetings were held during the financial year ended 31st March, 2010. The dates of the meetings are as follows : 30th April, 2009, 28th July, 2009, 21st October, 2009, 23rd January, 2010 and 10th March, 2010. The time gap between two consecutive Board meetings was not more than four months.

(e) Board Procedure

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

- Annual Operating Plans and budgets and any updates.
- Capital expenditure and updates.
- Quarterly financial results / Annual financial statements.
- Minutes of meetings of audit committee and other committees of the Board.
- Appointment of senior executives just below the Board level.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.



- Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems.
- Significant development in Human Resources / Industrial Relations.
- Report on legal matters.
- Quarterly statutory compliance report.
- Statement of transactions with related parties.
- Certificate by the Managing Director / CEO and Vice President (Finance) regarding financial statements in compliance with Clause 49V of the Listing Agreement.

(f) Code of Conduct

The Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Code of Conduct has been placed on the website of the Company. All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, during the financial year ended 31st March, 2010.

3. AUDIT COMMITTEE

(a) Terms of Reference

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

(b) Composition, Name of Members and Chairman

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

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

(c) Meetings and attendance during the year

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

Members	Category	Meetings Held	Meetings Attended
Dr. B Venkataraman (Chairman)	Non - Executive - Independent	4	4
Lt. Gen. (R)Vijay Lall	Non - Executive - Independent	4	4
Ms. Suneeta Reddy	Non - Executive	4	3

Mr. V. V. Bhat, Director of the Company, also attended three meetings of the Audit Committee by invitation.

The Managing Director, Vice President cum Company Secretary, Vice President (Finance) and representatives of Statutory Auditors & Internal Auditors, also attend the Audit Committee meetings.

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

4. REMUNERATION COMMITTEE

(a) Terms of Reference

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

(b) Composition, name of members and Chairman

The Remuneration Committee consists of 5 Non-Executive Directors (including three Independent Directors) viz. Dr. B Venkataraman, Mr. V. V. Bhat., Lt. Gen. (R) Vijay Lall, Ms. Suneeta Reddy and Mr. V. R. Reddy. Dr. B Venkataraman (Independent Director) is the Chairman of the Remuneration Committee.

(c) Attendance during the year

One meeting of the Remuneration Committee was held during the financial year ended 31st March, 2010, and all the members were present at the meeting.

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

(d) Remuneration Policy

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

Indraprastha Medical Corporation Limited

(e) Details of Directors Remuneration

The details of Remuneration paid to Directors for the year ended 31st March, 2010 are as under:-

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

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

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

The Board approved the payment of commission of Rs. 2,50,000/- to each of the Non-Executive Director for the year ended 31st March, 2010 except the Non-Executive Directors who were/are on the Board for part of the year and being paid commission proportionately. The aggregate commission payable to all Non-Executive Directors is well within the limit of 1% of net profits of the Company calculated in accordance with the provisions of the Companies Act, 1956.

Apart from receiving director's remuneration by way of sitting fee for attending each meeting of the Board or Committee thereof and commission, none of the Non-Executive Directors has any pecuniary

relationship or transactions with the Company during the year ended 31st March, 2010.

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

Name of the Director	Salary	Perquisite	Total (Rs.)
Mr. Jaideep Gupta	48,52,400	5,82,412	54,34,812

5. SHAREHOLDERS/INVESTORS' GRIEVANCE COMMITTEE

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

- | | |
|--|--|
| a) Name of the Non-Executive Director heading the Committee | Lt. Gen. (R) Vijay Lall |
| b) Name and Designation of the Compliance Officer | Mr. Ajay Kumar Singhal
Vice President cum
Company Secretary |
| c) Number of Shareholders Complaints | The Company has received one hundred eight complaints during the year and four complaints were pending at the beginning of the year. |
| d) Numbers not resolved to the satisfaction of shareholders | All the complaints have been resolved to the satisfaction of the complainants, during the year. |
| e) Number of pending complaints as on 31 st March, 2010 | None |



6. GENERAL BODY MEETINGS

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

Financial Year	Location	Date	Time
2008-2009	FICCI, Golden Jubilee Auditorium,	9 th September, 2009	11.00 A.M.
2007-2008	Federation House, Tansen Marg,	10 th September, 2008	11.00 A.M.
2006-2007	New Delhi - 110001	21 st September, 2007	10.15 A.M.

Note:-

- 1) Special Resolution was passed at all three AGM's mentioned above for the appointment of Auditors, as more than 25% of the share capital of the Company is held by the Govt. of Delhi.
- 2) Special Resolution was passed at AGM on 21st September, 2007, in pursuance of Section 198, 269 & 309 of the Companies Act, 1956 for the appointment of and remuneration to Mr. Richard Leroy Larison as "Managing Director" of the Company.
- 3) Special Resolution was passed at AGM on 21st September, 2007, in pursuance of Section

310 of the Companies Act, 1956 for increase in the remuneration payable to Mr. Richard Leroy Larison, Managing Director of the Company.

- 4) Special Resolution was passed at AGM on 9th September, 2009, in pursuance of Section 198, 269 & 309 of the Companies Act, 1956 for the appointment of and remuneration to Mr. Jaideep Gupta as Managing Director of the Company.
- 5) Special Resolution was passed at AGM on 9th September, 2009, in pursuance of Section 31 of the Companies Act, 1956, for alteration of the Articles of Association of the Company.
- 6) Special Resolution was passed at AGM on 9th September, 2009, in pursuance of Section 309(4) of the Companies Act, 1956, for approval of the shareholders for payment of commission to the Non-Executive Directors of the Company.
- 7) No Resolution was required to be put through postal ballot last year.
- 8) No Special Resolution is proposed to be conducted through postal ballot.

7. DISCLOSURES

- 1) During the financial year ended 31st March, 2010, the following were the related party transactions of material nature:-

Rs. in Lakhs

Name	Relationship	Nature of Transactions	31st March, 2010	31st March, 2009
Apollo Hospitals Enterprise Limited	Associate	Pharmacy-Consumables	1615.29	1374.61
		Licence Fees	90.03	78.00
		Commission on Pharmacy Sales	308.65	275.46
		Reimbursement of Expenses	82.80	32.49
		Account Payable	442.62	11.23
Managing Director	Key Management Personnel	Remuneration to Managing Director	54.35	61.34

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

Indraprastha Medical Corporation Limited

8. MEANS OF COMMUNICATION

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

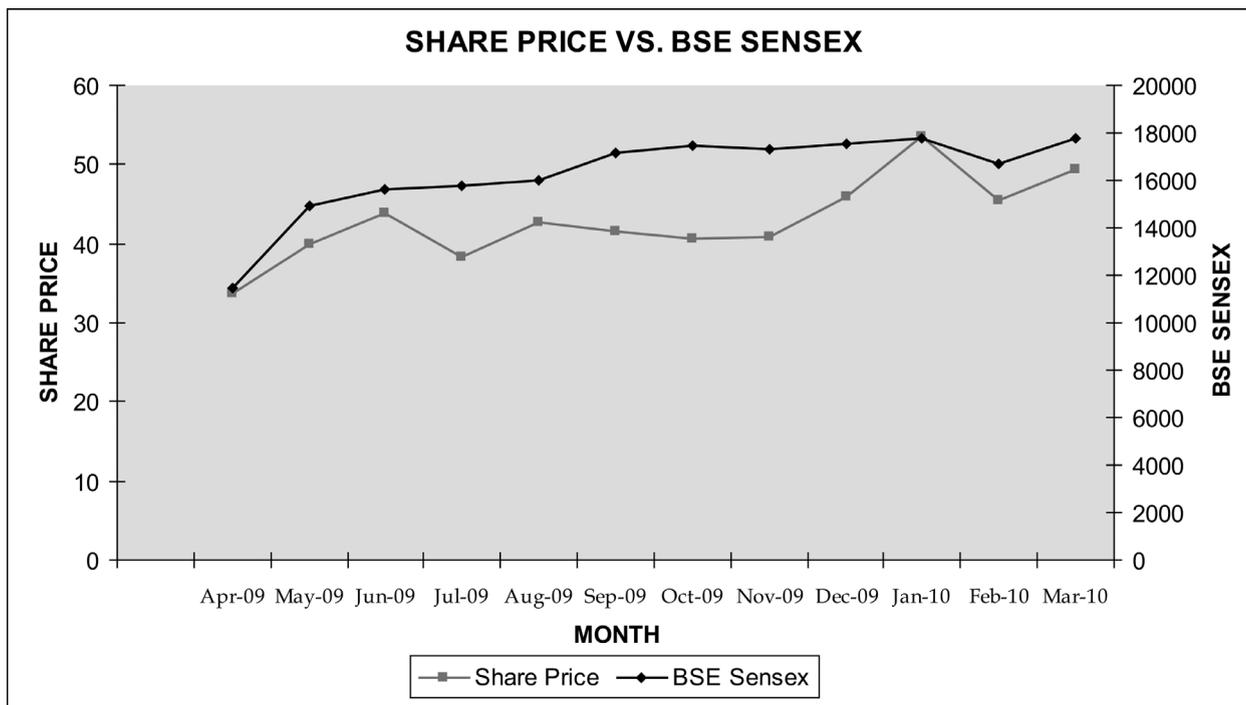
9. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting Date and Time and Venue	10 th September, 2010 at 12.15 P.M. FICCI, Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110001.
b. Financial Calendar	1 st Qtr. - 1 st April to 30 th June 2 nd Qtr. - 1 st July to 30 th September 3 rd Qtr. - 1 st October to 31 st December 4 th Qtr. - 1 st January to 31 st March
c. Book Closure Date	Wednesday, 1 st September, 2010 to Friday, 10 th September, 2010. (both days inclusive).
d. Dividend Payment Date	On or after 14 th September, 2010
e. Listing on Stock Exchanges	1) The Bombay Stock Exchange Limited (BSE) & 2) The National Stock Exchange of India (NSE) The annual listing fee for the year 2009-10 has been paid.
f. Stock Code / Symbol	BSE - 532150 NSE - INDRAMEDCO
Demat ISIN in NSDL & CDSL	INE681B01017
g. Market Price Data	Monthly High & Low during each month of the financial year 2009-10 at National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) are as under:-

Month	National Stock Exchange			Bombay Stock Exchange		
	Highest (Rs.)	Lowest (Rs.)	Volume (Rs.)	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)
Apr., 2009	33.50	27.70	11,67,699	33.75	27.50	14,09,362
May., 2009	39.90	29.10	47,02,582	40.00	29.25	20,36,824
June, 2009	43.80	33.50	33,07,415	43.80	33.50	16,76,203
July, 2009	38.40	31.80	19,36,683	38.25	31.90	7,43,842
Aug., 2009	42.50	35.05	50,48,307	42.80	35.15	23,18,996
Sep., 2009	41.40	35.55	30,40,330	41.50	35.85	19,37,186
Oct., 2009	40.45	35.00	30,53,478	40.70	33.80	21,00,030
Nov., 2009	42.35	33.55	38,81,306	40.80	33.30	25,12,137
Dec., 2009	45.90	32.80	55,16,359	46.00	38.25	38,56,572
Jan., 2010	53.55	41.15	1,15,46,720	53.50	41.25	88,54,050
Feb., 2010	45.75	36.60	18,04,914	45.50	40.10	9,70,616
March, 2010	49.40	39.60	39,85,486	49.45	41.50	51,18,712



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



h. Registrar and Transfer Agents

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

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

i. Share Transfer System

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

j. Distribution of shareholding as on 31st March, 2010

Shareholding of nominal value of Rs.		Shareholders		Share Amount	
		Number	% to total	Rs.	% to total
Upto	2,500	21,143	59.985	2,49,80,900	2.725
2,501 -	5,000	7,011	19.891	3,01,83,310	3.292
5,001 -	10,000	3,551	10.075	3,15,00,800	3.436
10,001 -	20,000	1,542	4.375	2,48,33,540	2.709
20,001 -	30,000	562	1.594	1,46,39,850	1.597
30,001 -	40,000	270	0.766	99,70,030	1.088
40,001 -	50,000	276	0.783	1,33,54,200	1.457
50,001 -	1,00,000	427	1.211	3,23,48,110	3.529
1,00,001 & above		465	1.319	73,49,19,260	80.167
Total		35,247	100.000	91,67,30,000	100.000

Indraprastha Medical Corporation Limited

Shareholding Category as on 31st March, 2010

Category	No. of Shares held	% to total
Indian Promoters	4,47,40,294	48.80
Foreign Promoters	19,56,644	2.13
Mutual Funds & UTI	8,12,348	0.89
Financial Institutions / Banks	5,01,467	0.55
Foreign Institutional Investors	16,000	0.02
Bodies Corporate	1,55,41,883	16.95
NRI's/OCB's	22,35,689	2.44
Indian public	2,58,68,675	28.22
Grand Total	9,16,73,000	100.000

Shares held by Non-Executive Directors

The number of shares held by Non-Executive Directors as on 31st March, 2010, is as under:-

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

k. Dematerialisation of shares

About 67% of the Company's paid-up equity share capital has been dematerialised up to 31st March, 2010.

The details of demat of shares as on 31st March, 2010 are as under:-

	No. of Shareholders	No. of Shares	% of capital
NSDL	20,492	5,60,23,224	61.11
CDSL	6,783	55,22,686	6.02

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.

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

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

m. Hospital Location

Indraprastha Apollo Hospitals,
Sarita Vihar, Delhi-Mathura Road,
New Delhi - 110076.

n. Address for Correspondence

Postal Address :-
M/s. Indraprastha Medical Corporation Limited
Sarita Vihar, Delhi-Mathura Road,
New Delhi - 110076
E-mail Address for Investors:-
asinghal@apollohospitals.com



NON-MANDATORY REQUIREMENTS

- 1 (a) Whether Chairman of the Board is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties.

No office for the Chairman is maintained at the Company's expense. There was no reimbursement of expenses to the Chairman.
- (b) Independent Directors may have a time not exceeding in the aggregate a period of nine years on the Board of the Company.

As on date, there is no Independent Director having a term of office exceeding nine years on the Board of the Company except Dr. B. Venkataraman who was appointed on the Board of the Company on 22-9-1995 and has completed the term of 14 years.
2. Remuneration Committee

Please refer to Sr. No. 4 of this report
3. Shareholder rights - the half yearly declaration of financial performance including summary of the significant events in last six months should be sent to each household of shareholders

As the Company's half yearly results are published in English newspaper having a circulation all over India and in a Hindi newspaper having a circulation in Delhi region, the same are not sent to the shareholders of the Company.
4. Audit Qualifications

There are no audit qualifications in the Auditors report.
5. Training of Board Members

At present, the Company does not have such a training programme for the Board members.
6. Mechanism for evaluating non-executive Board members

At present, the Company does not have such a mechanism as contemplated for evaluating the performance of non-executive Board members.
7. Whistle Blower Policy

At present, the Company does not have a Whistle Blower Policy.

For and on behalf of the Board

**Rakesh Mehta
Chairman**

Place : New Delhi
Date : 28th July, 2010

C E R T I F I C A T E

To

The Members of Indraprastha Medical Corporation Ltd.

We have examined the compliance of conditions of corporate governance by M/s Indraprastha Medical Corporation Ltd., for the year ended on 31.03.2010, as stipulated in clause 49 of the Listing Agreement of the said company with stock exchange(s).

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

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

We state that no investor grievance(s) are pending against the company as per the records maintained by the company as on 31st March, 2010

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

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

Place : New Delhi
Date : 28th July, 2010

Sanjay Vasudeva
Partner
M.No. 90989

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

To

The Members of Indraprastha Medical Corporation Ltd.

I hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the provisions of the **CODE OF CONDUCT** during the financial year ended 31st March, 2010.

Name : Jaideep Gupta
Designation : Managing Director
Date : 18th July, 2010



AUDITORS' REPORT

To the Members of

Indraprastha Medical Corporation Limited.

We have audited the attached Balance Sheet of **Indraprastha Medical Corporation Limited, as at 31st March, 2010** and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

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

- e) On the basis of the written representations received from the directors/companies in which they are directors as on 31st March 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) The provisions of Section 441 A of the Companies Act, 1956 regarding the levy and collection of cess on turnover or gross receipts of the companies, have not yet been notified by the Central Government. Accordingly, we do not express our opinion on the compliance of the said Section in terms of clause (g) of sub-section (3) of section 227.
- g) In our opinion and to the best of our information and according to explanations given to us, the said accounts read with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i.) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010;
 - ii.) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii.) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For S.C.Vasudeva & Co.

Chartered Accountants
Firm Reg. No. 000235N
Sanjay Vasudeva

Partner

Place: New Delhi

Dated: 27th April, 2010

M.No. 90989

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred in paragraph 3 of our report to the members of Indraprastha Medical Corporation Limited on accounts for the financial year ended 31st March 2010.

- (i) (a) According to the information and explanations given to us and on the basis of the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that the company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

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



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

For S.C.Vasudeva & Co.

Chartered Accountants
Firm Reg. No. 000235N
Sanjay Vasudeva

Partner

M.No. 90989

Place: New Delhi

Dated: 27th April, 2010

Indraprastha Medical Corporation Limited

BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	Schedule No.	As at 31st March, 2010 Rs.	As at 31st March, 2009 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	916,730,000	916,730,000
Reserves and Surplus	2	440,273,107	301,276,942
Loan Funds			
Secured Loans	3	292,885,629	492,700,655
Deferred Tax Liability (Net)		282,010,083	307,853,644
Total		1,931,898,819	2,018,561,241
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	4	3,748,215,627	3,478,297,641
Less: Depreciation		1,689,535,851	1,525,068,993
Net Block		2,058,679,776	1,953,228,648
Capital Work in Progress		36,714,227	60,308,681
Current Assets, Loans and Advances			
Inventories	5	95,964,771	90,834,761
Sundry Debtors		282,805,155	285,700,756
Cash and Bank Balances		43,840,760	31,204,429
Other Current Assets		144,813,441	163,940,795
Loans and Advances		339,148,744	247,299,760
		906,572,871	818,980,501
Less: Current liabilities and Provisions			
Liabilities	6	701,746,143	506,024,877
Provisions		368,321,912	307,931,712
		1,070,068,055	813,956,589
Net Current Assets		(163,495,184)	5,023,912
Total		1,931,898,819	2,018,561,241
Notes to Accounts	10		

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Sanjay Vasudeva

Partner

M. No. 90989

Firm Reg. No. 000235N

Ajay Kumar Singhal

Vice President Cum

Company Secretary

Rakesh Mehta

Dr. Prathap C. Reddy

Jaideep Gupta

Suneeta Reddy

Chairman

Vice Chairman

Managing Director

Director

Place : New Delhi

Date : 27th April, 2010



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Schedule No.	For the year ended 31st March, 2010 Rs.	For the year ended 31st March, 2009 Rs.
INCOME			
Hospital Revenue		4,244,268,391	3,911,852,537
Other Income	7	120,530,005	146,980,778
Total		4,364,798,396	4,058,833,315
EXPENDITURE			
Stores and Spares consumed		1,148,712,165	1,166,949,459
Operating and Administrative Expenses	8	2,519,112,328	2,275,198,656
Interest and other Financial Charges	9	38,542,427	57,474,859
Depreciation		192,904,223	186,678,362
Total		3,899,271,143	3,686,301,336
Profit before tax		465,527,253	372,531,979
Less : Provision for			
- Current Tax		161,222,111	112,681,537
- Deferred Tax		(9,248,569)	14,790,110
- Fringe Benefit Tax		-	6,289,718
- Wealth Tax		90,560	103,572
Tax paid/excess provision for tax written back		2,862,464	(203,265)
Profit after tax		310,600,687	238,870,307
Balance available for appropriation		310,600,687	238,870,307
Appropriations			
Transferred to General Reserve		25,000,000	12,500,000
Proposed Dividend		146,676,800	137,509,500
Tax on Proposed Dividend		24,927,722	23,369,740
Surplus carried to Balance Sheet		113,996,165	65,491,067
Earnings per share of Rs. 10/- each (Refer to note no. 12 of Notes to Accounts)			
Basic & Diluted		3.39	2.61
Notes to Accounts	10		

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Sanjay Vasudeva

Partner

M. No. 90989

Firm Reg. No. 000235N

Ajay Kumar Singhal

Vice President Cum

Company Secretary

Rakesh Mehta

Dr. Prathap C. Reddy

Jaideep Gupta

Suneeta Reddy

Chairman

Vice Chairman

Managing Director

Director

Place : New Delhi

Date : 27th April, 2010

Indraprastha Medical Corporation Limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010

Particulars	Year Ended 31st March, 2010 Rs.	Year Ended 31st March, 2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax & Extraordinary items	465,527,253	372,531,979
Add:		
Depreciation	192,904,223	186,678,362
Interest charged	28,722,556	47,332,290
Loss on discarded assets	14,771,626	-
Deduct:		
Interest received	2,442,203	3,097,164
Operating Profit before Working Capital changes	699,483,455	603,445,467
Adjustments for		
Trade & Other Receivables	45,854,442	(22,559,606)
Trade payables	169,737,633	126,653,291
Inventories	(5,130,010)	4,485,999
Cash Generated from Operations	909,945,520	712,025,151
Deduct:		
Interest paid	(1,325,338)	(4,016,699)
Income tax paid	(178,555,945)	(109,496,518)
Net Cash from Operating Activities	730,064,237	598,511,934
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Assets (Net of sale)	(362,730,956)	(253,534,102)
Interest received	2,095,434	2,864,248
Net Cash from Investing Activities	(360,635,522)	(250,669,854)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from - short term loans	-	100,000,000
Repayment of - long term loans	(169,313,159)	(151,882,811)
Repayment of - short term loans	-	(100,000,000)
Interest paid	(27,944,668)	(43,851,183)
Dividend paid	(159,534,557)	(148,502,042)
Net Cash from Financing Activities	(356,792,384)	(344,236,036)
Net increase in cash and Cash equivalents	12,636,331	3,606,044
Opening Cash and cash equivalents	31,204,429	27,598,385
Closing Cash and cash equivalents	43,840,760	31,204,429

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Sanjay Vasudeva
Partner

M. No. 90989

Firm Reg. No. 000235N

Ajay Kumar Singhal
Vice President Cum
Company Secretary

Rakesh Mehta
Dr. Prathap C. Reddy
Jaideep Gupta
Suneeta Reddy

Chairman
Vice Chairman
Managing Director
Director

Place : New Delhi

Date : 27th April, 2010



SCHEDULES

SCHEDULE 1

SHARE CAPITAL

Authorised

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

As at 31st March, 2010 Rs.	As at 31st March, 2009 Rs.
1,000,000,000	1,000,000,000
1,000,000,000	1,000,000,000

Issued, Subscribed and Paid up

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

916,730,000	916,730,000
916,730,000	916,730,000

SCHEDULE 2

RESERVES AND SURPLUS

(a) General Reserve

As per last account

Add : Transferred from Profit and Loss Account

32,500,000	20,000,000
25,000,000	12,500,000
57,500,000	32,500,000

(b) Profit and loss account

Opening balance

Add : Surplus for the year

268,776,942	203,285,875
113,996,165	65,491,067
382,773,107	268,776,942
440,273,107	301,276,942

SCHEDULE 3

SECURED LOANS

Loans from Banks:

-Term loan

108,000,000	242,000,000
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(The above are secured by exclusive charge on the medical equipment and other movable fixed assets funded from the term loan and subservient charge on the movable fixed assets both present and future)

From Institutions:

-Term loan

- -

Other Loans and Advances:

-Term loan

82,929,030	118,242,189
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(The above are secured by exclusive charge on the medical equipment and other movable fixed assets funded from the term loan)

(Due for repayment within 12 months Rs. 147,266,533/-

(Previous year Rs. 169,313,159/-))

Working capital facility from Bank

(Secured against hypothecation of stores, spares and receivables)

101,956,599	132,458,466
292,885,629	492,700,655

SCHEDULE 4

FIXED ASSETS

Particulars	Gross Block			Depreciation/Amortisation			Impairment		Net Block		
	Cost As at 1.04.2009 (Rs.)	Additions (Rs.)	Deletion/ Adjusted (Rs.)	Cost As at 31.03.2010 (Rs.)	Up to 31.03.2009 (Rs.)	For the Year (Rs.)	Written back/ Adjusted (Rs.)	Up to 31.03.2010 (Rs.)	Up to 31.03.2010 (Rs.)	As at 31.03.2010 (Rs.)	As at 31.03.2009 (Rs.)
	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)
(A) Tangible Assets											
LEASEHOLD LAND (LEASED FROM DELHI ADMINISTRATION)	NIL			NIL						NIL	NIL
BUILDINGS	839,033,257	82,869,028	-	1,021,902,285	165,734,278	20,577,856	-	186,312,134	-	835,590,151	773,298,979
FURNITURE & FITTINGS	127,371,511	12,311,530	-	139,683,041	61,044,786	8,680,154	-	69,724,940	-	69,958,101	66,326,725
PLANT & MACHINERY	344,613,269	25,044,466	-	369,657,735	138,274,405	17,033,029	-	155,307,494	-	214,350,301	206,338,864
OFFICE EQUIPMENT	219,483,655	47,498,302	5,633,431	261,348,526	128,634,041	20,388,379	4,361,435	144,660,985	-	116,687,541	90,849,614
MEDICAL EQUIPMENT	1,808,207,921	139,443,733*	36,997,216	1,910,654,338	884,492,647	123,104,613	23,551,819	984,045,441	120,796,328	805,812,569	802,918,846
VEHICLES	18,335,787	2,443,566	1,002,408	19,776,945	6,450,181	1,794,948	524,111	7,721,018	-	12,055,927	11,885,606
TOTAL (A)	3,457,045,300	309,610,625	43,633,055	3,723,022,870	1,384,630,338	191,578,979	28,437,365	1,547,771,952	120,796,328	2,054,454,590	1,951,618,634
(B) INTANGIBLE ASSETS											
SOFTWARE	21,252,341	3,940,416	-	25,192,757	19,642,327	1,325,244	-	20,967,571	-	4,225,186	1,610,014
TOTAL (B)	21,252,341	3,940,416	-	25,192,757	19,642,327	1,325,244	-	20,967,571	-	4,225,186	1,610,014
GRAND TOTAL (A+B)	3,478,297,641	313,551,041	43,633,055	3,748,215,627	1,404,272,665	192,904,223**	28,437,365	1,568,739,523	120,796,328	2,058,679,776	1,953,228,648
Previous Year	3,233,002,537	245,295,104	Nil	3,478,297,641	1,217,594,303	186,678,362	Nil	1,404,272,665	120,796,328	1,953,228,648	1,894,611,906
Capital Work in Progress										36,714,227	60,308,681

* Includes additions during the year amounting to Rs.1,01,880,842/- (Previous Year Rs.53,651,965/-) which have been depreciated @ 13.57% based on the technological evaluation of the estimated useful life of seven years.
 ** Includes Rs.1,325,244/- (Previous year 2,003,456/-) on account of amortisation of intangible assets.



SCHEDULE 5

CURRENT ASSETS, LOANS AND ADVANCES

Inventories

	As at 31st March, 2010 Rs.	As at 31st March, 2009 Rs.
Stores & Spares	39,317,284	31,559,915
Crockery & Utensils	4,517,699	4,317,707
Linen	8,203,871	11,482,761
Medical & Surgical Instruments	43,925,917	43,474,378
	<u>95,964,771</u>	<u>90,834,761</u>

Sundry Debtors (Unsecured)

Debts outstanding for a period exceeding six months		
– Considered Good	69,459,923	81,971,561
– Doubtful	14,263,821	13,252,757
Other Debts		
– Considered Good	213,345,232	203,729,195
	<u>297,068,976</u>	<u>298,953,513</u>
Less : Provision for doubtful debts	14,263,821	13,252,757
	<u>282,805,155</u>	<u>285,700,756</u>

Cash and Bank Balances

– Cash balance on hand	8,744,434	9,181,562
– With scheduled banks		
in current accounts	18,750,754	7,750,415
in fixed deposits	6,721,638	5,993,201
(includes Rs. 3,640,160/- pledged towards margin money) (previous year 2,915,160/-)		
– With scheduled banks in Unpaid Dividend Account	9,623,934	8,279,251
	<u>43,840,760</u>	<u>31,204,429</u>

Other Current Assets

Patient's treatment in progress	77,794,050	78,462,816
Interest Receivable	951,647	604,878
Other Receivable	66,067,744	84,873,101
	<u>144,813,441</u>	<u>163,940,795</u>

Loans and Advances

(Unsecured, considered good)		
Advance for capital items	91,591,184	16,281,144
Advances recoverable in cash or in kind or for value to be received	24,235,944	22,247,596
Prepaid Taxes	198,488,315	158,464,653
Deposits	11,644,114	11,114,293
Prepaid Expenses	13,189,187	39,192,074
	<u>339,148,744</u>	<u>247,299,760</u>

Indraprastha Medical Corporation Limited

	As at 31st March, 2010 Rs.	As at 31st March, 2009 Rs.
SCHEDULE 6		
CURRENT LIABILITIES AND PROVISIONS		
a. Current Liabilities		
Sundry Creditors -		
Due to Micro and Small Enterprises	-	-
Due to Others		
-for Capital Works	18,037,620	15,926,013
-for Expenses	247,230,227	149,784,498
Advance from patients	117,398,860	131,149,448
Unclaimed Dividend	9,623,934	8,279,251
Other liabilities	308,008,814	198,891,529
Interest Accrued but not due	1,446,688	1,994,138
	701,746,143	506,024,877
b. Provisions		
Provision for Income tax	161,222,111	112,681,537
Provision for Fringe Benefit tax	-	6,289,718
Provision for Wealth tax	90,560	103,572
Proposed Dividend	146,676,800	137,509,500
Tax on Proposed Dividend	24,927,722	23,369,740
Provision for Employee Benefits	35,404,719	27,977,645
	368,321,912	307,931,712
	For the year ended 31st March, 2010 Rs.	For the year ended 31st March, 2009 Rs.
SCHEDULE 7		
OTHER INCOME		
Interest received from banks	2,257,600	2,247,669
[Tax deducted at source Rs. 222,216/- (Previous Year Rs. 459,202/-)]		
Interest received from others	184,603	849,495
License fee & commission from licensees	72,137,205	55,948,105
Service charges received from doctors	16,602,764	16,346,388
Miscellaneous income	23,454,875	67,524,117
Provision no longer required written back	5,892,958	4,065,004
	120,530,005	146,980,778



SCHEDULE 8

OPERATING AND ADMINISTRATIVE EXPENSES

	For the year ended 31st March, 2010 Rs.	For the year ended 31st March, 2009 Rs.
Salaries and wages	741,987,893	699,411,644
Contribution to Provident & Other Funds	43,670,102	37,463,022
Staff welfare	38,711,935	36,740,520
Consultation fees paid to doctors	1,038,247,722	908,003,809
Outside lab investigations	5,169,997	6,992,121
Leasehold ground rent	12	12
Power & Fuel	130,589,729	134,666,889
Rent	17,318,631	19,313,558
Travelling and Conveyance	38,069,832	36,617,926
Insurance	6,498,431	5,587,586
Directors' sitting fees	1,500,000	920,000
Communication	14,810,287	18,983,046
Printing and stationery	28,578,990	27,327,881
Advertisement	73,790,558	87,908,662
Legal and professional charges	40,667,731	30,582,415
Security charges	11,773,163	10,615,158
Payment to auditors	899,270	884,270
Auditors out of pocket expenses	45,642	30,992
Rates, taxes and licenses	17,965,761	16,005,561
Loss on Discarded Assets	14,771,626	-
Service Charges	118,873,829	99,701,247
Repairs and maintenance		
- Building	53,075,435	28,312,005
- Plant & Machinery	35,732,007	32,329,749
- Others	16,244,104	13,687,129
Miscellaneous expenses	17,828,573	13,536,830
Bad debts written off	5,387,046	3,683,666
Provision for doubtful debts	6,904,022	5,892,958
	2,519,112,328	2,275,198,656

SCHEDULE 9

INTEREST AND OTHER FINANCIAL CHARGES

Interest on term loans	27,397,218	43,315,591
Interest on working capital	1,325,338	4,016,699
Other financial charges	9,819,871	10,142,569
	38,542,427	57,474,859

Indraprastha Medical Corporation Limited

SCHEDULE 10

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2010.

I. Significant Accounting Policies:

A. Accounting Convention

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

B. Revenue Recognition

- i) Revenue is recognized on accrual basis. Hospital Revenue comprises of income from services rendered to the out-patients and in-patients. Revenue also includes value of services rendered pending billing in respect of in-patients undergoing treatment as on 31st March, 2010.
- ii) The revenue in respect of export benefits is recognized on the basis of the foreign exchange earned during the year at the rate at which the said entitlement accrues to the extent there is no significant uncertainty as to the amount of consideration that would be derived and as to its ultimate collection.

C. Fixed Assets

Fixed Assets are stated at historical cost less accumulated depreciation.

D. Depreciation

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

E. Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation.

F. Amortisation of Intangible Assets

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

G. Impairment of Assets

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

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

H. Inventories

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



I. Expenditure incurred during the construction period

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

J. Employee benefits

Short Term Employee Benefits

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

Post Employment Benefits

Defined Contribution Plans

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

Defined Benefit Plans

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

Long Term Employee Benefits

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

K. Foreign currency transactions

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

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

L. Borrowing costs

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

M. Taxation

- (i) Provision for Taxation comprises of Income Tax Liability on the profits for the year chargeable to tax and Deferred Tax resulting from timing differences between Book and Tax Profits. The Deferred Tax Asset/ Liability is provided in accordance with the Accounting Standard – 22 (AS-22), "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India.
- (ii) Fringe Benefit Tax is provided on the aggregate amount of fringe benefits determined in accordance with the provisions of the relevant enactments at the specified rate of tax.

N. Provisions and Contingent Liabilities

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

II. Notes on Accounts

1. Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs. 281,155,193/- (Previous Year Rs. 45,009,299/-).

Indraprastha Medical Corporation Limited

2. Contingent Liability

- i) Claims against the company not acknowledged as debt Rs. 335,330,000/- (Previous Year Rs. 416,721,000/-) and interest thereon. This represents suits filed against the company and the consultant doctors. Based on the facts and circumstances, possibility of any of the claims resulting in a major financial loss to the company is remote. Notwithstanding above, the company is adequately insured to mitigate the possibility of any loss.
 - ii) Letters of credit / Bank guarantees outstanding on account of stores / spares and medical equipment amounting to Rs. 23,805,634/- (Previous Year Rs. 44,619,072/-).
3. The appeal filed by the company against assessment of property tax by MCD, has been decided by the Additional District Judge, Delhi on 17th April, 2004 remanding the case to MCD for reassessment on the basis of directions set out in the said order.

The Company had provided Rs. 83,693,078/- against property tax liability up to 31st March, 2004. The Company has been advised by their legal counsel that on the basis of facts and the directions given by the Honorable Judge, the Company's liability is not likely to exceed the amount provided for the said liability in the books of account.

Further the company has provided Rs. 2,968,053/- (Previous Year Rs. 2,968,053/-) against property tax liability for the year ended 31st March, 2010 as per unit area method of calculating the property tax.

4. Under the terms of the agreement between the Government of NCT of Delhi and the company, the Hospital project of the company has been put up on the land belonging to Government of NCT of Delhi. The Government of NCT of Delhi is committed to meet the expenditure to the extent of Rs. 154,780,000 out of IMCL Building fund account (funds earmarked for the period) together with the interest thereon for construction of definite and designated buildings while the balance amount of the cost of the building will be borne by the Company. As at 31st March, 2010, the aforesaid fund, together with interest thereon amounting to Rs. 192,357,946 have been utilized towards progress payments to contractors, advances to contractors, payments for materials, etc. The ownership of the building between Government of NCT of Delhi and the company will be decided at a future date keeping in view the lease agreement.
5. On a Public Interest Litigation (PIL) regarding free treatment in the hospital the Hon'ble Delhi High Court vide its order dated 22nd September, 2009 has held that free treatment provided by the hospital as per the terms of lease deed with Government of National Capital Territory of Delhi shall be inclusive of medicines and consumables. In response to the said order the company filed a Special Leave Petition in the Hon'ble Supreme Court for appropriate directions with a prayer to stay the judgment of the Hon'ble Delhi High Court. The Hon'ble Supreme Court of India has admitted the Special Leave Petition and passed an interim order on 30.11.2009. In pursuance of the interim order, the Hospital is charging for medicines & medical consumables from patients referred by the Govt. of Delhi for free treatment in the Hospital.

6. Employee benefits

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

	Amount in Rs.			
	2009-10		2008-09	
	Gratuity Funded	Leave Unfunded	Gratuity Funded	Leave Unfunded
(a) Expense recognised in Profit and Loss Account				
Current Service Cost	7,213,599	7,814,312	6,234,867	7,639,236
Interest Cost	2,967,349	2,098,323	2,802,399	1,788,260
Expected return on Plan Assets	(3,161,575)	-	(2,944,546)	-
Net Actuarial (Gain)/ Loss recognised in the year	4,198,477	5,752,094	1,304,375	4,274,805
Total expenses recognised in the Profit and Loss Account	11,217,850	15,664,729	7,397,095	13,702,301
(b) Amount recognised in the Balance Sheet				
Present value of obligation as at the end of the year	46,881,410	35,404,719	38,288,370	27,977,645
Fair value of plan assets as at the end of the year	38,278,164	-	38,902,974	-
Unfunded net liability recognised in the Balance Sheet	(8,603,246)	(35,404,719)	(614,604)	(27,977,645)



Amount in Rs.

	2009-10		2008-09	
	Gratuity Funded	Leave Unfunded	Gratuity Funded	Leave Unfunded
(c) Changes in the present obligations				
Present value of obligations at beginning of the year	38,288,370	27,977,645	29,988,254	22,353,257
Interest cost	2,967,349	2,098,323	2,802,399	1,788,260
Current service cost	7,213,599	7,814,312	6,234,867	7,639,236
Benefits paid	(2,766,561)	(8,237,655)	(2,386,267)	(8,077,913)
Actuarial loss / (gain) on obligations	1,178,653	5,752,094	1,649,117	4,274,805
Present Value of obligations at year end	46,881,410	35,404,719	38,288,370	27,977,645
(d) Changes in fair value of plan assets				
Fair value of plan assets at the beginning of the year	38,902,974	-	23,773,204	-
Expected return on plan assets	3,161,575	-	2,944,546	-
Employer contribution	2,000,000	-	14,226,749	-
Benefits paid	(2,766,561)	-	(2,386,267)	-
Actuarial loss / (gain) on Plan Assets	(3,019,824)	-	(344,742)	-
Fair value of plan assets at the end of the year	38,278,164	-	38,902,974	-
(e) Principal actuarial assumptions at the Balance Sheet Date (Expressed as weighted average).				
Discount Rate	8.00%	7.50%	7.75%	8.00%
Expected rate of return on plan assets (In case of Gratuity Fund)	8.00%	-	8.00%	-
Expected rate of salary increase	5.00%	5.00%	5.00%	5.50%
Method used		Projected unit credit method		Projected unit credit method

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

	Amount (Rs.)	Amount (Rs.)
- Contribution to Providend fund	16,753,005	15,130,951
- Contribution to Pension fund	12,146,354	11,906,330

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

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

8. Travelling and conveyance includes Rs. 754,914/- (Previous Year Rs. 838,047/-) on account of Directors' travelling.
9. Other Income include Rs. Nil (Previous Year Rs.44,597,578/-) on account of export benefits under Served From India, Scheme.
10. (a) For the current year ended 31st March, 2010 timing differences have resulted in a net deferred tax credit amounting to Rs. 92,48,569/-, which is adjusted to the provision for taxation for the year.

(b) Deferred Tax Liability (net) as on 31st March, 2010 is as follows:

	Amount (Rs.) 2009-10	Amount (Rs.) 2008-09
Timing difference on account of depreciation	317,571,417	317,935,503
Less: Deferred tax assets arising on account of Provision for doubtful debts	4,738,085	4,504,612
Provision for Employee benefits and others	30,823,249	5,577,247
Net deferred tax liability	282,010,083	307,853,644

Indraprastha Medical Corporation Limited

11. Related party disclosures

			Rs. in Lakhs	
Name	Relationship	Nature of Transactions	31st March, 2010	31st March, 2009
Apollo Hospitals Enterprise Limited	Associate	Pharmacy Consumables	1615.29	1374.61
		License Fees	90.03	78.00
		Commission on Pharmacy Sales	308.65	275.46
		Reimbursement of Expenses	82.80	32.49
		Account Payable	442.62	11.23
Managing Director	Key Management Personnel	Remuneration to Managing Director	54.35	61.34

12. The Basic earning per share (EPS) disclosed in the profit and loss accounts has been calculated by dividing the net profit for the year ended 31st March, 2010 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. 31,06,00,687/- and the weighted average number of equity share is 91,673,000 for this purpose.

13. 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 financial year ended 31st March, 2010 (Previous Year Rs. Nil).

14. Remuneration to Managing Director:	2009-10 Amount in Rs.	2008-09 Amount in Rs.
Salary & allowances	4,852,400	5,763,800
Perquisites	582,412	370,243

As no commission is payable to the Managing Director, the computation of net profits under section 349/350 of the Companies Act, 1956, is not being given.

15. Earnings in Foreign Currency:

On account of Hospital Revenue	400,697,486	445,975,783
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16. Expenditure incurred in Foreign Currency:

On account of travel	1,160,672	1,857,687
On account of other matters	13,472,004	12,922,871
Outflow of Foreign Currency on account of dividend:		
On account of remittance of dividend	3,461,433	3,230,671
For financial year	2008-2009	2007-2008
Number of non-resident shareholders	29	29
Number of shares held by them	2,307,622	2,307,622

17. Value of Imports on CIF basis:

Capital Goods	105,622,176	58,539,405
Stores & Spares	16,744,217	16,778,435

18. Payment to Auditors:

As audit fee	800,000	800,000
Tax audit fee	99,270	84,270
Total	899,270	884,270



19. Stores & Spares Consumed

Particulars	2009-10		2008-09	
	Rs.	%	Rs.	%
Imported	19,009,390	1.65	19,753,936	1.69
Indigenous	1,129,702,775	98.35	1,147,195,523	98.31
Total	1,148,712,165	100	1,166,949,459	100

20. Materials consumed are of varied nature and include items of food, beverages, medical consumables etc. Therefore it is not feasible to give the details as required under part II of schedule VI to the Companies Act, 1956.

21. 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.

22. Previous year figures have been regrouped/rearranged wherever necessary.

23. Schedule 1 to 10 form an integral part of the Balance Sheet and Profit & Loss Account and have been authenticated as such.

24. All figures have been rounded off to the nearest rupee.

As per our separate report of even date attached

For S.C. Vasudeva & Co.

Chartered Accountants

Sanjay Vasudeva

Partner

M. No. 90989

Firm Reg. No. 000235N

Ajay Kumar Singhal

Vice President Cum

Company Secretary

Rakesh Mehta

Dr. Prathap C. Reddy

Jaideep Gupta

Suneeta Reddy

Chairman

Vice Chairman

Managing Director

Director

Place : New Delhi

Date : 27th April, 2010

Indraprastha Medical Corporation Limited

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. : 55-30958 State Code : 55

Balance Sheet 31 03 2010
Date Month Year

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

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

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

Total Liabilities	1,931,899	Total Assets	1,931,899
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Sources of Funds

Paid-up Capital	916,730	Reserves & Surplus	440,273
Share Application Money	NIL	Unsecured Loans	—
Secured Loans	292,886	Net deferred tax liability	282,010

Application of Funds (Amount in Rs. '000)

Net Fixed Assets	2,058,680	Capital Work in Progress	36,714
Net Current Assets	(163,495)	Investment	Nil
Accumulated Losses	Nil	Misc. Expenditure	-

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

Total Income	4,364,798	Total Expenditure	3,899,271
Profit/Loss Before Tax	465,527	Profit/Loss After Tax	310,601
Earning per share in Rs.	3.39	Dividend	146,677

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

Item Code No. (ITC Code):	—
Product Description:	Health Care Services

INDRAPRASTHA MEDICAL CORPORATION LIMITED

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

PROXY FORM

DP Id.....

Client Id.....

(For shares held in Demat Form)

Folio No.

(For shares held in Physical Form)

I/We

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

..... of in the

district of or failing him

..... of in the

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

Annual General Meeting of the Company to be held on Friday, 10th September 2010 at 12.15 p.m. at FICCI

Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi - 110 001 and at any adjournment

thereof.

Signed this day of 2010.

Signature



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

INDRAPRASTHA MEDICAL CORPORATION LIMITED

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

ATTENDANCE SLIP

DP Id.....

Client Id.....

(For shares held in Demat Form)

Folio No.....

(for shares held in Physical Form)

Name of the Member

No. of Shares held

Name of Proxy

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

I hereby record my presence at the Annual General Meeting held on Friday, 10th September 2010 at 12.15 p.m. at FICCI Golden Jubilee Auditorium, Federation House, Tansen Marg, New Delhi -110 001

Signature of Member/Proxy



November 02, 2009. A red letter day in the history of Apollo Hospitals. A day when the nation decided to confer a much deserved recognition on the organisation for its pioneering spirit, commitment to healthcare and service to the nation. Dr. Prathap C. Reddy, Founder- Apollo Hospitals Group stated, "it's not just a reward for our performance, but is a powerful motivation for the entire Apollo family to pursue its unshakeable belief that every person has a right to live a healthy happy life."



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